



White Paper

Securities terms

Date concepts within the securities market

Example

A customer buys 1,000 Apple shares the 14th of January, the bank neglects to book the trade on that date and instead the trade is booked the day after. In this case the trade date is the 14th but the record date is the 15th.

Generic dates

Record date

The record date is the most important date within securities trading, this is the date when the transaction was created and reflects the date when it should be entered into the accounting ledgers.

Trade date

The trade date is the day when a transaction is considered to have been completed. Normally the trade date is the same date as the record date, however, in some instances the trade date can be an earlier date than the record date but never a later date.

Settle date

Settle date is the day when cash and securities change owners; normally this is three days after the trade date. There are exceptions however like Germany, trading of funds and currencies. The lingo within the industry defines this day as "S" and when referring to the day before settle the definition "S-1" is often used. In the same way the trade date is defined as "T" and since settle often takes place three days after trade the settle date could be referred to as "T+3".

Value date

This is the day when cash starts earning interest. Value date is often described in relation to settle date. The value date can be the same date as settle date although it can occur both before and after the settle date depending on the direction of the cash transfer.

Dates relating to structured products

When referring to trading of structured products there are a few more important date definitions to consider.

Last subscription date

Until this date the buyers of structured products can subscribe to a new issue. When a subscription is received the receiver should send an order confirmation to the subscriber, which defines terms of payment among other details. This event should not be mixed up with the confirmation note which is generated when the subscription has been executed at the close of the issue.

The last subscription date is different than the last trade date which is defined below.

Start date

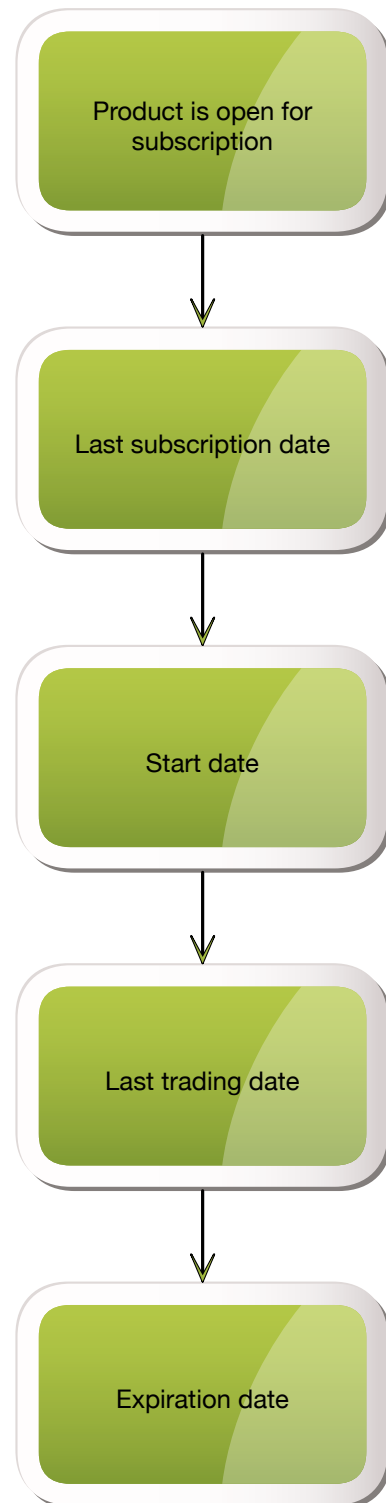
The start date for a structured product defines the day when the product starts trading on the secondary market following the close of the new issue.

Last trade date

This is the last day on which transactions can be made in the secondary market for the product before it reaches expiration.

Expiration date

Expiration date is the date when a structured product expires and is liquidated and the security is replaced with cash based on the expiration value of the product.



Who are Bricknode?

Bricknode is a young innovative company focusing on financial software. Our mission is to empower our business partners to deliver the best financial products to their end customers and partners in the most efficient way possible.

Bricknode Financial Systems is a cloud-based platform, which makes it possible for securities firms and other financial institutions to establish themselves online.

The costs of operating a financial institution are increasing in lockstep with tighter regulation and compliance requirements. By utilizing the latest technology within cloud-based services Bricknode can enable financial companies to share services and initiate partnerships. This all funnels out to being able to offer great products to the end user.



Bricknode develops and maintains a complete cloud-based securities system based on the concept Software as a Service (SaaS).

Using Bricknode Financial Systems security companies can offer complete online banking through relatively small investments and costs. Read more about Bricknode and Bricknode Financial Systems at www.bricknode.com.



Phone: +46 (0)8-559 22 180
Reg.nr: 556780-7564

Bricknode Stockholm

Hamngatan 11
S-111 47 Stockholm
Sweden

Bricknode Skövde

Visiting address:

Kanikegränd 3B
S-541 34 Skövde
Sweden

Address:

Box 133
S-541 23 Skövde
Sweden