



Corporate Actions

Through its Pricing and Reference Data business, Interactive Data is a leading provider of global corporate actions data.

With more than 30 years experience and using an established network of hundreds of sources worldwide, Interactive Data gathers, updates, validates and delivers corporate actions data to customers covering multiple markets and instrument types.

Interactive Data recognises the market requirement for full coding and timeliness in its corporate actions data, and also strives to ensure that customers receive the full benefit of its expertise, acquired through years of involvement in an ever-changing business environment.

■ Corporate actions – Straight Through Processing (STP) – the way forward

Managing corporate actions has traditionally been regarded as a manually intensive operation, processing a large amount of information from multiple sources in multiple formats. The need for efficiency has never been greater, so the industry is pushing towards STP – with the automation of corporate actions processing key to its success.

As a leader in the field, Interactive Data has recognised this requirement and invested considerable resource to empower customers with the information required to achieve automation.

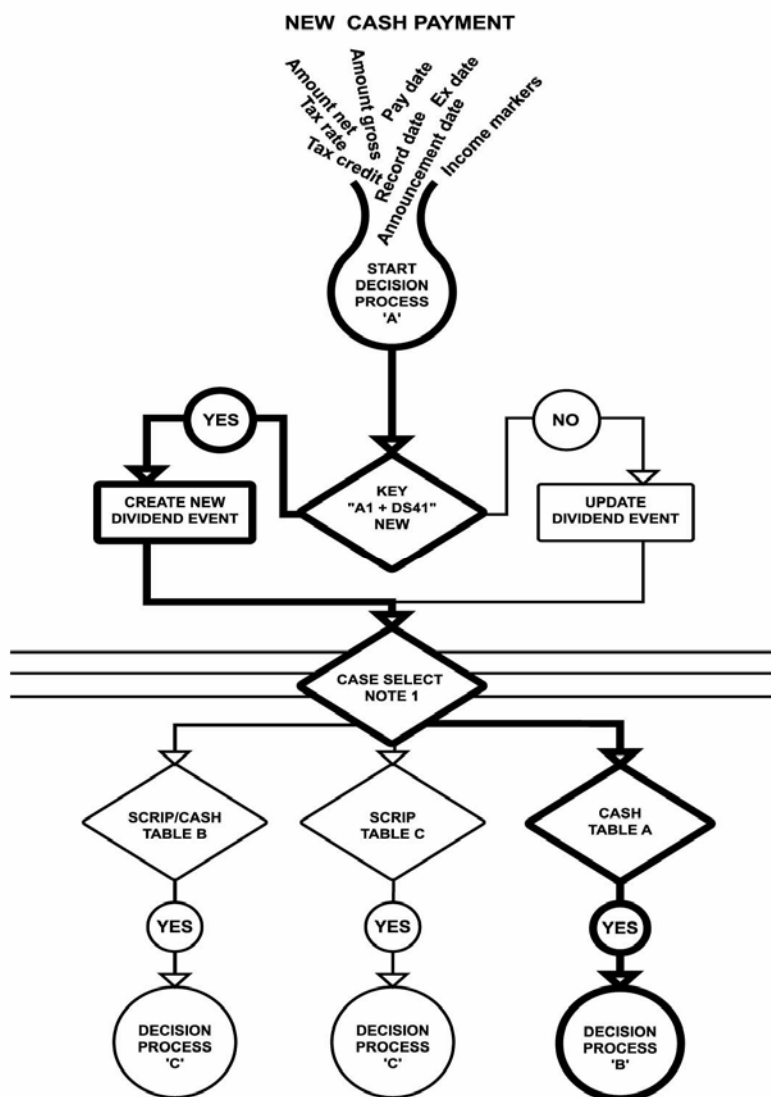
■ Corporate action process flows

Interactive Data recognises the difficulties attached to corporate actions automation, especially when complex event types do not completely fit into an industry standard format. As a result, Interactive Data has applied its vast experience to define the corporate action process flows.

These process flows have been specifically developed to give customers a logical rules-based methodology for categorising and defining Interactive Data's corporate actions data.

Providing an invaluable resource to aid the integration of Interactive Data's corporate actions with existing data sources and within internal workflow, the process flows include:

- Grouping of specific event types to establish the key processing decisions that will need to be addressed at initial notification stage
- Identification and capture of specific features required to correctly process actions in each event grouping
- Ability to determine mandatory and optional actions at the appropriate point in the process to make informed business decisions
- Guidance on how to treat regional differences in regional presentation of events



An example of the start of the process flow for a new cash income payment

■ Working with third party vendors and software houses

Interactive Data maintains relationships with around 250 partners. These relationships increase accessibility to Interactive Data's corporate actions data. The organisations, which include key industry players, provide an interface to data from Interactive Data. However, whether data is delivered directly from Interactive Data or via a third party, the corporate action process flows provide the information required for smooth corporate actions processing.

■ Data standards

Another factor that will significantly help simplify and automate the processing of corporate actions is the adoption of data standards. Interactive Data has been a very active contributor to working groups such as the UK Technical Standards Committee, the Market Data Provider User Group, the Reference Data User Group and the MiFID Joint Working Group.

A comprehensive ISO 15022 (ISO15022.org) service, encompassing all major event types, is already available for the delivery of MT564 messages, and significant progress has been made with the adoption of MDDL (Market Data Definition Language – MDDL.org).

■ Exceptional depth of data

Interactive Data offers an exceptional depth of data, enabling tracking and processing of mandatory and optional events through the most comprehensive service available.

Capital change events:

Extensive coverage of bonus and rights issues, both into original and different securities (including demergers), consolidations and subdivisions, forward and reverse splits, open offers, write-offs and write-ups, redenominations and renominations; the events are provided either as single issues or as part of a simultaneous complex event.

Cross-referencing to temporary and successor securities is provided in full.

Income payments:

All types of regular cash payments are covered including equity dividends, coupon payments on fixed income securities and distributions to fund units.

Special situations such as bonus, anniversary, litigation and liquidation payments are also provided, as well as all types of stock dividend, both into original and different securities.

Cross-reference to new securities, including temporary lines, is provided in full.

Early and scheduled redemptions as well as capital repayments are also reported.

Mergers & acquisitions:

Fully detailed information on all options available during takeover, merger, demerger, scheme of arrangement and repurchase situations (including Dutch Auctions and odd-lot offers/sales). Cross-references to offered stocks and assented dealing lines are also provided.

Descriptive and static data:

Provision of hundreds of items including AGM/EGM dates, industry classifications (including GICS and ICB), index constituent data, general classification data and details on liability to taxes and levies such as Stamp Duty, PTM Levy and EUSD.

Coding:

Comprehensive population of coding data to include SEDOL, ISIN, and CUSIP along with local ticker, Belgian, German and EuroClear/CEDEL codes.

Underlying linkages:

Linkages to main/dual listings are provided on all securities. Linkages to derivatives and linked securities are shown on equities, fixed income securities and funds. Linkages to underlying securities are available on warrants, depository receipts and other derivatives.

■ Timeliness

Data is collected directly from stock exchanges and other reliable sources around the world to ensure that the data reaches the customer as quickly as possible. In the vast majority of cases, this will occur on the day of announcement.

■ Validation

Interactive Data concentrates its validation efforts on the key items highlighted in the process flows. Validation is carried out in several stages. Data is first cross-checked against independent sources. On-screen checks are then used to eliminate errors at point-of-entry into the system. End-of-day checks, including strict integrity reports, provide the final level of verification.

Specific projects to ensure continuance of standards in data quality and accuracy are also regularly undertaken.

■ Corporate action tracking

Through FTSSM, Interactive Data's flexible securities administration tool, customers can also receive detailed portfolio-based reports for tracking new corporate action announcements, including advance warning of upcoming ex and effective dates of events.

A level of customisation may be provided, via a post-processing facility, to enable customers to receive data in the format that is most compliant to their needs.

All requests for this service will be considered on a feasibility basis.

About Interactive Data

Interactive Data Corporation (NYSE: IDC) is a leading global provider of financial market data, analytics and related solutions to financial institutions, active traders and individual investors. The Company's businesses supply real-time market data, time-sensitive pricing, evaluations and reference data for millions of securities traded around the world, including hard-to-value instruments. Many of the world's best-known financial service and software companies subscribe to the Company's services in support of their trading, analysis, portfolio management and valuation activities. Interactive Data, headquartered in Bedford, Mass., has approximately 2,400 employees in offices located throughout North America, Europe, Asia and Australia.

For more information about Interactive Data Corporation and its businesses, please visit www.interactivedata.com

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Interactive Data's Pricing and Reference Data business provides global securities pricing, evaluations and reference data designed to support financial institutions' and investment funds' pricing activities, securities operations, research and portfolio management. Interactive Data collects, edits, maintains and delivers data on more than 6 million securities, including daily evaluations for approximately 2.8 million fixed income and international equity issues. Interactive Data specializes in 'hard-to-get' information and evaluates many 'hard-to value' instruments.

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