Monte Titoli
London Stock Exchange Group

X-TRM Test Schedule

28 May 2012

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1 OVERVIEW

According to its ongoing technology innovation process, Monte Titoli provided to launch a new release of the X-TRM service, aimed to enhancing some functionalities and to strengthen the infrastructure due to the troubles experienced in may 2011.

As a consequence on these changes, our clients are invited to participate in dedicated test sessions.

At the same time, Monte Titoli will adopt Target 2 procedure, to settle cash deriving from transactions subject to mini-netting.

2 REQUIREMENTS TO PARTICIPATE IN THE TEST SESSION

Test session is opened to all participants in X-TRM service.

To participate in the test session each client is required to:

- Setup connections to Monte Titoli test environment;
- Develop an internal test plan including all events detailed in this document.

Clients who released a full mandate for X-TRM to a third party (agent) are not involved in the test session; third parties will test on behalf of them.

Clients participating in the test session are invited to notify their results following indications detailed in paragraph 7.

3 TEST SETUP

Test sessions will include a 4 weeks period, starting from 8 June to 29 June 2012.

Go live is expected, depending on the positive results of the test sessions, to take place in 2 July; anyway go live date will be confirmed at a later stage by means of a specific announcement.

We assume all details of our clients currently registered in the test environment to be still valid during the test sessions.

In case of changes or specific needs, clients are invited to send an e-mail to *mdm@montetitoli.it*.

Before the start of testing period, Monte Titoli will provide to align the test environment to the official one.

4 TEST GUIDELINES

Clients are not specifically linked to a test roadmap, but it's important to test all the following functionalities or enhancements:

- **Fill in contracts on exchange**

  Clients are invited to fill in with all contract types admitted by each market (CVT, Repo, etc.) per each available settlement system. The following chart includes all type of combinations to be tested:

Market	Market	Contract type	Settlement System
Borsa Italiana (MIT platform)	TTA TTI MCW MOT OPA ETF MAC	CVT	• No settlement • Express I (only MOT for non fungibile) • Express II
	MEM	CVT	• Settlement Group Euroclear/Clearstream
Borsa Italiana (MIT platform)	TAH	CVT	• Express II
MTS	MTS EBM	CVT	• Express II
	PCT	PCT	• Express II
ICAP plc Brokertec	BTM	CVT, PCT	• Express II
e-MID	EMD	PCT	• Express II
Banca IMI S.p.A. (Former Caboto)	MTC	CVT	• No settlement • Express I • Express II
TLX	TLX	CVT	• Express II • Settlement Group Euroclear/Clearstream
HI-MTF	HIM HIO	CVT	• Express II

- **Fill in contracts off exchange (OTC)**

  Clients are invited to fill in with all contract types (CVT, CTC, PCT) per each settlement system (Express I, Express II, Euroclear, Clearstream).

- **Request to change OTC transactions previously filled in**
- **Request to cancel OTC transactions previously filled in**
- **Delivery of result deriving from fill in/change/cancellation of OTC transactions**

  According to the method setup by the client.

- **Request of information report on transactions re-submitted**

  ROM: G54 flows, G55 result request.

- **Delivery of flow including transactions occurred during the last day**

  G56 ROM and flow.

- **Request of information on continuous transactions updating**

  ACB: flows, G57 result request G58.

- **Check of consistency among SWIFT messages received from settlement Systems (Euroclear, Clearstream) and information report received from X-TRM**
- **Check of integrity in creation/update of balances for guaranteed transactions and of bilateral balances to be sent to ICSDs**
- **Check of correct forward of transactions/contracts to domestic settlement systems (Express I, Express II).**
- **Check on the new value of TAG21 in message MT900, following adoption of procedure 5 (Target 2 cash settlement - TON) to settle cash deriving from transactions subject to mini-netting**

5 TECHNICAL ISSUES

5.1 Contact details

All technical issues may be addressed to itps@montetitoli.it or at the phone number **0039 02.33635-566**.

6 DAILY TEST TIMETABLE

Test environment is available from 8.00 AM to 7.00 PM (CET).
Any change in the timetable will be promptly notified.
The following chart includes the major cut offs during a test day:

System	Phase or activity Description	Time
X-TRM®	Opening	10.00
	• Timeout for gross settlement • Cut-off to fill in transactions with settlement date L (T+1): ✓ DVP transactions ✓ FOP transactions	13.30 15.00 15.15
	Closing	19.00
PRE-SETTLEMENT	Request of information starts from	09.30
	Closing	15.30
Net settlement	Securities and cash settlement overnight cycle (within)	19.00
	Opening of daylight cycle	09.30
	Cut-off Securities position and rollback execution	11.00
	Cut-off cash position and eventual rollback, closing of daylight cycle	11.30
Gross settlement	Opening	08.00
	Timeout to cancel fail transactions coming from the daylight cycle	13.30
	Closing	14.30
M.T. CUSTODY	Opening	08.00
	Closing	14.30

Standing order to setup liquidity reserved to overnight cycle into sub-account of SSP for Express II is to be notified **before 14.30 CET**.

We remind that, depending on SSP availability as its close is brought forward to 17.00 CET on Friday, the net overnight settlement cycle of Monday, which starts on Friday night, due to the limitation in the test window could be concluded on Monday morning.

7 TEST RESULT

Clients participating in the test sessions are invited to notify the test results by sending an e-mail to Client Support & Membership, at the address clients@montetitoli.it, mentioning in the subject “X-TRM open test results”.