

## PRE-SETTLEMENT

FUNCTION	PROCESS	MESSAGE IN	MESSAGE OUT	CHANNEL	T2s SCENARIO
<b>TRADING PLATFORMS</b>					
<b>Trades capturing</b>	Real-time capturing and validation of trades (already matched)	proprietary format		MQ	No changes.
	Error notification		in proprietary format	MQ	No changes.
	Cancellation (trade with contrary sign)	Proprietary format		MQ	No changes
<b>Data enrichment</b>	Retrieving and adding of settlement arrangements (settlement account, etc.) and computing of countervalue	N/A	N/A	N/A	No changes. MT will continue to perform the enrichment process without affecting participants.
	Notification of trade result (on demand)	proprietary format	proprietary format	proprietary format	
<b>Creating the settlement instructions in Express II</b>	Creating the settlement instructions				Message format and technical infrastructure
<b>Sending of the settlement instructions (trades not guaranteed)</b>	<ul style="list-style-type: none"> <li>Sending of the gross settlement instructions.</li> </ul>		Msg MT541/543	SWIFT	Eventually dismantle

FUNCTION	PROCESS	MESSAGE IN	MESSAGE OUT	CHANNEL	T2s SCENARIO
<b>CCPs</b>					
<b>Interposing of CCP</b>	Retrieving and adding of clearing arrangements.	N/A	N/A	N/A	
<b>Sending of enriched trades to the CCP</b>	Sending in real time of the trades to the CCP		proprietary format Msg MT518 Msg MT599	MQ MQ SWIFT	No changes
<b>Netting</b>	Computing of the net bilateral balance according to the various net models	N/A	N/A	N/A	No changes
<b>Sending the net balance to the CCP</b>	Sending, after the market closure, of the bilateral balance to the CCP		Proprietary format Msg MT599	MQ SWIFT	Message format
<b>Creating the settlement instructions in Express II</b>	Creating the net settlement instructions				Message format and technical infrastructure
<b>COMMON FUNCTIONS</b>					
<b>Securities static data</b>	Daily loading of static data regarding the ISINs handled by the market	File transfer from the market platform			No changes
<b>Participants static data</b>	Manually input of static data regarding participants on the basis of legal agreements or electronic sheets provided by the market				No changes
<b>PARTICIPANTS (OTC)</b>					
<b>Trade capturing</b>	Capturing in real time of	property format and		RNI/LU6.2/SWIFT	Message format, fields,

FUNCTION	PROCESS	MESSAGE IN	MESSAGE OUT	CHANNEL	T2s SCENARIO
	unmatched trades coming from brokers and dealers	MT540/1/2/3			
<b>Error notification</b>			Property format and MT548	RNI/SWIFT	
<b>Data enrichment</b>	Retrieving and adding of settlement arrangements (settlement account, etc.) and computing of countervalue				
<b>Matching</b>					New matching rules
<b>Creating the settlement instructions in Express II</b>	Creating the net settlement instructions				Message format and technical infrastructure
<b>Sending settlement instruction</b>			MT541/3 (ICSD/O&KB)		Eventually dismantle
<b>Cancellation (unilateral and only for unmatched instruction)</b>		Proprietary format			Message format and field and bilateral management
<b>Hold &amp; Release</b>	N/A	N/A	N/A	N/A	New functionality
<b>REPORTING</b>					
<b>ROM</b>	Reporting settlement instruction information	Push/pull, proprietary format	RNI/LU 6.2/SWIFT		New format and fields
<b>ACB</b>	Reporting settlement instruction information	Pull, proprietary format	RNI/LU 6.2/SWIFT		New format and fields

# SETTLEMENT

FUNCTION	PROCESS	INFORMATION PROVIDED	TYPE	INTERFACE	T2s SCENARIO
<b>FORECAST REPORTING</b>	Pre-Settlement	<ul style="list-style-type: none"> <li>• Settlement instruction</li> <li>• Multilateral securities balance for indirect participant</li> <li>• Multilateral securities balance for participant's account, including the current securities quantity in custody and the potential lack of securities</li> <li>• Multilateral cash balance for currency</li> <li>• Multilateral cash balance for currency and for participant's securities account</li> </ul>	Push and on demand	RNI – LU 6.2 – Swift	File structure, record structure, field structure and timeline
	Pre-Settlement	<ul style="list-style-type: none"> <li>• Multilateral cash balance for currency for cash indirect participant</li> <li>• Multilateral cash balance for currency for cash indirect participant, including CAPS limits, the lack of CAPS limit and the amount of interest/redemption of IGB in payment</li> <li>• Purchasing power (component: cash reservation, interest/redemption of IGB in payment, potential collateral on stock and on flow)</li> </ul>	On demand	RNI – LU 6.2 – Swift	File structure, record structure, field structure and timeline

FUNCTION	PROCESS	INFORMATION PROVIDED	TYPE	INTERFACE	T2s SCENARIO
<b>SETTLEMENT REPORTING</b>	Settlement (night time cycle)	<ul style="list-style-type: none"> <li>• Settlement instruction</li> <li>• Multilateral securities balance for indirect participant</li> <li>• Multilateral securities balance for participant's account, including the current securities quantity in custody and the potential lack of securities</li> <li>• Statement of account (only for settlement reason)</li> <li>• Multilateral cash balance for currency for cash indirect participant</li> <li>• Multilateral cash balance for currency for cash indirect participant, including CAPS limits, the lack of CAPS limit and the amount of interest/redemption of IGB in payment</li> <li>• Multilateral cash balance for currency</li> <li>• Multilateral cash balance for currency and for participant's securities account</li> </ul>	push	RNI – LU 6.2 – Swift	File structure, record structure, field structure and timeline
<b>SETTLEMENT REPORTING</b>	Settlement (daily cycle)	<ul style="list-style-type: none"> <li>• Settlement instruction</li> <li>• Multilateral securities balance for indirect participant</li> <li>• Multilateral securities balance for</li> </ul>	Push and on demand	RNI – LU 6.2 – Swift	File structure, record structure, field structure and timeline

FUNCTION	PROCESS	INFORMATION PROVIDED	TYPE	INTERFACE	T2s SCENARIO
		<p>participant's account, including the current securities quantity in custody and the potential lack of securities</p> <ul style="list-style-type: none"> <li>• Multilateral cash balance for currency for cash indirect participant</li> <li>• Multilateral cash balance for currency for cash indirect participant, including CAPS limits, the lack of CAPS limit and the amount of interest/redemption of IGB in payment</li> <li>• Multilateral cash balance for currency</li> <li>• Multilateral cash balance for currency and for participant's securities account</li> </ul>			
<b>CLAIM MANAGEMENT (only for market and CCP)</b>	Settlement	Automatic management of claim and compensation under market and CCP rules			New messages and functionality
<b>CLAIM MANAGEMENT for OTC</b>	Settlement	N/A	N/A	N/A	New messages and functionality
<b>CANCELLATION</b>	Settlement	Automatic cancellation based on end validity date	N/A	N/A	New messages and functionality
<b>COLLATERAL MANAGEMENT</b>	Pre-settlement	<ul style="list-style-type: none"> <li>• Configuration of collateral limit</li> <li>• Reporting of collateral limit</li> </ul>	On demand	RNI- SWIFT	New messages and functionality
<b>IGB payment of interests and</b>	Settlement	<ul style="list-style-type: none"> <li>• Payment process</li> </ul>		XML	New messages and functionality

FUNCTION	PROCESS	INFORMATION PROVIDED	TYPE	INTERFACE	T2s SCENARIO
<b>redemption</b>		<ul style="list-style-type: none"> <li>Cash credit notification status</li> </ul>		SWIFT	New messages and functionality
<b>CAPS</b>	Settlement		On demand	RNI – SWIFT	New messages and functionality
<b>SECURITIES STATIC DATA</b>	Settlement	Manual input			New messages and functionality
<b>PARTICIPANTS STATIC DATA</b>	Settlement	Manually input of static data regarding participants on the basis of legal agreements.			New messages and functionality

## Historical reporting

FUNCTION	PROCESS	INFORMATION PROVIDED	TYPE	INTERFACE	T2s SCENARIO
		<ul style="list-style-type: none"> <li>Settlement instruction</li> </ul>	On demand (now stored in a data warehouse)	Requested by phone or e-mail Report in free format	File structure, record structure, field structure and timeline
		<ul style="list-style-type: none"> <li>Multilateral balance</li> </ul>	N/A		File structure, record structure, field structure and timeline

## Static data reporting

FUNCTION	PROCESS	INFORMATION PROVIDED	TYPE	INTERFACE	T2s SCENARIO
		<b>List of Settlement Agent</b>		Available on the website	File structure, record structure, field structure and timeline
		<b>List of securities</b>		Available on the website	File structure, record structure, field structure and timeline

## CUSTODY

FUNCTION	PROCESS	MESSAGE IN	MESSAGE OUT	CHANNEL	T2s SCENARIO
<b>CORPORATE ACTIONS</b>					
<b>COMMON FUNCTIONS</b>					
<b>Corporate Actions Notice</b>	Transmitting CA announcement to all participants		Msg 720/721/722/097 Msg MT564/MT568	RNI SWIFT	No major changes.
<b>Provisional Information</b>	Provisional payment notice messages		Msg 7B1/7B2/7B3 Msg MT564 / MT568	RNI SWIFT	No major changes.
<b>Instructions</b>	Mandatory and voluntary instruction	Msg 704/715 Msg MT565	Msg 71N Msg MT567	RNI SWIFT	No major changes.
<b>CASH DIVIDEND</b>					
<b>Processing of Payment</b>	<ul style="list-style-type: none"> <li>Final payment notice messages</li> <li>Cash Settlement in BICOMP</li> <li>Cash Settlement using interbank account</li> </ul>		Msg 7B1/7B2/7B3 Msg MT566 / MT568 Msg C92  N/A	RNI SWIFT RNI  N/A	   Dismantle

FUNCTION	PROCESS	MESSAGE IN	MESSAGE OUT	CHANNEL	T2s SCENARIO
	<ul style="list-style-type: none"> <li>• BICOMP rejection payment instruction</li> <li>• Cash Settlement in commercial Bank money using SWIFT</li> <li>• Cash settlement in Target2</li> </ul>	Msg 7B4	Msg 7B5  Msg MT202  Msg 7B2 Msg MT202 to T2	RNI  SWIFT  RNI SWIFT	Request for alternative payment method
<b>INTEREST PAYMENT AND CAPITAL REDEMPTION</b>					
<b>CORPORATE BONDS</b>					
<b>Processing of payment</b>	<ul style="list-style-type: none"> <li>• Final payment notice messages</li> <li>• Cash Settlement in BICOMP</li> <li>• Cash Settlement using interbank account</li> </ul>		Msg 7B1/7B2/7B3 Msg MT566 / MT568 C92  N/A	RNI SWIFT  RNI SWIFT	No major changes  Dismantle
	<ul style="list-style-type: none"> <li>• BICOMP rejection payment instruction</li> <li>• Cash Settlement in Target2</li> <li>• Cash Settlement in commercial Bank money using SWIFT</li> </ul>	Msg 7B4	Msg 7B5  MT202	RNI  SWIFT	Request for alternative payment method
<b>GOVERNMENT BONDS</b>					
<b>Processing of payment</b>	<ul style="list-style-type: none"> <li>• Final payment notice messages</li> </ul>		Msg 7B2 Msg MT568	RNI SWIFT	No major changes

FUNCTION	PROCESS	MESSAGE IN	MESSAGE OUT	CHANNEL	T2s SCENARIO
	<ul style="list-style-type: none"> <li>Cash Settlement in Target2 (multilateral Settlement model 6)</li> </ul>				
<b>BOND IN FOREIGN CURRENCY</b>					
<b>Processing of payment</b>	<ul style="list-style-type: none"> <li>Final payment notice messages</li> <li>Cash Settlement using other way through Issuer Paying Agent. MT at Payment date -1 (3:00 pm), sends a FAX to Paying Agent</li> </ul>		Msg 7B2	RNI FAX	No major changes
<b>SECURITISATION</b>					
<b>Processing of payment</b>	<ul style="list-style-type: none"> <li>Final payment notice messages</li> <li>Cash Settlement in BICOMP</li> <li>Cash Settlement using interbank account</li> <li>BICOMP rejection payment instruction</li> <li>Settlement in Target2</li> </ul>	Msg 7B4	msg 7B1/7B2/7B3 msg MT566 / MT568 C92 Msg 7B5 MT202	RNI SWIFT RNI RN SWIFT	
<b>CAPITAL REDEMPTION</b>	Refunds the nominal value of participant and reduces the balance of the account		Msg 71N Msg MT566	RNI SWIFT	No major changes

FUNCTION	PROCESS	MESSAGE IN	MESSAGE OUT	CHANNEL	T2s SCENARIO
<b>CAPITAL INCREASE</b>					
<b>Rights distribution</b>			Msg 71N	RNI	
<b>Provisional Information</b>	<ul style="list-style-type: none"> <li>• Provisional and instructions reminder</li> <li>• Provisional execution message</li> </ul>		MT-x format MT324	MT-x	No major changes
<b>Cash Payment</b>	<ul style="list-style-type: none"> <li>• Debit intermediary account in target2</li> <li>• Credit issuer's Bank account in target2</li> </ul>		MT900/MT910 multilateral Settlement model 2 or 4 (from 2010)		
<b>Security accounting</b>	<ul style="list-style-type: none"> <li>• Credit new share to intermediary account</li> <li>• Debit new share to issuer account</li> <li>• Discharge rights subscription</li> </ul>		Msg 71N Msg MT566	RNI SWIFT	No major changes
<b>Final Information</b>	Final payment notice messages Final execution message		Msg 7B1/7B2/7B3 MT566 / MT568 MT324	RNI SWIFT MT-x	No major changes
<b>WARRANT EXERCISE</b>					
<b>Provisional Information</b>	<ul style="list-style-type: none"> <li>• Provisional and instructions reminder</li> <li>• Provisional execution message</li> </ul>		MT-x format MT324	MT-x	No major changes
<b>Cash payment</b>	<ul style="list-style-type: none"> <li>• Debit intermediary</li> </ul>		MT900/MT910	SWIFT	

FUNCTION	PROCESS	MESSAGE IN	MESSAGE OUT	CHANNEL	T2s SCENARIO
	account in target2 • Credit issuer's Bank account in target2		multilateral Settlement model 2 or 4 (from 2010)		
<b>Security accounting</b>	• Credit new share to intermediary account • Debit new share issuer		Msg 71N Msg MT566	RNI SWIFT	No major changes
<b>Final Information</b>	Final payment notice messages Final execution message		Msg 7B1/7B2/7B3 MT566 / MT568 MT324	RNI SWIFT MT-x	No major changes
<b>FREE CAPITAL INCREASE</b>					
<b>Security accounting</b>	• Credit new share to intermediary account Debit new share issuer account • Discharge rights subscription		Msg 71N MT566	RNI SWIFT	
<b>Final Information</b>	Final execution message		MT324	MT-x	No major changes
<b>CONVERSION</b>					
<b>Provisional Information</b>	Provisional instructions		MT-x format	MT-x	No major changes
<b>Security accounting</b>	• Credit new financial instruments to intermediary account and debit to issuer account • Debit old financial		Msg 71N Msg MT566	RNI SWIFT	No major changes

FUNCTION	PROCESS	MESSAGE IN	MESSAGE OUT	CHANNEL	T2s SCENARIO
	instruments to intermediary and credit to issuer account				
<b>Final Information</b>	Final execution message		MT324	MT-x	
<b>REGISTERES SHARE CONVERSION TO BEARER SHARE AND VICE VERSA</b>					
<b>Security accounting</b>	Execution in real time <ul style="list-style-type: none"> <li>• Credit new financial instruments to intermediary account and debit to issuer account</li> <li>• Debit old financial instruments to intermediary and credit to issuer account</li> </ul>		Msg 71N Msg MT566	RNI SWIFT	No major changes
<b>INITIAL SUBSCRIPTION</b>	Initial option	Msg 710 MT542	71N MT546/MT548	RNI SWIFT	No major changes
<b>BUY BACK</b>		Msg 710 MT542	71N MT546/MT548	RNI SWIFT	No major changes
<b>FREE OF PAYMENT</b>	Transfer between intermediaries or cross border, settlement at the same or deferred value date	Msg 710 MT542	MT599 MT546/MT548/MT599	RNI SWIFT	Dismantle
<b>COUPON STRIPPING</b>		Msg 7A7/7A8	Msg 71N	RNI	No changes

FUNCTION	PROCESS	MESSAGE IN	MESSAGE OUT	CHANNEL	T2s SCENARIO
			Msg MT566	SWIFT	
<b>BLOCKING/UNBLOCKING RESERVATION</b>			Msg 71N	RNI	No major changes
<b>REPORT ACCOUNT</b>	Real time information on the processing status		Msg 71N Msg MT544/MT546/548	RNI SWIFT	No major changes
<b>STATEMENT OF HOLDING</b>	Sending security positions account information: <ul style="list-style-type: none"> <li>• End-of-Day</li> <li>• End-of-Month</li> <li>• on demand</li> </ul>	Msg 716	Msg 706 Msg 707 Msg MT535/MT536/MT549  Msg 717	RNI RNI/File Transfer SWIFT  RNI	No major changes
<b>STATIC DATA REPORTING</b>	Sending centralized domestic securities to all participant		Msg MT23	File Transfer	No major changes
	Sending centralized intermediaries and issuer to all participant		Msg MT21	File Transfer	No major changes
<b>NO FUNGIBLES FINANCIAL INSTRUMENTS (DRAWING SECURITIES)</b>					
<b>Initial subscription</b>	Initial crediting and allocation numbers	Msg 710 Msg 708 File excel	Msg 71N Msg 709	RNI	
<b>Accounting transfer</b>	Accounting transfer with numbers	Msg 710	Msg 71N	RNI	
	Blocking/unblocking of certificate numbers	Msg 708	Msg 709	RNI	

FUNCTION	PROCESS	MESSAGE IN	MESSAGE OUT	CHANNEL	T2s SCENARIO
	Reservation certificate numbers for settlement	Msg 708	Msg 709 Msg 71N	RNI	
<b>Cash payment</b>	<ul style="list-style-type: none"> <li>• Cash Settlement in BICOMP</li> <li>• Cash Settlement using interbank account</li> </ul>		Msg 7B1/7B2/7B3 MT566 / MT568	RNI SWIFT	
<b>Capital Redemption</b>	The capital redemption reduces the balance account only for drawn numbers		Msg 71N	RNI	
<b>Reconciliation numbers</b>	Participants request the list of numbers concerning to the financial instruments on its own securities account	Msg 741	FT format	RNI/File Transfer	
<b>RCC</b>					