vp.SETTLEMENT

User guide

Contents

1 Introduction

The vp.SETTLEMENT functions in vp.ONLINE™ are developed for customers with a small to moderate amount of trades. You can use the functionality for both reporting trades and follow up on them, or just follow up on trades which have been reported in other ways.

Your options depend on your agreement with VP and what rights you have been given by your master user.

In this guide, the terms *Updating transaction*, *Transaction queue* and *4-eyes principle* are used. These terms are described in more detail below.

1.1 Updating transaction

An updating transaction is defined as a transaction, which creates a new trade (as is the case when you use the functions *Report Trade*) or changes the content of an existing trade (as is the case with *Instruct Trade*, *Cancel Trade* and *Cancel Instruct*).

The transactions *Create Transfer / Create Multi Transfer* designed to Account Controllers (back office) are of course also updating – with their opportunity to follow up via the *Search Settled Transfers*.

1.2 Transaction queue

A transaction queue is defined as a collection of transactions that have been added to a queue to be sent. The principle is similar to the one used in net banking, where you can pay your bills one at a time and then at last send them off either individually or in batches.

If there is something in the transaction queue, a transaction queue indicator will be shown in the upper right corner of the screen, just left of your login information. E.g. if one transaction is in the queue, the indicator will look like this:

Transaction queue [1]

The number in the brackets indicates the number of transactions in the queue.

If nothing is in the transaction queue, the transaction queue indicator will not be shown, but as soon as something is added to the queue, it will appear.

1.3 4-eyes principle

The 4-eyes principle is defined as a process, which requires that a transaction can only be carried through when having been handled by four eyes – one person approves of the other person's transactions and vice versa.

The rationale for a duplicate approval is to reduce the risk of errors and increase security.

2 Create VP Preadvice

This function is used for submitting VP preadvices (settlement instructions) for settlement in VP.

From the menu you select *vp.SETTLEMENT » Create VP Preadvice*, and the following screen appears.

Figure 1. The function "Create VP preadvice".

All fields marked with an asterisk (*) must be filled in.

2.1 Part 1 information

SENDER'S REFERENCE: Unique sender reference of the settlement instruction.

TRADED FOR: The settlement participant on which behalf the instruction is submitted, identified by either VP ID or BIC.

ACCOUNT CONTROLLER: The securities account controller, identified by either VP ID or BIC.

VP SAFEKEEPING ACCOUNT: The identification of your securities account with your account controller in VP.

TRADE DATE: Date when the trade has been made. You must enter it in the format YYYYMMDD or click the calendar icon to select a date (see chapter 10).

SETTLEMENT DATE: Date when the transaction is requested to settle. You must enter it in the format YYYYMMDD or click the calendar icon to select a date (see chapter 10).

BATCH: For the selected settlement date, you can specify the VP batch in which the transaction is requested to settle.

ISIN: You must enter the ISIN of the securities to be settled.

QUANTITY FACE AMOUNT: For trades with bonds, you must use this field for entering the quantity of the trade product to be settled in the trade. The quantity in face amount can be entered with 2 decimals.

QUANTITY UNITS: For trades with shares, you must use this field for entering the quantity of the trade product to be settled in the trade. The quantity in units should be entered without decimals.

DELIVER/RECEIVE: You must indicate whether you are buying or selling the quantity specified by marking the radio button *Receive* or *Deliver*, respectively.

CASH AMOUNT: You can enter the amount of cash to be settled in the trade. The amount can be entered with 2 decimals.

CURRENCY: With a cash amount entered, you must specify the currency for the amount.

BRANCH NO.: For any non-settlement participant on the party or/and the counterparty's side, the branch number of the associated cash account must be specified. The fields are only enabled, when a cash amount has been entered.

CASH ACCOUNT: For any non-settlement participant on the party or/and the counterparty's side, the associated cash account must be specified. The fields are only enabled, when a cash amount has been entered.

CREATE COUNTERPART: Specifies whether a settlement instruction should also be generated for the non-participant counterpart.

COUNTERPART SENDER'S REFERENCE: In case a settlement instruction should also be generated for the non-participant counterpart, a separate sender's reference must be specified.

2.2 Part 2 Information (subcustomer to Part 1)

SUB-IDENT BIC: Here you can specify your client in the transaction, identified by its BIC.

SUB-IDENT IDENTIFICATION: Here you can specify your client in the transaction, identified by its proprietary identification.

VP SECURITIES ACCOUNT BIC: Optional BIC to supplement the securities account of the non-settlement participant for matching purposes, if supported by the CSD participant.

2.3 Counterpart 1

TRADED WITH: The CSD participant of your counterparty in the transaction, identified by either VP ID or BIC.

ACCOUNT CONTROLLER: The securities account controller of your counterparty in the transaction, identified by either VP ID or BIC.

2.4 Counterpart 2 (subcustomer to Counterpart 1)

SUB-IDENT BIC: Here you can specify your counterparty's client, identified by its BIC.

SUB-IDENT IDENTIFICATION: Here you can specify your counterparty's client in the transaction, identified by its proprietary identification.

VP SECURITIES ACCOUNT BIC: Optional BIC to supplement the securities account of the non-settlement participant for matching purposes, if supported by the CSD participant.

VP SAFEKEEPING ACCOUNT: The identification of your counterparty's securities account with the account controller in VP, in case of a non-settlement participant.

2.5 General information

PAYMENT RESERVATION: Here you can specify if settlement is subject to payment reservation.

PLEDGE REQUEST: Here you can specify if the cash account controller requests a right of pledge concerning the securities received.

FORCE THROUGH MARKING: Here you can specify if the instruction should force the account's annotation text or rights with better legal effect time.

SETTLEMENT TRANSACTION TYPE: Here you can specify the type of transaction, in accordance with the CSDR settlement regime.

REGISTER BY NAME: Indicates whether the securities received are to be registered in the name of the owner.

PARTY HOLD: Here you can specify whether your preadvice is initially on Hold (by marking *Yes*) or Released (by marking *No*). By default this indicator is marked with *No*, meaning that the preadvice is eligible for settlement (given that all other prerequisites are fulfilled).

EXTERNAL TEXT: This field is intended for any additional text information only relevant to yourself.

PLACE OF CLEARING: If a CCP (Central Counter Part) is involved in the trade this field contains the CCP's LEI (Legal Entity Identifier – ISO17442). If the CCP does not have a LEI, the field contains the CCP's BIC. If no CCP is involved, the field should be left blank.

PLACE OF TRADING: Specifies MIC for the exchange where the trade is executed. ISO10383 Market Identifier Code (MIC) is a unique identification used to identify where the securities trade is executed - both regulated and unregulated markets. Examples: XCSE = Nasdaq Copenhagen A/S or FNDK = First North Denmark.

When you are ready to submit the preadvice, press the button *Submit*.

2.6 Tranferring to transaction queue

If you haven't yet added transactions to the transaction queue and if you have pressed the button Submit you will see the transaction queue indicator in the upper right corner displayed like this:

Transaction queue [1]

just left of your login information.

If you have already added transactions to the transaction queue, the number of transactions will be increased by one:

Transaction queue [2]

At the same time you will receive a message, *Transaction added to the transaction queue* above the function fields after reporting a trade.

If you click on the transaction queue indicator, you will be sent to the list of transactions in queue. For more information about the transaction queue, see the guide "Transaction queue in vp.ONLINE™".

3 Search Pending Trades

This function shows preadvices that have been reported by you. Both unmatched and matched trades are shown. From the menu you select *vp.SETTLEMENT » Search Pending Trades.*

3.1 Performing a search

When *Search Pending Trades* is selected from the menu you will be shown the following image:

Figure 2. The function "Search Pending Trades".

To be able to perform a search within this function, you must fill in the following mandatory criteria:

- **From/To settlement dates**

- **Traded for, Account controller OR Submitter participant**

- **One or more statuses**

FROM SETTLEMENT DATE: The earliest possible settlement date to be included in the search result. This field is mandatory. The default date in this criteria is the current settlement date prior to 1330 hours and upcoming settlement date (i.e. business day) after 1330 hours.

The date must be entered in the format YYYYMMDD or selected by clicking the calendar icon. For additional details on selecting a date from the calendar, please refer to chapter 10.

TO SETTLEMENT DATE: The latest possible settlement date to be included in the search result. This field is mandatory. The default date in this criteria is the current

settlement date prior to 1330 hours and upcoming settlement date (i.e. business day) after 1330 hours[1].

The date must be entered in the format YYYYMMDD or selected by clicking the calendar icon. For additional details on selecting a date from the calendar, please refer to chapter 10.

FROM TRADE DATE: The earliest possible trade date to be included in the search result.

TO TRADE DATE: The latest possible trade date to be included in the search result.

TRADED FOR: Here you can enter the 5 character VP ID of the clearing participant on which behalf the instructions have been submitted.

ISIN: You can choose to enter an entire ISIN or – if you want to search for the ISIN – part of it, or part of its name. If you enter part of the ISIN or its name, you must indicate one of the radio buttons, *Name* or *ISIN*, and press the button *Find*.

For more details on how to search for an ISIN, see chapter 9.

ACCOUNT CONTROLLER: You can enter the 5 character VP ID of your securities account controller.

If you have indicated one or more safekeeping accounts as default safekeeping accounts in *User preferences* (General), the account controller indicated in *Default safekeeping account 1* will automatically be displayed in this field.

VP SECURITIES ACCOUNT: You can enter the identification of your safekeeping account with your account controller.

If you have indicated one or more safekeeping accounts as default safekeeping accounts in *User preferences* (General), the account indicated in *Default safekeeping account 1* will be automatically displayed in this field.

If you have indicated more than one safekeeping account and wish to change the one displayed to another for the trade in question, press the button *Change*. All the default safekeeping accounts from *User preferences* will be displayed and you select the desired one by clicking on it. The selected account is inserted in the field.

SUBMITTER: You may delimit your search to only include trades which have been submitted by a specific participant, recognized by the 5 character VP ID.

SENDER REFERENCE: You can enter the sender reference for the trade in question. The sender reference can be entered in its entirety or you can use a * as wildcard. The search is case-insensitive, meaning that your answer will contain both small and capital letters fulfilling your search criteria.

COUNTERPART: Here you can specify the 5 character VP ID of your counterparty in the instructions to search for.

COUNTERPART BIC CODE: Here you can specify the BIC of your counterparty in the instructions to search for.

STATUS: Here you must specify whether the search includes unmatched instructions and/or pending/postponed instructions and/or instructions ready for settlement and/or

cancelled instructions. You can check one or several boxes, and a checked box can be reverted by clicking it again.

When you are ready to begin your search, press the button *Search*.

You must press the button *OK* in the dialogue to start the search.

3.2 The search result

After pressing *Search* in Figure 2, the search result will be shown as a list as shown below:

Safekeeping account: T2000 T2000PHFH01								
ISIN	Counterpart	Counterpart account details	Quantity	Amount	Sender reference	Tradedate	Settlement date	Sub idents part / cpart
DK0000182791 1,00% LINK-001827...	T3043 BICFHT30431 TESTBANKEN		7,000.88 Matched, counterpart instruct pending	-1,234.56 EUR	20090108KAG00011	2009.01.05	2009.12.01	/
DK0000334806 5,00% UDTR.TEST 0...	T3043 BICFHT30431 TESTBANKEN		-4,000.00 Matched, counterpart instruct pending	2,154.52 DKK	20090108KAG00002 In transaction queue	2009.01.05	2009.12.01	/
DK0010101070 Invest 10101 Midl	T2000 BICKIT20001 UNO BANKEN	T2000PHPR01	-1,345.00 Ready for settlement	1,214.89 DKK	20090108KAG00005A In transaction queue	2009.01.05	2009.12.01	/
DK0015916225 VP Funk 1 Aktie D...	000VP BICKI000VP1 IDENTIFIER 000VP TEST	VPKAGPR1	-300.00 Unmatched	31,214.89 DKK	20090108KAG0006A	2009.01.05	2009.12.01	/
DK0025011637 10,00% T3000 Test...	09477 BICFH094771 BMS JOACHIM VON AND		2,364.88 Unmatched	-4,064.73 DKK	20090108KAG00008	2009.01.08	2009.12.01	/

Figure 3. Result of "Search Pending Trades".

If you have more than one safekeeping account, the search result will be shown per account.

The search result is per default sorted primarily in ascending order on the column *Settlement date* and secondarily on the column *ISIN*. If you wish to sort by the column *ISIN* you can click on this column header and the list will subsequently be sorted in ascending order by ISIN. If you wish to go back to sorting by *Settlement date* you can click on this column header.

In the search result, the trade will be shown with a status, i.e. if it is ready to be settled or not. In the latter case a status text will also be shown, informing you of why the trade is not ready for settlement.

3.3 Options in the "Pending Trades" list

For each pending instruction, additional options are available by clicking on the corresponding row in the search result. From the menu, you can select either *Edit trade* or *Show details* (see Figure 4 below).

VP securities account: T2000JOE								
ISIN	Counterpart	Counterpart account details	Quantity	Amount	Sender reference	Trade date	Settlement date	Sub idents part / cpart
DK0026066747 02000 Andeby 1 A M...	F0725 ZYAJDKK0012 FB		17.00 Unmatched	0.00	pbe180309002M	2018.03.09	2018.03.09	
DK0026066747 02000 Andeby 1 A M...	T2000 ZYAJDKK0020 UNO BANKEN	Edit trade Show details	16.00 Unmatched	0.00	pbe180314016D	2018.03.14	2018.03.14	/
DK0026066747	T2000 ZYAJDKK0020		17.00	0.00	pbe180314017D	2018.03.14	2018.03.14	

Figure 4. Actions for "Pending Trades".

If you click on the transaction queue indicator, you will be sent to the list of transactions in queue. For more information about the transaction queue, see the guide "Transaction queue in vp.ONLINE™".

3.3.1 Modification request

This function enables submission of a modification request for an existing preadvice (if you have the rights to perform updating transactions). The modification may concern selected characteristics of a preadvice, such as *Hold or Release*.

To establish a modification request you must click on that particular preadvice in the search result and select *Edit trade*. Subsequently, the following screen appears:

Figure 5: The function "Modification request".

In the form *Modification*, the following information must be filled in.

SENDER'S REFERENCE: Unique sender reference to identify the modification request.

MODIFICATION/SENDER REFERENCE: Identification of the preadvice to be modified is automatically specified (and cannot be altered).

SELECT: Here you must first specify the type of modification to be applied to the preadvice:

- **Hold: Application of "Hold" to a currently released preadvice.**

- **Release: Application of "Release" to a preadvice currently on hold.**

- **Cancel payment reservation: Requests cancellation of a payment reservation related to the preadvice.**

- **Cancel pledge: Requests cancellation of a pledge related to the preadvice.**

- **Cancel: Requests cancellation of the predvice.**

Only a single type of modification can be applied per request.

After entering the details above, you must click the button *Submit* to pass on the request. Subsequently a pop-up window will appear, containing the following text

2165: Transaction has been completed

Relevant details and the current status of an already submitted modification or cancellation request are available by clicking on the related preadvice in the list of search results, and subsequently selecting the option *Edit trade*. The screen for modification requests is now displayed, including a list of modifications related to that preadvice.

3.3.2 Show details

To view additional details of a given preadvice in the search result, please click on the corresponding row and select *Show details*. All available details are now presented in a separate view.

4 Search Counterparts Unmatched Trades

This function shows preadvices that have been submitted by others with you as the counterpart and that have not yet been matched. From the menu you select *vp.SETTLEMENT » Search Counterparts Unmatched Trades*.

4.1 Performing a search

When *Search Counterparts Unmatched Trades* is selected from the menu you will be shown the following image:

Figure 6. The function "Search Counterparts Unmatched Trades".

You can choose to perform a general search, i.e. without specifying any search criteria or you can choose to narrow the search down by specifying one or more of the following criteria:

SETTLEMENT DATE FROM: The earliest possible settlement date to be included in the search result. The default date in this criteria is the current settlement date prior to 1330 hours and upcoming settlement date (i.e. business day) after 1330 hours.

The date must be entered in the format YYYYMMDD or selected by clicking the calendar icon. For additional details on selecting a date from the calendar, please refer to chapter 10.

SETTLEMENT DATE TO: The latest possible settlement date to be included in the search result. The default date in this criteria is the current settlement date prior to 1330 hours and upcoming settlement date (i.e. business day) after 1330 hours[1].

The date must be entered in the format YYYYMMDD or selected by clicking the calendar icon. For additional details on selecting a date from the calendar, please refer to chapter 10.

ISIN: You can choose to enter an entire ISIN or – if you want to search for the ISIN – part of it, or part of its name. If you enter part of the ISIN or its name, you must indicate one of the radio buttons, *Name* or *ISIN*, and press the button *Find*.

For more details on how to search for an ISIN, see chapter 9.

TRADED FOR: Here you can enter the 5 character VP ID of the clearing participant on which behalf the instructions have been submitted.

ACCOUNT CONTROLLER: You can enter the 5 character VP ID of your counterpart's securities account controller.

VP SECURITIES ACCOUNT: You can enter the identification of your counterpart's VP securities account with the account controller.

ACCOUNT BIC: Optional BIC to supplement the securities account of the non-settlement participant for matching purposes, if supported by the CSD participant.

When you are ready to begin your search, press the button *Search*.

4.2 The search result

After pressing *Search* in Figure 6, the search result will be shown as a list as shown below:

ISIN	Your buy / sell	Quantity	Amount	Counterpart	Counterpart account details	CP Reference	Tradedate	Settlement date	Sub idents part/cpart
DK0000182791 1,00% LINK-001827...	Buy	7,000.88	-1,234.56 EUR	T3043 BICFHT30431 TESTBANKEN		20090108KAG00009	2009.01.05	2009.12.01 Not instructed	/
DK0026003237 Testselskabet A A...	Sell	-123.00	123.12 EUR	T3043 BICFHT30431 TESTBANKEN		20090108KAG00001	2009.01.08	2009.12.01 Not instructed	T3043 / T2000
DK0026003237 Testselskabet A A...	Sell	-100.00	102.00 DKK	T3043 BICFHT30431 TESTBANKEN		20090106KAG00010	2009.01.02	2009.12.01	/

Figure 7. Result of "Search Counterparts Unmatched Trades".

If you have more than one safekeeping account, the search result will be shown per account.

The search result is per default sorted primarily in ascending order on the column *Settlement date* and secondarily on the column *ISIN*.

In the column *Settlement date* a status of the trade is shown below the settlement date, e.g. that the trade is not yet instructed.

5 Calculate Cash Required

This function calculates the cash requirements of preadvices with status and currency according to your own selections. The cash requirement is shown including a liquidity buffer of 4 % without the use of automatic collateralisation or of 2 % with the use of automatic collateralisation. From the menu you select *vp.SETTLEMENT » Calculate Cash Required.*

5.1 Calculation

When *Calculate Cash Required* is selected from the menu an image like this is displayed:

Figure 8. The function "Calculate Cash Required".

In this image you have to specify both *Cash provider/s* and *Settlement dates* to be able to calculate the cash requirement according to your checks about status and currencies. The coming settlement date is automatically shown as default.

You can make your own default settings by clicking *General* in your main menu and select *User preferences*, where you go to the *vp.SETTLEMENT* tab. Here you can define your default Cash provider/s, your preferred Statuses and currency/currencies and the relevant Buffer. In Cash Required you get your default settings when you open the image and by clicking the Reset button.

CASH PROVIDER: You must enter the 5-figure identification of your cash provider.

SETTLEMENT DATES: The settlement date/s for the cash requirement calculation – where a period of up to 20 days is accepted. This must be entered in the format YYYYMMDD or selected by clicking on the calendar icon.

STATUS and CURRENCY: You check the checkboxes to select the basis of your calculation. You can remove a check by clicking the same checkbox once more.

When you are ready to begin your calculation, press *Calculate*.

5.2 The calculation result

After pressing *Calculate* in Figure 8, the calculation result will be shown as a list as shown below – with the checked statuses, only:

Cash required for **T2000 UNO BANKEN**, from settlement day **2012.11.30 - 2012.12.18** to be provided by **01007 NATIONALBANK**

Calculation took place **2012.06.14 17:04:10**

Status type	Currency	Gross purchase	Gross sale	Net amount Gross sale - gross purchase	Buffer 4% of gross purchase	Result
Ready for settlement	DKK	27,751.10	27,091.17	-659.93	-1,110.04	-1,769.97
Matched, counterpart instruct pending	DKK	3,800.00	3,200.00	-600.00	-152.00	-752.00
Matched, your instruct pending	DKK	7,351.00	7,140.20	-210.80	-294.04	-504.84
Unmatched	DKK	300,100.00	22,504.00	-277,596.00	-12,004.00	-289,600.00
Unmatched, your instruct pending	DKK	17,038.16	15,311.16	-1,727.00	-681.53	-2,408.53
Total	**DKK**	**356,040.26**	**75,246.53**	**-280,793.73**	**-14,241.61**	**-295,035.34**

Cash required for **T2000 UNO BANKEN**, from settlement day **2012.11.30 - 2012.12.18** to be provided by **01007 NATIONALBANK**

Calculation took place **2012.06.14 17:04:10**

Status type	Currency	Gross purchase	Gross sale	Net amount Gross sale - gross purchase	Buffer 4% of gross purchase	Result
Ready for settlement	EUR	1,110.00	246.00	-864.00	-44.40	-908.40
Matched, counterpart instruct pending	EUR	1,960.00	90.00	-1,870.00	-78.40	-1,948.40
Matched, your instruct pending	EUR	3,774.00	1,302.00	-2,472.00	-150.96	-2,622.96
Unmatched	EUR	1,670.00	1,400.16	-269.84	-66.80	-336.64
Unmatched, your instruct pending	EUR	5,027.20	277.99	-4,749.21	-201.09	-4,950.30
Total	**EUR**	**13,541.20**	**3,316.15**	**-10,225.05**	**-541.65**	**-10,766.70**

In order to comply with VPs clearing rules (Liquidity buffer), a buffer of 4 percent of the value of gross purchase must be added to net amount and correspond with the minimum cash required. However, the difference between gross sale and gross purchase must be deducted from the afore-mentioned 4 percent, if the value of the gross sale exceeds the value of gross purchase and is accepted as net amount.

Having entered an unlimited collateral agreement on rights of security, the liquidity buffer can be reduced to 2 percent.

When calculating liquidity for settlement purposes a primary cash provider must include the value of reservations made and credit granted to other clearing participants on the settlement day in question. Thus, reservations and credit granted are not a part of the above calculated amount under cash required.

Figure 9. Result of "Calculate Cash Required".

Above the calculation result scheme, the date and time for the calculation is displayed.

Numbers in the list are displayed with a minus (-) either when your cashflow is negative or when the figure is related to a buffer. Without the minus the figure has a positive effect to your liquidity.

At the top of the screen you have the opportunity to print the result as a PDF document, or you can download to an EXCEL spreadsheet for additional calculations.

In order to comply with VP's clearing rules, a buffer of 4 percentage of the value of gross purchase must be added to net amount and correspond with the minimum cash required. However, the difference between gross sale and gross purchase must be deducted from the afore-mentioned 4 percentage, if the value of the gross sale exceeds the value of gross purchase and is accepted as net amount.

Having entered an unlimited collateral agreement on rights of security, the liquidity buffer can be reduced to 2 percentage.

When calculating liquidity for settlement purposes a primary cash provider must include the value of reservations made and credit granted to other clearing participants on the settlement day in question. Thus, reservations and credit granted are not a part of the above calculated amount under cash required.

5.3 Registration of liquidity for VP-settlement

Specify *Borrower* and and press *Show*

Liquidity for the VP-Settlement

Lender	01007
Borrower	01070 [Show]
Currency	DKK
Collateral value	261,457.69
Pledged value	0.00
Value of available collateral	261,457.69
Cap for use with the VP-Settlement	25000.00

The cap is in force until a new is reported.
Remark

[Reset] [Save]

Should the Borrower wish to reserve an amount of liquidity for settlement in VP, the Borrower must specify the amount in the field *Cap for use with the VP-settlement* and press *Save*.

The cap is valid until a new cap is registrered.

The purpose of the cap is to ensure sufficient liquidity for the VP-settlement. The all available VP Auto-Collateral is deducted the limit reserved for VP settlement before being returned to Danmarks Nationalbank after settlement of batch 10.

In the above example, the amount of kr. 236.457,69 will be sent to Danmarks Nationalbank.

If a *Lender limit* or *borrower limit* is registrered on the agreement, it will appear under *Remarks*.

6 Search Settled Trades

This function shows the settled trades on your safekeeping accounts on a given day. You can also perform a search on one or more ISINs. From the menu you select *vp.SETTLEMENT » Search Settled Trades*.

6.1 Performing a search

When *Search Settled Trades* is selected from the menu you will be shown the following image:

Figure 10. The function "Search Settled Trades".

To be able to perform a search within this function, you must fill in the following mandatory criteria:

- **Settlement date to**

- **Traded for, Account controller OR Submitter**

SETTLEMENT DATE FROM: The earliest possible settlement date to be included in the search result. The default date in this criteria is the current settlement date prior to 1330 hours and upcoming settlement date (i.e. business day) after 1330 hours.

The date must be entered in the format YYYYMMDD or selected by clicking the calendar icon. For additional details on selecting a date from the calendar, please refer to chapter 10.

SETTLEMENT DATE TO: The latest possible settlement date to be included in the search result. This field is mandatory. The default date in this criteria is the current settlement date prior to 1330 hours and upcoming settlement date (i.e. business day) after 1330 hours.

The date must be entered in the format YYYYMMDD or selected by clicking the calendar icon. For additional details on selecting a date from the calendar, please refer to chapter 10.

ISIN: You can choose to enter an entire ISIN or – if you want to search for the ISIN – part of it, or part of its name. If you enter part of the ISIN or its name, you must indicate one of the radio buttons, *Name* or *ISIN*, and press the button *Find*.

TRADED FOR: Here you can enter the 5 character VP ID of the clearing participant on which behalf the instructions have been submitted.

ACCOUNT CONTROLLER: You must enter the 5 character VP ID of your account controller.

If you have indicated one or more safekeeping accounts as default safekeeping accounts in *User preferences*, the account controller indicated in *Default safekeeping account 1* will automatically be displayed in this field.

VP SECURITIES ACCOUNT: You must enter the identification of your safekeeping account with your account controller.

If you have indicated one or more safekeeping accounts as default safekeeping accounts in *User preferences*, the account indicated in *Default safekeeping account 1* will be automatically displayed in this field.

If you have indicated more than one safekeeping account and wish to change the one displayed to another for the trade in question, press the button *Change*. All the default safekeeping accounts from *User preferences* will be displayed and you select the desired one by clicking on it. The selected account is inserted in the field.

SUBMITTER: You may delimit your search to only include trades which have been submitted by a specific participant, recognized by the 5 character VP ID.

SENDER REFERENCE: You can enter the sender reference of a specific settlement instruction.

When you are ready to begin your search, press the button *Search*.

6.2 The search result

After pressing *Search* in Figure 10, the search result will be shown as a list as shown below:

ISIN	Counterpart	Counterpart account details	Quantity	Amount	Sender reference	Settlement date	Sub idents part / cpart
DK0026003237 Testselskabet A A...	T3043 BICFHT30431 TESTBANKEN		-457.00	1,761.00 DKK	20081024KAG08397	2008.12.18	/

Figure 11. Result of "Search Settled Trades".

If you have more than one safekeeping account, the search result will be shown per account.

The search result is per default sorted primarily in ascending order on the column *ISIN*.

7 Search Cancelled Trades

This function gives you a view of your cancelled trades and trades that have expired without being settled. From the menu you select *vp.SETTLEMENT* » *Search Cancelled Trades*.

7.1 Performing a search

When *Search Cancelled Trades* is selected from the menu you will be shown the following image:

Figure 12. The function "Search Cancelled Trades".

You can choose to perform a general search, i.e. without specifying any search criteria or you can choose to narrow the search down by specifying one or more of the following criteria:

SETTLEMENT DATE FROM: The earliest possible settlement date to be included in the search result. This field is mandatory. The default date in this criteria is the current settlement date prior to 1330 hours and upcoming settlement date (i.e. business day) after 1330 hours.

The date must be entered in the format YYYYMMDD or selected by clicking the calendar icon. For additional details on selecting a date from the calendar, please refer to chapter 10.

SETTLEMENT DATE TO: The latest possible settlement date to be included in the search result. This field is mandatory. The default date in this criteria is the current settlement date prior to 1330 hours and upcoming settlement date (i.e. business day) after 1330 hours.

The date must be entered in the format YYYYMMDD or selected by clicking the calendar icon. For additional details on selecting a date from the calendar, please refer to chapter 10.

ISIN: You can choose to enter an entire ISIN or – if you want to search for the ISIN – part of it, or part of its name. If you enter part of the ISIN or its name, you must indicate one of the radio buttons, *Name* or *ISIN*, and press the button *Find*.

For more details on how to search for an ISIN, see chapter 9.

ACCOUNT CONTROLLER: You can enter the 5-figure identification of your account controller.

If you have indicated one or more safekeeping accounts as default safekeeping accounts in *User preferences*, the account controller indicated in *Default safekeeping account 1* will automatically be displayed in this field.

VP SECURITIES ACCOUNT: You can enter the identification of your safekeeping account with your account controller.

If you have indicated one or more safekeeping accounts as default safekeeping accounts in *User preferences*, the account indicated in *Default safekeeping account 1* will be automatically displayed in this field.

If you have indicated more than one safekeeping account and wish to change the one displayed to another for the trade in question, press the button *Change*. All the default safekeeping accounts from *User preferences* will be displayed and you select the desired one by clicking on it. The selected account is inserted in the field.

SUBMITTER: You may delimit your search to only include trades which have been submitted by a specific participant, recognized by the 5 character VP ID.

SENDER REFERENCE: You can enter the sender reference of a specific settlement instruction.

SENDER REFERENCE: You can enter the sender reference for the trade in question. The sender reference must be entered in its entirety.

When you are ready to begin your search, press the button *Search*.

7.2 The search result

After pressing *Search* in Figure 12, the search result will be shown as a list as shown below:

Safekeeping account: T2000 T2000PHFH01

ISIN	Counterpart	Counterpart account details	Status and time	Quantity	Amount	Sender reference	Settlement date	Sub idents part / cpart
DK0026003237 Testselskabet A A…	T3043 BICFHT30431 TESTBANKEN		Expired 2009.02.13 09:55	14.00 Not matched in time	-468.00 DKK	KHTDFKOUJTDIYTDI	2009.01.16	/
DK0010101070 Invest 10101 Midl	T2000 BICKIT20001 UNO BANKEN	T2000PHPR01	Expired 2009.02.09 09:58	-12,345.00 Not settled in max days	15,214.89 DKK	20090108KAG0004A	2009.01.12	/
DK0000182791 1,00% LINK-001827…	T3043 BICFHT30431 TESTBANKEN		Expired 2009.02.05 14:58	7,000.88 Not settled in max days	-1,234.56 EUR	20090108KAG00010	2009.01.08	/
DK0000182791 1,00% LINK-001827…	T3043 BICFHT30431 TESTBANKEN		Expired 2009.02.05 14:57	7,000.88 Not matched in time	-1,234.56 EUR	20090108KAG00009	2009.01.08	/
DK0000334806 5,00% UDTR.TEST 0…	T3043 BICFHT30431 TESTBANKEN		Expired 2009.02.05 14:27	-4,000.00 Not settled in max days	2,154.52 DKK	20090108KAG00001	2009.01.08	/
DK0010101070 Invest 10101 Midl	T2000 BICKIT20001 UNO BANKEN	T2000PHPR01	Expired 2009.02.05 14:27	-60,000.00 Not settled in max days	64,214.65 DKK	20090108KAG0003A	2009.01.08	/
DK0000376211 4,50% DEXIA-II 02…	T3043 BICFHT30431 TESTBANKEN		Expired 2009.01.05 09:56	25,000.00 Not settled in max days	-23,452.00 DKK	20081023KAG0001	2008.12.01	
DK0009723637 1,25% NYK 2S 2016	T3043 BICFHT30431 TESTBANKEN		Expired 2009.01.05 09:56	-562.00 Not matched in time	78.00 DKK	20081024KAG0001	2008.12.01	/ SUB

Figure 13. Result of "Search Cancelled Trades".

If you have more than one securities account, the search result will be shown per account.

The search result is per default sorted primarily in descending order on the column *Settlement date* and secondarily on the column *ISIN*.

8 Search Statement of Holdings

This function provides the current statement of holdings in a specific VP or T2S account. From the menu you select *vp.SETTLEMENT » Search Statement of Holdings.*

8.1 Performing a search

When *Search Statement of Holdings* is selected from the menu you will be shown the following image:

Figure 14. The function "Search Statement of Holdings".

In this function you must specify both *Account controller* and *Safekeeping account* to be able to perform the search.

VP SECURITIES ACCOUNT HOLDER: You must enter the 5-figure identification of your account holder.

If you have indicated one or more securities accounts as default securities accounts in *User preferences* (General) the account controller indicated in *Default securities account 1* will automatically be displayed in this field.

VP SECURITIES ACCOUNT: You must enter the identification of your securities account with your account holder.

If you have indicated one or more securities accounts as default securities accounts in *User preferences* (General) the account indicated in *Default securities account 1* will be automatically displayed in this field.

If you have indicated more than one securities account and wish to change the one displayed to another for the trade in question, press the button *Change*. All the default securities accounts from *User preferences* will be displayed and you select the desired one by clicking on it. The selected account is inserted in the field.

ISIN: You can choose to enter an entire ISIN or – if you want to search for the ISIN – part of it, or part of its name. If you enter part of the ISIN or its name, you must indicate one of the radio buttons, *Name* or *ISIN*, and press the button *Find*.

For more details on how to search for an ISIN, see chapter 9.

When you are ready to begin your search, press the button *Search*.

8.2 The search result

After pressing *Search* in Figure 14, the search result will be shown as a list as shown below:

ISIN	ISIN name	Quantity	Currency	Remarks	Last modified
DK0025212029	5,00% MIT PRA 1611 2027	2.850000	DKK		2018.03.21 17:11
DK0025240665	5,00% Gallernes AS PRA 2028	9.500000	DKK		2018.03.16 15:47
DK0026005604	TestselskabAB	7,648.000000	DKK		2017.12.19 13:14
BLCK	Blocked	4,530.000000			2017.08.16
Ref.	1700116536102000	4,530.000000			2017.08.16
EEUR	Earmarked - EUR	2,921.000000			2017.11.15
RESE	Reserved	2.000000			2017.08.16
Ref.	1700114912402000	2.000000			2017.08.16
	Available holdings incl. any earmarking	3,116.000000			
DK0026006412	TÆØÅ 1.010,20	114,106,859.000000	DKK	114,106,852.000000 of this is registered	2017.09.20 13:53
DK0026007147	TestselskabAB A-ret	3,794.000000	DKK		2009.12.01 12:47
DK0026008467	22120Invest13 DK0026008467	70,000.000000	DKK	70,000.000000 of this is registered	2006.12.11 11:05
DK0026009002	22120Invest13 hest Midl DK0026009002	641,800.000000	DKK	419,835.000000 of this is registered	2018.01.23 19:20

Figure 15. Result of "Search Statement of Holdings".

The search result is sorted in descending order on the column *Last modified*, which reflects the date of the latest holding movement. In the column *Remarks* is specified any registered or reserved (not available) quantity in each specific security.

For T2S accounts, any restricted securities positions within the securities account are listed with associated sub balances below the ISIN (see Figure 15). The restriction types Blocking and Reservation are further segregated by individual sub balances, each identified by a unique reference assigned by T2S. Based on the restricted securities positions, the unrestricted net holding available (incl. any Earmarking) in each security is stated.

9 ISIN search

This function is used to search for ISINs. It is only possible to use the function from within the vp.SETTLEMENT's functions.

9.1 The ISIN list

If you have pressed the button *Find* next to the ISIN field in one of vp.SETTLEMENT's functions, you will be taken to the following image:

ISIN	Short name
DE1234567896	Dyrepark Klas Midl 12345678901234567890
DE1234567904	Dyrepark
DE1234567912	Dyrepark Klas A-ret Med betingelse
DE1234567920	Dyrepark Klas T-ret Med betingelse
DK0000123944	9,00% FALDIT 5S 5A
DK0000124082	9,00% MISDIT 1S 1A 2022
DK0000138033	7,00% PRØV ETAB 01S 93A 2013
DK0000173881	0,00% Geir 1S 1A 2001
DK0000182791	1,00% LINK-0018279 03S 93A 2013
DK0000182957	7,00% LINK-0018295 05S 93A 2013
DK0000183179	7,00% LINK-0018317 07S 93A 2013
DK0000216607	0,00% BOV 01 11S 22A 2022

Figure 16. List of ISINs.

The list is per default sorted in ascending order on the column *ISIN*.

If you have not entered anything in the *ISIN* field in one of vp.SETTLEMENT's functions, this list will show all ISINs.

If you have entered a part of an ISIN or part of the ISIN name in one of vp.SETTLEMENT's functions, only the ISINs that contain your entered characters will be shown.

If you have entered an ISIN entirely in one of vp.SETTLEMENT's functions, only the ISIN which matches your entered ISIN will be shown.

9.2 Selecting an ISIN

When you move your mouse over the ISIN list, the background colour of the rows in the list will change as shown below:

ISIN	Short name
DE1234567896	Dyrepark Klas Midl 12345678901234567890
DE1234567904	Dyrepark
DE1234567912	Dyrepark Klas A-ret Med betingelse
DE1234567920	Dyrepark Klas T-ret Med betingelse
DK0000123944	9,00% FALDIT 5S 5A
DK0000124082	9,00% MISDIT 1S 1A 2022
DK0000138033	7,00% PRØV ETAB 01S 93A 2013

Figure 17. Indication of clickable rows.

You select an ISIN by clicking on the row in question. When you do this, you will be taken back to the *vp.SETTLEMENT* function you came from. The selected ISIN will now be displayed in the *ISIN* field and its name will be displayed in a smaller font below the *ISIN* field.

10 Selecting a date from calendar

This function is used to select a settlement date. It is only possible to use this function from within the *vp.SETTLEMENT* functions.

10.1 Displaying the calendar

If you have clicked the calendar icon next to the *Settlement date* field in one of the *vp.SETTLEMENT* functions, the calendar will be opened in a small window as shown below:
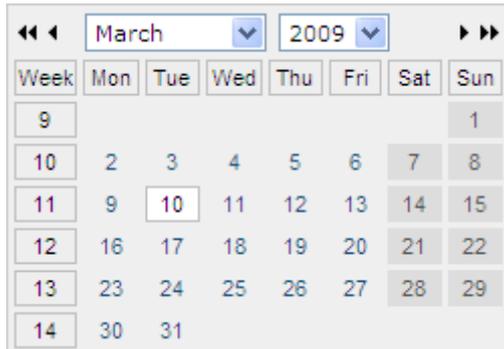

Figure 18. Clickable calendar.

The calendar will always initially highlight today's date, which is indicated by light background, grey border and black font. Other business days are indicated by blue font and no border. Saturdays, Sundays and other holidays are indicated by dark grey background, no border and dark grey font.

In the top of the calendar is shown the current month and year.

If you click on ◀◀ and ▶▶ you will be taken to the same month in the previous year and next year, respectively. If you click on ◀ and ▶ you will be taken to the previous month and next month, respectively.

Month and year can also be selected from the two drop-down lists.

10.2 Selecting a date

To select a date you must select the desired month and year. Then you click on the desired date. The window in which the calendar is displayed will be closed and you will be taken back to the *vp.SETTLEMENT* function you came from. The selected date will now be displayed in the field *Settlement date* in the proper format, YYYYMMDD.

11 Transfer of Securities

Users from Account Controllers (back office) can from their master user get access to vp.SETTLEMENT. Here they can Transfer Securities from one VP account to another – with the possibility of using the 4 eyes principle. Transactions are sent to the Transactions Queue where they are to be signed (se information about the Transactions Queue).

Transfer of Securities includes the two types a) Create Transfer and b) Create Multi Transfer with an opportunity to follow up by c) Transfer Settled Search.

11.1 Create Transfer

This type of transfer includes a quantity of a specified ISIN. The Create Transfer screen looks as follows in Figure 19:

Figure 19. Function "Create Transfer".

When filled out the Submit button will add the transaction to the Transactions Queue from where it has to be signed in order to be sent to VP where it will be tested before processing. This test includes among others the users right to update the delivery account. If errors are detected in this test a remark will be returned to the Transactions Queue.

The processing can also go wrong – for instance if there is no sufficient holding to cover the transfer request. Such a problem will NOT be returned to the Transactions Queue. Instead you can make a Transfer Settled Search among your latest Transfer transactions to see if some of them have been rejected.

SENDER REFERENCE You have to give a unique sender reference.

ACCOUNT CONTROLLER (DELIVERY) / ACCOUNT NUMBER: You have to state from which VP account the securities shall be transferred. The 5-digit code of the account controller (KI) must be entered.

RECEIVING ACCOUNT CONTROLLER / ACCOUNT NUMBER: You have to state the receiver VP account. The 5-digit code of the account controller (KI) must be entered.

ISIN: You have to enter the ISIN that is to be transferred.

QUANTITY: You have to enter the quantity that is to be transferred.

SUB IDENT NUMBER (DELIVERY): You can give a sub identification as an additional specification to the delivery account.

SUB IDENT NUMBER (RECEIVER): You can give a sub identification as an additional specification to the receiver account.

INTERNAL AND EXTERNAL TEXT: You can put some text into the system related to the transfer.

REGISTER HOLDING: YES is only to be selected when ISIN relates to shares or units in a unit trust fund.

YES means that the transferred holding will be registered in the new investors name in the Company's Owners Register. First the transfer takes from the unregistered holding and thereafter from the registered holding.

Register holding cannot be YES if Change of Reference Number is also YES

CHANGE OF REFERENCE NUMBER: YES is only to be selected when ISIN relates to shares or units. Change of Reference Number is to be used when you transfer securities between two VP accounts owned by the same investor.

When YES only a Registered holding can be transferred. The impact of Yes is that the Company's Owners Register will be informed that this is a change of reference number.

Change of Reference number cannot be YES if Register holding is also YES.

DRAWN HOLDING: YES is only to be selected when ISIN relates to bonds.

"YES" means that only drawn quantity are transferred.

TO BE FORCED THROUGH: Choose if the transfer is to be forced through despite any barriers that may be registered on the receiver account – for instance an Annotation text.

11.2 Create Multi Transfer

The Multi Transfer moves all securities from the delivery account to the receiver account. The screen looks as follows in Figure 20:

Figure 20. Function "Create Multi Transfer".

When filled out you will get a warning that you are about to transfer all holdings from the VP-account. By clicking OK to this the transaction will be added to the Transactions Queue from where it has to be signed to be sent to VP where it will be tested before processing. The Test includes among others the users right to update the delivery account. If errors are detected in this test a remark will be returned to the Transactions Queue.

The processing can also go wrong – for instance if there are no sufficient holding to cover the transfer. Such a problem will NOT be returned to the Transactions Queue. Instead you can make a Transfer Settled Search among your latest Transfer transactions to see if some of them have been rejected.

SENDER REFERENCE You have to give a unique sender reference.

ACCOUNT CONTROLLER (DELIVERY) / ACCOUNT NUMBER: You have to state from which VP account the securities shall be transferred. The 5-digit code of the account controller (KI) must be entered.

RECEIVING ACCOUNT CONTROLLER / ACCOUNT NUMBER: You have to state the receiver VP account. The 5-digit code of the account controller (KI) must be entered.

SUB IDENT NUMBER (RECEIVER): You can give a sub identification as an additional specification to the receiver account.

INTERNAL AND EXTERNAL TEXT: You can put some text into the system related to the transfer.

CHANGE OF REFERENCE NUMBER: Change of Reference Number is to be used when you transfer securities between two VP accounts owned by the same investor.

In connection with a Multi Transfer YES means that all securities are transferred with the same degree of Registration, that was registered on the delivery account.

The impact of Yes is that the Company's Owners Register will be informed that this is a change of reference number.

TO BE FORCED THROUGH: Choose if the transfer is to be forced through despite any barriers that may be registered on the receiver account – for instance an Annotation text.

11.3 Search Settled Transfers

With the Settled Transfers Search you have the opportunity to find Transfer transactions that you and your colleagues have sent to VP recently – approximately the last 14 days. The *Search Settled Transfers* screen looks as follows in Figure 21.

Figure 21. Function "Search Settled Transfer".

By activating the [Search] or [Enter] you will receive a list according to your search criteria. A search list looks as follows in Figure 22.

Found 6 hits fetched at 2010.12.07 12:52:16

Sender reference	Account holding institute (delivery)	Account number	Account holding institute (receipt)	Account number	Quantity	ISIN	Sub identification number (delivery)	Sub ident number (receipt)	Text related (internal)	Text related (external)	Drawn	Register Holding	Reference number change	To be forced through	Status	Reason
VP20101207000799	T2000	T2000PHPR02	000VP	VPKAGPR1	20.00	DK0016076854					No	Yes	No	All	Settled	Settled
VP20101207000800	T2000	T2000PHPR02	000VP	VPKAGPR3	50.00	DK0016076854					No	Yes	No	All	Rejected	Insufficient holding
VP20101207000801	T2000	T2000PHPR02	000VP	VPKAGPR3	370.00	DK0016107915					No	No	No	All	Settled	Settled
VP20101207000802	T2000	T2000PHPR02	000VP	VPKAGPR3	500.00	DK0016044068					No	No	Yes	Overrule text on the VP account	Settled	Settled
VP20101207000804	T2000	T2000PHPR02	T8116	T8116PHPR02	138,234.85	DK0025010589					No	No	No	None	Ready for settlement	Validated
VP20101207000805	T2000	T2000PHPR02	T8116	T8116PHPR02	1,001.73	DK0025028284					Yes	No	No	None	Ready for settlement	Ongoing Settlement Bloc

Figure 22. Result of a settled transfers search.

The colored marks to the left give you a quick overview of the status of the transactions. Green = Settled, Yellow = Ready for settlement and Red = Rejected. Most of the other information in the list is what you or your colleagues have entered into the system.

If Quantity and ISIN is without content the mentioned transaction is a Multi transfer.

To the right in the list is given the status of the transaction in writing and an explanation about it.