



CBSS

Cross Border Securities Services

CBS109
30 December 2011

PORTUGAL : ENHANCEMENTS ON SETTLEMENT, TAX AND INFORMATION SERVICES



Monte Titoli is pleased to share with its customers some significant enhancements to its service offering on Portuguese domestic securities, held by Monte Titoli through the link with Euroclear Bank.

These are:

- Improvement of settlement deadlines
- Introduction of External settlement instructions
- Relief at Source on Portuguese debt securities
- Reviewed and updated material on tax services

All details on the above mentioned enhancement are described in the following pages.

A -Settlement

1 - DEADLINES

The settlement deadlines for domestic Portuguese instruments through Euroclear Bank are improved as follow:

Against Payment deadlines for same-day settlement, CET time

	External		Internal		Bridge	
	Old Deadline	New Deadline	Old Deadline	New Deadline	Old Deadline	New Deadline
Debt Instruments	NA	3.25 pm	1.00 pm	3.00 pm	1.00 pm	2.30 pm
Equities	NA	3.25 pm	1.00 pm	3.00 pm	1.00 pm	2.30 pm

New Internal and Bridge deadlines will apply effective 1st January 2012

New External deadlines will apply effective 1st February 2012

Free of payment deadlines for same-day settlement, CET time

	External		Internal		Bridge	
	Old Deadline	New Deadline	Old Deadline	New Deadline	Old Deadline	New Deadline
Debt Instruments	NA	5.00 pm	6.00 pm	Unchanged	4.00 pm	Unchanged
Equities	NA	5.00 pm	6.00 pm	Unchanged	4.00 pm	Unchanged

New External deadlines will apply effective 1st February 2012

2 - SETTLEMENT FEE

Fees for processing of instructions on Portuguese securities remain unchanged.

3 - INSTRUCTION FORMATS

Instructions formats for instructions settling on the domestic Portuguese market are the following:

- **SWIFT ISO 15022 MT540/1/2/3 - Receive/Deliver Free of/Against Payment (via X-TRM)**

M	:20C:	:TRRF	Deal reference
M	:98C:	:SETT	Settlement date
M	:98A:	:TRAD	Trade date
M	:97B:	:SAFE	/MOTI/CEND/E-E-Counterparty account code at the issuer CSD[-BIC code of counterparty customer-account code of counterparty customer-account code of trading member at MT] - for internal instructions /MOTI/CEND/E-M-Counterparty account code at the issuer CSD[-BIC code of counterparty customer-account code of counterparty customer-account code of trading member at MT] - for external instructions
M	:22F:	:SETR	/MOTI/OCTC
M	:22F:	:TRCA	Party capacity indicator
M	:70C:	PACO	//COSL:00
M	:95R:	:SELL (in MT541) :BUYR (in MT542)	/MOTI/617

- **X-TRM**

M	Trade type abbreviation	CTC
M	Participant	CED code of the participant
M	Sign	A = deliver; D = receive
M	Counterparty	617 (Monte Titoli)
M	Market Identifier	FME
M	Settlement system	00
M	Trade date	YYYYMMDD
M	Settlement date	YYYYMMDD
M	Settlement Account	E-E-Counterparty account code at the issuer CSD[-BIC code of counterparty customer-account code of counterparty customer-account code of trading member at MT] - for internal instructions E-M-Counterparty account code at the issuer CSD[-BIC code of counterparty customer-account code of counterparty customer-account code of trading member at MT] - for external instructions

- RNI

Example	Notes
01:710	Message Type
040:60394	Sender
050:12930	Receiver
031:260711	Reference date
020:86155101803	C.R.O.
010:36526	Check number
751:861551018	Form number
717:EOS1107200019405	References
706:1293400	Participant Code
701:PTOTEAOE002100	Security Code
718:3500000	Quantity-Nominal Value
741:MGTCBEBE	Transfer Instructions
759:E/1	Activity codes
774:Q/22429 29107	Beneficiary code
778:S	Institutional customer flag
7E5:R/MGTCBEBE	Foreign intermediary code
7E6:B/7204	Foreign intermediary account code
7E7:20072011	Settlement date
7E8:20072011	Trade date

For additional information, customers can read the “Instruction formats” document on the Cross Border Section of Monte Titoli website:

<http://www.montetitoli.it/cross-border/instructionformats.en.pdf>

B - Tax Services

1 - RELIEF AT SOURCE

Effective 1st January 2012, Monte Titoli will be enhancing its Tax Services offering also Relief at Source procedure on Portuguese Debt Securities.

As a result of this, all Monte Titoli participants will be entitled at receiving net payment of proceeds according to the existing Double Taxation Treaty existing between Portugal and their country of residence.

Procedure	Debt securities	Equities	Securitization Bonds ¹
Relief at source	Available	Not Available	Available
Quick Refund	Available	Not Available	Not Available
Standard refund	Not available	Available to residents in DTA countries	Not Available

¹ MT participants must act as withholding Agents for all securitization bonds issued under the Portuguese law

2 - FEES ON TAX RELIEF SERVICES

A fee of 50 EUR is applied per line of security and per beneficiary effective 1st February 2012

3 - COMPREHENSIVE INFORMATION ON TAX SERVICES

Monte Titoli has reviewed and updated its information material relating to Tax services. A comprehensive set of documents is now available on the page of the Cross Border Section of the website dedicated to Portugal.

FOR FURTHER INFORMATION, PLEASE CONTACT:

Settlement International

Tel: +39.02.33635.390

E-mail: Helpdesk.internationalsettlement@montetitoli.it

Custody international

Tel: +39.02.33635.391

E-mail: Helpdesk.internationalcustody@montetitoli.it

Client Support

Tel:+39.02.33635.640

E-mail: client@montetitoli.it

Notes to editors:

About Monte Titoli S.p.A

Monte Titoli is a leading provider of efficient and secure financial market post-trade services, across pre-settlement, settlement, custody and asset services. Monte Titoli operates a sophisticated platform providing on-exchange and OTC trade matching and confirmation as well as offering a highly efficient European settlement system and custody service for safe keeping across asset classes. Monte Titoli has an extensive international customer base of over 400 banks and brokers, CCPs and trading venues and offers its services to more than 2,000 issuers. Monte Titoli S.p.A is owned by the international diversified exchange business, London Stock Exchange Group.