

TURQUOISE

Depository Receipts

September 2009

DR Strategy

Market model

- Similar to Equities model:
 - Integrated & Midpoint Book
- Maker/Taker fee structure, +0.28bps taker and -0.20bps maker
- Technology – low latency, high capacity system
- Efficient and low cost clearing solution
- Top 99 IOB ISINs and top 20 Luxemburg DR ISIN's

Soft launch* October 2 2009
Full launch October 16 2009

* See appendix 1 for Soft launch securities

DR Market Model

Main characteristics

- Same market model as other market segments already trading at Turquoise
 - Same trading hours: 8.00 to 16.30 UK time
 - Pre-opening from 7.40 to 8.00, followed by an opening auction
 - No closing auction
 - Price / Time priority
 - Both integrated and segregated sub-LIS order book trading available
 - For IOB: EBBO (LSE + Turquoise) and TBBO order pegging available
 - Volatility bands applicable

EuroCCP Operating Model

Clearing DR benefits

- Offer buyer's protection on voluntary corporate actions
- No fine regime on fails
- Clearing cost unchanged
- DTC and Euroclear bank settlement dictated at ISIN level
- Direct input style model at DTC
- Simple membership process – just another market
- Reuse of existing interface

EuroCCP Operating Model

ECCP Requirements

- To extend clearing membership to DRs, please complete:
 - Account set up package (please contact Donna Alexander on 0207-650-1576 for a copy of your existing account set -up package to update)
 - The output option requirement form (for participants wishing to subscribe to the Swift messages for DRs (EuroClear Bank))
 - The Settlement Authorities - POA (for participants not settling directly)

More Information

Contact Us

For more info please contact Client Relationship Management team

- Email: CRM@tradeturquoise.com
- Phone: +44 (0) 207 382 7650

For technical assistance, please contact the Technical Account Management team between 8.00 and 18.00

- Phone: + 44 (0) 20 7382 7699

TURQUOISE

DR Testing

End to End and ECCP Testing

DR Testing

End to End Test Environment

- Full DR List:

http://www.tradeturquoise.com/docs/depository_receipt_instrument_data_draft.xls

- Formal End to End Testing : 21st September – 1st October
 - Test environments will remain available and supported after this date
 - Testing environment available from 07:00 – 16:30
 - 119 instruments will be available
 - Resources:
 - TQ will fill the order book as a 'test participant', alternating 'buy' and 'sell'
 - TQ will load the order book as a Participant if requested
 - TQ will manually hit orders as requested by a Participant
 - Pricing fixed at 15 of the relevant currency unit
 - With a static band 10% each side of the reference price and then a 5% dynamic band (last traded price)

DR Testing

End to End Test Environment (Cntd...)

- Testing Conference calls
 - Week beg 21st September - Monday and Wednesday at 3pm (BST)
 - Week beg 28th September - Monday and Wednesday at 3pm (BST)
 - Please contact CRM or TAM for more details on the conference calls

DR Testing

ECCP Test Environment

- ECCP connectivity to Euroclear Bank on 14th September 2009
- All testing will be performed from EuroCCP's test environment
- Member test output messages/files sent via standard ECCP communication connections
 - i.e. SWIFT, SMART or BT Radianz
- Agent test messages sent via Swift using test BIC information
- Matching in Euroclear Bank's test environment
- EuroCCP testing supported by EuroCCP's System development, Operations, & Product Management team

DR Testing

ECCP Test Environment (Cntd...)

- Daily Schedule

(MRO and Swift messages dependant on individual Participant subscription)

- 07:00 Margin requirements sent
- 07:45 (onwards) trades sent from Turquoise to ECCP
- 09:00 and Hourly thereafter until 17:00 Trade Status MRO distributed
- 16:30 TQ closes
- 16:30-17:00 TQ sends End of Day to ECCP and Balancing is performed
- 17:30 ECCP Netting Complete
- 17:30 TNO & Cash MRO sent out along with Swift MT578 (gross trades) and MT548 (net trades)
- 18:30 Swift MT54X messages sent to Direct Participants and Settlement agents along with Copy swifts to Participants

Support Availability

- operations@euroccp.co.uk
- Hotline - +44 (0)20 76501555

Appendix 1

Soft launch securities – October 2

Name	Market ID	Market Name	Instrument ID (ISIN)	Tradable Instrument ID (Symbol)	CCY	CSD	ADT (EUR)	Large In Scale (Local Currency)	Live Date
OAO GAZPROM	XLON	London Stock Exchange	US3682872078	OGZDI	USD	EB	343,511,935	707,054	02/10/2009
LUKOIL (OAO)	XLON	London Stock Exchange	US6778621044	LKODI	USD	EB	196,687,878	707,054	02/10/2009
OJSC OC ROSNEFT	XLON	London Stock Exchange	US67812M2070	ROSNI	USD	EB	86,796,015	707,054	02/10/2009
MMC NORILSK NICKEL	XLON	London Stock Exchange	US46626D1081	MNODI	USD	EB	72,953,207	707,054	02/10/2009
JSC KAZMUNAIGAS EXPLORATION PROD	XLON	London Stock Exchange	US48666V2043	KMGI	USD	EB	49,666,356	565,643	02/10/2009
OAO NOVATEK	XLON	London Stock Exchange	US6698881090	NVTKI	USD	EB	32,416,794	565,643	02/10/2009
JSC URALKALI	XLON	London Stock Exchange	US91688E2063	URKAI	USD	EB	30,207,690	565,643	02/10/2009
RELIANCE INDUSTRIES LD	XLON	London Stock Exchange	US7594701077	RIGDI	USD	EB	23,433,707	353,527	02/10/2009
EXELOR LTD - ILES VIERGES	XLUX	Bourse de Luxembourg	US3016EQ1000	EXELx	USD	EB	21,445	70,705	02/10/2009
Hindalco Industries Ltd	XLUX	Bourse de Luxembourg	US4330641022	HINDGx	USD	EB	17,431	70,705	02/10/2009