



Securities Services

User Guide SIX x-clear Ltd

Guidelines for completing Form 002 and Form 002C xcl-717

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Guidelines for completing Form 002 and Form 002C

1.0 Guidelines for completing Form 002 and its annexes

Form 002 (“Market coverage and netting preferences for clients”) and its annexes (Forms 002B, 002C and 002D) must be completed by clearing members who wish to use the clearing services of SIX x-clear Ltd for trades executed on various trading platforms.

2.0 Static data forms

SIX x-clear Ltd has issued several forms concerning members’ static data:

1. Form 002 allows the member to specify netting preferences across all trading platforms and settlement markets. This form is required for onboarding a clearing member or changing an existing set-up.
2. Form 002B provides the list of reporting options available to clearing members of SIX x-clear Ltd. It can be used to obtain the generic reporting requirements of the clearing member for all trading venues. There are also specific reporting options for individual trading venues in this form.
3. Form 002C is used to obtain the settlement static data of the clearing member and, where applicable, its associated non-clearing members. It is also used to obtain a POA and related settlement agent details.
4. Form 002D is used to obtain the settlement static data of the clearing member and, where applicable, its associated non-clearing members for settlements at Crest.

3.0 Guidelines for completing Form 002

Field	Description
Section 1: Member details	
This section includes the company name, contact details and member IDs. In the first part of this section, ICM or GCM details are retrieved. In the second part, GCMs are requested to provide NCM details in case this form is completed for an NCM.	
Clearing status (ICM or GCM)	Indicates the clearing status of the trading member with SIX x-clear Ltd
SIX x-clear Ltd member ID	If there is an existing relationship with SIX x-clear Ltd, the member ID should be completed. If the relationship is completely new, the member ID will be distributed via SIX’s Solutions & Onboarding team. In such cases, the field may be left blank.
SIX SIS business partner ID	If there is an existing relationship with SIX SIS, the BP ID should be completed. If the relationship is completely new, the member ID will be distributed via SIX’s Solutions & Onboarding team. In such cases, the field may be left blank.
Capacity	The trading capacity is used to designate if the participant is acting on a principal basis, agency basis, or both.
Default clearing account	If no clearing account information (house/client) is provided in the trade message from the trading venue, trades will be positioned by SIX x-clear Ltd against the default clearing account mentioned here.

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Field	Description
Currency limit shaping	Optional field. Settlement instructions are shaped by SIX x-clear Ltd to meet the shaping limit requirements on currencies, whereby no single settlement instruction will have a settlement greater than the currency limit defined. The minimum limit, if specified, is 250,000 for any currency. For CHF the maximum is CHF 100,000,000.
Pre-info notification limit for margin calls (for GCMs/ICMs only)	Optional field. This must be completed if the clearing status of the trading member is General Clearing Member (GCM) or Individual Clearing Member (ICM). It indicates the limit for receiving pre-info notification messages for margin calls from SIX x-clear Ltd if a member's utilization has crossed the limit (against the collateral already held at SIX x-clear Ltd by the ICM/GCM). This helps the SIX x-clear Ltd member arrange collateral before a margin call is raised. If no limit is specified, it will be set at a default value of 80% by SIX x-clear Ltd.
Section 2 : Clearing details	
Intended start dates (for ICM, GCM, NCM)	This field must only be completed when a new client is on-boarding. This is the date on which the requested clearing relationship with SIX x-clear Ltd becomes active in production; if the date is not entirely clear at the time the form is completed, an indicative date will assist SIX x-clear Ltd understanding of the urgency levels with respect to on-boarding activities. If testing is required, the member has to indicate his preferred date to begin testing.
Clearing details table	<ul style="list-style-type: none"> - Any box ticked indicates that the member is live (or in testing) in the settlement market for transactions traded on the exchange/MTF, under which the box is ticked. - When selecting the box at the very top of a particular exchange/MTF, all the relevant settlement markets are included. If a member is not live in a specific settlement market, the relevant box has to be unticked. - The member is requested to indicate its settlement netting preference by selecting either "s", "c" or "g". When the member wishes to cross-venue settlement net or settle gross, it has to change from the default value "s" into "c" or "g" in all the exchanges/ MTFs for the specific settlement market(s). SIX x-clear Ltd will apply netting according to the selection provided in the table. - Cross-order book netting is only applicable for the UK and IE markets at BATE/CHIX
Trading member IDs	The trading member ID is defined at the trading venue and can be obtained by contacting the trading venue directly. This ID will be used by SIX x-clear Ltd to derive the member's post-trade data. Please provide this ID for both test and production. If several trading member IDs for the same trading member are applicable, the IDs can be listed in section 5 (comment section) or provided in an annex.
Description of change	Existing members have the possibility to describe any requested set-up change in this free-text section.
Section 3: Clearing and non-clearing membership application Please complete this section regarding the clearing relationship.	
Section 4: Annexes Please refer to Annex 1 (Form 002B) for the member reporting options available. Please indicate the situation which applies to you, please refer to Annex 2 (Form 002C) for the settlement standing instructions. Indicate the SSIs to be used for settlements.	
Section 5: Comment section Please provide any comments in this section to be noted by SIX x-clear Ltd.	

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Field	Description
Section 6: Declaration	
The member confirms the completeness and correctness of the data provided and that the signatures are valid.	

4.0 Guidelines for completing Form 002C

Field	Description																																							
Section 1: Member details																																								
These include the company name, contact details and member IDs. In the first part of this section, ICM or GCM details are retrieved. In the second part, GCMs are requested to provide NCM details in case this form is completed for an NCM.																																								
Status	Indicates whether this form is submitted for a new client's on-boarding, to change the existing set-up, or to terminate the existing relationship.																																							
Clearing status (ICM or GCM)	Indicates the clearing status of the trading member with SIX x-clear Ltd.																																							
SIX x-clear Ltd member ID	If there is an existing relationship with SIX x-clear Ltd, the member ID should be completed. If the relationship is completely new, the member ID will be distributed via SIX's Solutions & Onboarding team. In such cases, the field may be left blank.																																							
SIX SIS business partner ID	If there is an existing relationship with SIX SIS, the BP ID should be completed. If the relationship is completely new, the member ID will be distributed via SIX's Solutions & Onboarding team. In such cases, the field may be left blank.																																							
Capacity	<p>The trading capacity used to designate if the participant is acting on an agency or principal basis. According to MiFID II regulations, SIX x-clear Ltd performs a mapping of specific trading capacities into the existing ones. Below are the trading capacity indicators that will be supported by the interfaces between the trading venues and SIX x-clear.</p> <table border="1"> <thead> <tr> <th>Trading venue</th> <th>Trading venue MIC</th> <th>Trading capacity</th> </tr> </thead> <tbody> <tr> <td>Cboe Europe Equities</td> <td>BATE, CHIX</td> <td>AOTC (Any Other Trading Capacity)</td> </tr> <tr> <td>Turquoise</td> <td>TRQX</td> <td>DEAL (Dealing on Own Account)</td> </tr> <tr> <td>UBS MTF</td> <td>XUBS</td> <td>MTCH (Matched Principal)</td> </tr> <tr> <td>London Stock Exchange</td> <td>XLON</td> <td></td> </tr> <tr> <td>SIX Swiss Exchange incl. SLS</td> <td>XSWX, XVTX</td> <td>PRIN (Principal) PRNC (Acting as Principal)</td> </tr> <tr> <td>Aquis</td> <td>AQXE</td> <td>AGEN (Agency)</td> </tr> <tr> <td>Equiduct</td> <td>XEQT</td> <td>PRIN (Principal)</td> </tr> <tr> <td>Nasdaq Nordic exchanges</td> <td>XCSE, XHEL, XSTO, FNSE</td> <td></td> </tr> <tr> <td>Sigma X MTF</td> <td>SGMX</td> <td></td> </tr> <tr> <td>Traiana - Harmony</td> <td>TRAI</td> <td></td> </tr> </tbody> </table> <p>x-clear will map all the trading capacities received from the trading venues to either "PRIN" (Principal) or "AGEN" (Agency) and will apply the below default mapping rules for the trading capacities.</p> <table border="1"> <thead> <tr> <th>Trading capacities post-MiFID II</th> <th>Mapped and reported by x-clear as</th> </tr> </thead> <tbody> <tr> <td>PRIN (Principal) DEAL (Dealing on Own Account) MTCH (Matched Principal)</td> <td>PRIN (Principal)</td> </tr> <tr> <td>AGEN (Agency)</td> <td>AGEN (Agency)</td> </tr> </tbody> </table>	Trading venue	Trading venue MIC	Trading capacity	Cboe Europe Equities	BATE, CHIX	AOTC (Any Other Trading Capacity)	Turquoise	TRQX	DEAL (Dealing on Own Account)	UBS MTF	XUBS	MTCH (Matched Principal)	London Stock Exchange	XLON		SIX Swiss Exchange incl. SLS	XSWX, XVTX	PRIN (Principal) PRNC (Acting as Principal)	Aquis	AQXE	AGEN (Agency)	Equiduct	XEQT	PRIN (Principal)	Nasdaq Nordic exchanges	XCSE, XHEL, XSTO, FNSE		Sigma X MTF	SGMX		Traiana - Harmony	TRAI		Trading capacities post-MiFID II	Mapped and reported by x-clear as	PRIN (Principal) DEAL (Dealing on Own Account) MTCH (Matched Principal)	PRIN (Principal)	AGEN (Agency)	AGEN (Agency)
Trading venue	Trading venue MIC	Trading capacity																																						
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Field	Description
	<p>AOTC (Any Other Trading Capacity)</p> <p>When reporting the transactions in SAT reporting to Euroclear UK and Ireland, x-clear will use the trading capacities as defined in the mapping rules.</p>
Section 2: SSI details	
If the same SSIs are valid across all trading platforms, this form has to be completed only once.	
Markets in scope for settlements	Tick the box to include the market in scope. Once ticked, the settlement details to be completed will appear.
Direct market participant	Please indicate the settlement details in BIC or local ID format for the market if the trading member is a direct market participant.
Settlement agent details	Please indicate the settlement agent details if using a settlement agent for the market. If your settlement agent is SIX SIS and the box is ticked, all settlement details are pre-populated and you can move on to the netting and communication details.
Settlement agent BIC/local ID	If your settlement agent is not SIX SIS, please indicate the settlement agent in BIC or local ID format for the market.
Name/address of the settlement agent	If your settlement agent is not SIX SIS, please indicate the name and location of the settlement agent for the market.
Final beneficiary details	Indicate the final beneficiary of the trade in BIC format.
Name of final beneficiary	Optional field. Indicate the name of the final beneficiary of the trade.
Account number with settlement agent	Indicate the account number of the final beneficiary at the settlement agent if a third-party settlement agent is used.
Appoint SIX x-clear Ltd as the Stamp Data Provider (UK and IE only)	The Stamp Data Provider (SDP) service is only applicable to gross transactions for which netting has been performed outside Euroclear UK & Ireland (EUI). Settlement transactions transmitted on a gross basis do not need to be reported. Members that appoint SIX x-clear Ltd as their SDP must technically appoint INSECHKE in the Crest GUI.
Stamp duty agency relief (IE)	<p>Tick the box if the Irish Revenue Commissioners (IRC) have granted relief to your agency business. If this box is ticked, SIX x-clear Ltd enhances the SAT (stamp assessed trades) file with the indicator "Q", which marks your transactions on Irish securities from agency business as eligible for stamp duty relief.</p> <p>If relief is given, it is necessary to submit a copy of the original approval letter from IRC to SIX x-clear Ltd.</p> <p>If your settlement agent is SIX SIS Ltd, please be aware that it is compulsory to process Irish stamp-duty-relieved agency transactions through a link account with SIX SIS Ltd.</p>
Netting details – strange net handling	<p>To be completed only if netting option is Yes.</p> <p>SIX x-clear Ltd offers a choice between two models if the settlement netting process leads to a strange net (a netting outcome that is not a delivery versus payment (DVP) or a receive versus payment (RVP)).</p> <p>a) Shaping: under this model, strange nets are resolved to deliveries free of payment (DFPs), DVPs and RVPs.</p> <p>b) Aggregation: under this model, strange nets are resolved to DVPs and RVPs</p> <p>c) None (applicable only for settlement at SIX SIS (Swiss market)).</p> <p>The mechanisms applied in the shaping and aggregation model are described further in the service descriptions. Please note that this process is performed only when there is a strange net situation.</p>

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Field	Description
Netting details – instructions for nil deliveries	To be completed only if netting option is Yes. Please indicate whether you would like to effect settlement even when the netting outcome is nil deliveries/receives. If the member chooses “N”, no settlement instruction is sent by SIX x-clear Ltd to the CSD of the market. In case of the UK/IE market, suppression of nil deliveries is not possible.
PoA	When a power of attorney (POA) is issued to SIX x-clear Ltd, SIX x-clear Ltd forwards the settlement instruction directly to PSET (SIX SIS only) or to the settlement agent of the member (all other markets outside of Switzerland).
Communication details if 3 rd party reporting is selected (PoA)	Please indicate which communication media is used and the ID of the recipient.
Section 3: Declaration	
The member confirms the completeness and correctness of the data provided and that the signatures are valid.	

5.0 Contact

If you have any further questions, please contact your Relationship Manager. The contact details are mentioned in the list of SIX SIS contacts published at www.six-securities-services.com > Login > Securities Services Private > Contacts > SIX SIS > List of SIX SIS contacts

In this context, SIX x-clear Ltd draws the Members’ attention to clauses **7.1 lit. f., chapter 17.0 and 25.3** General Terms and Conditions of SIX x-clear Ltd stipulating that the Member bears responsibility for the tax requirements and consequences of clearing with x-clear pursuant to the Applicable Law and that SIX x-clear Ltd assumes no liability for any charges or other negative consequences arising in conjunction with clearing through SIX x-clear Ltd that are a result of tax laws or ordinances issued by tax authorities pursuant to the Applicable Law.

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