

# Clearstream Spotlight

## Further improved deadlines for fund orders on Vestima



As part of our ongoing commitment to increase efficiency and automation in investment fund processing, we are delighted to announce further improvements to the Vestima cut-off deadlines for investment fund orders.

As of 17 February 2014, the standard Vestima cut-off time will be reduced to 15 minutes before the official fund cut-off time. For more than 90% of investment funds available for order routing on Vestima, we can now offer a lead time of 15 minutes or less before the fund cut-off time.

### Relief for order issuers

Order issuers lower risks of handling late orders as they benefit from more time to collect and prepare orders received from their customers.

### Continually improved deadlines

Over the past years, Clearstream has continually reduced the lead times between the Vestima cut-off and

the fund cut-off time. For orders to Transfer Agents (TAs) who recognise Vestima as a 'trusted source', the Vestima cut-off time is fully aligned with the official fund cut-off time. The 'trusted source' concept was introduced in 2009 and has proven very successful.

### Vestima cut-off times

Clearstream guarantees that all orders received by the Vestima cut-off deadline will reach the TA before the fund cut-off time. Valid orders are forwarded promptly to the TA, independently of Vestima cut-off time.

The cut-off times and other details for each individual fund are indicated on the "Supported Funds" list on the Clearstream website.

With over 125,000 fund shares available for order routing, Vestima is the largest cross-border funds processing platform worldwide.

## Increased settlement efficiency

Standardisation and automation are key requirements for maximising efficiency in investment fund processing.

### Vestima DVP settlement

Orders in European investment fund shares now settle through Vestima on a Delivery Versus Payment (DVP) basis unless they are for prepaid subscriptions. DVP settlement services substantially increase operational efficiency and reduce the risk of settlement failures and late payments.

### Meeting your needs

We recently introduced two new securities accounts to be used as fund market accounts, thereby making it unnecessary to hold hundreds of counterparty accounts. The customer only needs to send us DVP instructions against one of the two fund market accounts.

Clearstream's automation and standing instructions manage the complex rules of the various local markets and we settle the order with the fund company on your behalf.

To further enhance this service, we are working with market practice groups and TAs to implement standards for communicating the cash due date for prepaid subscriptions. This will enable subscriptions in prepaid funds to be debited automatically on the cash due date.

## More information

For more information on these topics, please contact your Relationship Manager. If you would prefer not to receive our email news, please ask your RM to remove you from the mailing list.