

# OneClearstream migration to ESES - customer impacts

## Scope of securities relevant for the migration and exceptions

Clearstream Banking<sup>1</sup> will use Clearstream Banking Frankfurt (CBF) as Investor-CSD to access further ESES T2S eligible and multi-listed securities in T2S.

Multi-listed securities (home CSD outside T2S) in scope of this migration iteration with a home code in a country are, but not limited to, Canada, Ireland, UK/CREST, Sweden, Norway, ICSD (CBL as Issuer CSD). They are settled via BNP Paribas Securities Services today under CBL depositories 23, 4B and 2N and will be migrated to CBF.

For organisational reasons, no additional migration on OTD+20 will take place. Securities subject to ongoing corporate action events (with key dates around 21 or 24 June 2019), will be migrated from CBL to CBF. Any adjustments required due to ongoing corporate actions will be processed manually on customer accounts by Clearstream Banking.

## New depository details

The change of depository will be effective as of settlement date 24 June 2019.

For all T2S assets to be migrated to CBF, the following new depository code will apply:

Depository	Current CBL depository code	New CBL depository code
Euroclear Belgium	4B	<b>4K</b>
Euroclear France	23	<b>4F</b>
Euroclear Nederland	2N	<b>4N</b>

## Migration impact on customers

### Settlement cut-off time Friday 21 June 2019

In order to facilitate the start of the migration process on Friday, 21 June 2019, for securities in scope of this migration iteration, CBL has earlier end of day cut-off deadlines. The Clearstream Banking customer deadlines on Friday, 21 June 2019 are as follows:

- Against payment in EUR: 12:00 CET instead of 15:30 CET.
- Free of payment: 12:00 CET instead of 17:30 CET.

1. Clearstream Banking refers collectively to Clearstream Banking S.A., registered office at 42, avenue John F. Kennedy, L-1855 Luxembourg, and registered with the Luxembourg Trade and Companies Register under number B-9248, and Clearstream Banking AG (for Clearstream Banking AG customers using Creation Accounts), registered office at 61, Mergenthalerallee, 65760 Eschborn, Germany and registered in Register B of the Amtsgericht Frankfurt am Main, Germany under number HRB 7500.

## Domestic instructions

Clearstream Banking will proceed with the migration of settled positions to the new depository, CBF, from 12:00 CET on 21 June 2019. No action is required from customers for all domestic instructions that settle before 12:00 CET.

Customer instructions for migrating securities:

- received by Clearstream Banking after the cut-off time of 12:00; or
- that have been sent to Clearstream Banking before the early cut-off time at 12:00, but are not yet released to the domestic market, for example, due to lack of provisioning,

will be sent to the new depository CBF in the course of the migration and may match and settle on a "best efforts" basis.

All pending unmatched domestic instructions will be cancelled by CBL before the start of the migration at 12:00 CET.

For all pending matched domestic instructions, customers must contact their counterparties as early as possible to ensure that these instructions are cancelled by both counterparties by 12:00 CET, as the bilateral cancellation principle applies.

All instructions cancelled before migration must be reinstructed by customers and their counterparties (with the new place of settlement DAKVDEFFXXX) after 14:00 CET.

In order to reduce the number of matched instructions at the time of migration to a minimum, Clearstream Banking will suspend the pre-matching service one week before the migration weekend on the evening of Friday 14 June 2019.

The re-activation of the Instruction Pre-Matching service is scheduled on the evening of Friday 28 June 2019. Customers should be aware that domestic settlement instructions sent for pre-matching purposes only (with field :23G::PREA) will not be forwarded to Citibank Europe plc Greece branch while the Instruction Pre-Matching service is suspended. The Immediate Release Flag service, that triggers immediate provisioning and submission of the instruction to the domestic market, will be available for exceptional use while the Instruction Pre-Matching service is suspended.

Clearstream Banking will keep customers updated about the key milestones of the migration.

### Important Note

Customers should advise their counterparties that for new instructions sent to **CBL** after migration and in relation to the migrated securities, the counterparty details (SSI) will change and that counterparties need to instruct against the place of settlement DAKVDEFFXXX.

## Internal and Bridge instructions

There is no impact on internal and Bridge instructions.

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## Enhanced realignment service for multi-listed securities in scope of this migration

To further harmonise settlement by migrating the multi-listed securities to CBF, Clearstream Banking will enhance the existing multi-market securities service, allowing customers to realign multi-listed securities in scope of this migration from their home market (CSD-OUT) to the respective remote market (ESES) via CBF and vice versa.

### Impact on customers

To identify multi-listed securities subject to the upgraded realignment service via CBF, customers are requested to provide the following mandatory additional instruction details in the delivery and receipt instruction:

New mandatory realignment service format	Xact via SWIFT and Xact via File Transfer	CreationOnline
New realignment code	:22F::STCO/CEDE/REAL	Type of Settlement Transaction: STCO/CEDE/REAL
Delivering/Receiving Agent	DEAG/REAG: CEDELULLREA	CEDELULLREA

Based on the new realignment and branch code (REA), Clearstream Banking will generate an automatic realignment from CBF to CBL's account at ESES in a different remote common code, resulting in an internal generated instruction automatically booked on the customer account. Such realignments can be identified by a common reference generated by Clearstream and reported to customers for all realignment instructions involved.

No further action needs to be taken by customers.

### Important Note

The new instruction details must be added to the receipt and delivery instruction to allow matching and to generate the automated realignment process for both instruction legs.

In case the new realignment and branch code (REA) are missing, Clearstream will not be able to generate automated realignments on behalf of customers and such realignment requests will not settle. Customers are requested to cancel the instruction and re-instruct with the correct instruction format details listed above.

The format of realignment instructions in multi-listed securities not subject to this migration to CBF remains unchanged.

### Further information

This is the current situation based on latest information, should there be any changes we will inform you accordingly.

The updated Multi-listed Market Securities guide and the list of multi-listed securities subject to this migration will be published in due course.

For further information, customers may contact Clearstream Banking Client Services or their Relationship Officer.