

OneClearstream migration to Monte Titoli - customer impact

As previously advised, Clearstream Banking¹ will migrate securities not migrated to Clearstream Banking AG (CBF) on 26 March 2018 (Official Transfer Date (OTD)) with effective migration date Monday 23 April 2018 (OTD+20 Business Days (BD)) from Intesa SanPaolo to CBF.

Scope of securities relevant for the Official Transfer Date (OTD) + 20 BD additional migration and exceptions

Clearstream Banking uses Clearstream Banking Frankfurt (CBF) as Investor-CSD to access Monte Titoli eligible securities in T2S since 26 March 2018.

This does not apply to the following securities (which will continue to remain in current CBL link via Intesa SanPaolo, CBL depository code 80):

- All non-T2S and non-Monte Titoli eligible Italian securities (that is, physical securities) will be safekept under CBL depository code 80.
- All multi-listed securities (home CSD outside T2S) that are settled via Intesa SanPaolo today will remain under CBL depository 80. Please refer to the Clearstream website for a complete list of [multi-market securities and instruction details](#).
- Italian securities in default.

A corresponding list of Italian securities subject to this new migration and securities that will not migrate is attached to this announcement.

The final list of OTD + 20 BD migrating securities with potential further updates will be provided on Thursday 19 April 2018.

New depository details

The change of depository for the OTD+20 BD migrating securities will be effective as of settlement date 23 April 2018.

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
Monte Titoli	80	41

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.

Settlement timings

The following settlement deadlines will be applicable to customers:

Link	Current EUR AP deadline	New EUR AP deadline	Current FOP deadline	New FOP deadline
Monte Titoli via CBF	15:40 SD	15:55 SD	17:40 SD	17:55 SD

Procedures for domestic counterparties

Customers are requested to inform their local counterparties to use the following details for instructions that settle against Clearstream Banking:

	Migrated securities	Non-migrated securities
Place of settlement	DAKVDEFFXXX	MOTIITMMXXX
Delivering/Receiving Agent (DEAG/REAG)	CEDELULLXXX	CEDELULLXXX
SAFE ^a of the DEAG/REAG	Not to be instructed. If instructed, it must be the valid CBL SAC Monte Titoli: DAKV7201106	Not to be instructed. If instructed, it must be the valid CBL SAC Monte Titoli: MOTICEDELULLXXX1293200
Buyer/Seller	BIC11 of the CBL customer	BIC11 of the CBL customer

a. Although the safekeeping account of Party 1 (REAG/DEAG) is an optional matching field in T2S, if it is present on one instruction only it will only match with instructions instructed by this account.
As CBL does not forward its own SAC to the settlement parties, if the customer counterparty instructs the SAFE of REAG/DEAG it must match CBL's SAC in T2S exactly.
We encourage customers to ask their counterparties not to include the SAFE of the DEAG/REAG in their instructions (also called securities account of the delivering/receiving party).

Migration impact on customers

Settlement cut-off time 20 April 2018

In order to facilitate the start of the migration process on Friday 20 April 2018 for securities in scope of this migration iteration, CBL has earlier end of day cut-off deadlines in its link to Monte Titoli via Intesa SanPaolo. The Clearstream Banking customer deadlines on Friday 20 April 2018 are as follows:

- Against payment in EUR: 12:00 CET instead of 15:45 CET.
- Free of payment: 12:00 CET instead of 17:45 CET.

Domestic instructions

Clearstream Banking will proceed with the migration of settled positions to the new depository, CBF, from 12:00 CET on 20 April 2018. No action is required from customers for all domestic instructions that settle before 12:00 CET.

Customer instructions in migrating securities

- received by Clearstream Banking after the cut-off time of 12:00; and
- 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 after successful migration and may match and settle on a best effort basis.

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

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.

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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 13 April 2018.

The re-activation of the Instruction Pre-Matching service is scheduled on the evening of Friday 27 April. Customers should be aware that domestic settlement instructions sent for pre-matching purposes only (marked with value PREA in field :23G:) will not be forwarded to Intesa SanPaolo 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 disabled.

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

Important Note

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

Internal and Bridge instructions

There is no impact on internal and Bridge instructions.

Further information

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

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