


SIX Swiss Exchange message no. 27/2014

Subject	Change of settlement cycle to T+2 – Start of test phase and publication of regulations		
Category	Clearing & Settlement		
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Pages	3		
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Content of this message:

- Update of questions and answers (Q&A) on T+2
- Publication of rules, directives and guides in connection with T+2
- Migration
- Start of test phase for the new settlement cycle in the test environment on 25 August 2014

In [SIX Swiss Exchange message no. 21/2014](#), SIX Swiss Exchange published the most frequently asked questions on the transition of the settlement cycle to T+2 and announced the roll-out plan.

This message contains information for participants on the publication of the regulations and the start of the test phase for the new T+2 settlement cycle.

Questions and answers on T+2

The document prepared by SIX containing answers to the most frequently asked questions on the transition to T+2, «[Q&A – Implementation of T+2 standard settlement cycle on Swiss market](#)», has been updated. The changes versus the previous version can be found in the document history on page 16 of the document.

Changes to regulations

The following rules, directives and guides have been updated in connection with the transition of the standard settlement cycle to T+2. They can be accessed with immediate effect on the websites of SIX Swiss Exchange and SIX Structured Products Exchange:

- Rule Book
- Reporting Office Rules for the Fulfilment of the Legal Reporting Requirements for Securities Dealers (SIX Swiss Exchange only)
- Directive 3: Trading
- Trading Guide

The following table details the updates:

Document	Type of change	SIX Swiss Exchange reference	SIX Structured Products Exchange reference	Title
Rule Book	Change	Clause 13.1	Clause 13.1	Execution of trades
Reporting Rules	Change	Clause 5, lit. g)	-	Contents of the report
Directive 3: Trading	Change	Clause 14, para. 2 lit. g)	Clause 12, para. 2 lit. g)	Trade reports

A list of the revisions made to the regulations and directives of SIX Swiss Exchange, including information on changes to content, affected clauses and effective dates, can be found at http://www.six-swiss-exchange.com/participants/regulation/revisions/rule_book_en.html.

The Trading Guides have also been revised in connection with the transition of the settlement cycle to T+2 and can be accessed at http://www.six-swiss-exchange.com/participants/regulation/trading_guides_en.html

Migration

The transition to the T+2 standard settlement cycle does not require an upgrade of the entire "SWXess" platform; only individual components will be upgraded. The changes within SWXess will have no technical impact on participants.

All order books and trades and transactions will be migrated. On the Monday following the migration, it will not be possible to cancel trades with a transaction date of the Friday prior to the migration; such trades should be reversed by Countertrades in accordance with section 18 of [Directive 3: Trading](#).

Trades off the order book which were reported prior to the migration to T+2 and are eligible for delayed publication pursuant to Appendix T of [Directive 3: Trading](#) will be published after the migration to T+2 as normal with a delay.

Please note that the attribute "settlementCycleDays" in the Reference Data Interface (RDI) file "Traded Instrument" will not be adapted to T+2 during the migration to the Membertest environment. Throughout the entire test phase, the settlement cycle will be displayed in the reference data (RDI) with T+3; instructions for trades will, however, be issued to SIX Securities Services in the **Membertest environment** with the new settlement cycle T+2. This will be the case for all instruments including SIX Swiss Exchange Liquidnet Service (SLS).

The instrument and participant reference data will generally remain unaffected prior to the transition to the T+2 settlement cycle. Please note that the final trading day for international bonds admitted for trading will be put back by one trading day due to the shortened settlement cycle. This changeover will not take place until the migration in the **production environment** on 6 October 2014. In the case of listed bonds and structured products, the final trading day will not be modified to the shorter settlement cycle.

Should you have any further questions in connection with the migration, please do not hesitate to contact Member Services (+41 58 399 24 73 / member.services@six-group.com).

Introduction

The transition of the settlement cycle to T+2 will take place according to the schedule below:

Date	Environment
Friday, 22 August 2014 Saturday, 23 August 2014	Migration to new T+2 settlement cycle in the test environment
Monday, 25 August 2014	First trading day with the new T+2 settlement cycle in the test environment
Wednesday, 27 August 2014	First value date with the new T+2 settlement cycle in the test environment
Saturday, 4 October 2014 Sunday, 5 October 2014	Migration to new T+2 settlement cycle in the production environment
Monday, 6 October 2014	First trading day with the new T+2 settlement cycle in the production environment
Wednesday, 8 October 2014	First value date with the new T+2 settlement cycle in the production environment

Test phase

Prior to the roll-out of the T+2 settlement cycle in the production environment, participants will have the opportunity to test the change to the settlement procedure in the Membertest environment during a six week test phase.

SIX Swiss Exchange strongly recommends that participants check their own applications and interfaces, business processes and back-office workflows during the Membertest phase. In particular, they should test whether the trade settlement process works correctly from an end-to-end perspective. The trades will be forwarded to the test systems of the post-trade infrastructures of SIX SIS AG, SIX x-clear AG and London Clearinghouse (LCH). Processing in the Swiss Value Chain (netting, order generation, settlement) will take place in line with existing processes.

Should you require support in performing your tests, Member Services (+41 58 399 24 73 / member.services@six-group.com) will be happy to help. Further information on the test services offered by SIX Swiss Exchange can be found in the Member Section of SIX Swiss Exchange at https://www.six-swiss-exchange.com/member_section/swxess_testing.html.

SIX Swiss Exchange is committed to refining its trading and post-trading models and continuously adjusting them in line with market requirements.

If you have any questions, please do not hesitate to contact Member Services:

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