

## **A.5 Financial transactions undertaken after entry**

A.5.39 *Cash and derivatives* transactions undertaken during the transition period after entry would be expected to be settled in euro, unless a market firm agreed with its counterparty or a client agreed with its market firm to settle a transaction in sterling.

A.5.40 In the case of *debt* instruments, which are priced in percentage terms, the consideration (including accrued interest) would be expected to be calculated in euro and settled in euro, as in the first wave.

A.5.41 In the case of *equities*, the London Stock Exchange has proposed that all shares not already priced in euro rather than sterling before entry would be priced in euro from entry, and all equity transactions after entry should be priced and settled in euro rather than sterling. There would be no change for equities priced in other currencies.