

# FrontLine SIX x-clear Ltd

## Service enhancement: Non-standard settlement

### **SIX x-clear Ltd offers non-standard settlements for bilateral pre-negotiated on-exchange trades**

#### **1.0 Overview**

SIX x-clear Ltd is further extending its service scope and will offer non-standard settlements. This gives Members the flexibility to opt for an alternative settlement currency and/or place of settlement for bilateral pre-negotiated trades that are executed on-exchange.

Currently, this functionality is supported by Cboe Europe Equities Ltd (hereinafter referred to as "Cboe Europe Equities") for their Exchange Trade Report (ETR) service.

#### **2.0 Effective date**

1 September 2018.

#### **3.0 Impact on participants**

Non-standard settlement is available to all SIX x-clear Members, provided that the required currency account setups and liquidity are in place with their respective settlement agents and/or CSDs/ICSDs.

The new service makes it possible for trading participants to easily eliminate FX exposures by choosing an alternative settlement currency to the traded one.

Matching instructions for SIX x-clear Ltd counterparties will have to match in the settlement currency.

The existing Member reporting will not be changed due to this service enhancement. However, the trade and settlement reports will show the settlement currency and not the trading currency.

Please refer to the following FrontLine Letter for pricing details:

- **FrontLine Letter:** Adjustment to price list of SIX x-clear Ltd: Pricing for new non-standard settlement service valid as of 1 September 2018.
- **FrontLine Letter:** Adjustment to price list of SIX x-clear Ltd – CLARA: Pricing for new non-standard settlement service valid as of 1 September 2018.

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### 4.0 Details

Trading participants executing bilateral pre-negotiated trades on-exchange can indicate an alternative settlement currency to the traded one. If the standard CSD of the security does not support the alternative settlement currency, trading participants can request settlement to take place at an ICSD.

The non-standard settlement currencies and/or settlement places for each security and market are subject to the determination of the relevant trading venue. Members will have to refer to the specifications of the trading venue for submitting non-standard settlements.

Cboe Europe Equities introduced this functionality to their Exchange Trade Report (ETR) service on Friday, 20 July 2018 with the following functionalities:

#### 1. Non-standard settlement currency

Market	Local standard settlement currency	Non-standard settlement currencies	Central Securities Depository
UK	GBp, GBP	EUR, USD	Euroclear UK & I
Switzerland	CHF	EUR	SIX SIS
Denmark	DKK	EUR	VP Securities

Source: Cboe Europe Equities

#### 2. Non-standard place of settlement

Market	Local standard settlement currency	Non-standard settlement currencies	International Securities Depository
All markets	Local currency	EUR, USD	Euroclear Bank

Source: Cboe Europe Equities

Please refer to Cboe Europe Equities for further information regarding its new ETR non-standard settlement functionality and the relevant requirements:

[http://markets.cboe.com/europe/equities/notices/145848/release\\_notes/](http://markets.cboe.com/europe/equities/notices/145848/release_notes/)

SIX x-clear Ltd has updated the following set of documents related to this service enhancement.

Document name	Document path	Update
Service Description (SECOM)	<a href="http://www.six-group.com">www.six-group.com</a> > Login > Securities Services Private > Download center	Inclusion of sub-chapter 9.1.4 Non-standard settlement
Service Description (CLARA)	<a href="http://www.six-group.com">www.six-group.com</a> > Login > Securities Services Private > Download center	Inclusion of sub-chapter 9.1.4 Non-standard settlement

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Document name	Document path	Update
Price list SIX x-clear Ltd	<a href="http://www.six-group.com">www.six-group.com</a> > Exchange Services > Securities Services > Clearing > Products > Pricing SIX x-clear	Inclusion of sub-chapter 3.2 Non-standard settlements
Price list SIX x-clear Ltd (CLARA)	<a href="http://www.six-group.com">www.six-group.com</a> > Exchange Services > Securities Services > Clearing > Products > Pricing SIX x-clear	Inclusion of sub-chapter 4.2 Non-standard settlements

### 5.0 Testing

Member testing will be supported starting from 1 September 2018.

Testing for this new service is optional; however, SIX x-clear Ltd recommends to conduct testing in advance.

Please contact the Customer Solutions & Onboarding team if you would like to conduct testing.

For SECOM Members: [solutions.onboarding@six-securities-services.com](mailto:solutions.onboarding@six-securities-services.com)

For CLARA Members: [xclear.no@six-securities-services.com](mailto:xclear.no@six-securities-services.com).

### 6.0 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-group.com](http://www.six-group.com) > Exchange Services > Securities Services > Clearing > 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 SIX x-clear Ltd 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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