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Preliminary Release Information

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Preface

In this preliminary release information document, Clearstream Banking¹ provides information about the new release that will be introduced on 23 November 2009. It provides an overview of the content of the new release pertaining to the following areas and services:

- Settlement;
- Connectivity;
- Custody;
- Vaults;
- Global Securities Financing.

Please note that we are still at an early stage of the project, so the information provided in this document pertains only to the preliminary status of the future release. Changes to content and timing may be necessary. The document is intended to be used as the basis for your company's resource scheduling activities. The finalised content of the upcoming release will be communicated in a detailed final release information document which is scheduled for publication at the end of September 2009.

We would also like to draw your attention to the fact that as of 23 November 2009, securities transactions which are free of payment are subject to the matching obligation. The functional details, personal contacts and forms were published in Announcement "F-CMG12 Free of Payment Matching - Product Description" in April 2009 under www.clearstream.com

Publications & Downloads / CASCADE Market Guide / FoP Matching.

Changes to the CASCADE screens which were made in the framework of the New Daytime Processing Phase 2 project will also be published in September 2009.

Preface

Contact details

Please contact our customer service team if you require further information about the content of this document or if you have specific queries relating to communication with Clearstream Banking.

If you have any questions about connectivity services, please contact Customer Service Connectivity in Frankfurt.

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We would like to inform our customers that telephone calls made to some Clearstream Banking departments will be recorded, as is customary in the financial services sector. This safeguards the interests of Clearstream Banking and protects its customers in cases of misunderstanding or erroneous transfers. The departments which record phone conversations are Customer Service, Treasury Dealing Room and Back Office. The phone lines concerned are regularly inspected to ensure that they are always in good working order.

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Content

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1. Settlement Services

CASCADE PC - New version 7.2

New Daytime Processing Phase 2

The CASCADE PC functionalities have been modified in preparation for the new daytime processing procedure. Further information is provided on our website www.clearstream.com under

Publications & Downloads / CSD Announcements / Domestic / German / 2009

in Announcement "D09034 New Daytime Processing Phase 2: Alterations to CBF Reporting" of 10 June 2009.

The new CASCADE PC Version 7.2 will be available approximately three weeks prior to the release being published on the Clearstream website.

1. Settlement Services

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2. Connectivity Services

Enhancement of Instruction Type Reporting in the Settlement Confirmations

When the release is introduced, instruction type reporting in the settlement confirmations MT544 - MT547 will be more comprehensive.

The following instruction types are currently included in the settlement confirmations MT544 - MT547:

- 01 SECURITIES TRANSFER / Account Transfer Registered Shares (RS) / Position Transfer Registered Shares (RS) / Issue Registered Shares (RS) / CCP OTC Securities Transfer (WP-UEBERTRAG / Depotübertrag RS / Bestandsübertrag RS / Emissionseinführung RS / CCP-OTC-WP-Übertrag)
- 02 MATCH INSTRUCTION Issue Registered Shares (RS)/ CCP Instruction (MATCH - INSTRUKTION Emissionseinführung RS / CCP-Instruktion)
- 03 FEDERAL/LAND SECURITIES ADMINISTRATION TRANSFER (BWV/LSV-UEBERTRAG)

In future, it will also include the following instruction types:

- 04 PLEDGING (VERPFAENDUNG)
- 05 RELEASE (FREIGABE)
- 07 GBC EXCHANGE (GBC-UMTAUSCH)
- 09 GBC RE-EXCHANGE (GBC-RUECKTAUSCH)
- 10 DELIVERY POSITIONS (LIEFERBESTAND)
- 11 SECURITIES LENDING INSTRUCTION (WP-LEIHAUFTRAG)
- 12 SECURITIES LENDING/ RE-TRANSFER (WP-LEIHE/RUECKFUEHRUNG)
- 14 BOND STRIPPING:DETACHMENT (BOND-STRIPPING:AUFTEILUNG)
- 15 BOND-STRIPPING:REUNIT (BOND-STRIPPING:ZUSAMMENFUEHRUNG)
- 16 SECURITIES DEPOSIT (Einlieferung von Wertpapieren)
- 17 WARRANT DETACHMENT (OPTIONSSCHEINTRENNUNG)
- 18 WITHDRAWAL, PARTIAL REDUCTION AND MARKDOWN OF SECURITIES (Auslieferung , Teilreduzierung und Revalutierung von Wertpapieren)
- 19 WARRANT COMBINING (OPTIONSSCHEINZUSAMMENFUEHRUNG)
- 99 CANCELLATION/RE-PROCESSING SECURITIES MOVEMENTS (STORNO/NACHBUCHUNG DEPOTUMSATZ)

2. Connectivity Services

Account-based Settlement Confirmations

Settlement confirmations MT544 - MT547 are currently transmitted per customer. For instance, when securities are transferred from one customer sub-account to another, the settlement confirmation is only generated for the debited account. Furthermore, at present, an MT578 Settlement Allegement and a second MT548 Settlement Status and Processing Advice are not generated for the credited account in this case.

When the release is introduced, a settlement confirmation will also be generated for the credited account when a securities transfer is effected from one customer sub-account to another or if an explicit instruction has been issued in respect of the receiving account. In these cases, a corresponding MT548 and MT578 may also be generated.

Display of the Agreed Settlement Date of Stock Exchange Trades in MT536

When the release is introduced, the agreed settlement date of stock exchange trades will be included in the MT536 Clearing and Settlement Statement.

Currently, the fields :98A::SETT and :98A::TRAD display identical information ,trading date (Handelstag). As of 23 November 2009, the field :98A::SETT will show the agreed settlement date as per the SWIFT standard

3. Custody Services

Denomination-related Interest Payments

When the release is introduced in November 2009, with regard to denomination-related interest payments a new field called "Related Denomination" (Bezogene Stückelung) will be shown both in the online display accessible via the "KVGI" function code and in the MT564 and MT566 message types

MT566 Event Type 260 - Combining on the Lead Manager Account

In future, CBF will make the information on event type 260 (exercise of subscription rights) available to participants in SWIFT format ISO 15022 via MT566. CBF participants who already use the MT566 service will automatically receive these messages as of the date when the release is introduced.

Event type 260 ("Combining on the Lead Manager Account" - "Zusammenführung auf das Lead-Manager-Konto") triggers the debit of subscription rights at the end of the subscription period (capital increase). Event type 260 will also be used for the exercise of shares after a squeeze-out procedure.

3. Custody Services

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4. Vaults Services

When the release is introduced in November 2009, the CBF Vaults services (safekeeping and administration of securities) will be extended.

New CBF Vaults Depository Function

The instruction procedure for issuing physical securities will be modified and enhanced.

As of 23 November 2009, CBF participants will be offered new service features for depositing physical securities into other types of safekeeping than CBF's collective-safe-custody system (CSC).

As of this date, CBF participants will also have the option of selecting special-purpose or third-party custody which is, however, subject to conclusion of a prior special agreement with CBF.

There will be two categories of instructions for depositing and/or withdrawing physical securities depending on the type of custody chosen. In future, a differentiation will be made between the deposit and withdrawal of physical securities from/to **CBF Vaults** and **CBF Participants Vaults**.

Extension of Electronic Documentation Transmission (EDT) Process to include Debt Securities (bonds)

CBF offers its participants efficient and near-time processing of new securities issues by way of electronic transfer of issue-related data (EDT - Electronic Documentation Transmission).

This process is available as a Classic and Premium service. In addition to the electronic transmission of data in relation to the issue of the physical certificates, data on admissions to collective safe custody, securities master data and corporate event data, the premium service also includes the automatic generation of deposit instructions for new issues via the CASCADE system so that the issuer does not have to manually enter an instruction for the floatation of new issues in CASCADE.

As of 23 November 2009, when CBF participants apply for supplementary authorisation, the eligible securities categories for the EDT Classic and EDT Premium service will be extended to include the following types of debt securities (bonds):

- Securities category 18 Debt securities (Inhaber Schuldverschreibung)
- Securities category 133 Equity-linked bonds (Anl. m. Akt. Andg. Recht (Eng))
- Securities category 199 Zero bond redemption¹ (Zero Bonds Tilg. Abh.)

1. The EDT service in relation to securities category 199 "zero bond redemption" (Zero Bonds Tilg. Abh.) is available for debt securities, certificates and options

4. Vaults Services

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5. Global Securities Financing Services

XEMAC®

Secured Instruments

Clearstream Banking AG has initiated this project to reinstall trust and boost the overall market confidence by way of securitization in Xemac®. Clearstream Banking AG acts as a fiduciary on behalf of both, the issuer and the investors. The securitisation (collateralisation) of the instruments is carried out in Xemac® through assets as defined in the prospectus issued. The underlying assets provide the much needed investor protection in the event of issuer delinquency.

The key offerings of this Clearstream project include inter alia, the achievement of an STP from the perspective of the issuer. The processes include the calculation, adaptation and monitoring of exposures as well as their respective collateralization. Additionally, a daily mark to market will automatically be performed by the system with appropriate reporting at all stages of the chain.

Multicurrency capability

This enhancement will ensure that the Xemac® application handles all CASCADE Foreign Currency eligible currencies. Likewise, claims can be entered, collateralisation and mark to market respectively will be able to be performed in Xemac® for exposures in such currencies.

Enhancement of client usability: reporting, views

In its quest to enhance the usability of the Xemac® application, Clearstream Banking Frankfurt is pleased to introduce additional features in views and reports. Some of the key features include the following:

- Introduction of filter and sort options in views;
- Export to excel functionality for reports and facilitation of saving generated reports;
- Maintenance of pre-selection of ISINs to facilitate manual allocation/release.

Equity corporate action compensation of transferred assets

This enhancement ensures the compensation of the cash element of the corporate actions linked to equities in the pool of the participant in case of "transferred" assets. The events covered within the scope are 'Dividend' and 'Other Income'. As for interest payments, the cash component will be compensated to the original collateral provider.

5. Global Securities Financing Services

LMS

Enhancement of SWIFT Message Types for CBF Securities Lending Transactions

As of November, placing instructions for CBF securities lending transactions via SWIFT message types will be optimised.

In addition to the opening and closing of trades, participants will also be able to instruct CBF to cancel transactions via the SWIFT message types MT540 / MT542. This enhancement does not apply for instructions placed in csv format.

Feedback on cancellations will still be provided in the MT548 Settlement Status and Processing Advice.

The existing channels for incoming and outgoing messages with regard to the CBF securities lending services, SWIFT network and file transfer, will be supplemented by IBM Websphere MQ Series.

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