The Operating Procedures of the Euroclear System

October 2020

The Euroclear System is operated by:
Euroclear Bank SA/NV

1 Boulevard du Roi Albert II
B-1210 Brussels, Belgium
RPM Brussels 0429875591
Tel: +32 (0)2 326 1211

my.euroclear.com

© 2020 Euroclear Bank SA/NV
All rights reserved.

Euroclear is the marketing name for the Euroclear System, Euroclear Holding SA/NV, Euroclear SA/NV and their affiliates

Euroclear Bank is an undertaking organised under the laws of the Kingdom of Belgium

No part of this document may be reproduced, in any forms or by any means, without permission in writing from Euroclear Bank SA/NV

Summary table of contents

Part I: Introduction 3
1.1 Welcome to the Euroclear Bank Operating Procedures 5
1.3 Banking services 6
1.4 Regulators 6
1.5 Contact us 6
Part II: General Rules 7
2.1 Being a Participant 9
2.2 Opening of Accounts 13
2.3 Entries in Participant Accounts 15
2.4 Safekeeping and rights to securities in the Euroclear System 16
2.5 Disclosure 17
2.6 Reconciliation and audit requirements 19
2.7 Calculation of interest 20
2.8 Exchange rates 20
2.9 Claims and compensation 20
2.10 Value Date 20
2.11 Insurance information 21
2.12 Outsourcing 21
2.13 Fees 21
Part III: Rights and Responsibilities 23
3.1 Compliance with the law and governing documentation of issues 26
3.2 Reversals 29
3.3 Blocking 30
3.4 Settlement restrictions 32
3.5 Statutory lien and pledge to our benefit 34
3.6 Special pledged accounts 35
3.7 Securities and cash 35
3.8 Rules applicable to defaulted Participants 36
3.9 Data protection 38
3.10 Use of information 44
3.11 Confidential information 45
3.12 Access to records 45
3.13 Business continuity 45
3.14 Temporary service restrictions 46
Part IV: Connectivity 47
4.1. To Euroclear Bank 49
4.2. From Euroclear Bank 59
Part V: Section 1 – Admission of securities and New Issues 63

5.1.1 Acceptance criteria 65
5.1.2 Acceptance process 66
5.1.3 Acceptance channels 68
5.1.4 New issues distribution 69
Part V: Section 2 – Settlement Services 75
5.2.1 Processing rules 77
5.2.2 Internal settlement 87
5.2.3 Bridge settlement 90
5.2.4 External settlement 96
5.2.5 Settlement of Auto-Collateralisation Instructions 104
5.2.6 Suspension of Settlement 106
5.2.7 Settlement Discipline 106
Part V: Section 3 – Custody Services 107
5.3.1 Custody – General rules 109
5.3.2 Custody – Specific custody rules 119
Part V: Section 4 – Money Transfer 135
5.4.1 Acceptance of currencies 137
5.4.2 Money transfer services 137
Part V: Section 5 – Securities Lending and Borrowing Program 145
5.5.1 Securities Lending and Borrowing Program overview 147
5.5.2 Lending 150
5.5.3 Borrowing 152
5.5.4 Recalls 155
5.5.5 Corporate Actions 156
5.5.6 The Euroclear Bank Guaranty 158
5.5.7 Billing 159
5.5.8 Specific features 160
Part V: Section 6 – FundSettle 163
5.6.1 General section 165
5.6.2 FundSettle holding structures 166
5.6.3 Additional FundSettle services 167
5.6.4 Rights and responsibilities 168
5.6.5 Connectivity 171
5.6.6 Operational information 174
Annex I: Definitions 181
List of defined terms 181
Abbreviations 191

Part I: Introduction

1.1 Welcome to the Euroclear Bank Operating Procedures 5
1.2 The Operating Procedures as part of our legal documentation 5
1.3 Banking services 6
1.4 Regulators 6
1.5 Contact us 6

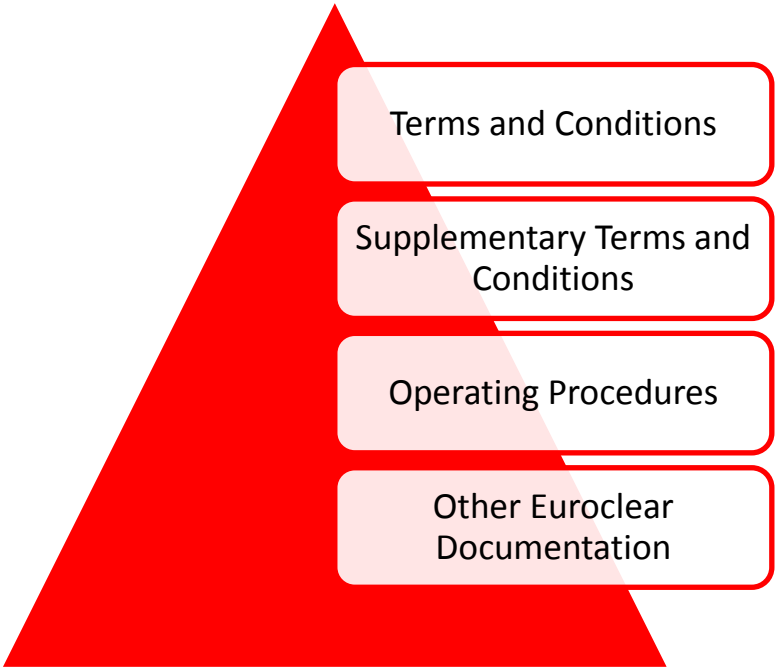
1.1 Welcome to the Euroclear Bank Operating Procedures

The Operating Procedures provide you with a comprehensive description of our services. This document forms part of the legal documentation which governs the use of our services.

Throughout this document:

- **we**, **us**, **our** refers to Euroclear Bank
- **you**, your refers to you as a Participant
- all references to time refers to Brussels time unless otherwise stated.

1.2 The Operating Procedures as part of our legal documentation



(a) The Operating Procedures must be read along with the Terms and Conditions and Supplementary Terms and Conditions. In cases of conflict, the Terms and Conditions and/or the Supplementary Terms and Conditions will prevail.

The Euroclear Documentation is supplemental to and constitutes and integral part of these Operating Procedures.

In cases of conflict with such other Euroclear Documentation, the Operating Procedures will prevail.

Contractual language

(b) The English language version of the following documents is official for our relationship:

- Terms and Conditions
- Supplementary Terms and Conditions
- Operating Procedures
- Euroclear Documentation.

Any translations we provide are for your convenience only and are not legally binding, except where we mention otherwise.

Amendments to these Operating Procedures

(c) We may amend these Operating Procedures at any time. We will notify you of such amendments, by email, in accordance with Section 19 of the Terms and Conditions.

Headings and references

(d) Headings and captions used throughout this document do not change the structure or meaning of the text. References to sections refer to sections within these Operating Procedures.

1.3 Banking services

We provide some services in a banking capacity. These services are governed by separate agreements and nothing within these Operating Procedures will amend or affect such services and/or agreements.

When offering banking services, we act in our capacity as a bank and not in our capacity as operator of the Euroclear System.

1.4 Regulators

As a Belgian bank we are subject to:

Regulation	Article of Belgian Law	Comments
Oversight of the National Bank of Belgium ('NBB') on the Euroclear System	- Article 8 of the Law of 22 February 1998 - Article 23 of the Law of 2 August 2002 - Law of 28 April 1999 - NBB Circular 2012-06 implementing CPSS –IOSCO Principles for Financial Market Infrastructures	The Euroclear System, operated by Euroclear Bank, is recognised as a Securities Settlement System. The NBB ensures that the Euroclear System operates properly, including by verifying our compliance with international regulatory standards.
Prudential supervision of the NBB	- Articles 36/2 and 36/3 of the Law of 22 February 1998 - Article 77 of the Law of 25 April 2014	We have been designated as a systematically important financial institution which results in a specific supervisory regime.
Supervision on post-trade market rules and conduct of business rules of the Belgian Financial Services and Markets Authority ('FSMA')	Articles 23 and 45 §1 of the Law of 2 August 2002	This includes - market abuse - conflicts of interest - ethical conduct - protection of client assets - best execution - client classification - compliance function.
Supervision of anti-money laundering practices by the NBB	Law of 18 September 2017	

1.5 Contact us

If you have any questions about these Operating Procedures, please contact your relationship manager. You may also visit the 'contacts app' on www.euroclear.com for service specific help desks.

Part II: General Rules

2.1 Being a Participant 9
2.1.1 Prerequisite to admission 9
2.1.2 General admission policy 9
2.1.3 Decision on admission and appeal 12
2.1.4 Consequences of suspension and termination of a Participant 12
2.1.5 Other access to the Euroclear System 12
2.1.6 Client classification 13
2.2 Opening of Accounts 13
2.2.1 Abbreviation of names and special designations 13
2.2.2 Securities Clearance Accounts and Cash Accounts 13
2.2.3 Additional Accounts 13
2.2.4 Transit Accounts 13
2.2.5 Record-keeping Accounts 14
2.2.6 Non-Deposit Accounts 14
2.2.7 *Différé* of Accounts 14
2.3 Entries in Participant Accounts 15
2.3.1 Final or provisional entries: general rules 15
2.3.2 Provisional entries 15
2.3.2.1 Securities Clearance Accounts 15
2.3.2.2 Cash Accounts 16
2.4 Safekeeping and rights to securities in the Euroclear System 16
2.4.1 Safekeeping of securities 16
2.4.2 Your rights 17
2.5 Disclosure 17
2.5.1 Authorised disclosure 17
2.5.2 Disclosure to third parties 18
2.5.3 Disclosure to Euroclear group entities 19
2.6 Reconciliation and audit requirements 19
2.7 Calculation of interest 20
2.8 Exchange rates 20
2.9 Claims and compensation 20
2.10 Value Date 20
2.11 Insurance information 21
2.12 Outsourcing 21
2.13 Fees 21
2.13.1 General 21
2.13.2 Charging fees to other Accounts 21
2.13.3 Calculation dates 22
2.13.4 Value calculation 22
2.13.5 Minimum fees 22
2.13.6 Additional fees 22
2.13.7 Automatic fee conversion 22

2.1 Being a Participant

2.1.1 Prerequisite to admission

You may only be admitted as a Participant in the Euroclear System if:

- you are established in a jurisdiction that is not subject to a call for action from the Financial Action Task Force (FATF) in the context of the fight against money laundering and terrorism financing;
- your participation in the Euroclear System will not cause us to breach any law, order, Sanctions or regulation;
- you provide adequate information enabling us to meet the applicable anti-money laundering and terrorism financing requirements that apply to us.

2.1.2 General admission policy

(a) We will consider you for your admission in the Euroclear System as either

- a Standard Participant
- a Specific Regulated Participant
- a Specific Participant

depending on your regulatory status and/or place of permanent establishment.

This categorisation is by virtue of the Belgian legislation implementing the Settlement Finality Directive. Specific Regulated Participants and Specific Participants must comply with specific additional requirements to mitigate potential additional risks resulting from their participation in the Euroclear System.

You must bring appropriate evidence enabling us to adequately consider and handle your application. All documents related to your application must be in English. We will treat your application promptly, as further detailed in Section 2.1.3.

However, once admitted, all Participants have the same rights and obligations towards Euroclear Bank as operator of the Euroclear System irrespective of their categorisation which is relevant only for the admission process.

(b) You are a Standard Participant if either:

- you are licensed as a credit institution or investment firm, whether or not in the EU
- you are a public authority or a publicly guaranteed undertaking, whether or not in the EU
- you are located in the EU and licensed as a CSD in the meaning of CSDR
- you are located in the EU and licensed as a central counterparty in the meaning of EMIR
- you otherwise fall under the supervision of a competent authority in the meaning of the EBA Regulation, the EIOPA Regulation, the ESMA Regulation or EMIR.

(c) You are a Specific Regulated Participant if either:

- you are subject to supervision in a jurisdiction outside the EU (other than as a credit institution or investment firm), or
- you are listed on a stock exchange.

(d) You are a Specific Participant if you are neither subject to supervision in your jurisdiction nor listed on a stock exchange.

(e) You must comply with the below criteria on an ongoing basis in order to participate in the Euroclear System:

- adequate financial resources
- operational and technological capacity
- legal capacity
- internal control and risk management
- ethical standards

Criteria

You demonstrate adequate financial resources to run your business on a going concern basis and meet your obligations towards us, the Euroclear System and its Participants. This includes:

For All Participants	For Specific Participants
- your current resources and your ability to maintain adequate financial resources on an ongoing basis, having regard to your activities and the environment in which you operate - you provide your annual reports for the two preceding years, and those of your direct and ultimate parent companies and you provide these statements on an annual basis as long as you remain a Participant	- either you also provide your semi-annual financial statements, or - you confirm the absence of adverse change to your financial condition since the last financial statements

You have adequate operational and technological capacity to participate in the Euroclear System and to ensure business continuity and avoid material adverse impact on the integrity of the Euroclear System. This includes:

For All Participants	For Specific Participants
- you have adequate human resources, facilities and infrastructure to use the Euroclear System effectively - you can comply with the security requirements necessary for the safety of the Euroclear System and the confidentiality of the information provided through the Euroclear System - you can install, operate and maintain the necessary communication platforms with the Euroclear System - you have adequate back-up facilities and contingency plans for maintaining operational capabilities in contingency situations	- you demonstrate you have adequate internal procedures and controls (ISAE 3402 report or equivalent external report), or - you provide adequate evidence of your business continuity plans and operational readiness (including sourcing policies if relevant)

You demonstrate your legal capacity and ability to accept and comply with the Terms and Conditions governing use of the Euroclear System (i.e. the rules of the securities settlement system in the meaning of the Settlement Finality Directive). This includes:

For All Participants	For Specific Participants
- you are duly incorporated in your country of permanent establishment (articles of association, by-laws, extract of your national legal entities registry) - you are duly licensed and supervised to carry out your business	- you also execute a set of representations and warranties to confirm the absence of legal impediment for you to participate in the Euroclear System. A specific form is available.

You have an appropriate internal control and risk management framework in place that is such as to preserve the integrity and reputation of the Euroclear System. This includes:

For All Participants	For Specific Participants
- your internal control and risk management framework is commensurate with your risk profile, capital strength and business strategy - you have no business practices or any other factor that would adversely reflect on your internal controls and risk management - your business activities do not generate unacceptable risks for the Euroclear System or for us	- you also provide adequate documentation on your internal control and risk management framework - you advise us of any material change in the internal control and risk management framework as long as you remain a Participant

You have implemented adequate ethical standards that are such as to protect the integrity and reputation of the Euroclear System. This includes:

For All Participants	For Specific Participants
- if you are subject to anti-money laundering and terrorism financing regulations, your ability to demonstrate an adequate anti-money laundering program which includes a procedural framework, Know Your Customer (KYC) measures, beneficial owners and Politically Exposed Persons (PEPs) identification and monitoring of client activities - your adhesion to high standards for fighting fraud, bribery, market abuse and conflicts of interest - your management's reputation is adequate	- you also provide appropriate evidence of your internal code of ethics which should cover fraud, bribery, acceptance of gifts, conflicts of interest and prevention of market abuse

We apply a risk-based approach and therefore, we take relevant legal, operational or financial risk factors into account for the protection of the security, integrity or reputation of the Euroclear System, its Participants or us. For instance, your participation in the Euroclear System cannot result in us being in breach of any law, order or regulation, and should not expose us to any additional reporting, disclosure or other legal, tax or regulatory requirements. We may also impose additional conditions on applicants to avoid that we become exposed to any such requirements.

(f) You acknowledge you must meet the above admission criteria on an ongoing basis.

You must notify us in writing, with appropriate supporting documents, of any material event or changes which may affect the information supplied by you as part of your application or which may affect your ability to comply with the criteria listed above. Such events or changes may include, but are not limited to:

- your activity
- your corporate and ownership structure
- your corporate object
- your legal capacity
- the extent or the validity of the signatory powers of your representatives
- your operational or technical organisation,
- any new contractual arrangement, such as an outsourcing
- any law, decree, regulation, governmental order, court decision, measures imposed by your competent authorities
- a material case of fraud.

You also agree to comply with any request, which we may reasonably make from time to time, for additional documentation which may evidence such continued compliance or to carry out additional tests in relation to your technical and operational capacity.

(g) Our admission policy is set by the Board of Euroclear Bank. You must meet our admission criteria so that we can comply with applicable regulatory requirements.

We will at all times look to protect the integrity of the Euroclear System as a wholesale securities settlement system with a broad variety of Participants. We may therefore adapt the above criteria in accordance with Section 1.2 and upon the decision of the Euroclear Bank Management Committee, in order to take into consideration any relevant risk for us, the Euroclear System or its Participants.

(h) We may admit you into the Euroclear System for a particular service and not our full service offering. If this is the case we may:

- refuse to process Instructions which are inconsistent with limitations we place on you as a result of your limited participation
- take any actions required to implement the limitations.

2.1.3 Decision on admission and appeal

Your relationship manager will notify you in writing of whether our Management Committee has accepted your application. For all applications received after we have obtained our CSDR authorisation, we will notify you no later than one month after we have received your application file.

If we refuse your application, you may appeal. Our letter informing you of our decision will explain the reasons for your rejection and the procedure to appeal. The process is summarised below.

Step 1: Sending your appeal	-	you must appeal in writing to the Chairman of our Board within 30 calendar days of receiving our initial rejection letter
	-	you must explain the grounds of your appeal and why you believe you fulfil the participation requirements
Step 2: Board discussion	-	our Management Committee will provide information relevant to your application to our Board prior to its meeting to discuss your appeal. Our Board will decide the outcome of your appeal within 60 calendar days of receipt of your written appeal request
Step 3: Communication of decision	-	You will be informed in writing promptly of the Board's decision. This decision is final.

2.1.4 Consequences of suspension and termination of a Participant

(a) Where your participation in the Euroclear System is suspended or terminated, in respect of all or only one or more services, both you and we agree to take all necessary steps to minimise the disruption to other Participants which the suspension or termination could cause. You must cooperate with us in those matters that we reasonably require in relation to the suspension or termination. If you fail to take any required action, we will be entitled to take appropriate action on your behalf at your own risks and costs. Without limitation, we may also request you to provide us with the necessary external delivery Instructions to the effect of transferring the securities concerned out of the Euroclear System within the deadline specified in the notice.

You hereby authorise us to sell or redeem the securities concerned in case you have not provided us the necessary Instructions by the applicable deadline. In such a case, we will use our reasonable endeavours to obtain the best price having regard to existing market conditions. In case we have to sell or redeem securities in accordance with this paragraph, we will credit the cash proceeds on your Cash Account.

(b) Once you are notified of the suspension or termination decided by us, or you have notified us of your decision to terminate your participation, we may decline to accept your Instructions or to give effect to your Instructions which would result in any credit or debit to any of your Securities Clearance Accounts or Cash Accounts.

(c) Any suspension or termination will not affect any right or obligation arising out of events occurring, or securities delivered, prior to the effectiveness thereof, and all such rights and obligations shall continue to be subject to the Terms and Conditions.

(d) We may inform other Participants of your suspension or termination when and to the extent necessary, in our reasonable opinion, for the provision of the services contemplated by the Terms and Conditions. In case we informed one or more person(s) of your suspension we will inform such person(s) of the lifting of any such suspension.

2.1.5 Other access to the Euroclear System

We may grant non-standard access to the Euroclear System to a CSD in the meaning of CSDR, to a central counterparty in the meaning of EMIR or to a trading venue in the meaning of MiFID II, considering any relevant legal, operational or financial risk factors and insofar as such access does not compromise our ability to provide prompt, safe, accurate and orderly processing and settlement of transactions, does not represent a threat to the security, integrity or reputation of the Euroclear System or is not likely to be disruptive to other Participants generally. We may charge specific fees for such non-standard access.

2.1.6 Client classification

Our services are designed for eligible counterparties and/or professional clients in the meaning of MiFID. Therefore, certain services may be offered only to Participants that qualify as such.

2.2 Opening of Accounts

2.2.1 Abbreviation of names and special designations

(a) We create an electronic record to identify you and your Accounts in computer produced reports. We may abbreviate your name and Accounts in such reports as well as any other name/designation that may be added in line with these Operating Procedures.

(b) We may add a designation in an Account which identifies a person other than you. The designation will not create a contractual relationship between us and the designated person, nor will it provide the basis for a claim for such designated person over the securities and cash held in those Accounts.

2.2.2 Securities Clearance Accounts and Cash Accounts

(a) Once you enter into an agreement to participate in the Euroclear System we will open at least one Account for you which contains:

- a Securities Clearance Account to which securities accepted in the Euroclear System are credited
- a related Cash Account with subdivisions for each Settlement Currency accepted in the Euroclear System
- a related Transit Account.

We will inform you of your Account number once the Securities Clearance Account and related Cash Account are available for transactions.

2.2.3 Additional Accounts

(a) If you request to segregate securities held in the Euroclear System in two or more Securities Clearance Accounts we can open additional Securities Clearance Accounts for you. Each will have its own related Cash Account and Transit Account.
Any additional Account will be opened under the same name as your main Account. If you request it, we can add a designation to help distinguish Accounts from one another.

This is without prejudice to Sections 3.5.2 and 3.6 of these Operating Procedures.

(b) You may choose one of your Cash Accounts to be an 'Aggregate Cash Account' (also known as a 'work-with account'). This Cash Account will then be used for the credits and debits of cash related to the activity on all your Securities Clearance Accounts, or on the Securities Clearance Accounts you specify.

If you use an Aggregate Cash Account for any or all of your Accounts, references in the Terms and Conditions and Operating Procedures to a related Cash Account mean the Aggregate Cash Account.

2.2.4 Transit Accounts

When opening a Securities Clearance Account we will automatically create a separate balance within the Account. This can be used to record either:

- securities received into the Euroclear System which have not yet met the conditions for credit to the Securities Clearance Account
- securities debited from a Securities Clearance Account that have not yet been delivered out of the Euroclear System.

This separate balance is called the Transit Account. It forms an integral part of your Securities Clearance Account.

Any securities standing to the credit of a Transit Account are not available for the settlement of Instructions or Custody Operations.

2.2.5 Record-keeping Accounts

A Record-keeping Account records Borrowings and Loans on our books in the name of each Borrower and Lender. Record-keeping Accounts do not record holdings of securities in the Euroclear System and as a consequence do not correspond to any securities available for use in the Euroclear System.

The Record-keeping Account may be divided into sub-accounts to record:

- different types of Borrowings or Loans
- Borrowings or Loans with different terms, fees, priority allocations or other features.

Sub-accounts will be considered as being part of one, indivisible Record-keeping Account unless otherwise specified.

2.2.6 Non-Deposit Accounts

(a) We may use Non-Deposit Accounts to enable our reporting of information to you or for other reasons we consider appropriate. Non-Deposit Accounts do not record holdings of securities in the Euroclear System and as a consequence do not correspond to any securities available for use in the Euroclear System.

In particular, Non-Deposit Accounts may be created:

- to record that securities temporarily delivered out of the Euroclear System for voting purposes in certain markets are to be redeposited in the Euroclear System (see Section 5.3.2.7)
- to record information and provide services for securities not held in the Euroclear System.

(b) We can close Non-Deposit Accounts at any time.

(c) The securities losses provisions outlined in Section 17 of the Terms and Conditions do not apply to records on Non-Deposit Accounts. We reserve the right to amend information recorded on Non-Deposit Accounts at any time, without notice, on the basis of what we believe to be reliable sources of information.

(d) As Non-Deposit Accounts do not record holdings of securities in the Euroclear System:

- we have no lien or claim in respect of securities held outside the Euroclear System
- you cannot pledge or transfer by way of security any rights or interest in respect of such securities held outside the Euroclear System.

(e) We will keep records of the IOA for each New Global Note. The records will form a Non-Deposit Account designated as the 'Issuer Memorandum Account'. Upon the request of an authorised person, we will produce a statement for the Non-Deposit Account. This will show the total nominal amount of all our Participants' holdings for securities issued in New Global Note form as of the date specified in the request.

(f) We may refuse to make any entries in respect of your Non-Deposit Account in order to facilitate operations and the handling of Instructions.

(g) We may refer to Non-Deposit Accounts as 'Memorandum Accounts' in other Euroclear Documentation.

2.2.7 *Différé* of Accounts

For the purposes of Belgian law, all entries made to a Transit Account or a Record-keeping Account, or more generally, all entries relating to the delivery or the receipt of securities whose credit to the available balance of a Securities Clearance Account is deferred until the fulfilment of a condition, the determination of its amount or the expiry of a time limit, constitute the *différé* part of the relevant Securities Clearance Account within the meaning of the coordinated Royal Decree No. 62 on the Deposit of Fungible Financial Instruments and the Settlement of Transactions involving such Instruments.

2.3 Entries in Participant Accounts

2.3.1 Final or provisional entries: general rules

(a) Credits and debits to your Accounts can be final or provisional. We credit your Account only when we have obtained the final receipt of securities for our account in the local market.

(b) Exceptions to this general rule are set out in the specific services sections of these Operating Procedures and may also apply for certain domestic markets (see the Online Market Guides). We may credit securities or cash to your Account before we receive confirmation that the receipt of such securities or cash in the local market is final (see the Online Market Guides).

Until final receipt of securities, credits to your Account are provisional and securities cannot be used for further transactions.

(c) The rules in this section apply to Securities Clearance Accounts, Cash Accounts and Transit Accounts.

2.3.2 Provisional entries

(a) Credits/debits applied to your Securities Clearance Accounts, Cash Accounts or Transit Accounts which are labelled as provisional can be reversed. Reversal will take place if the conditions described in Sections 2.3.2.1 and 2.3.2.2 are not met.

You authorise us to credit you with securities prior to final receipt even though such credit may be reversed. Further information can be found in Section 3.2 – Reversals.

(b) A provisional credit/debit does not become final by either:

- the lack of an express reference to provisional status in a statement or report to you from us
- further credits/debits to the same Account resulting from further securities transactions
- statements in a report relating to credits to a Cash Account that indicate that funds have been received and reconciled by us.

2.3.2.1 Securities Clearance Accounts

Specific rules for the final and provisional credits/debits for specific services are described in Part V of these Operating Procedures. The general rules for such credits/debits are described below.

Credits to Securities Clearance Accounts

For…	General rule
Receipts of physical, registered, inscribed or book-entry securities (or ownership transference documents)	Become final only once: - the credit to our account in the local market is final, or - the registration in our name, the name of the Depository, Other CSD or appropriate nominee is final, or - if received by us or a Depository directly through an Other CSD - the transfer to our, the Depository's or appropriate nominee's account is final under local market rules/practice

Debits to Securities Clearance Accounts

For…	General rule
Deliveries of physical, registered, inscribed or book-entry securities (or ownership transference documents)	Become final only once: - the transfer is deemed final under local market rules/practice, or - if transferred by us or a Depository directly through an Other CSD - our local market account is debited and the intended recipient's account is credited

2.3.2.2 Cash Accounts

Credits to Cash Accounts

For…	Are provisional as follows
Custody Cash Distributions	Are considered provisional until we receive final receipt in whole of such payments and complete the necessary reconciliation
Receipts of funds at Cash Correspondents	Are considered provisional until such receipts are final and we complete the necessary reconciliation

Debits to Cash Accounts

For…	Are provisional as follows
Receipts of securities against payment	Are considered provisional until the securities are accepted in accordance with Part V: Section 2 (Settlement Services) of these Operating Procedures

2.4 Safekeeping and rights to securities in the Euroclear System

2.4.1 Safekeeping of securities

(a) You agree that all securities held on your Account(s) within the Euroclear System are fungible with all other securities deposited with us of the same type and with the same Common Code.

This is in accordance with the coordinated Royal Decree No. 62 on the Deposit of Fungible Financial Instruments and the Settlement of Transactions involving such Instruments and other applicable Belgian legislation.

(b) We may deposit securities with:

- a Specialised Depository including:
  - Common Depositories
  - Common Safekeepers
- an Other CSD (including Clearstream).

The code for each Specialised Depository or Other CSD is shown in our securities database.

(c) Certain securities held by us directly in an Other CSD are considered specialised to that Other CSD. Those securities may in turn be sub-deposited by the Other CSD with its own depository or Other CSD.

(d) If a security is sub-deposited by a Common Depository or Common Safekeeper the sub-depository will not become a Common Depository or Common Safekeeper. The sub-depository will be responsible for the safekeeping of the security exclusively to the Common Depository or Common Safekeeper, as applicable.

(e) Certain securities in registered form may be held directly with the issuer (or its agent) without the need for a Depository.

2.4.2 Your rights

(a) When you deposit securities in the Euroclear System you receive a co-ownership right in a pool of fungible book entry securities of each category. You have no direct right over any individual certificated or uncertificated securities. We hold the securities deposited on your behalf and do not acquire any ownership rights over them.

(b) Your co-ownership right is intangible, represented only by a book entry record in your Account recorded on our books which are located in Belgium. The pool of fungible book-entry securities in which you have such co-ownership right is located in Belgium on our books and not in the location of the specific underlying securities held by us with any other Depository or Other CSD.

This is in accordance with Section 4 of the Terms and Conditions, Part V: Section 3 (Custody Services) of these Operating Procedures and applicable Belgian legislation.

(c) We have established a memorandum on the Rights of Participants to Securities Deposited in the Euroclear System which outlines among other things applicable rules on segregation. Such memorandum and any update thereof is and will be available on our website (www.euroclear.com). You must read it carefully and we assume that you have done so.

2.5 Disclosure

2.5.1 Authorised disclosure

(a) We are subject to a banking duty of discretion under Belgian law. When you send us information on yourself or your clients, we keep such information confidential.

(b) However, you authorise us to disclose certain information about you, your participation in the Euroclear System and your clients or the ultimate beneficial owners in accordance with Section 3.9, if required by:

- laws and/or regulations applicable to you, us, a Depository, an Other CSD or a Cash Correspondent
- provisions of the corporate charter or other constitutional documents of the issuer of securities or under the terms of the governing documentation of the issue
- mandatory provisions of any law or regulation applicable to the holding of securities (or to any payment of income, principal or any other distribution, or any tax concession or reduction obtained or to be obtained through the Euroclear System), or pursuant to any agreement, certification or related declaration by you
- a court order or Instruction received by us, or where applicable, by a third party provider in accordance with Section 2.12, from a court, governmental agency or body, or international regulatory authority of a competent jurisdiction
- for investments funds, the request of a fund management company, its agent or the fund itself
- a request from issuers for securities with the '3c7' marker

or where otherwise permitted by our banking duty of discretion, applicable under Belgian law.

(c) The information we are required to disclose may include your name, the amount of particular issues of securities you hold or are recorded on an Account, the amount of cash standing to the credit of any Cash Account, information about your transactions, recordings of any telephone conversations with you and any other required information.

(d) Any personal data within the meaning of the Data Protection Law ('Personal Data'), shall be Processed in accordance with Section 3.9.

(e) In particular, by virtue of the Law of 8 July 2018 organizing the Central Point of Contact ('CPC') for accounts and financial contracts ('CPC 2 Law'), we must disclose the following data relating to Cash Account(s) to the National Bank of Belgium ('NBB', Berlaimontlaan 14, 1000 Brussels).

- the opening/closure of any Cash Account(s) and the date thereof
- the IBAN number of your Cash Account(s)
- if you are a Belgian entity: your company number
- if you are a foreign entity: your full denomination, legal form and country of incorporation
- the granting/withdrawing of a power of attorney to one or more proxies on the Cash Account(s) and the date thereof
- if there is a proxy on the Cash Account(s): the proxy's identity.

This disclosure must be done within the timeframe provided for in the Royal Decree of 7 April 2019 .
The data can be used inter alia in the context of tax investigations, the detection of criminal offences, the fight against money laundering, the financing of terrorism and serious crime, given that the conditions imposed by the CPC 2 Law are met. Any CPC information request made by the persons entitled to the information will be held by the NBB for 2 calendar years.

The data will be kept by the NBB for a period of 10 years under the conditions defined in the CPC 2 Law. You/ your proxy are entitled to inspect the data held in your/your proxy's name by the CPC at the NBB. You/your proxy can also request to i) correct or ii) remove incorrect data held in your/your proxy's name by the CPC. This right must be exercised through us.

2.5.2 Disclosure to third parties

You authorise us to disclose the following information to third parties in accordance with Section 3.9 (where applicable), unless you provide us with a written request to the contrary:

Third party	Which information	Comments
Third parties in general	- your name - your participation in the Euroclear System	
Stock exchanges, clearing houses, or other trading platforms	- your name - your participation in the Euroclear System - your settlement information	These are the parties with whom we or you have contracts with for trading, settlement or clearing
Other Participants and their representatives	- your name - your participation in the Euroclear System - your Securities Clearance Account number(s)	To facilitate the smooth processing of settlement transactions
Our Depositories and Other CSDs	- your name - your participation in the Euroclear System - your Securities Clearance Account number(s)	To facilitate the smooth processing of settlement transactions
A third party with whom we, or Euroclear SA/NV, have announced a joint venture, merger, acquisition or other consolidation	- your name - your participation in the Euroclear System - information on your securities and cash positions and activity	These third parties are subject to substantially the same confidentiality obligations as us
A third party provider	- any information necessary for the provision of the outsourced services	These third parties are subject to substantially the same confidentiality obligations as us

An issuer or its agent	- your name - the contact details of an authorised representative - your participation in the Euroclear System - the ISIN and the amount of securities you hold for which you dissent to the reversal of a Custody Distribution in the Euroclear System - any other information concerning your dissent which you have sent to us and which is necessary for the processing of your dissent to a reversal request	This information is only transmitted if you dissent to a reversal as described under Section 3.2(g)
A third party information provider	- your name - your participation in the Euroclear System - any information related to your use of information provided by such third party information provider	This information is only transmitted upon the third party information provider's request or if you fail to comply with Section 3.10

2.5.3 Disclosure to Euroclear group entities

(a) You authorise us to disclose or give access to information about you, your positions and activity in your Accounts to any other entity of the Euroclear group if information is needed for:

- analysis
- testing, development or operation of systems
- the offering, arranging, managing and provision of products and services of the Euroclear group.

(b) The recipient(s) of such information are authorised to disclose or give access to it to relevant third parties (for instance consultants and contractors) where it is required to enable the above activities. These third parties will be subject to confidentiality obligations for such information.

(c) Notwithstanding anything provided herein to the contrary, we may share and disclose to any entity of the Euroclear group, any information provided to us under the Terms and Conditions, the Supplementary Terms and Conditions and/or the Operating Procedures, which relate to you or to your clients and/or beneficiaries of Accounts administered by you (the “Initial Data”), to enable us or any entity of the Euroclear group to (i) scan, analyse and anonymize any of such data either buy using their own means or means provided by third parties and (ii) create derivative data sets thereof (the “Derivative Data”) to enable us or any entity of the Euroclear group or a third party to provide commercial services with such Derivative Data. Nothing contained herein shall preclude, prevent or hinder us or any entity of the Euroclear group or, as the case may be, a third party assigned by us, from using these Derivative Data in any manner it sees fit and you shall abstain from claiming any rights (including any intellectual property rights or other similar rights), title, exclusivity or interest therein.

To the extent that the Initial Data would contain any Personal Data, such Personal Data will only be Processed and disclosed in accordance with Section 3.9 - Data protection.

2.6 Reconciliation and audit requirements

(a) As part of our audit procedures we may require you to confirm certain aspects of your operations as a Participant. We may also require that you evidence them. These requests do not affect your obligation to reconcile your records on a daily basis as set out in Section 10 of the Terms and Conditions.

(b) You also agree to comply with any request, which we may reasonably make from time to time, for additional information that we deem necessary to ensure the integrity of any securities issue.

2.7 Calculation of interest

(a) We will determine the interest rates applicable to each Settlement Currency in a Cash Account. According to prevailing market conditions and best practices, we can modify:

- the terms and rates of interest
- the interest period
- the timing of credit or debit of such interest
- any other relevant modalities.

(b) Interest rate information will not be displayed on your Account statements and you waive any right you may have under applicable law to this effect. We will make such information available to you on request in an appropriate manner.

(c) Although credit and debit interest is calculated separately, the two amounts will be netted when applied to each subdivision of your Cash Account(s). Balances or interest amounts calculated in different Settlement Currencies will not be netted.

(d) Interest is calculated monthly on a 360 or 365-day basis as per the market practice for each Settlement Currency.

(e) If calculated monthly, the credit/debit interest will be transferred on the fourth Business Day of the following month for Value Date the first calendar day of such month.

2.8 Exchange rates

(a) We determine in our banking capacity exchange rates that are applied to:

- foreign exchange transactions
- foreign exchange direct dealing transactions
- transfers under Section 16(a) of the Terms and Conditions.

These rates are calculated for each transaction individually.

All other exchanges between Settlement Currencies are effected on the basis of rates applied to all Participants except as required by applicable exchange controls. The rates are determined each Business Day and derived from quoted bid and offer rates taken from publicly available information sources.

(b) We will advise you of the exchange rates we will apply by means of the 'Daily cash movements report'.

2.9 Claims and compensation

(a) The interest equivalent referred to in Section 16(g) of the Terms and Conditions is determined:

- from the day when the payment would have been carried out until the day when it is actually carried out, subject to Section 16(g) of the Terms and Conditions
- on the basis of a year of 360 days
- at the debit rate applied to your Cash Account for the relevant period
- on the instructed amount of the payment.

(b) In all instances when the concerned payment was made to another Cash Account, compensation will be made in the form of a Value Date adjustment in the relevant Cash Account(s).

2.10 Value Date

(a) The Value Date is used when calculating:

- interest on credit/debit balances in a Cash Account

- fees.

(b) The Value Date may be, but is not necessarily, the same as the date of the credit/debit entry.

(c) You agree to waive the application of any law which may alter the Value Date from what is set out above.

2.11 Insurance information

We maintain insurance policies for securities held in the Euroclear System in accordance with the Terms and Conditions. This insurance coverage is part of the insurance policies contracted for the benefit of the Euroclear group. Further information is available on request.

2.12 Outsourcing

(a) Some of the services we offer are provided with the help of or are outsourced to third party providers. Such third party outsourcing may include solutions such as software as a service (SaaS), cloud computing, external hosting or similar solutions and may be located anywhere in the world. You may, upon request, obtain a list of concerned countries. Such list may change from time to time.

Such solutions will be governed by applicable law relevant to the jurisdiction in which they are carried out or where the third party provider may be located. They may lead to additional obligations and responsibilities including, but not limited to, the disclosure of information.

(b) We have put in place Board policies and internal risk procedures to make sure that the necessary steps are taken to assess and manage any risks that arise from such outsourcing. Amongst other things, we will ensure that security measures are in place to maintain the confidentiality and integrity of our information and data.

2.13 Fees

2.13.1 General

(a) Fees, expenses and discounts are as set out in the Euroclear Documentation related to tariffs which may be amended from time to time. The rules contained in tariff documentation should be read together with this Section 2.13.

(b) Fees, expenses and discounts will be debited from your Cash Accounts even if you have defaulted.

(c) If you act as a Borrower in the Securities Lending and Borrowing Program you may be required by law to withhold or deduct an amount for tax or other duties on your Borrowing. In this case we will alter the fees we bill you for so that the amount due matches with the amount which would have been due had no withholding been necessary.

2.13.2 Charging fees to other Accounts

You can request that fees due from one of your Cash Accounts be charged to another of your Cash Accounts. This request should be sent by authenticated SWIFT message. In the absence of such request, fees are charged to the Cash Account to which the fee relates. You can also request that the fees be charged to another Participant's Cash Account, provided you can evidence such other Participant's approval.

2.13.3 Calculation dates

Fees are calculated as shown below:

Fees for…	Calculation
Expenses resulting from the physical delivery of securities	from the 26th of the month to the 25th of the following month (inclusive of both dates)
Any other fees, expenses or discounts	for the calendar month

2.13.4 Value calculation

(a) When fees are determined on the basis of the market value of securities, such market value of securities is calculated by using prices from publicly available information sources generally considered reliable.

We will not be liable for the use of such prices when we make such calculations.

(b) Daily depot values will be based on the result of the RTP dated the Business Day for which the depot value is calculated.

2.13.5 Minimum fees

If the total amount of gross fees to be debited for the month is less than the relevant minimum amount (as shown in the tariff documentation), the applicable monthly minimum fee will be charged.

Gross fee amounts to be debited are calculated before the deduction of any rebates. Fee amounts to be credited are not taken into account.

2.13.6 Additional fees

(a) If your external Instructions remain unmatched or unsettled in a local market and this causes us a loss, we may charge you a penalty supplemental fee limited to the amount of such loss. You can avoid this by providing us with notice by authenticated SWIFT message that your Instruction will not match or settle in the relevant market.

Your notice must be sent no later than our Input Deadline for a wire transfer in the currency of the cash counter value in the relevant Instruction.

(b) Custody Cash Distributions which we do not receive due to your decision to waive your rights to such distribution (see Section 5.3.1.5.3) may cause us to apply a penalty fee.

(c) We reserve the right to charge you with any additional fees which are imposed on, or paid by us due to your non-compliance with:

- local laws
- terms of issuance
- taxes and/or similar duties.

This includes any interest or penalties associated to such fees.

2.13.7 Automatic fee conversion

(a) When you register with us, you may request that monthly fees are converted into a Settlement Currency of your choice. This ensures that the monthly fee amount is converted with a Value Date for the same day as the monthly fees.

We must receive your request by 10:00, 4 Business Days before the day of credit/debit of fees in your Cash Account.

(b) The conversion is executed on the day on which the monthly fees are to be credited/debited. Cash is credited/debited to the appropriate subdivisions of your Cash Account on the day of conversion. The Value Date is the first Business Day after the date of conversion which is a business day in the countries of both currencies.

Part III: Rights and Responsibilities

3.1 Compliance with the law and governing documentation of issues 26
3.1.1 General 26
3.1.2 CSDR, local market legislation and governing documentation of issues 26
3.1.3 Holding or transfer restrictions 27
3.1.4 Taxes, similar duties and related interest and penalties 27
3.1.5 Registered or dematerialised securities 27
3.1.6 Registered or dematerialised Fund Shares 28
3.2 Reversals 29
3.3 Blocking 30
3.3.1 General rules 30
3.3.2 Availability of securities 30
3.3.3 Blocking by us 30
3.3.4 Blocking at your request 32
3.3.5 Unforeseen Liquidity Shortfall 32
3.4 Settlement restrictions 32
3.4.1 Securities approaching redemption 32
3.4.2 Specific settlement restrictions 33
3.4.3 Global certificates 33
3.5 Statutory lien and pledge to our benefit 34
3.5.1 Statutory lien 34
3.5.2 General pledge 34
3.6 Special pledged accounts 35
3.7 Securities and cash 35
3.7.1 Securities 35
3.7.2 Cash 36
3.8 Rules applicable to defaulted Participants 36
3.8.1. General Rules 36
3.8.2. Actions taken by us upon the occurrence of an Insolvency Event 37
3.8.2.1. Blocking of new Instructions and Account(s) 37
3.8.2.2. Handling of existing Instructions 37
3.9 Data protection 38
3.9.1 General 38
3.9.2 Controller to Controller 38
3.9.3 We act as Processor and you act as sub-Processor 39
3.9.4 You act as Processor and we act as sub-Processor 42
3.10 Use of information 44
3.11 Confidential information 45
3.12 Access to records 45
3.13 Business continuity 45
3.14 Temporary service restrictions 46

3.1 Compliance with the law and governing documentation of issues

3.1.1 General

(a) You acknowledge and understand that the transactions involving and accounts holding securities issued or held for custody in the European Union, EU member states, the United States or other nations are subject to the laws and regulations of those jurisdictions, some of which have extraterritorial application and effect. It is your obligation, as an ongoing condition of participation in the Euroclear System, to comply – and ensure compliance by any of your underlying clients up to the ultimate legal and beneficial owner – with any national or foreign law, Sanctions, decree, regulation, standard or order of any government body (including any court or tribunal) or regulatory authority of competent jurisdiction, including but not limited to those which relate to money laundering, terrorist financing, fraud or Sanctions, applicable to you and/or your underlying clients up to the ultimate legal and beneficial owner and/or us.

(b) This includes, without limitation, obligations to:

- identify your customers and verify that identification where required
- take reasonable steps to enable suspicious transactions to be recognised
- maintain appropriate operational controls
- maintain procedures to comply with Sanctions
- maintain procedures for the reporting of suspicious transactions. This includes reporting validated suspicious transactions to appropriate authorities where required
- maintain appropriate records of customer identification and transactions for a minimum of 10 years
- give appropriate training to relevant staff.

(c) As an ongoing condition for participation in the Euroclear System, you agree to provide us in a timely manner with all information and documentation as we may from time to time request for the purpose of satisfying our compliance policies and our legal and regulatory duties. Upon our request you will provide us with such similar information concerning any person on whose behalf you hold securities and/or cash with us. By providing such information, you represent and warrant the completeness and accuracy of such information and authorise us to act upon it. You shall immediately notify us in writing should the information and/or documentation provided by you cease to be complete and/or accurate.

(d) In case you fail to provide the level of information or documentation required by us or in case we become aware that (i) you and/or any of your underlying clients up to the ultimate legal and beneficial owner and/or (ii) securities and/or cash held with us is/are suspected to be linked to money laundering or terrorist financing operations, or operations targeted under Sanctions, we may take the necessary actions, including, but not limited to, temporary disconnection of communication channels, blocking of the Accounts and the relevant assets, and suspension of all our services.

(e) We may suspend and/or block your Instructions if they require further manual investigation as part of our compliance policy or that of any third-party service provider (including for, but not limited to, the purposes of compliance with Sanctions and/or anti-money laundering rules). We can, as a result of such investigation, decide to release that Instruction for further processing or to cancel the Instruction. We will not take any liability for any damage or loss resulting from a delay or cancellation of your Instruction. In case we would be forced to cancel the Instruction at a moment in time after your account was debited, the funds will be re-credited to your Cash Account under the Value Date of the Instruction that lead to the debit of your Cash Account. In case your Instruction would be processed with a delay, we will adjust the Value Date of your Instruction to reflect the effective Value Date as applied to your Instruction on the local market.

3.1.2 CSDR, local market legislation and governing documentation of issues

(a) We do not monitor your compliance with your obligations under CSDR, in particular those deriving from your participation in a securities settlement system operated by a CSD in the meaning of CSDR including those relating to settlement discipline. It is your responsibility to ensure your compliance with such obligations on an ongoing basis.

(b) We do not monitor your compliance with local laws or with the requirements or conditions shown in the governing documentation of an issue of securities eligible for our services. It is your responsibility to determine whether such requirements and/or conditions apply to your holdings of securities and also to ensure your compliance on an ongoing basis. We have no duty to inform you of such laws or governing documentation, or of any amendments thereof.

(c) You are solely responsible for:

- ensuring all applicable legal, tax and regulatory requirements for disclosure or reporting as to holding, control or beneficial ownership or any other such requirements are met for securities credited, or to be credited to your Securities Clearance Account(s) or Transit Account(s). This includes any matter which may require your disclosure, in accordance with Section 2.5, and any matter that relates to information recorded on a Non-Deposit Account
- informing yourself of the characteristics of the securities you hold, intend to hold or are to be recorded on any Account in the Euroclear System. This includes, without limitation:
    - special instalment payment provisions
    - holding or transfer restrictions, including, but not limited to, those due to Sanctions
    - foreign ownership limitations
    - requirements of ownership disclosure.

(d) We may provide you with information on the application of local laws and governing documentation of securities. We do not guarantee the accuracy, completeness or timeliness of such information. Reliance on this information is at your sole risk.

3.1.3 Holding or transfer restrictions

(a) You must comply with all holding or transfer restrictions which may apply due to your holdings in the Euroclear System or use of our services. This includes restrictions relating to securities recorded on your Non-Deposit Account.

We accept no liability for any losses you incur due to holding or transfer restrictions:

- applicable to securities you hold in the Euroclear System
- following your use of our services.

(b) In accordance with Section 3.1.2(c) we may include information we have obtained about restrictions on individual holdings of particular issues in specific markets in the Online Market Guides. We may also use other appropriate means to inform you of other restrictions. We do not guarantee the accuracy, completeness or timeliness of such information.

3.1.4 Taxes, similar duties and related interest and penalties

If in connection with any receipt (whether actual or proposed), transfer or holding of cash or securities in or into the Euroclear System or due to your participation in the Euroclear System any taxes, duties, claims, interest, fines, penalties or damages (including reasonable attorney's or accountant's fees) are imposed on, paid by or charged to us, then:

- you must indemnify and hold us harmless for such amounts pro rata the amount of cash or quantity of securities received (or which would have been received), transferred or held by you
- we can immediately debit your Cash Account for such amounts.

3.1.5 Registered or dematerialised securities

Registered securities and dematerialised securities deposited in the Euroclear System are recorded in the register in the name of either:

- one of our nominee companies
- the Depository for the issue
- in 'street name'; depending on the market, the 'street name' is the name of a broker or other institution holding the securities for its customer(s) or the name of a previous holder
- another name as we consider appropriate.

The registered name is described in:

- the relevant country section of the Online Market Guides under 'Registration'
- Part V: Section 6 (FundSettle).

(a) To deliver registered securities into the Euroclear System, you must ensure that these securities are registered in the name shown in:

- the relevant country section of the Online Market Guides under 'Specific Instructions Requirements'
- Part V: Section 6 (FundSettle).

Alternatively, you must send us the correct transfer instruments for registration in that name.

(b) We accept the same responsibilities as provided in the Terms and Conditions, Supplementary Terms and Conditions and these Operating Procedures for the acts and omissions of our nominee companies where securities are registered in their name.

(c) If a deposited security is denied registration in the applicable nominee's name, the holder of the Securities Clearance Account or Transit Account where the securities were first credited is liable for the re-registration of the securities or their replacement except where stated otherwise in the Online Market Guides.

(d) If the registration of securities you deposit into the Euroclear System (including via FundSettle) requires any fee, tax or other amount to be paid as a condition of, or in connection with, such securities' registration, then we have the right to debit such amount from your Cash Account.

The debit will be for value the Payment Date of such fee, tax or other amount, pro rata the amount of such securities credited to your Account.

(e) We accept no liability for any delay in, or rejection of registration by the registrar.

3.1.6 Registered or dematerialised Fund Shares

(a) When we hold Fund Shares through a Depository, we may not have received information directly from the Fund on issues such as the Fund's registration practices or the content of the Fund's register of shareholders. We have no obligation to obtain or review such information.

Practices of certain Funds may cause their records to differ from ours. Our Depositories are contractually required to confirm registration for each order processed for us.

In accordance with Section 12 of the Terms and Conditions and without limiting the generality of the previous provisions, we are not liable for:

- a Depository failing to obtain confirmation of the registration of Fund Shares
- a Fund's failure to abide by such confirmation
- a Fund's failure to record our nominee company (or the nominee of our Depository) as the registered holder of the Fund
- any change of the Fund register made without our consent
- any discrepancies that result from your direct dealing with the Fund without sending us appropriate Instructions
- your failure to comply with any transfer restrictions.

(b) Any discrepancies between the records of the Fund and our records which result from your breach of the governing documentation, any other agreement or instrument (including, without limitation, restrictions on internal or Bridge transfers) will not give rise to any liability on our part.

(c) Certain Funds require information on internal or Bridge transfers. You are responsible for verifying and complying with the requirements for each issue of Fund Shares. Failure to follow such requirements can result in the delay or failure of the processing of your Instructions.

(d) You can send Instructions or orders directly to the Fund for the subscription of new Fund Shares or for the switch or redemption of Fund Shares held in the Euroclear System. We reserve the right to make exceptions and process your redemption orders in specific cases (see (f) below).

You can register Fund Shares in our nominee name for subscription or refer, in your orders, to registration in our nominee name for switches or redemption. This is to the extent that such Instruction or order does not exceed the

amount of Fund Shares held in your Securities Clearance Account and the position recorded on the Fund's own records when you place the order directly with the Fund.

You are liable for any losses resulting from Instructions or orders sent directly to the Fund. This includes discrepancies between the Fund's records and our records caused by your lack of sufficient Fund Shares to cover your Instruction or order.

(e) For the Transfer Agents or Fund managers listed on our website (my.euroclear.com > My Apps > Knowledge base and enter: Entity: Euroclear Bank – Keyword: Transfer Agent restrictions on the Core) which do not allow you to send Instructions or orders directly to them for the subscription of new Fund Shares or for the switch or redemption of Fund Shares held in the Euroclear System, you can send us Instructions or orders in the manner and at the conditions described in the relevant service description available on our website. By sending us such Instructions or orders, you:

- irrevocably constitute and appoint us as your true and lawful agent and attorney in fact for the purpose of:
  (i) placing on your behalf such Instructions or orders with the Fund
  (ii) instructing the Fund to settle such Instructions or orders against your Account(s)
  (iii) instructing a settlement Instruction against payment out of your Account(s) in order to match the corresponding against payment Instruction instructed by the Fund
- acknowledge that you are bound to the terms and conditions, including any indemnity, penalty or similar provisions, of all documents we execute on your behalf
- acknowledge that you will be fully responsible for any liability that may arise as a result of any Instruction or order we accept on the basis of the above power of attorney.

If, in the process of performing the above actions, any additional information is required, you must provide us with the information upon request. We are not responsible for any delay in processing your Instructions or orders caused by the need for additional information.

(f) In accordance with Section 5.6.4.2(b) below, you agree to hold us harmless and indemnify us from and against any and all claims, demands, liabilities and expenses which may be incurred by or brought or made against us, whether arising directly or indirectly in connection with our having acted upon your FundSettle Instructions or where we have otherwise entered into agreements such as those envisaged in Section 5.6.4.2(a).

3.2 Reversals

(a) We can reverse any:

i. credit or debit which we have made to an Account as a result of an error, regardless whether the error was made by us, you, another Participant or any other person. You must inform us promptly if you discover an erroneous entry in your Account(s) and you must not attempt to adjust the entry yourself
ii. provisional credit or debit to any Account if the relevant conditions are not fulfilled (see Section 2.3)
iii. credit or debit to any Account if required by any law, regulation, order, judgement, injunction, asset freeze or other action of any receiver (including persons fulfilling a similar function), government, court, other instrumentality of government (including central banks) or international regulatory authority, the legal effect of which is to require us, or in the case of Bridge settlement, Clearstream, to reverse any credit or debit
iv. in the other circumstances set out elsewhere in these Operating Procedures.

(b) In the event that Clearstream fails to pay us an amount due, we have the right and are authorised by you to debit your relevant Cash Account(s) for a portion of the unpaid amount due by Clearstream to us.

Your relevant Cash Accounts are those to which credits were previously made as a result of transactions taken into account to determine the amount due by Clearstream to Euroclear Bank.

The debit is calculated currency by currency in proportion to the amounts credited in the relevant currency in the Cash Account(s).

The debit will be provisional, subject to the resolution of all claims that may be asserted under the letter of credit provided by Clearstream under the Bridge Agreement, and any other claims available to us with respect to such failure to pay.

Such debit or a portion of such debit will become final should we not be able to recover our entire exposure via the letter of credit provided by Clearstream under the Bridge Agreement, or any other claims available to us with respect to such failure to pay.

(c) You must indemnify us for any costs (including reasonable fees of counsel), expenses or penalties incurred as a result of any event described in (a) above. We accept no liability for any losses, including but not limited to fees, expenses and foreign exchange risks, that result from your use or re-use of a provisional credit.

(d) It is the relevant Participant's responsibility to cover any shortfall in a Securities Clearance Account which could or has resulted from a reversal effected in accordance with (a). If it fails to do so, such shortfall will be considered as a securities loss under Section 17 of the Terms and Conditions.

We may share such loss amongst all Participants holding the relevant securities in the Euroclear System.

We accept no liability for the application of such loss sharing provision in accordance with the Terms and Conditions.

(e) We may make an interest adjustment in respect of any reversal or credit/debit to a Cash Account.

(f) We will inform you of any reversal in any Account and of any interest adjustment made to your Cash Account.

(g) In case of a credit to your Cash Account resulting from an error of any person other than us or you, linked to a Custody Distribution related to securities deposited with a Common Depositary or a Common Safekeeper or a Common Service Provider, you may dissent to the processing of the reversal in the Euroclear System under the following conditions:

i. when such reversal concerns a full amount, received, reconciled and paid and is made more than 30 calendar days after Payment Date
ii. in that case you must inform us of your dissent in the form and within the deadline we communicate to you at the time we inform you of the reversal event
iii. you agree to the communication of your contact details to the issuer or its agent.

If you are no longer a Participant at the time a reversal request is made as described in this subsection (g), you will be deemed to have dissented and your last known contact details will be communicated to the issuer or its agent.

3.3 Blocking

3.3.1 General rules

(a) We may block securities or cash on your Account(s) if either:

- we have notice or reasons to believe such action is required under any applicable law, decree, regulation, order or injunction of any government, court or international regulatory authority
- this is in accordance with Section 3.1.1
- you are affected by an Insolvency Event
- we otherwise determine such action is necessary, advisable or in the best interests of the Euroclear System.

(b) We may also block securities or cash on your Account(s) if we deem it necessary to enforce any right we have under the Terms and Conditions, these Operating Procedures or any other agreement we have with you.

3.3.2 Availability of securities

(a) A sufficient amount of securities must be credited to your Securities Clearance Account to successfully execute any debit. This is without prejudice to Section 5.3.2.6.

(b) Securities which are blocked or subject to settlement restrictions as described throughout these Operating Procedures will be unavailable to execute any debit.

3.3.3 Blocking by us

Securities will be blocked in your Securities Clearance Account in, among others, the following circumstances:

When we block	Additional comments
For registered securities in certain domestic markets	If the securities are sent to the registrar for registration (see the Online Market Guides)
If securities are being realigned	As shown in Section 5.2.4 (External settlement)
If securities due to be debited (following an Instruction) are in transit	Including any necessary trans-shipments in connection with the inventory management of the Euroclear System
If securities are being collected in a Securities Clearance Account to enable an Instruction with a higher priority, earlier Settlement Date or for a linked Instruction	
If we deem it necessary for Custody Operations	
If securities are subject to a Certification Event and the Input Deadline for us to receive the certification has been reached	
If securities are subject to a Custody Operation with default actions which require the blocking of securities	If we receive an Instruction from you informing us not to take such default actions we will lift the blocking during the RTP which follows the OSSP of the Business Day after the Input Deadline
If there is an undue creation of securities or a Securities Loss or if an event took place which in our opinion could give rise to an undue creation of securities or a Securities Loss (for example, the unwinding of a receipt or delivery in a local market)	Blocking may be for the entire amount of affected securities credited to your Account, or in proportion to the number of securities subject to such (possible) undue creation of securities or Securities Loss. You will not be able to exercise your custody entitlement in such event. Or If the Securities Clearance Accounts are not blocked and we are unable to exercise certain rights (including voting rights), we may execute, for each Participant, a reduced number of custody Instructions pro rata to the amount of shares for which such Participant has sent such custody Instructions. For Custody Operations which do not require your Instruction, the proceeds will be allocated among all Participants that are entitled to these proceeds in accordance with the Terms and Conditions and these Operating Procedures pro rata to the amount of shares such Participant held in the Euroclear System at the time the entitlement to these proceeds is determined.
In case you fail (as described in Section 3.1.1) to provide the level of information or documentation required by us or in case we become aware that (i) you and/or any of your underlying clients up to the ultimate legal and beneficial owner and/or (ii) securities and/or cash held with us is/are suspected to be linked to money laundering or terrorist financing operations, or operations targeted under Sanctions	
If your Instructions require further manual investigation as part of our compliance policy (including for the purposes of compliance with Sanctions and/or anti-money laundering rules)	Such Instructions will be reported to you as pending until either being manually released for processing or rejected

3.3.4 Blocking at your request

(a) You may instruct us to block securities standing to the credit of, or expected to be credited to, your Securities Clearance Account(s).

(b) You may instruct us to unblock securities blocked in accordance with (a) provided this is not forbidden by local market rules or practice. Instructions to unblock partial amounts are not accepted.

(c) Instructions to block and unblock your securities must be received by 10:00 on a Business Day and will be processed in the OSSP dated the next Business Day.

(d) Your Instructions to block securities will not prevent us from debiting your Account for such securities in accordance with:

- the Terms and Conditions or these Operating Procedures
- any other agreements between you and us
- any law, regulation, order, judgement, injunction, asset freeze or other action of any receiver (including persons fulfilling a similar function), government, court, other instrumentality of government (including central banks), or international regulatory authority.

3.3.5 Unforeseen Liquidity Shortfall

(a) The aggregate contribution provided in Section 16 (i) of the Terms and Conditions is to cover the total amount of the Unforeseen Liquidity Shortfall and will be shared among all Participants in proportion with the amount of the relevant Settlement Currenc(y)(ies) held by each Participant at the time of the Business Day when such Unforeseen Liquidity Shortfall occurs (the "Contribution Amount"). We will notify each Participant affected by such Unforeseen Liquidity Shortfall as soon as reasonably practicable.

(b) Each contribution shall be effected by limiting your access to the Contribution Amount in the relevant subdivision(s) of your Cash Account(s) until such Unforeseen Liquidity Shortfall has been resolved, i.e. your access to the Contribution Amount will be limited to the following operations:

(i) instruction(s) for the transfer of cash between Cash Accounts in the Euroclear System;
(ii) payment instruction(s) for the purchase of securities owned by us; or
(iii) payment instruction(s) for the purchase of securities issued by us.

The purchases referred to in (ii) and (iii) above shall be performed at market value at the time of purchase via our treasury department. The relevant contact details of our treasury department are published on our website (my.euroclear.com).

(c) All instruction(s) in the Settlement Currenc(y)(ies) of the Unforeseen Liquidity Shortfall which are (i) not yet settled at the time the above Unforeseen Liquidity Shortfall measures are applied and (ii) do not comply with the above limited access rules, will be processed in accordance with the usual processing rules of the Euroclear System when the Unforeseen Liquidity Shortfall has been resolved.

3.4 Settlement restrictions

3.4.1 Securities approaching redemption

(a) Securities approaching final redemption cease to be available for the execution of:

- internal delivery and receipt Instructions, on the redemption date, beginning with the OSSP dated the redemption date
- external delivery Instructions, at the time outlined under the 'Settlement restrictions' section of the Online Market Guides or 1 Business Day before the redemption if no time is outlined in the Online Market Guides.

(b) When there is a reduction of the minimum denomination in which securities approaching partial redemption can be traded, such securities cease to be available for the execution of Instructions as shown in the below chart.

Instruction Type	When?
External delivery Instructions	On the Business Day prior to the redemption date
Internal and Bridge delivery Instructions	On the Business Day prior to the redemption date
Collateral management services (which we offer as a banking service)	In the RTP dated the Business Day prior to the redemption date

Securities received from execution of an internal receipt Instruction after the time that blocking takes effect will be credited to a Securities Clearance Account but will be equally blocked.

(c) We reserve the right to make securities approaching partial redemption by drawing unavailable for the execution of external delivery Instructions at any time between the Business Day before the drawing in the local market and the time of allocation of drawn securities in the Euroclear System.

The securities will not be available for any other operation or Instruction from the moment we start the allocation process of drawn securities. The securities remain unavailable until the close of the RTP on the date of the allocation in the Euroclear System. Any securities credited to the Securities Clearance Account after the start of the allocation process in the Euroclear System are available for the execution of delivery Instructions.

(d) The rules on availability set out in (a), (b) and (c) also apply to securities with currency or other options.

(e) If we receive notice of any special circumstances which may change the settlement restrictions stated in this Section 3.4.1, we will do our best to inform you, but accept no liability for not doing so.

3.4.2 Specific settlement restrictions

(a) Special circumstances that affect particular issues of securities may result in the complete or partial restriction of the transfer or delivery of such securities.

(b) Such restrictions may include:

- closed books periods prior to interest payments or other Corporate Actions
- particular domestic markets restrictions, as shown in the Online Market Guides.

We will hold in the backlog of unexecuted Instructions:

- any receipt Instruction we receive before a closed books period for which securities are not received by the start of the closed books period
- any delivery Instruction (other than Bridge delivery) which remains unexecuted at the start of such closed books period, or received by us during any closed books period.

Internal Instructions (and, unless otherwise indicated, Bridge Instructions) may be executed throughout such closed books period.

We are not liable for any delay or failure of local settlement or failure to obtain agreement to the matching of Instructions due to such restrictions.

(c) If you, as an Automatic Borrower, input a Lowest Priority Instruction, no Borrowing will take place to cover a shortfall.

3.4.3 Global certificates

(a) Only internal and Bridge settlement Instructions may be executed, when an issue exists only in the form of a global certificate deposited:

- in the Euroclear System
- with Clearstream
- with a Common Safekeeper or Common Depository for us and Clearstream.

It is not possible to execute Instructions for physical deliveries of securities which are in the form of global certificates, except when and as permitted by the governing documentation of the issue.

If a delivery Instruction for a global certificate cannot be executed, the Instruction will be held in abeyance until the global certificate is exchanged for definitive certificates.

(b) When an issue only exists in the form of a global certificate deposited in a local clearing system we will only accept your delivery or receipt Instructions if either:

- they are connected with internal or Bridge settlement
- the addressee or entity receiving/delivering securities is a member of such local clearing system.

3.5 Statutory lien and pledge to our benefit

3.5.1 Statutory lien

(a) Pursuant to Article 31 of the Belgian Act of August 2, 2002, relating to the Supervision of the Financial Sector and Financial Services and without prejudice to the Terms and Conditions and any collateral arrangements entered into between us acting in our banking capacity and you, we are the beneficiary of a statutory lien on:

- the balance of all securities credited to each Securities Clearance Account and Transit Account
- the balance of all cash standing to the credit of each Cash Account
- all rights and entitlements of any Participant in the Euroclear System which are credited to an Account or a Record-keeping Account.

(b) Without prejudice to the Terms and Conditions and any collateral arrangements entered into between us acting in our banking capacity and you, we hereby waive the statutory lien referred to in (a) above over the balance of all securities credited to a Securities Clearance Account which has been separately and expressly identified in writing by you as an Account to which solely customer securities are credited, except where it secures claims arising in connection with the clearance or the settlement of transactions through, or in connection with, the Euroclear System, carried out on behalf of your customers (including but not limited to claims resulting from fees, charges, loans, reversals or advances).

This is unless you agree in writing that the statutory lien should continue to apply to the customer securities credited to such Securities Clearance Account without limitation.

(c) The statutory lien secures any claim we have against you arising in connection with the clearance or the settlement of transactions through, or in connection with, the Euroclear System, including claims resulting from loans or advances.

3.5.2 General pledge

(a) In order to secure any claim we have against you which arises in connection with the use of the Euroclear System (in particular any claim resulting from any extension of credit or conditional credit made in connection with the clearance or settlement of transactions or custody services), you hereby pledge the following in our favour:

- all securities and cash you hold in the Euroclear System
- all right, title and interest in and to all such securities and cash
- all existing and future contractual claims that you may have against us in connection with the use of the Euroclear System and in particular your claim to receive from us securities from a local market as a result of either:
    - stock exchange trade orders where such transactions are automatically fed by the local stock exchange into the local clearance system
    - receipt Instructions that we send to the local market on your behalf.

(b) Without prejudice to Section 3.5.1 above, the Terms and Conditions and any collateral arrangements entered into between us acting in our banking capacity and you; we hereby waive the general pledge referred to in (a) above over the balance of all securities credited to a Securities Clearance Account, which has been separately and expressly identified in writing by you as an Account to which solely customer securities are credited, except where it secures claims arising in connection with the clearance or the settlement of transactions through, or in connection with, the Euroclear System, carried out on behalf of your customers (including but not limited to claims resulting from fees,

charges, loans, reversals or advances). You represent and warrant having obtained from your customers the necessary consent to that effect.

This is unless you agree in writing that the general pledge should continue to apply to the customer securities credited to such Securities Clearance Account without limitation.

3.6 Special pledged accounts

(a) We may open pledged accounts in accordance with the 'Pledged Account Terms and Conditions'.

We are not required to create a special pledged account under Article 7 of the coordinated Royal Decree No. 62 on the Deposit of Fungible Financial Instruments and the Settlement of Transactions involving such Instruments. You must have our prior written consent in order to open such pledged Account.

Also, we will not otherwise act as collateral agent ('tiers détenteur de gage' or 'tiers convenu') for the pledge of rights or interests in any Account.

(b) You will not pledge or transfer by way of security any right or interest in any of your Accounts without our prior written consent.

3.7 Securities and cash

3.7.1 Securities

(a) We will not take any action to protect your rights in the case of an issuer's insolvency or failure to comply with the terms of a security unless required by any law, regulation, order, judgement, injunction, asset freeze or other action of any receiver (including persons fulfilling a similar function), government, court, other instrumentality of government (including central banks), or international regulatory authority.

We may, however, in our sole discretion decide to take certain actions as regards your rights in defaulted securities but we do not accept any liability if we fail to do so or provide inaccurate or incomplete information to you.

For more information see Section 5.3.1.3 – Services for securities in default.

(b) We are not obliged to provide tax assistance. We may decide to discontinue our tax services and we accept no liability for any consequences which follow from such discontinuance.

We accept no liability for the amounts credited as tax relief and the timing of such credit. We do not guarantee the result of the introduction of a withholding tax refund claim.

You authorise us to debit your Cash Account for any unwarranted benefit that you could receive.

For more information see our website and Section 5.3.2.2.2 – Provision of assistance in obtaining tax relief.

(c) When effecting a purchase of securities for your Account in accordance with the Terms and Conditions, Supplementary Terms and Conditions or these Operating Procedures, we will make reasonable efforts to purchase the exact amount of securities of the issue that is required, even if such amount is different from the minimum tradable amount for such security or a multiple of such minimum tradable amount.

If, however, notwithstanding our reasonable efforts, we cannot purchase the exact amount of securities required, we can purchase such higher amount of securities of the issue as is required to match the minimum tradable amount or appropriate multiple thereof.

In such an event, the full amount of the securities purchased will be credited to your Securities Clearance Account and the full expense associated with such purchase will be debited from your Cash Account.

(d) We have the right to reverse any debit or credit to Cash Accounts in respect of market claims for which we have not received an interest payment. For more information see Section 5.3.2.6.2 – Other market claims procedure.

3.7.2 Cash

(a) We reserve the right in our sole discretion and without notice:

- not to accept a currency as a Settlement Currency within the Euroclear System
- to withdraw acceptance of any Settlement Currency previously accepted
- to refuse any deposit into the Euroclear System of a Settlement Currency regardless of any deposit of other cash in the same Settlement Currency, or to deliver out of the Euroclear System to any Participant holding such cash in the Euroclear System, if we determine that acceptance of any deposit in such Settlement Currency would not be in the best interests of Participants generally or of the Euroclear System.

(b) We have the right to appoint or disable a Cash Correspondent upon notice to you. Any payment made through a disabled Cash Correspondent is deemed not to have been received by us. See Section 5.4.2.1 – Cash Correspondents.

(c) If you fail to preadvise funds or to correctly preadvise funds, you authorise us to debit your Cash Account for an amount of compensation calculated in accordance with the method provided in Section 5.4.2.5.4. If your preadvised funds are not received, we may apply supplemental penalty fees.

(d) If you hold funds, or funded your Cash Account, in a Settlement Currency then you bear the risk of default of the Cash Correspondent to which the funds have been remitted to the extent that either:

- funds credited have not been preadvised or have been incorrectly preadvised by you
- funds credited are in excess of the amount you preadvised
- the preadvice of funds (i) has been received after the relevant Input Deadline as included in the Euroclear Documentation or (ii) refers to a Value Date that is not a Business Day.

For more information see Section 5.4.2.5.4.2.

3.8 Rules applicable to defaulted Participants

3.8.1. General Rules

(a) The rules set out throughout the Terms and Conditions and these Operating Procedures apply equally to defaulted Participants represented by an appointed administrator, liquidator or similarly appointed entity or legal successor.

Such default can be caused by either:

- the Participant being unable to fulfil its obligations under the terms of the Euroclear Documentation or agreements to which they are bound
- an Insolvency Event affecting the Participant
- any other type of bankruptcy or similar procedure opened against the Participant which does not constitutes an Insolvency Event
- the Participant's liquidation or bankruptcy (or initiation of such proceedings).

(b) You shall inform us of your default in writing as soon as possible.

(c) Upon your default, we have the right to retain cash or securities up to an amount which we in our reasonable opinion believe, based on the portfolio composition and history of occurrence of default of the issuer of such securities, will cover any amount due or that may become due to us by you.

This provision applies regardless of whether the event which gives rise to the payment obligation has taken place. We are entitled to retain cash and/or securities as long as there is a risk that such an event may occur.

(d) Our rights relate in particular to reversals, payments connected to a market claim, taxes, fees, penalties and damages (including reasonable attorney's and accountancy's fees).

For more information see Section 3.2 – Reversals, Section 5.3.2.6 – Market claims, Section 5.3.2.2 – Taxes and Section 2.13 – Fees.

3.8.2. Actions taken by us upon the occurrence of an Insolvency Event

(a) Upon the occurrence of an Insolvency Event affecting a Participant, we will take the actions described in Sections 3.8.2.1-3.8.2.2 below with respect to the Insolvent Participant. These actions are without prejudice to our rights under the separate agreements related to our services offered in a banking capacity.

(b) We will inform the Insolvent Participant and, when known to us, its officially appointed administrator, liquidator or similarly appointed entity or legal successor of the actions taken pursuant to this Section 3.8 as soon as reasonably possible after having taken such actions.

3.8.2.1. Blocking of new Instructions and Account(s)

(a) Upon the occurrence of an Insolvency Event affecting a Participant, we will use our reasonable efforts to prevent new Instructions from the Insolvent Participant from entering the Euroclear System, by:

(i) blocking the communication means available to the Insolvent Participant, and/or
(ii) blocking and withdrawing the powers of attorney granted by the Insolvent Participant to other Participants and/or third parties; and/or
(iii) any other measure that we would consider relevant.

(b) In addition and subject to Section 3.8.2.2, we will temporarily block securities and cash on the Insolvent Participant's Account(s) in accordance with Section 3.3.1.

Notwithstanding the Blocking, we will continue to process

- certain Instructions in accordance with Section 3.8.2.2 below;
- mandatory Corporate Actions; and
- income payments on and (partial) redemptions of securities held in the Insolvent Participant's Account(s).

The processing hereof may be delayed as manual interventions may be required. We are not liable for such delays.

(c) Notwithstanding the above, we will, at the request of an officially appointed administrator, liquidator or similarly appointed entity or legal successor of the Insolvent Participant,

- unblock securities and cash on the Insolvent Participant's Account(s). We reserve the right to (partially) retain the blocking of such securities or cash to enforce any right we have under the Terms and Conditions, these Operating Procedures or any other agreement we have with the Insolvent Participant, including without limitation our rights under Sections 3.3.1(b) and 3.8.1(c). The unblocking is further subject to our rights under the separate agreements related to our services offered in a banking capacity.
- accept new Instructions after the occurrence of an Insolvency Event. These Instructions will be further processed in accordance with the usual processing rules of the Euroclear System, *i.e.* the processing rules that would have applied had the Insolvency Event not occurred.

3.8.2.2. Handling of existing Instructions

(a) For the purposes of this Section 3.8.2.2 only, "Instruction" means an Instruction which qualifies as a "transfer order" within the meaning of the Settlement Finality Directive or the equivalent concept in the Law of 28 April 1999.

(b) In case Insolvency Proceedings are opened against a Participant, Instructions which were entered into the Euroclear System by the Insolvent Participant before Blocking and which have not yet become irrevocable in accordance with the rules set out in these Operating Procedures before Blocking, will be cancelled by us, irrespective of whether the Instructions have been entered into the Euroclear System before or after the moment the Insolvency Proceedings were opened.

(c) In case Insolvency Proceedings are opened against a Participant, Instructions which were entered into the Euroclear System by the Insolvent Participant after the moment where we were aware or should have been aware of the opening of the Insolvency Proceedings and which have become irrevocable in accordance with the rules set out in these Operating Procedures before Blocking, will be removed from the Euroclear System.

(d) In case Insolvency Proceedings are opened against a Participant, Instructions which were entered into the Euroclear System by the Insolvent Participant before the moment of opening of the Insolvency Proceedings and which have

become irrevocable in accordance with the rules set out in these Operating Procedures before Blocking, will be processed in accordance with the usual processing rules of the Euroclear System.

(e) In case Insolvency Proceedings are opened against a Participant, Instructions which were entered into the Euroclear System by the Insolvent Participant after the moment of opening of the Insolvency Proceedings and before we were aware or should have been aware of the opening of such Insolvency Proceedings, and which have become irrevocable in accordance with the rules set out in these Operating Procedures before Blocking, will be processed but only if such processing can take place on the same Business Day as the Business Day on which the Insolvency Proceedings were opened. Any such Instructions which have not been settled at the end of such Business Day will be removed from the Euroclear System.

(f) Whenever Instructions will be cancelled or removed as provided for in (b), (c) or (e) above, we will cancel or remove the Instructions as soon as possible. We are not liable for any delay.

(g) Whenever Instructions will be processed as provided for in (d) or (e) above, the processing of the Instructions may be delayed as manual interventions may be required in view of the Blocking. We are not liable for such delay.

3.9 Data protection

3.9.1 General

(a) Regarding the processing of Personal Data ('processing' as defined in the Data Protection Law), we and you act in the following capacities for the following respective purposes:

- We act as Controller and you act as Controller: with regard to (i) each party's respective legal and regulatory obligations (including but not limited to anti-money laundering and terrorism financing requirements); and (ii) Persona Data of respectively our and your employees, contractors or other persons acting on our or your behalf, exchanged under or pursuant to the Terms and Conditions (see Section 3.9.2 below); or
- We act as a Processor and you act as a sub-Processor: with regard to Personal Data of your direct or indirect clients and/or the ultimate beneficial owners, processed by us and sub-processed by you following request of an issuer of securities or a competent authority in relation to securities held on a securities Clearance Account; or
- Your act as Processor and we act as sub-Processor: with regard to Personal Data of your direct or indirect clients and/or the ultimate beneficial owners, processed by you and sub-processed by us following request of an issuer of securities or a competent authority, provided it relates to securities recorded on a Non-Deposit Account.

(b) We and you agree to comply with the obligations under the Data Protection Law.

(c) Where required, you shall provide all reasonable and timely assistance to us to enable us to respond to any request from a Data Subject to exercise any of its rights under the Data Protection Law as well as any other correspondence enquiry or complaint received from a Data Subject, regulator or other third party in connection with the processing of the Personal Data.

(d) You shall indemnify us from and against all loss, cost, harm, expense (including reasonable legal fees), liabilities, fines or damage suffered or incurred by us in relation to a third party claim (including from Data Subjects, data protection authorities or other regulatory bodies) that results from your breach of your obligations under the Data Protection Law or under this Section 3.9.

3.9.2 Controller to Controller

(a) You and we may process, as Controller, certain Personal Data in the context of performing and using the services that are governed by or pursuant to the Terms and Conditions. You and we acknowledge that, in relation to the processing of such Personal Data, each party will be free to determine the lawful purpose and the means of such processing and therefore will act as separate Controller.

More specifically, you and we may process as separate Controller, for respectively your and our own lawful purposes and means, amongst others but not limited to, the following Personal Data:

- the basic professional contact details of employees, contractors, directors and other physical persons you and we deal with in the context of our relationship and solely for the purposes of contract negotiation, contract management and client relationship management;
- all or part of the Personal Data received in the context of our relationship, being it Personal Data of employees, contractors, directors, direct or indirect clients or beneficial owners, provided that (i) the relevant party controlling the Personal Data has a valid legal ground for such processing in accordance with the applicable data protection legislation; or (ii) the processing is necessary for compliance with a legal obligation to which the relevant party is subject.

More information about our processing of Personal Data as Controller can be found in the Privacy notice for Participants, which is directed at the relevant Data Subjects.

(b) In no event will the Terms and Conditions and the Operating Procedures lead to a situation where the parties can be considered joint controllers.

3.9.3 We act as Processor and you act as sub-Processor

(a) With regard to Personal Data of your direct or indirect clients and/or the ultimate beneficial owners, processed following a request from an issuer of securities or a competent authority and provided it relates to securities held on a Securities Clearance Account, we are the Processor and act as operator of the Euroclear System; you are the sub-Processor and act as our Participant.

You shall process the Personal Data as a sub-Processor for the purposes described in Section 3.9.3 (b) below and strictly in accordance with our documented instructions (the 'Permitted Purpose'), except when otherwise required by any European Union legislation or EU member state legislation applicable to you and/or us. If you are aware or of the opinion that any instruction given by us breaches the Data Protection Law or any other data protection or privacy law of any EU member state, you shall immediately inform us thereof and provide details of such breach or potential breach.

(b)The Personal Data to be processed concern the following (the "Data"), depending on which securities we hold for you in which market(s) and on which other services we provide to you in relation to securities held on a Securities Clearance Account:

Categories of Data Subjects	- your direct and indirect clients – natural persons; - the beneficial owners – natural persons.
Categories of Personal Data	- identification data (name, address (private and professional), telephone number, e-mail address, signature); - personal characteristics (age, gender, civil status, date of birth, place of birth, immigration status); - physical data (height, weight, hair colour, distinctive features); - financial characteristics (account number, credit/debit card details, earnings); - profession and job (employment details, employer, job title, recruitment details, career, attendance and discipline, occupational health, salary, company assets held, evaluation, training).
Special Categories of Personal Data	- racial or ethnic data (through copy of the ID card/passport); - national register number (ID card number, passport number).
Processing operations	- requesting the Personal Data; - collecting the Personal Data; - recording the Personal Data; - disclosing the Personal Data; - consulting the Personal Data; - storing the Personal Data; - mentioning the Personal Data (e.g. emails, signatures); - destroying the Personal Data; - erasing the Personal Data.

Permitted Purposes	- facilitate the management of operational procedures (e.g. inquiries, escalations); - comply with the required information in order to enable the beneficial owner to take part in a Corporate Action; - comply with disclosure requirements; - comply with the required information to enable the voting process to take place (e.g. voting card issuance, proxy voting); - perform actions related to registered shares (e.g. conversion of dematerialised shares into registered shares or settlement of registered shares); - comply with legal or regulatory obligations (e.g. reporting); - perform cash related services; - perform services with respect to the execution of transactions; - perform physical settlement (for securities still materialised); - request access to specific local proprietary applications/systems (i.e. grant access and authenticate users); - provide tax relief services and comply with the legal obligation to offer a withholding tax service; - opening of accounts; - undertake activities related to the service provision, as documented in the Operating Procedures.

(c) You shall not process or transfer the Data, nor permit the Data to be transferred, outside the European Economic Area ('EEA') unless you take such measures as are necessary to ensure the transfer is in compliance with the Data Protection Law.

Such measures may include, but are not limited to, (a) transferring the Data to (i) a recipient in a country considered by the European Commission as providing adequate protection for Personal Data, (ii) a recipient making use of binding corporate rules in accordance with the Data Protection Law or (iii) a recipient that has executed standard data protection provisions adopted or approved by the European Commission, or (b), in exceptional cases, reliance on the derogations foreseen under the Data Protection Law.

Where requested by us in relation to any such transfer or processing of Data outside of the EEA or a country considered by the European Commission as providing adequate protection for Personal Data, you shall ensure that any relevant subsequent sub-Processors of yours enter into an agreement incorporating the standard data protection provisions adopted or approved by the European Commission and any such agreement shall include security obligations imposed on the recipient of the Data which are at least equivalent to those contained in this Section 3.9, or other contractual obligations that are requested by us to comply with the Data Protection Law.

(d) You shall ensure that any person that you authorise to process the Data (including but not limited to your staff, agents and subcontractors) (an 'Authorized Person') shall be subject to a strict duty of confidentiality (whether a contractual duty or a statutory duty or otherwise), and shall not permit any person to process the Data unless this person is under such a duty of confidentiality. You shall ensure that all Authorized Persons process the Data only as necessary for the Permitted Purpose described in Section 3.9.3 (b) above.

(e) You shall implement appropriate technical and organisational measures to protect the Data from (i) accidental or unlawful destruction, (ii) accidental loss, alteration, unauthorized disclosure or access, and (iii) any other breach of security (together a 'Security Incident').

Such measures shall include appropriate and fully documented internal security policies with regard to, as applicable, amongst others: human resource security and access controls, organisation of information and information asset management, physical security, operational security, communication security, system acquisition, development and maintenance, security incident management, business continuity and risk management.

In addition, such measures shall include, as appropriate:

- the pseudonymisation and encryption of Personal Data;
- the ability to ensure the ongoing confidentiality, integrity, availability and resilience of processing systems and services;

- the ability to tore the availability and access to Personal Data in a timely manner in the event of a physical or technical incident;
- a process for regular testing, assessing and evaluating the effectiveness of technical and organisational measures for ensuring the security of the processing.

(f)You shall not subcontract any processing of the Data to a third party sub-sub-Processor without our prior consent, provided that such third party does not fall in one of the following categories of sub-sub-Processors and notwithstanding the last paragraph of this subsection (f):

- your affiliated companies;
- your direct clients;
- your service providers and professional advisors;
- other Participants in the Euroclear system.

For third parties not falling in the above accepted categories, you shall submit a list of sub-sub-Processor for our approval and you shall maintain and provide to us updated version(s) of this list.

Where you appoint a sub-sub-Processor and the sub-sub-Processor is in breach of obligations imposed (or to be imposed) on the sub-sub-Processor pursuant to this Section 3.9, or if we otherwise reasonably believe that such third party has not complied or will not comply with such obligations, we may require you to take measures, including but not limited to additional measures to ensure compliance of the sub-sub-Processor or to review such third party's appointment.

You shall require from any sub-sub-Processor you appoint data protection, confidentiality and security terms that protect the Data to the same standards provided for by this Section 3.9 and any provision of the Operating Procedures that relates to confidentiality,. In case of contradiction between such cases, the clause offering the highest level of protection, confidentiality and/or security shall prevail. You shall remain fully liable for any breach of this Section 3.9 and/or any provision of the Operating Procedures that relates to confidentiality that is caused by an act, error or omission of your sub-sub-Processor.

(g) If we decide to conduct a Data Protection impact assessment, whether on a mandatory or voluntary basis, you shall provide us with all such reasonable and timely assistance as we may require in order to conduct a Data Protection impact assessment in relation to the Data and, if necessary, to consult with the relevant data protection authority.

In addition to the foregoing, if you believe or become aware that your processing of the Data is likely to result in a high risk (as defined by the Data Protection Law, relevant regulatory guidance and case law) regarding the data protection rights and freedoms of Data Subjects, you shall promptly inform us.

(h) Upon becoming aware of a Security Incident or suspected Security Incident, you shall inform us and the Controller thereof without undue delay. When informing us, you shall at minimum send an email to DPOA@euroclear.com, which will at least contains the following information:

- a reasonably detailed description of the nature of the Security Incident including, but not limited to, the categories and approximate amount (including an estimated minimum and maximum) of Data Subjects affected, and the categories and approximate amount (including an estimated minimum and maximum) of affected data records;
- the name and contact details of your data protection officer and/or other representatives who may provide additional information about the Security Incident;
- when the Security Incident took place (date or time period);
- the type of Personal Data that was affected by the Security Incident and whether or not sensitive Personal Data was affected and if so, which types;
- whether the affected Personal Data had been encrypted, hashed or otherwise rendered incomprehensible, inaccessible or unintelligible for unauthorized persons and if so, how this was executed;
- the (suspected) cause of the Security Incident;
- the likely consequences of the Security Incident;
- the measures taken and proposed to be taken by you and/or your sub-sub-Processors to mitigate the consequences of the Security Incident;
- any additional information as may be requested by us.

If you are not in a position to immediately provide all the above-mentioned information at the same time, you will provide as much information as possible upon becoming aware of the Security Incident and you will provide the additional

information as soon as possible. In addition, upon our request you shall immediately provide all such additional information and cooperation as we may reasonably require, including in order for us to fulfil our data breach reporting obligations under the Data Protection Law. You shall further take all such measures and actions as are necessary to remedy or mitigate the effects of the (suspected) Security Incident and shall keep us up-to-date about all developments in connection with the (suspected) security Incident.

You will appropriately document any Security Incident and will not release or publish any filing, communication, notice, press release or reporting concerning a Security Incident without our prior written approval, unless you are required to do so pursuant to applicable law. In the latter case, you will, where lawful to do so, inform us as soon as possible and always with reasonable prior written notice in order to give us the opportunity to object to and/or comment on such disclosure.

(i) Upon termination of our relationship with you, you shall (at our election) destroy or return to us all Data (including all copies of the Data), to the extent that this Data is in your possession or under your control (including any Data subcontracted to a third party for processing) in your capacity as our sub-Processor. This requirement shall not apply to the extent that you are required by any European Union legislation or EU member state legislation to retain some or all of the Data, in which event you will isolate and protect the Data from any further processing except to the extent required by such legislation.

(j) You shall permit us (or our appointed third party auditors) to audit your compliance with this Section 3.9 and shall make available to us all information, systems and staff necessary for us (or our appointed third party auditors) to conduct such audit. You acknowledge that we (or our appointed third party auditors) may enter your premises for the purposes of conducting this audit, provided that we give you reasonable prior notice of our intention to audit, conduct our audit during normal business hours and take all reasonable measures to prevent unnecessary disruption to your operations.

(k) Notwithstanding anything to the contrary set out in the Terms and Conditions and the Operating Procedures, any limitations or exclusions of your liability set out in the Terms and Conditions and the Operating Procedures shall not apply in the event of breach by you of your obligations as sub-Processor under this Section 3.9.

3.9.4 You act as Processor and we act as sub-Processor

(a) With regard to Personal Data of your direct or indirect clients and/or the ultimate beneficial owners, processed following a request from an issuer of securities or a competent authority and provided it relates to securities recorded on a Non-Deposit Account, you are the Processor and act as our Participant; we are your sub-Processor and act as provider of the services related to Non-Deposit Accounts.

We shall process the Personal Data as your sub-Processor for the purposes described in Section 3.9.4 (b) below, except when otherwise required by any European Union legislation or EU member state legislation applicable to you and/or us. If we are aware or of the opinion that any instruction given by you, in the context of the provided services related to Non-Deposit Accounts, breaches the Data Protection Law or any other data protection or privacy law of any EU member state, we shall immediately inform you thereof and provide details of such breach or potential breach.

(b) The Personal Data to be processed concern the Data as specified in the table in Section 3.9.3 (b), depending on which securities we recorded for you on a Non-Deposit Account and in which market they are held and on which other services we provide to you related to securities recorded on a Non-Deposit Account.

(c) We shall not process or transfer the Personal Data, nor permit the Personal Data to be transferred, outside of the European Economic Area ('EEA') unless we take such measures as are necessary to ensure the processing or transfer is in compliance with the Data Protection Law.

Such measures may include, but are not limited to, (a) transferring the Personal Data to (i) a recipient in a country considered by the European Commission as providing adequate protection for Personal Data, (ii) a recipient making use of binding corporate rules in accordance with the Data Protection Law or (iii) a recipient that has executed standard data protection provisions adopted or approved by the European Commission, or (b), in exceptional cases, reliance on the derogations foreseen under the Data Protection Law.

(d) We shall endues that any person that we authorise to process the Personal Data (including but not limited to our staff, agents and subcontractors) shall be subject to a strict duty of confidentiality (whether a contractual duty or a statutory duty or otherwise), and shall not permit any person to process the Personal Data unless this person is under

such a duty of confidentiality. We shall ensure that all such authorized persons process the Personal Data only as necessary for the purposes described in Section 3.9.4 (b) above.

(e) We shall implement appropriate technical and organisational measures to protect the Personal Data from a Security Incident.

At a minimum, such measures shall include the measures identified in our internal Security Measures Policy, with regard to, as applicable, amongst others: human resource security and access controls, organisation of information asset management, physical security, operational security, communication security, system acquisition, development and maintenance, security incident management, business continuity and risk management.

In addition, such measures could include, as appropriate:

- the pseudonymisation and encryption of Personal Data;
- the ability to ensure the ongoing confidentiality, integrity, availability and resilience of processing systems and services;
- the ability to restore the availability and access to Persona Data in a timely manner in the event of a physical or technical incident;
- a process for regular testing, assessing and evaluating the effectiveness of technical and organisational measures for ensuring the security of the processing.

(f) We shall not subcontract any processing of the Personal Data to a third party sub-sub-Processor without your prior consent, provided that such third party does not fall in one of the below categories of sub-sub-Processors and notwithstanding the last paragraph of this subsection (f).

You acknowledge that you have approved the following list of categories of sub-sub-Processors for the purposes of requesting, collecting, recording, disclosing, consulting, storing, mentioning, destroying and erasing the Personal Data, depending on which securities you hold in which markets and on which services we provide to you:

- our affiliated companies;
- our service providers and professional advisors;
- where applicable, government bodies or agencies.

We shall impose data protection, confidentiality and security terms on any sub-sub-Processor we appoint that protect the Personal Data to the same standards provided for by this Section 3.9 and any provision of the Operating Procedures that relates to confidentiality. In case of contradiction, the clause offering the highest level of protection, confidentiality and/or security shall prevail.

(g) If you decide to conduct a Data Protection impact assessment, whether on a mandatory or voluntary basis, we shall provide you with all such reasonable and timely assistance as you may require in order to conduct a Data Protection impact assessment in relation to the Personal Data and, if necessary, to consult with the relevant data protection authority.

In addition to the foregoing, if we believe or become aware that our processing of the Personal Data is likely to result in a high risk (as defined by the Data Protection Law, relevant regulatory guidance and case law) regarding the data protection rights and freedoms of Data Subjects, we shall promptly inform you.

(h) Upon becoming aware of a Security Incident, we shall inform you thereof without undue delay and shall provide all such timely information and cooperation as you may reasonably require including in order for you to fulfil your data breach reporting obligations under the Data Protection Law. We shall further take all such measures and actions as are necessary to remedy or mitigate the effects of the Security Incident and shall keep you up-to-date about the developments in connection with such Security Incident.

(i) Upon termination of our relationship with you, we shall (at your election) destroy or return to you all Personal Data (including all copies of the Personal Data) in our possession or under our control (including any Personal Data subcontracted to a third party for processing). This requirement shall not apply to the extent that we are required by any European Union legislation or EU member state legislation to retain some or all of the Personal Data, in which event we shall isolate and protect the Personal Data from any further processing except to the extent required by such legislation.

(j) We shall permit you (or your appointed third party auditors) to audit our compliance with this Section 3.9.4 and shall make available to you all information, systems and staff necessary for you (or your appointed third party auditors) to

conduct such audit. We acknowledge that you (or your appointed third party auditors) may enter our premises for the purposes of conducting this audit, provided that you give us reasonable prior notice of your intention to audit, conduct your audit during normal business hours take all reasonable measures to prevent unnecessary disruption to our operations and do not exercise this right in an abusive manner.

3.10 Use of information

(a) In addition to Section 2.5 and without prejudice to Section 3.9, you authorise us to use information:

- you have provided to us
- related to you and your activities in the Euroclear System

where such information is necessary for our activities and/or our services.

You specifically authorise us to use information relating to positions or movements in your Securities Clearance Account(s) to enable the repurchase of securities in accordance with the Terms and Conditions, Supplementary Terms and Conditions and these Operating Procedures.

(b) You may use information we provide exclusively to support your primary business and your Euroclear related activities. Be aware that we receive information from various third party information providers and as such we do not guarantee the accuracy, adequacy, completeness, timeliness or availability of such information.

We are not responsible for any errors or omissions or for the results obtained from your use of such information or for any lost profits, indirect, special or consequential damages.

Unless you have our (and/or the necessary third party's) prior written consent, information you receive from us must not be repackaged, further transmitted, transferred, disseminated, distributed, redistributed, sold, resold, leased, rented, licensed, sublicensed, altered, modified and/or adapted.

Information received from us must not be used for any illegal purpose.

You will take all reasonable steps to ensure that your officers, directors, employees, representatives, contractors and agents comply with this section.

(c) You agree and acknowledge the following:

- certain information received from us is, and remains, valuable intellectual property owned by, or licensed to us and/or a third party information provider. No proprietary rights are transferred to you
- misappropriation or misuse of such information may cause damage to us and/or a third party information provider so that monetary damages may not provide sufficient compensation
- in the event of misappropriation or misuse, we, and/or the third party information provider, have the right to (i) immediately cease providing such information to you; (ii) obtain injunctive relief in addition to other remedies to which we or they are entitled and/or (iii) notify the third party information provider thereof
- we may disclose to the relevant third party information provider upon its reasonable request that (i) you are a recipient of its information and (ii) any other relevant information about your use of such information.

(d) Most issuers of securities rated by ratings agencies have, prior to assignment of a rating, agreed to pay the relevant rating agency. Relevant ratings agencies and their affiliated entities maintain policies and procedures to ensure the independence of their ratings and rating processes.

With respect to the use of ratings by rating agencies, you agree that:

- credit ratings and other opinions we provide are statements of opinion and not facts or recommendations to purchase, hold or sell any securities
- each rating or other opinion is only one factor in an investment decision made by you or on your/an investor's behalf
- you will make your own study and evaluation of each security and of any issuer, guarantor and provider of credit support for securities that you consider purchasing, holding or selling
- we are not responsible for the accuracy, adequacy, completeness, timeliness or availability of information we provide that is derived from data supplied by rating agencies.

(e) To the extent permitted by applicable law, we may record telephone conversations with you for the purpose of proof of existence, timing and content of commercial transactions or related professional communication with you.

The recordings will be stored for a period of time that does not exceed the period during which the relevant transaction can be contested in justice.

You represent and warrant that you have properly informed all individuals acting on your behalf of such telephone conversation recording for such purposes and for such duration as mentioned above.

By using the Euroclear System, you agree for yourself and for all individuals acting on your behalf to the recording of telephone conversations with us in accordance with the foregoing.

3.11 Confidential information

(a) You must take all necessary precautions when sending us confidential information. You agree to maintain the confidentiality of confidential information received from us.

(b) We may store, reproduce, download or transmit confidential information through any website, internet server or other secured means for your use or retrieval. We will use adequate security, encryption and authentication procedures/software to prevent any unauthorised third party disclosure.

(c) We may transmit or accept confidential information by means we deem appropriate to and from Participants, Depositories, Other CSDs, Cash Correspondents or third parties if:

- we consider it necessary to provide our services
- this is consistent with market practices
- there is no other means of transmitting or receiving such confidential information
- there is a contingency situation.

(d) We accept no liability for the consequences of a third party intercepting confidential information or when we or any third party service provider are required to disclose confidential information in accordance with Sections 2.5, or 2.12.

3.12 Access to records

(a) Upon your reasonable request, we may grant you access to our premises and may allow you to view your accounts opened in our electronic books and records, all of this in the presence and under the control of members of our staff. We may also provide you copies of such books and records, at you own expenses.

(b) We are available during normal business hours to discuss these Operating Procedures and any internal control and reconciliation systems that we have in place.

(c) You can find further information on our financial situation and internal controls on our website, including:

- our annual accounts and report
- the ISAE 3402 report.

3.13 Business continuity

(a) We maintain a business continuity framework that describes:

- roles and responsibilities
- standards and guidelines
- incident management checklists
- crisis management checklists
- standardised departmental plans
- the risk-based approach we adopted.

(b) Our business continuity framework includes business continuity plans based on various scenarios impacting our staff, offices and IT services, enabling us to recover from a disaster and continue providing services to you within reasonable recovery time objectives.

(c) We test our business continuity arrangements at least annually.

(d) You can find further information on business continuity in the ISAE 3402 report, which is published on our website:

- IT and office recovery strategies
- the hierarchical framework for decision
- recovery requirements by department
- communication contact lists with the main internal and external stakeholders (employees, clients, external providers, public authorities and media).

3.14 Temporary service restrictions

Upon notice to you, we, acting reasonably, may (temporarily) suspend or limit certain services provided to you.

Part IV: Connectivity

4.1. To Euroclear Bank 49
4.1.1. General rules 49
4.1.1.1 Our address 50
4.1.1.2 Deemed receipt 50
4.1.1.3 Authorised signatories for Instructions by mail, courier or fax 51
4.1.2. Means of sending Instructions 51
4.1.2.1. Standard messaging formats 51
4.1.2.2. Exceptional circumstances 55
4.1.3. Deadlines for Instructions 55
4.1.3.1. General rules 55
4.1.3.2. Input Deadlines 56
4.1.4. Processing and validation of Instructions 56
4.1.4.1. Processing of Instructions 56
4.1.4.2. Validation of Instructions 56
4.1.4.3. Validation of data fields 57
4.1.4.4. Use of code numbers 57
4.1.4.5. Use of decimals 58
4.1.4.6. Notification of invalid Instructions 58
4.1.5. Cancellation and modification of Instructions 58
4.1.5.1. Cancellation by us 58
4.1.5.2. Cancellation by you 58
4.1.5.3. Modification of Instructions by you 58
4.1.5.4. Modification of Instructions by us 59
4.2. From Euroclear Bank 59
4.2.1. General rules 59
4.2.2. Deemed receipt 59
4.2.3. Reports 60
4.2.3.1. Availability and content 60
4.2.3.2. Official reports 60
4.2.3.3. Reports provided to auditors 60
4.2.4. List of Participants 60
4.2.5. Information published online 60
4.2.6. Statements of movements in Transit Accounts, Record-keeping Accounts and Non-Deposit Accounts .. 61

4.1. To Euroclear Bank

4.1.1. General rules

(a) You can communicate with us in the ways shown below.

General connectivity	Instructions
SWIFT	SWIFT
EUCLID	EUCLID
EasyWay	EasyWay
ESSC	ESSC
Mail	Mail
Fax	Fax*
Email	Email*
Courier	Courier
Telephone	

* unless otherwise agreed, in exceptional circumstances only

(b) We may accept (i) scanned copies of duly signed forms and documents and (ii) forms and documents which are signed with a copy (or scan) of an original signature. You will be bound by such forms and documents as though they were the original forms or documents.

(c) Certain forms and documents may be completed and submitted through our website. In order to express your agreement to the content and submission of such forms and documents you have to sign, scan and submit by email a confirmation with a unique identifier which will also appear on the form.

You agree that such confirmation constitutes proof of your agreement to the content and submission of the relevant forms or documents.

(d) Certain forms and documents may be completed and submitted through SWIFT messages. In order to express your agreement to the content and submission of such forms and documents you have to entirely copy the relevant form or document wording in your SWIFT message without deleting or omitting any part of it.

You agree that

- such forms or documents completed and submitted through SWIFT message constitute proof of your agreement to the content and submission of the relevant forms or documents
- any deletion or omission of (part of) the wording of the relevant form or document will be considered as an involuntary mistake and any deleted or omitted part of such wording will be considered as agreed by you and forming an integral part of the agreed form or document
- you are solely responsible for ensuring that the forms or documents completed and submitted through SWIFT messages have been duly authorised internally.

(e) Certain agreements, forms and documents may be completed and submitted electronically and executed through electronic signature(s). You are solely responsible for ensuring that the agreements, forms or documents completed, submitted and executed electronically have been duly authorised internally. You will be bound by such agreements, forms and documents as if they were submitted to us in hard copy and signed manually by your authorised signatories.

(f) You are solely responsible for ensuring that you have the necessary internal security controls to enable safe and secure communication and compliance with (b) through (d) above.

We will treat as authentic any agreements, forms and documents (including Instructions) sent to us which comply with the procedures above. You agree not to object to the admission as evidence in any legal proceedings of any agreement, form or document executed in accordance with the procedure above.

(g) We have no responsibility for the acts or omissions of any supplier of network or other services in respect of the operation, availability or access to any of the communication tools described in this Part IV.

4.1.1.1 Our address

(a) All Instructions and communications must be addressed to:

Euroclear Bank SA/NV
(Department concerned – see below)
1, boulevard du Roi Albert II
B – 1210 Brussels
Belgium

Telephone: +32 2 326 1211

BIC: MGTC BE BE ECL or MGTC BE BE

Email available at my.euroclear.com > My Apps > Key Apps > Contacts

(b) Each Instruction or other communication must carry the following general header:

- department concerned, as shown in the Euroclear Documentation
- name and location of sender
- Account number of sender (if not included in the message text).

(c) Instructions and other communication intended for more than one department must be sent by separate messages to each department.

4.1.1.2 Deemed receipt

Your Instructions or communications are deemed to be received by us on any Business Day:

Communication type	Deemed receipt
If sent by EUCLID or SWIFT straight-through	when you receive validation results which do not indicate rejection or the need for further validation
If sent by SWIFT free format	when the message is received at our SWIFT address (see BIC code above) and the client receives the status report (e.g.MT567, MT548) to confirm the status of the transaction
If sent using EasyWay	when your Instruction's status is updated from 'to authorise', 'to confirm' or 'declined' to any possible status as defined in the EasyWay documentation
If sent using ESSC	when the file is uploaded
If sent by mail or courier	when physically received at our address
If sent by fax	when received at our address
If sent by email	when received at our email address

Any notice or communication which is received, or delivered or which is attempted to be delivered, after close of business shall be treated as given at the opening of business on the next following Business Day.

4.1.1.3 Authorised signatories for Instructions by mail, courier or fax

(a) When you become a Participant in the Euroclear System you must provide us with a list of your authorised signatories. This list must contain the individuals' original signatures and signing powers. You are responsible for informing us of any changes to this list. Changes must be sent in writing with appropriate supporting documents.

(b) We require 2 authorised signatures for Instructions sent by mail, courier or fax. When signing a document you must also print the signatories name in capital letters to help us identify it. We are under no obligation to verify the identity of person(s) giving the Instructions or the conformity of their signatures with the list of authorised signatories you send.

(c) We reserve the right not to process Instructions received via mail, courier or fax which contain a signature that in our opinion does not appear on the provided signatory list.

(d) We may require you to send replacement Instructions if we deem that your initial Instructions are not signed by an authorised signatory. If you fail to provide such further Instructions by the Input Deadline we specify or within 10 Business Days, your Instructions will lapse.

4.1.2. Means of sending Instructions

4.1.2.1. Standard messaging formats

4.1.2.1.1. SWIFT

(a) If you wish to communicate with us by SWIFT then you must enter into an agreement with us whereby you agree to the rules for use of the service. These rules are set out throughout the Euroclear Documentation. In particular, you must confirm that transmissions sent through SWIFT will be protected by the SWIFT built-in authentication procedures.

(b) You use SWIFT at your own risk and expense. We accept no liability in respect of the operation or availability of SWIFT.

(c) By using SWIFT you agree that any transmissions you send to us will conform to:

- current formats and procedures as specified by SWIFT
- any additional requirements that we specify.

(d) You must verify that you can meet all the processing requirements for transmission of Instructions/messages including:

- those described in the Euroclear Documentation or SWIFT Specifications (including security requirements)
- your own internal control procedures.

(e) An authenticated free format message containing Instructions will be processed provided: (i) it is foreseen in the Euroclear Documentation and (ii) it meets the requirements set forth in these Operating Procedures and throughout the Euroclear Documentation.

4.1.2.1.2. EUCLID

(a) If you wish to communicate with us by EUCLID then you must enter into an agreement with us whereby you agree to the rules for use of the service. These rules are set out throughout the Euroclear Documentation. You should familiarise yourself with the rules included in the following legally binding guides:

Communication Platform	Guide
EUCLID PC	EUCLID PC - Installation and Technical Administration Guide
EUCLID PC	EUCLID PC - Getting started
EUCLID Server	EUCLID Server - Technical Administration Guide
EUCLID Server	EUCLID Server – Installation Guide

EUCLID PC & EUCLID Server	IP connection guide
EUCLID file transfer	EUCLID file transfer connection manual
EUCLID	IP Network and security guide

(b) It is your sole responsibility to:

- ensure that you select the most appropriate EUCLID access mode for your own operational requirements
- comply with the security requirements for EUCLID
- ensure that you manage your Company Administrator rights in accordance with Section 4.1.2.1.6. below.

(c) By signing the relevant registration form(s) you are deemed to have agreed to the terms and conditions of the EUCLID PC, EUCLID Server and/or EUCLID file transfer agreement

(d) You must ensure that you use the most recent version of EUCLID PC and or EUCLID Server and that you update your local databases on a regular basis.

(e) Any Instruction we receive from you which has passed through the EUCLID access authentication procedures will be treated as authentic for all purposes.

(f) EUCLID can be accessed using either:

- EUCLID PC
- EUCLID Server
- EUCLID file transfer mode
- a combination of the above modes.

4.1.2.1.3. EasyWay

(a) If you wish to communicate with us by EasyWay then you must enter into an agreement with us whereby you agree to the rules for use of the service. These rules are set out throughout the Euroclear Documentation. You should familiarise yourself with the rules included in the following legally binding guides:

Communication platform	Guide
EasyWay	Asset servicing user guide
EasyWay	Settlement user guide
EasyWay	Collateral management user guide
EasyWay	Cash user guide
EasyWay	Depot user guide
EasyWay	Reports user guide
EasyWay	User Access Management user guide
EasyWay	Secure Access Management Services
EasyWay	How to connect to EasyWay guide
EasyWay	Getting started Quick Card
EasyWay	Connectivity Quick Card
EasyWay	EasyWay technical migration Quick Card
EasyWay	Getting started with EasyWay over SWIFT WebAccess
EasyWay	Market Claims user guide
EasyWay	Securities Lending and Borrowing
EasyWay	Automated Reporting Service
EasyWay	ETCMS Guide

(b) It is your sole responsibility to ensure that you:

- select the most appropriate EasyWay access mode for your own operational requirements

- select which network provider you will use, and whether to use more than one (you should contact and contract with the relevant network providers directly)
- use the most recent software version of the Web PKI component we provide to manage Euroclear Bank smartcards.
- when appropriate, renew smartcard user certificates, renew software certificates and manage the life cycle of RSA SecurID hardware tokens
- ensure that you manage your Company Administrator rights in accordance with Section 4.1.2.1.6. below.

(c) Instructions which pass the EasyWay authentication procedures will be treated as authentic for all purposes. Instructions sent through EasyWay must be authorised before they are released in accordance with the user access rules you define.

(d) If you want to create 1 or more Instructions by using the EasyWay file import possibility, you must verify that you can meet all the formatting requirements for (i) the file to upload and (ii) the Instructions within the file. These requirements are described in

- EasyWay Corporate Actions file import
- EasyWay Settlement file import
- EasyWay Collateral Management file import

(e) We do not guarantee:

- the accuracy and/or consistency of communication or data sent through EasyWay
- the availability of the service at all times (there are specific periods of planned downtime as shown in the Euroclear Documentation).

You should establish sufficient contingency arrangements to send Instructions and messages to us in case EasyWay is unavailable.

(f) We make an effort to protect any communication or Instruction received through EasyWay. Despite this, we cannot guarantee the integrity and security of messages sent through the internet and we accept no liability for any data corruption or unauthorised amendment.

4.1.2.1.4. ESSC

(a) If you wish to communicate with us by ESSC then you must enter into an agreement with us whereby you agree to the rules for use of the service. These rules are set out throughout the Euroclear Documentation. You should familiarise yourself with the rules included in the following legally binding guides:

Communication platform	Guide
ESSC	Connectivity Quick Card
ESSC	Setup guide
ESSC	User access management guide
ESSC	User guide French FTT Service
ESSC	Secure access management services guide

(b) It is your sole responsibility to ensure that you:

- select the most appropriate ESSC access mode for your own operational requirements
- select which network provider you will use, and whether to use more than one (you should contact and contract with the relevant network providers directly)
- comply with the security requirements for ESSC.
- when appropriate, renew smartcard user certificates, renew software certificates and manage the life cycle of RSA SecurID hardware tokens.
- ensure that you manage your Company Administrator rights in accordance with Section 4.1.2.1.6. below.

(c) Instructions which pass the ESSC authentication procedures will be treated as authentic for all purposes. Instructions sent through ESSC must be authorised before they are released in accordance with the user access rules you define.

(d) We do not guarantee:

- the accuracy and/or consistency of communication or data sent through ESSC
- the availability of the service at all times (there are specific periods of planned downtime as shown in the Euroclear Documentation).

You should establish sufficient contingency arrangements to send Instructions and messages or files to us in case ESSC is unavailable.

(e) We make an effort to protect any communication or Instruction received through ESSC. Despite this, we cannot guarantee the integrity and security of messages or files sent through the internet and we accept no liability for any data corruption or unauthorised amendment.

4.1.2.1.5. Access to EUCLID, EasyWay and ESSC

(a) Your access to EUCLID is controlled by the use of:

- a network user number and password
- a user number and password linked to your smart card

This set of identification procedures is designed to maintain the external and internal security and confidentiality of your operations when using the relevant Applications.

(b) Your access to EasyWay or ESSC is controlled by the use of a user number and password linked to your smart card.

(c) We can discontinue your access to the Applications:

- immediately, if we have reason to believe that you have misused your access to the relevant Application or your use of the Applications could damage the Euroclear System;
- with reasonable notice to you, if we have reason to believe that you have not ensured compliance with Section 4.1.2.1.6. below or you no longer use your access to the relevant Application and/or have not updated your EUCLID PC and/or EUCLID server version.

4.1.2.1.6. User hierarchies for EUCLID, EasyWay and ESSC

(a) You must specify one or more Company Administrators who will each manage a user hierarchy. Company Administrator access rights may only be allocated to:

(i) employers/staff pertaining to your institution,
(ii) employers/staff pertaining to a third party entity that is acting on your behalf, provided that such third party entity has been disclosed to us and that we have agreed to grant authorisation to access the relevant Application on your behalf.

For EUCLID Applications, the Company Administrator has access to a single permanent network user number and EUCLID user number created based on your request. The associated network and EUCLID passwords are initially allocated by us but are automatically changed by you upon the first connection.
These network and EUCLID passwords remain encrypted in the local EUCLID database at your premises. They passwords are generated by our back office database and are changed every 30 calendar days.

For EUCLID file transfer, you will be prompted to change the communication passwords, initially allocated by us, every 30 calendar days.

(b) A Company Administrator may create one or more ‘users’, each of whom will have a user number allocated by the Company Administrator. Access rights can only be allocated to:

(i) users pertaining to your institution,
(ii) users pertaining to a third party entity that is acting on your behalf, provided that such third party entity has been disclosed to us and that we have agreed to grant authorisation to access the relevant Application on your behalf.

For EUCLID Applications, the associated network and passwords are initially allocated by the Company Administrator but automatically change upon your first connection.

(c) The Company Administrator(s) and user(s) form a user hierarchy.

The Company Administrator can assign the following to any user:

- any Application service
- access type
- Securities Account
- Cash Account
- any function to which it has access (other than the creation of other Users).

This enables the Company Administrator to manage the relevant Application security by such segregation. They can also lock and unlock the access facility for a user. A locked Company Administrator can only be unlocked by a Euroclear Bank data security administrator.

(d) We may require you to confirm that Instructions received through the relevant Application have been issued by users whose access rights have been duly allocated by your Company Administrator in accordance with the present Section.

(e) In order to prevent any misuse of the facilities, we reserve the right not to process Instructions received through the relevant Application which in our opinion have been issued by unknown individuals that have not been granted access rights in accordance with the present Section.

4.1.2.1.7. Mail

We may accept Instructions sent by mail in accordance with Section 4.1.1.3.

4.1.2.2. Exceptional circumstances

4.1.2.2.1. Email and fax

(a) Except as otherwise agreed, we only accept Instructions by email or fax in what we deem to be exceptional circumstances. We may accept Instructions received via email or fax if we believe such Instruction to be genuine and submitted by you or on your behalf. We are not obliged to verify the identity of the person giving the Instructions.

(b) We are not liable for acting upon your email or fax Instruction after subsequently receiving contradictory Instructions you send by EUCLID, SWIFT, EasyWay, ESSC or mail.

Our acts or omissions taken in relation to Instructions received from you via email or fax will not be affected by your failure to confirm their validity by EUCLID, SWIFT, EasyWay, ESSC or mail.

(c) Reproductions of email Instructions from our internal site records will act as valid evidence of such Instructions.

4.1.3. Deadlines for Instructions

4.1.3.1. General rules

(a) We must receive your Instructions by the relevant Input Deadlines. Input Deadlines are described on our website, in DACE notices and uninstructed reminders we send to you and below. In the event of discrepancy, the information contained in DACE notices will take precedent.

(b) It is your responsibility to take into account holidays in the relevant local market when inputting your Instructions on any particular Business Day.

(c) We may try to process Instructions received or validated after an Input Deadline but accept no liability for:

- our failure to execute such an Instruction

- errors or omissions resulting from our processing of the Instruction
- our delay in doing so.

(d) If we accept a late Instruction, we are not obliged to do so again in the future.

4.1.3.2. Input Deadlines

Input Deadlines are as follows:

Instruction Type	Input Deadline (or appropriate document)
Mail, fax or SWIFT free format	As set out in the Euroclear Documentation
New Issues Instructions	As set out in the 'New Issues Distribution Guide'
EUCLID, EasyWay or SWIFT straight-through – Internal settlement	As shown in the 'Internal settlement' section on our website
EUCLID, EasyWay or SWIFT straight-through – Bridge settlement	As shown in the 'Bridge settlement' section on our website
External Settlement Instructions	As shown in the 'Settlement timing card' (available on our website)
Custody Operations Instructions	As shown in the relevant DACE notice or on our website
Money Transfer Instructions	As shown in the 'Quick Cash Card' (available on our website)
EUCLID or SWIFT straight-through – Lending and Borrowing Instructions	As shown in the 'Lending and Borrowing' section on our website

4.1.4. Processing and validation of Instructions

4.1.4.1. Processing of Instructions

Except as agreed in writing with us or as otherwise documented in these Operating Procedures we will:

- act as instructed in respect of your Accounts
- process your Instructions for the amount of securities or cash instructed by you (provided sufficient securities and cash are available)
- process your Instructions on Business Days only.

4.1.4.2. Validation of Instructions

(a) The format of Instructions and reports for each method of communication follows recommendations from the International Organisation for Standardisation (I.S.O) to the extent possible. We accept no liability for where we have not followed the recommendations.

(b) Only Instructions which conform to the requirements described in the Euroclear Documentation or which we deem suitable for processing will be considered valid and accepted for processing.

(c) If you send an Instruction which does not respect the requirements as set out in the Euroclear Documentation, we may repair it for you or perform a manual intervention if we have the required information and reasonably believe you intended to supply a valid Instruction. We deem such an Instruction received once we have repaired it or once we have performed the manual intervention. These Instructions are considered non "straight through" and therefore the respective deadlines are applicable.

We accept no liability for the processing of repaired Instructions or for which a manual intervention was required.

(d) If you have sent us a valid Instruction that has been incidentally rejected by us, we may repair it for you. In case we have repaired your Instruction we will inform you thereof either by phone or by email. However, if your Instruction has been repaired by us and you wish to:

- cancel it: you must act in accordance with the rules set out in Section 4.1.5.2. below;
- modify it: you must act in accordance with the rules set out in Section 4.1.5.3 below.

(e) We accept no liability for failing to process Instructions that are received 5 months prior to their Value Date or processing date. This is regardless of us having accepted such Instructions for future validation/processing or their conformity with the rules set out in (b) above.

We may accept and retain such Instructions for future validation/processing but accept no liability for either doing or not doing so.

4.1.4.3. Validation of data fields

(a) Mandatory, conditional and operational data fields in Instructions are submitted to a computer validation process. Some Instructions may require further manual validation.

(b) A required data field that is found to be invalid will cause an entire Instruction to be rejected. For money transfer Instructions this is subject to the provisions set out in Section 5.4.2.4.4.

(c) Instructions that contain all relevant and correctly formatted items of information will be accepted for further processing despite superfluous data being provided. We ignore any data outside validated fields which is included in an Instruction.

4.1.4.4. Use of code numbers

(a) Code numbers are used to identify:

- Accounts
- securities
- counterparties
- Cash Correspondents
- Depositories
- other parties involved in the execution of an Instruction.

(b) You must enter Instructions in the Euroclear System using a code number (as shown in the relevant Euroclear Documentation). Information on BIC codes is contained in Database 4: I.S.O. Bank Identifier Codes and can be accessed as described in the Euroclear Documentation.

(c) If you enter a number that is not used as a code number in the Euroclear System we can try to select the code number which is used in the Euroclear System that corresponds with your incorrect entry. We deem your Instruction accepted once we have corrected it. We accept no liability for delay or any consequence of our failure or error in doing so.

(d) If you enter a code number used in the Euroclear System and a description/code number not used in the Euroclear System, which does not match a correct code number, we will base our processing on the Euroclear System code number.

(e) We give you the option of using BIC or local codes. We translate such codes into code numbers used in the Euroclear System. We base such translation on a dictionary of information provided by external service providers and validate whether or not the BIC or local code input by you is recognised by the dictionary. We deem your Instruction accepted once we have corrected it and we then process the Instruction accordingly.

We do not guarantee that the dictionary is up-to-date, complete, accurate or always available. Consequently, Instructions input with a BIC or local code may be rejected. To avoid this risk you should not use BIC or local codes unless required by market practice as described in the Online Market Guides.

4.1.4.5. Use of decimals

(a) Cash amounts in Instructions and reports are expressed to two decimal places in the Euroclear System. Any further decimal places are ignored (without rounding).

(b) Securities on the FundSettle platform are expressed as described in Part V: Section 6 of these Operating Procedures.

4.1.4.6. Notification of invalid Instructions

We will notify you if we find any of your Instructions are invalid as soon as practicable but do not guarantee the timeliness of any such notification.

4.1.5. Cancellation and modification of Instructions

4.1.5.1. Cancellation by us

We may, at any stage, refuse to process your Instructions or cancel them. We will inform you via our reports if we refuse or cancel your Instruction and take no other action. The same rules apply for lapsed Instructions which are subsequently cancelled.

4.1.5.2. Cancellation by you

(a) You may only cancel (or modify the priorities of) Instructions which have been received and validated by us but not yet executed.

(b) We must receive your cancellation Instructions before the Input Deadline of the original Instruction. Cancellation Instructions must conform to the requirements described throughout the Euroclear Documentation. Instructions become irrevocable at the Input Deadline provided that no cancellation Instruction has been received in accordance with this Section before such Input Deadline.

(c) If, due to the original course of processing (e.g. we have sent your Instruction to the Depository, Cash Correspondent, issuer or agent), we are unable to revoke your initial Instruction, we reserve the right to reject your cancellation Instruction.

(d) You cannot cancel Instructions generated by us.

(e) After a Closed Window has been opened, you cannot cancel Instructions subject to such Closed Window. Instructions which have not been executed during such Closed Window can be cancelled after the end of the Closed Window in accordance with the rules set out in (a) to (d) above.

(f) You can cancel the unsettled part of your partially settled Instruction as provided in the Euroclear Documentation.

4.1.5.3. Modification of Instructions by you

Except as provided in Section 5.2.1 (Processing rules) you cannot modify a valid Instruction (except the priority, the real-time indicator or the hold indicator of such Instructions). In order to modify a valid Instruction you must cancel the original Instruction and submit a new Instruction (except for priority modifications for Instructions which have not reached the end of their life cycle). We can only submit your new Instruction to the local market once the cancellation of your original Instruction has been processed on said local market.

4.1.5.4. Modification of Instructions by us

In certain circumstances, as described in the Online Market Guides, we may cancel your Instructions and input new similar Instructions on your behalf. We deem such an Instruction received once we have input the replacing Instruction.

4.2. From Euroclear Bank

4.2.1. General rules

(a) You may receive communication from us by:

General connectivity
SWIFT
EUCLID
EasyWay
ESSC
Mail
Fax
Email
Internet
Courier
Telephone
Managed File Transfer (MFT)

(b) Upon your request we will make a reasonable effort to communicate information to you via a courier service of your choice. We accept no liability for failure to do so, delay, loss of documents or any other consequence of acting upon your request.

(c) We require your up-to-date address to enable successful communication. It is your responsibility to inform us of any changes to your contact details. Notification of changes must be in writing under authorised signature, via authenticated SWIFT message, by tested telex or on a duly signed letterhead.

4.2.2. Deemed receipt

You are deemed to have received communication sent by us as shown in the table below.

Communication type	Deemed receipt
SWIFT	when the message is sent to the correct SWIFT address (as set out in the agreement for SWIFT users) and acknowledgement is received from SWIFT
EUCLID	when our back office database (tandem) has been updated. It is up to you to pull the report and synchronise your local database
EasyWay	when the information is available to you on the screen
ESSC	when you trigger the download
Mail or courier	5 calendar days after being deposited in the mail, postage prepaid or after having been delivered to the courier
Fax	when the transmission report indicates your receipt
Email	on the Business Day the email is sent or, if sent outside of business hours, on the following Business Day (am)
If communicated via our website	on the upload date

4.2.3. Reports

4.2.3.1. Availability and content

(a) We will report activity within the Euroclear System to you through the reports and at the times shown in the Euroclear Documentation. Some reports are only provided if you have registered for a specific service. Subscription and registration details for such services are available on request.

(b) SWIFT Specifications form an integral part of the Euroclear Documentation. In order to receive certain reports based on the SWIFT Specifications you must first subscribe by completing, signing and returning the appropriate registration form.

(c) If you use EUCLID or EasyWay, you must ensure you retrieve the most recent reports available.

(d) You acknowledge that data in reports sent by email may be of a confidential nature and that emails, by their nature, may be intercepted, altered by or misdirected to third parties. You agree that the use of emails in this respect is at your own risk. We accept no liability for any consequence arising from the use of emails for the purpose of sending these reports.

4.2.3.2. Official reports

The official statements of balance for your Account(s) are:

For securities	the most recent paper (non-electronic) version of the Statement of Transactions sent, or to be sent to you, via mail or available in ESSC
For Settlement Currencies	the most recent paper (non-electronic) version of the Daily Cash Statement sent, or to be sent to you, via mail or available in ESSC

Our right to reverse erroneous, conditional or provisional entries is not modified by receipt of these official reports.

4.2.3.3. Reports provided to auditors

If we receive a request, duly authorised by you, from your auditors we will provide them with all aspects of your position via a standard report. We will also send you a copy of the report upon your request.

4.2.4. List of Participants

(a) Periodically we may send you a directory of Participant, counterparty and correspondent codes. This directory also includes a list of Participants and their Securities Clearance Account numbers.

We can make this information available through the relevant Euroclear Documentation or another appropriate medium.

(b) You can request that your name and Security Clearance Account number(s) are withheld from such documentation.

4.2.5. Information published online

(a) Some information is available through our websites. While we produce or obtain such information from publicly available sources generally considered reliable, we cannot verify its accuracy or completeness. You should not rely on our websites as a primary source of information and we do not keep this information up to date. Your use of the information shown on our websites is entirely at your own risk.

(b) We do not endorse or review any third party websites which we provide links for on our websites. As such we do not take responsibility for data, information or materials shown on such websites.

We provide no warranty or representation regarding our websites. We disclaim all warranties and representations including implied warranties of:

- merchantability
- non-infringement of third party rights
- freedom from viruses or other harmful code
- fitness for particular purpose.

4.2.6. Statements of movements in Transit Accounts, Record-keeping Accounts and Non-Deposit Accounts

For the purposes of Section 10 of the Terms and Conditions, the statements we provide include statements in respect of movements in Transit Accounts, Record-keeping Accounts and Non-Deposit Accounts. Such statements do not change the legal nature of such accounts as described in these Operating Procedures.

Part V: Section 1 – Admission of securities and New Issues

5.1.1 Acceptance criteria 65

5.1.2 Acceptance process 66

5.1.2.1 Common Code and ISIN 66

5.1.2.2 Fungibility 67

5.1.2.3 Invalid securities 67

5.1.2.4 Instructions involving unknown Securities Codes 67

5.1.2.5 Confidential securities 67

5.1.3 Acceptance channels 68

5.1.3.1 European Pre-Issuance Messaging System (EPIM) services 68

5.1.3.2 Connection security 68

5.1.4 New issues distribution 69

5.1.4.1 Syndicated lead manager distribution – Against payment 69

5.1.4.1.1 Conditions for the use of the against payment procedure 69

5.1.4.1.2 Preliminary information 69

5.1.4.1.3 The allotment list 70

5.1.4.1.4 Closing Date 71

5.1.4.2 Syndicated free of payment distribution 71

5.1.4.2.1 Preliminary information 71

5.1.4.2.2 The allotment list 71

5.1.4.2.3 Closing Date 71

5.1.4.3 Non-syndicated issuing agent distribution – Against payment 72

5.1.4.3.1 Conditions for the use of non-syndicated issuing agent distribution – Against payment 72

5.1.4.3.2 Preliminary information 72

5.1.4.3.3 Issuance Date 73

5.1.4.4 Back Value procedure 73

5.1.1 Acceptance criteria

(a) We can accept securities (whether newly issued securities or existing securities) into the Euroclear System provided that they meet our criteria which include, without limitation, fungibility, regulatory and tax considerations. To accept securities, we apply a risk-based approach taking all relevant legal, operational or financial risk factors into account in order to protect the security, integrity and reputation of us, the Euroclear System and our Participants generally. We report accepted securities in our securities database.

(b) Odd Lots that are not accepted in the relevant local clearing system are not accepted in the Euroclear System.

(c) Nominal amounts of securities expressed in decimals are not accepted in the Euroclear System unless otherwise stated in these Operating Procedures. Fractional nominal amounts of Fund Shares may be accepted under the conditions in Part V: Section 3 (Custody Services).

(d) We will decide for which services accepted securities are eligible and provide this information to you throughout the Euroclear Documentation.

(e) Fractional amounts of securities denominated in EUR where the minimum denomination is expressed with no more than 2 digits after the decimal point can be accepted in the Euroclear System, e.g. 0.00.

(f) To the extent permitted by applicable laws and regulations, we reserve the right, either to:

- not accept securities in the Euroclear System. For instance, we may not accept securities if such acceptance would subject us and/or our Participants to legal or tax requirements (including withholding or reporting requirements) which in our reasonable opinion are incompatible with our role as CSD, our existing human, operational or technical capabilities or the services we provide
- withdraw acceptance of any securities previously accepted
- refuse any transfer/deposit into the Euroclear System of securities even if we already hold securities of the same issue
- deliver out of the Euroclear System securities to you if it is necessary either:
    - under applicable law, regulation or provision of the corporate charter (or other constitutional documents of the issuer) or the governing documentation of the issue
    - due to applicable corporate, judicial or administrative decision or inquiry
    - for the best interests of the Euroclear System.

(g) In case we exercise the right pursuant to Section 5.1.1(f) above and you hold such type of securities in one or more of your Securities Clearance Accounts, we will notify you.

You must provide us with the necessary external delivery Instructions to the effect of transferring the securities concerned out of the Euroclear System within the deadline specified in the notice.

Your hereby authorise us to sell or redeem the securities concerned in case you have not provided us the necessary Instructions by the applicable deadline. In such a case, we will use our reasonable endeavours to obtain the best price having regard to existing market conditions. You acknowledge and agree in this respect that if, one or more Participant(s) do not provide us with external delivery Instructions in due time forcing us to sell or redeem their securities, this could have an impact on the price we will be able to obtain for such securities.

In case we have to sell or redeem securities in accordance with this Section 5.1.1(f) we will credit the cash proceeds on your Cash Account.

(h) We may classify securities into different categories (such as, for example, issuer or tax status) in line with procedures we define from time to time. We do not accept liability for the accuracy, completeness, adequacy, timeliness or availability of such categorisation.

(i) In case we need to develop specific arrangements to accommodate an issuer's request to accept its securities, we may, but are not obliged to, charge a reasonable fee. In case we intend to charge a fee for such specific arrangements, we will inform the issuer of our intention. We will only start developing the specific arrangements once we have received the written consent of the issuer on the dedicated fee.

5.1.2 Acceptance process

(a) Prior to accepting a security in the Euroclear System we need time to gather information relating to its acceptance into the Euroclear System. You must take this time into account when informing us of your wish for us to accept a security. We will treat it in a non-discriminatory and prompt manner which in any case shall be no later than within three months after we acknowledged the receipt of the application file. Where we refuse an acceptance request, we will confirm our decision in writing.

(b) You must provide us with any information we request to make our decision on whether or not to accept a security into the Euroclear System if you request the acceptance of a security.

(c) When making our decision we may take into account information provided by:

- the issuer
- the lead manager
- the issuing agent
- Clearstream (or indirectly through them)
- data vendors
- other sources.

We accept no liability for acting in reliance on the information provided by the above sources.

New Global Notes and New Safekeeping Structure

(d) For acceptance of securities issued in NGN form we require a signed Issuer ICSD Agreement in the form shown on our website and, if necessary, an 'effectuation authorisation' and/or legal opinion.

(e) For acceptance of registered form securities to be held in the New Safekeeping Structure we require a signed Issuer ICSD Agreement in the form shown on our website.

5.1.2.1 Common Code and ISIN

(a) Once requested, we (or Clearstream) will allocate a Common Code to each issue of securities held in the Euroclear System or Clearstream (or both).

(b) We reserve the right to use any appropriate means in order to identify a security.

(c) To the extent that we and Clearstream are responsible for the allocation of an ISIN, the Common Code for an issue will form the basis for the related ISIN.

(d) We accept no liability for the availability or use of ISINs we publish or make available to you that are allocated by other numbering agencies, including substitute numbering agencies.

(e) Securities will be issued with different Common Codes if treated differently, even if they are issued under the same governing documentation (unless they are a subsequent tranche of, or amendment to, an existing issue).

Securities represented by different Common Codes may form separate issues for the purposes of Section 17 of the Terms and Conditions.

(f) We reserve the right not to accept securities (or related Instructions) until a Common Code has been allocated by us or Clearstream.

(g) The allocation of a Common Code or ISIN does not indicate acceptance of the security within the Euroclear System. Acceptance is indicated:

- to issuing agents, via a validation message
- to Participants, by the security appearing in the list of eligible securities available on our website.

5.1.2.2 Fungibility

(a) At the time of acceptance we will determine whether a later tranche of securities is to be treated as fungible with one or more tranches previously issued.

(b) Securities in the Euroclear System are held fungibly by issue, unless within the issue certain securities do not carry the same rights (e.g. securities drawn for redemption). We may allocate a different Common Code or ISIN to such securities.

(c) We may decline to accept or hold securities where they can be issued in more than one form (e.g. registered and bearer) or in forms which cannot be treated as fungible.

Remote Market Securities will not be treated as fungible with the Home Market Securities of the same issue. Both Remote Market Securities and Home Market Securities will carry the same ISIN but will be differentiated within the Euroclear System by the allocation of different Common Codes.

5.1.2.3 Invalid securities

(a) We accept securities into the Euroclear System on the assumption that they are valid. We do not make any investigation or assessment as to the validity of the securities.

(b) If after crediting your Account with securities, we are informed that such securities are invalid, we can:

- block the relevant securities in your Account(s)
- suspend Instructions and requests involving such securities
- debit entries related to such securities
- suspend all services related to such securities
- cancel all unexecuted Instructions related to such securities
- delete the Security Code of the securities in the securities database.

5.1.2.4 Instructions involving unknown Securities Codes

We will recycle securities transaction Instructions at your request that were rejected due to an unknown Security Code. We will also attempt to investigate whether such securities can be accepted in the Euroclear System. The recycling process does not indicate acceptance by us.

5.1.2.5 Confidential securities

(a) If requested by a lead manager or issuer or provided for in the governing documentation of the issue, we may set up any security as a confidential issue provided the rules in this Section 5.1.2.5 are followed.

(b) The request must specify how long the confidentiality conditions should last and also whether they apply to Clearstream.

(c) We do not report or respond to queries about confidential securities other than on the ‘Deferred Income Payments’ section of our website.

(d) We will only make information about confidential securities available to the lead manager or issuer, who requested confidentiality, and you, if:

- you have a position in the issue
- you have entered settlement Instructions for securities transactions in the issue.

Requests for information from anyone else will be referred to the party who initially asked for the security to be marked as confidential.

(e) We do not confirm whether inquiries have been made by the persons outlined in (d) and we rely solely on the oral representation of the caller.

(f) We can remove the confidentiality restrictions if information about the securities becomes publicly available.

5.1.3 Acceptance channels

(a) We accept communications for the acceptance of new issues into the Euroclear System via various channels, including email and phone, as described throughout the 'Operational Market Practice Book' (available on our website). Information on the European Pre-Issuance Messaging System is shown below.

5.1.3.1 European Pre-Issuance Messaging System (EPIM) services

(a) A description of this service is contained in the EPIM Documentation which is available on request. This documentation includes information on:

- the categories of securities eligible for this service
- the EPIM operating hours
- fees

(b) You alone are responsible for selecting the most appropriate EPIM connection for your own operational requirements.

(c) Any EPIM Message which has passed through the necessary authentication procedures and appears to us to be from you is deemed as authentic.

(d) You are responsible for:

- your use of third party software and hardware required for your use of the EPIM service
- procuring and complying with any necessary licenses.

(e) We do not warrant that the EPIM service is interruption or error free or is merchantable or fit for any purpose.

(f) We may suspend the EPIM service occasionally to carry out maintenance. This maintenance is very rarely carried out on Business Days and should not disrupt your service. On occasions where such maintenance is carried out on Business Days, we will inform you of such maintenance via our standard messaging formats.

5.1.3.2 Connection security

(a) You alone are responsible for the security of your connection to EPIM and any consequences that follow unsuitable security arrangements.

(b) You will be assigned a user ID and password. It is your responsibility to ensure the privacy of your password. If you are required to change your password, you must do so before its expiry date to ensure the service is not interrupted.

(c) Failure to comply with security requirements for the EPIM service may expose you to statutory and contractual liability as well as reduced security. You indemnify us, our agents and employees for loss, claim, liability or expense caused by:

- your non-compliance with the security requirements
- unauthorised use of your EPIM connection
- false or misleading information or failure to disclose any material fact in respect of the security requirements.

(d) We may disconnect our or your connection to EPIM due to a contractual breach by you, for security purposes or for other reasons. We will notify you of this as soon as practicable.

(e) You may disconnect your connection to EPIM provided you give us reasonable notice and you have no messages pending through the service.

5.1.4 New issues distribution

(a) This section on new issues distribution should be read in conjunction with the 'New Issues Distribution Guide' (available on our website).

(b) The procedures outlined in this section apply to distributions of securities held with a Common Depository or Common Safekeeper. The same procedures apply to securities held with a Specialised Depository or Other CSD but are subject to differences which result from local market practice.

(c) Unless previously agreed with us, no provision that is included in documents concerning an issue of securities which requires us to take action is applicable or binding upon us. You must draw our attention to any feature of an issue which requires action to be taken by us, the Common Service Provider, Common Safekeeper or Common Depository.

(d) When distributing a new issue through the Euroclear System, the requesting party must send us the full final documentation no later than the Issuance Date.

(e) Questions regarding the documentation requirements for acceptance of a new issue in the Euroclear System should be addressed to us and not to any other party.

5.1.4.1 Syndicated lead manager distribution – Against payment

5.1.4.1.1 Conditions for the use of the against payment procedure

(a) Lead managers must be Participants in the Euroclear System and have a Securities Clearance Account and Cash Account for the purpose of distributing new issues. These Accounts will be named 'New Issues Securities Clearance Account' and 'New Issues Cash Account' and captioned 'New Issues Against Payment'.

These Accounts can only be used to execute payments and internal settlements in connection with these distribution procedures.

(b) Lead managers are liable for all debit balances in their 'New Issues Cash Account' to the same extent as for any other Cash Account they hold with us.

(c) Unless agreed otherwise with us, each lead manager will use the same Accounts to distribute all new issues to which this procedure applies.

5.1.4.1.2 Preliminary information

(a) As soon as possible, but no later than 3 Business Days before the scheduled Closing Date, the lead manager must provide us with all the details we request as regards the issue.

Specifically, information regarding the planned date and place of closing, proposed Instructions for payment to the issuer and the documentation for the new issue must be sent to us as soon as possible.

(b) Lead managers may allow allottees to receive part of their allotment in Clearstream and part in the Euroclear System. This is known as a split allotment. Primary delivery of part of an allotment received in the Euroclear System to a counterparty in Clearstream is not allowed.

If a split allotment is permitted by the lead manager, this should be indicated to us in the preliminary information submitted.

(c) We must receive the following in draft and final forms before the Closing Date:

- the offering or invitation memorandum, if any
- the allotment list with delivery Instructions to allottees

- the offering circular or issue prospectus
- the fiscal agency, indenture, depository (or other) agreement including the text of any required form of ownership certification in connection with exchanges, redemptions and interest payments on global securities, interest payments and rights attached to the issue
- confirmation of the tax status of the issue, including the text of the required form of ownership certification for tax purposes.

These documents are required for reference and we will not review them in detail.

5.1.4.1.3 The allotment list

(a) The lead manager must:

- provide us with a complete allotment list for the portion of the issue to be distributed in the Euroclear System. This must be done as soon as possible and no later than 19:45 on the second Business Day prior to the scheduled Closing Date (we may cancel distribution of an issuance if this deadline is not adhered to)
- notify allottees of the necessary details of the distribution procedures including the requirement to choose whom they wish to receive their allotments through (us or Clearstream) by sending appropriate Instructions.

Any timetable delivered to allottees must conform to the timetable agreed with us.

(b) If allottees elect to split their allotment between us and Clearstream then the lead manager must ensure that the allotment list submitted to us reflects this, if necessary, by amending it. Submission of an amendment constitutes a request to us to prepare internal delivery Instructions to reflect such change.

(c) By the third Business Day prior to the scheduled Closing Date, the lead manager must have identified:

- any allottees who have not sent receipt Instructions within the Euroclear System or Clearstream
- any non-matching internal receipt Instructions.

Provided they are received at the latest by the close of the second Business Day prior to the scheduled Closing Date, we will accept transmissions as shown below.

From…	Accepted transmissions
Lead managers	Amendments to the allotment list reflecting the discovery of unmatched Instructions
	Instructions requesting us to facilitate the amendments to the allotment list
	Instructions requesting us to enable securities to be transferred to those allottees who have failed to input internal receipt Instructions
Allottees	Internal receipt Instructions for their allotments
	Modifications to previously input receipt Instructions

(d) No later than 10:00 on the second Business Day before the scheduled Closing Date the lead manager must instruct against payment transfer of new issues out of their ‘New Issues Securities Clearance Account’ to cover allotments for which no matching receipt Instructions have been input.

In this instance we will allow transfer of the new issuance to another of the lead manager’s Securities Clearance Accounts. If the lead manager has no other Account, the portion of issuance may be transferred to another Participant.

(e) Provided the allotment list is received, we will fix the portions of the new issue to be held in the Euroclear System. We inform the lead manager and the Common Depository or Common Service Provider of the nominal amount.

Allottees cannot alter their elections once the amount is fixed. Amounts to be held by an allottee may be modified by subsequent transfer Instructions after the processing of the distribution.

5.1.4.1.4 Closing Date

(a) The Closing Date must be:

- a Business Day
- a business day at Clearstream
- a business day in the country of the currency in which the payment to the issuer is to be made, including the city of the Cash Correspondent, Common Depository, Common Service Provider or Common Safekeeper
- a business day in the city in which closing takes place.

(b) Neither we nor the Common Depository, Common Service Provider or Common Safekeeper accept any liability for the delay or cancellation of a closing or distribution.

(c) The lead manager acknowledges and agrees that in providing payment to the issuer on our behalf, the Common Depository or Common Safekeeper acts as sub-agent on behalf of such lead manager. Accordingly, the lead manager accepts that it bears the risk of default or insolvency of such Common Depository or Common Safekeeper under circumstances where such Common Depository or Common Safekeeper would have received cash to pay the issuer from us but would not yet have made effective payment to the issuer.

If the lead manager is not comfortable with our choice of Common Depository or Common Safekeeper, they may request that a different one be appointed.

(d) Positive balances in the 'New Issues Cash Account' are not allowed. If, following the distribution such Account shows a positive balance, the lead manager must give a single book transfer Instruction with a Value Date, not earlier than the Closing Date, to another of his Accounts to ensure the balance returns to nil.

5.1.4.2 Syndicated free of payment distribution

Under this procedure, the issuer's agent and lead manager receive the portion of the issue to be held in the Euroclear System free of payment and may then instruct us to transfer the securities to the allottees.

5.1.4.2.1 Preliminary information

The preliminary information we require for this procedure is the same as that set out for syndicated lead manager distribution – against payment (see Section 5.1.4.1.2 above).

5.1.4.2.2 The allotment list

(a) The lead manager must:

- provide us with a complete allotment list for the portion of the issue to be distributed in the Euroclear System. This must be done as soon as possible and no later than 19:45 on the second Business Day prior to the scheduled Closing Date (we may cancel distribution of an issuance if this deadline is not adhered to)
- notify allottees of the necessary details of the distribution procedures including the requirement to choose whom they wish to receive their allotments through (us or Clearstream) by sending appropriate Instructions.

Any timetable delivered to allottees must conform to the timetable agreed with us.

(b) Final amendments must be provided to us by the close of the second Business Day before the scheduled Closing Date.

Submission of an amendment constitutes a request by the lead manager for us to prepare internal transfer free of payment Instructions to reflect such change.

5.1.4.2.3 Closing Date

(a) The Closing Date must be:

- a Business Day
- a business day at Clearstream
- a business day in the city of the Common Depository, Common Service Provider or Common Safekeeper
- a business day in the city in which closing takes place

(b) Neither we nor the Common Depository, Common Service Provider or Common Safekeeper accept any liability for the delay or cancellation of a closing or distribution.

5.1.4.3 Non-syndicated issuing agent distribution – Against payment

5.1.4.3.1 Conditions for the use of non-syndicated issuing agent distribution – Against payment

(a) Issuing agents must be Participants in the Euroclear System and have a Securities Clearance Account and Cash Account for the purpose of distributing new issues. These Accounts will be named 'New Issues Non-Syndicated Distribution Securities Clearance Account' and 'New Issues Non-Syndicated Distribution Cash Account' and captioned 'New Issues Non-Syndicated Distribution Account'.

These Accounts can only be used to execute payments and internal and Bridge settlements in connection with these distribution procedures.

(b) Issuing agents are liable for all debit balances in their New Issues Non-Syndicated Distribution Cash Account to the same extent as for any other Cash Account they hold with us.

(c) Unless agreed otherwise with us, each issuing agent will use the same Accounts to distribute all new issues to which this procedure applies.

(d) Issuing agents who become Participants solely to use the non-syndicated distribution procedures may request that we do not publish their names in the 'Directory of Participant, Counterparty and Correspondent Codes'.

5.1.4.3.2 Preliminary information

(a) Issuing agents must provide us with all the details we request from them for new issues distribution no later than 10 Business Days before the scheduled Issuance Date.

(b) We must receive in draft and final forms, before the Issuance Date of securities issued under the non-syndicated distribution procedures (including each drawdown under programmes we have previously accepted):

- the pricing supplement
- the paying agency (or other) agreement including the text of any required form of ownership certification in connection with exchanges, redemptions and interest payments on global securities, interest payments and rights attached to the issue
- confirmation of the tax status of the issue, including the text of the required form of ownership certification for tax purposes.

These documents are required for reference but we do not review them in detail.

(c) A programme reference number is allocated to the issuing agent upon acceptance of the programme for acceptance in the Euroclear System of issues under such programme.

(d) The issuing agent must notify dealers of the necessary details of the distribution procedures. This notification should include the requirement that dealers elect through whom they wish to receive their securities (us or Clearstream). This choice should be made by sending appropriate Instructions to us or to Clearstream.

Any timetable delivered to dealers by an issuing agent must conform to the procedures set out in this section and the chapter titled 'Non-syndicated Issuing Agent distribution – Against payment' in the 'New Issues Distribution Guide' (available on our website).

5.1.4.3.3 Issuance Date

(a) The Issuance Date must be:

- a Business Day
- a business day at Clearstream
- a business day in the country of the currency in which the payment to the issuer is to be made including the city of the Cash Correspondent, Common Depository, Common Service Provider or Common Safekeeper
- a business day in the city in which closing takes place.

(b) Neither we nor the Common Depository, Common Service Provider or Common Safekeeper accept any liability for the delay or cancellation of a closing or distribution.

(c) Positive balances in the 'New Issues Non-Syndicated Distribution Cash Account' are not allowed. If, following the distribution, such Account shows a positive balance, the issuing agent must instruct a transfer of cash with a Value Date, not earlier than the Issuance Date, to an account either within the Euroclear System or outside the Euroclear System to ensure the balance returns to nil.

5.1.4.4 Back Value procedure

(a) We can apply Back Value to Newly-Issued Securities both:

- settling internally during the OSSP
- settling internally during the next RTP provided the Instructions were matched before the OSSP.

Most transactions of Newly-Issued Securities settle with a cash value date of the Settlement Date agreed between the parties regardless of the actual date of settlement.

(b) In some instances we may not always be timely advised and aware of a Closing Date for Newly-Issued Securities and therefore we may be unable to inform you of the application of Back Value until after the Closing Date. In other cases we may not be able to apply Back Value with respect to securities transactions involving such Newly-Issued Securities. We accept no liability for any loss incurred by you as a consequence of you having assumed that we will apply Back Value to a particular issuance of securities without having obtained our confirmation that such application of Back Value would occur.

It is up to you to check with us at the end of the Closing Date whether Back Value will be applied and obtain confirmation from us.

(c) We apply Back Value solely on the basis of the Settlement Date agreed between the parties. If you want to avoid Back Value being applied to your settlement of Newly-Issued Securities you should choose a Settlement Date that is neither the Closing Date nor the Business Day after.

(d) If the entire issuance of Newly-Issued Securities has been Pre-Released then any related against payment securities transactions which settle in the OSSP will be settled without Back Value.

(e) If the entire issuance of Newly-Issued Securities has been Pre-Released but not all against-payment securities transactions settle during the OSSP, we may apply Back Value upon your request, for transactions with the Closing Date as the Settlement Date.

We may also apply Back Value in these circumstances to transactions taking place over the Bridge if agreed with Clearstream.

(f) Back Value as of Closing Date is applied to Internal and Bridge against payment securities transactions involving Newly-Issued Securities that amongst others:

- are not fully Pre-Released
- have a Settlement Date that is the Closing Date
- are matched by 20:30 on the Closing Date
- settle on the Business Day after the Closing Date.

(g) In our sole discretion (for internal settlement) or in agreement with Clearstream (for Bridge settlement) Back Value may be applied to against payment securities transactions for Newly-Issued Securities, not fully Pre-Released, that settle on the second Business Day after the Closing Date in line with the rules below:

- Back Value as of the Closing Date is applied where the Settlement Date is the Closing Date
- Back Value as of the Business Day after the Closing Date is applied where the Settlement Date is the Business Day after the Closing Date.

Part V: Section 2 – Settlement Services

Part V: Section 2 – Settlement Services 75
5.2.1 Processing rules 77
5.2.1.1. Overnight Securities Settlement Processing 77
5.2.1.1.1 Positions 77
5.2.1.1.2 Records and reporting 77
5.2.1.2. Real-time Processing 78
5.2.1.2.1. Positions 78
5.2.1.2.2. Records and reporting 78
5.2.1.3. Processing sequence 79
5.2.1.3.1. Processing for positioning 80
5.2.1.3.2. Recycling of Instructions 80
5.2.1.4. Positioning sequence of against payment external receipts and money transfer Instructions 80
5.2.1.5. Positioning sequence of securities deliveries 80
5.2.1.5.1. Settlement processing procedures 81
5.2.1.5.2. Priority designations 81
5.2.1.5.3. Amount of securities 82
5.2.1.5.4. Modification of priority designations 83
5.2.1.6. Availability of cash for securities transactions 83
5.2.1.7. Participant-linked settlement Instructions 83
5.2.1.7.1. Maintenance of linked securities and Instructions 83
5.2.1.7.2. Redemption and partial redemption by drawing of linked securities 84
5.2.1.7.3. Merging of fungible issues of linked sets 84
5.2.1.7.4. Linked securities – availability for positioning 85
5.2.1.8. Closed Window 85
5.2.1.9. Hold and Release 86
5.2.1.10. Partial Settlement 86
5.2.2 Internal settlement 87
5.2.2.1. Settlement Conditions 87
5.2.2.1.1. Input, deadlines, validation and irrevocability 87
5.2.2.1.2. Hold and Release 87
5.2.2.1.3. Matching 87
5.2.2.1.4. Selection for processing and positioning 88
5.2.2.1.5. System-linked Instructions (technical netting) and Linked Reimbursements 89
5.2.2.2. Successful and unsuccessful positioning 89
5.2.2.3. Cancellation of Instructions 90
5.2.2.4. Credit and debit of Accounts 90
5.2.2.5. Settlement and Finality 90
5.2.3 Bridge settlement 90
5.2.3.1. Risk management procedures 91
5.2.3.2. Pre-settlement Conditions 92
5.2.3.2.1. Input, deadlines, validation and irrevocability 92
5.2.3.2.2. Hold and Release 92
5.2.3.2.3. Matching 92

5.2.3.2.4. Selection for processing and positioning 93
5.2.3.3. Positioning and settlement 93
5.2.3.3.1. Positioning Conditions for a Bridge Instruction 93
5.2.3.3.2. Unsuccessful positioning 93
5.2.3.3.3. Successful positioning and settlement 93
5.2.3.3.4. Unsuccessful settlement 94
5.2.3.4. Credit and debit of Accounts 95
5.2.3.5. Settlement and Finality 95
5.2.3.5.1. Settlement finality in the OSSP 95
5.2.3.5.2. Settlement finality in the RTP 95
5.2.3.6. Cancellation of Instructions 96
5.2.3.6.1. Unmatched Bridge Instructions 96
5.2.3.6.2. Matched Bridge Instructions 96
5.2.4 External settlement 96
5.2.4.1. Application of local market rules 97
5.2.4.2. Receipts 98
5.2.4.3. Deliveries 99
5.2.4.4. Settlement Conditions 100
5.2.4.4.1. Input, deadlines, validation and irrevocability 100
5.2.4.4.2. Hold and Release 100
5.2.4.4.3. Matching 101
5.2.4.4.4. Unsuccessful matching 101
5.2.4.4.5. Selection for processing and positioning 102
5.2.4.4.6. Processing of local market confirmations 102
5.2.4.5. Successful and unsuccessful positioning 102
5.2.4.5.1. Partial settlement for external receipt Instructions 103
5.2.4.6. Cancellation of Instructions 103
5.2.4.7. Refusal of securities 103
5.2.4.8. Credit and debit of Accounts 104
5.2.4.9. Settlement and Finality 104
5.2.5 Settlement of Auto-Collateralisation Instructions 104
5.2.5.1 Auto-Collateralisation Service 104
5.2.5.2 Input of Auto-Collateralisation Instructions 104
5.2.5.3 Validation 105
5.2.5.4 Processing 105
5.2.5.5 Credit and debit of Accounts 105
5.2.5.6 Cancellation of Auto-Collateralisation Instructions 106
5.2.5.7 Settlement and Finality 106
5.2.6 Suspension of Settlement 106
5.2.7 Settlement Discipline 106

5.2.1 Processing rules

(a) These rules on processing apply as set out in the Euroclear Documentation. We may adjust them in exceptional or contingency situations. Processing of Instructions can only take place on Business Days and we do not guarantee a particular timing for each Processing.

(b) We reserve the right to add or omit processes to any Processing set out in this section.

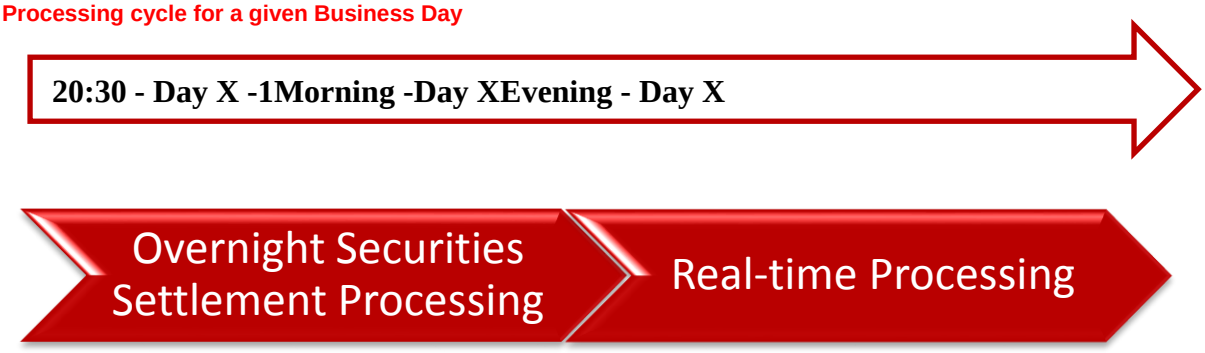
(c) We may perform a Processing at any time, and include data, that we in our sole discretion consider appropriate if we are either:

- unable to perform all or part of the OSSP or RTP
- have not received the required data for such processes from external sources by the scheduled time.

You authorise us to credit and debit your Account(s) before receipt of applicable reporting from the local market.

Some processing may be provided to us via a platform shared with other affiliated entities. When transactions or processes with these other entities have priority, we may be unable to perform all or part of the OSSP and RTP as scheduled.

Processing cycle for a given Business Day



5.2.1.1. Overnight Securities Settlement Processing

(a) The OSSP begins the Processing cycle for the Business Day (Day X). The OSSP starts after the Input Deadline referenced in the Euroclear Documentation on Day X-1 and ends with the start of the RTP in the morning of Day X.

(b) The OSSP will have one process but may, in exceptional cases, include more processes. In that case, unless stated otherwise in the Operating Procedures, Instructions for processing in the OSSP may be processed in either part of the OSSP at our discretion.

5.2.1.1.1 Positions

Your Account balances (securities and cash) starting positions are available at the close of the RTP dated Day X -1.

5.2.1.1.2 Records and reporting

(a) Balances and movements are reported as described in the Euroclear Documentation.

(b) The balances in Securities Clearance Accounts as reported at the end of a Processing reflect all debits and credits of securities, regardless of whether they are final or provisional.

For final SWIFT reports using the ISO 15022 standard, the ‘aggregate balance’ (as defined in the SWIFT specifications) reflects all final securities credits and debits at the completion of the OSSP.

(c) The reporting of the status of unexecuted Instructions is based on the available securities balance at the time of positioning of such Instructions taking into account:

- each Instruction separately within the same level of priority
- all unexecuted Instructions with higher priority.

The report does not guarantee the continued availability of securities for settlement of Instructions with the same level of priority.

5.2.1.2. Real-time Processing

(a) The RTP starts at the end of the OSSP and ends in the evening of Day X. The Processing cycle for Day X ends after the completion of the RTP.

(b) The selection of Instructions or operations that are eligible for the RTP begins at the start of the RTP and continues until the Input Deadline for such RTP.

(c) The rules set out in (a) and (b) above are without prejudice to the rules that apply during a Closed Window, as set out in or pursuant to Section 5.2.1.8.

An exception is made to the above rule for certain credits or debits of cash that we perform. These can be processed after the Input Deadline for the RTP until the start of the next OSSP or at another time during the RTP which we in our sole discretion determine.

5.2.1.2.1. Positions

(a) The RTP begins with the Securities Clearance Account and Cash Account balances available at the end of the OSSP for Day X.

(b) During the RTP and for the purpose of the execution of an Instruction or operation, the available Securities Clearance Account and Cash Account balances used will be those recorded at the end of the booking of the previous transaction.

5.2.1.2.2. Records and reporting

(a) Balances and movements are reported as described in the Euroclear Documentation.

(b) The account balances that are reported after the completion of a RTP reflect all credits and debits executed during that RTP, regardless of whether they are final or provisional.

For final SWIFT reports using the ISO 15022 standard, the ‘aggregate balance’ (as defined in the SWIFT specifications) reflects all final securities credits and debits at the completion of the RTP.

(c) The reporting of the status of unexecuted Instructions is based on the available securities balance at the time of positioning of such Instructions taking into account:

- each Instruction separately within the same level of priority
- all unexecuted Instructions with higher priority.

The report does not guarantee the continued availability of securities for settlement of Instructions with the same level of priority.

5.2.1.3. Processing sequence

(a) Settlement and Custody Operation Instructions are simulated in a processing sequence which takes into account your priorities and options. This sequence determines the order in which your Instructions will be executed depending on your available Securities Clearance Account and Cash Account balances. If you lack sufficient securities, we will take into account your provision of cash or collateral (if using a secured credit line) to execute all Instructions in a single Processing.

(b) The sequence may differ from one part of the Processing to another depending on your choice of settlement priorities and options.

(c) We will use the Euroclear reference number (from lowest to highest) to determine which Instruction should be executed first if having followed the processing sequence no distinction can be made.

(d) The processing sequence is as follows:

First – We consider all debits and credits of securities and their related cash movements. This is regardless of the specific securities issue (i.e. ISIN) and whether the Instructions are part of linked sets before taking into account any other Instructions which qualify for inclusion in the relevant Processing.

Second – We consider all other Instructions which qualify for the Processing and their execution is on an issue by issue basis.

Third – We also sequence Instructions within each issue.

The sequencing priorities are shown in the table below.

Sequence	Order of priority	
First	i.	reversals, adjustments to items already processed, securities losses, transfers from one securities code to another, blockings, recalls of borrowed securities, confirmations or refusals of local market deliveries/receipts
	ii.	unconditional cash movements resulting from market claims
	iii.	unconditional cash movements resulting from fees, interest payments
	iv.	receipts of securities free of payment from outside the Euroclear System
	v.	full and partial redemptions including drawings
Second	i.	distribution of new issues of securities from a new issues Securities Clearance Account
	ii.	all issuances of short and medium term instruments
	iii.	all issues subject to a Custody Operation resulting in a Custody Cash Distribution based on the positions at the end of that Settlement Date
	iv.	all other issues in random order
	v.	technical netting movements
Third	i.	those resulting in credits of securities against payment in respect of new issues distribution assigned first level 1 priority, then level 2
	ii.	those resulting in credits for external or Bridge receipts of securities against payment Custody Operation Instructions for voluntary Corporate Actions
	iii.	internal, Bridge and external deliveries taking into account the priority allocated, Settlement Date and amount of securities (Against payment Bridge receipts will be sequenced in the RTP after the security deliveries designated either 'Top Priority' or 'Priority' but before 'Lowest Priority')
	iv.	all other Instructions
	v.	Opportunity Borrowing requests

5.2.1.3.1. Processing for positioning

(a) We will select valid Instructions that are eligible for processing and (where necessary) matched for immediate processing or positioning.

(b) For each Cash Account, Instructions are sequenced in accordance with Section 5.2.1.4.

(c) For each Securities Clearance Account, Instructions are sequenced in accordance with Section 5.2.1.5.

(d) You are offered different options as to priorities and other processing variables which are described throughout this section. You may also link your Instructions in accordance with Section 5.2.1.7.

5.2.1.3.2. Recycling of Instructions

The positioning of Instructions which fail and remain unexecuted will be recycled within the Processing (for which they are eligible) provided that:

- the related Account(s) have received a credit of securities and/or cash that enables the Instruction to meet the applicable Positioning Conditions
- the Instruction is eligible for processing at such time.

The recycling period (or 'settlement window') for an Instruction may be shorter than the full RTP.

5.2.1.4. Positioning sequence of against payment external receipts and money transfer Instructions

(a) Once authenticated, validated and matched (where necessary), your external settlement Instructions for receipt against payment of securities and money transfer Instructions selected for positioning will be sequenced as follows:

- in chronological order of applicable positioning deadlines
- unexecuted external receipt Instructions before any money transfer Instructions
- where there are several unexecuted securities against payment receipt Instructions, in chronological order of Settlement Date
- in descending order of the amount of cash in the Instruction.

(b) Where unexecuted Instructions have equal priority after the application of the positioning sequence above, they will be sequenced in a random order.

5.2.1.5. Positioning sequence of securities deliveries

(a) Once authenticated, validated and matched (where necessary), your delivery Instructions for securities will be considered based on these factors in the order they are listed:

- your priority designations
- the Instructions' Settlement Dates
- the amount of securities in each Instruction.

As a general rule, if the positioning is ongoing, we will position Instructions in the order they are received (before taking your priority designations into account).

(b) You cannot designate priorities for FundSettle Instructions.

5.2.1.5.1. Settlement processing procedures

If you do not specify an option, we will process your Instructions under option N (shown below).

We must receive your choice of option by the timing specified in the Euroclear Documentation.

Default standard procedure – Option N

(a) Execution of outstanding unexecuted delivery Instructions for securities of the same issue and priority level will be sequenced in chronological order of the Settlement Date.

(b) An unexecuted Instruction with an earlier Settlement Date blocks the availability of securities for Instructions with a later Settlement Date until the required amount is available for the execution of the Instruction with such earlier Settlement Date. This blocking will continue until the Instruction with earlier Settlement Date is executed, lapsed, cancelled or given a lower priority by you.

(c) Any securities in your Account in excess of the amount reserved for the execution of the Instructions with an earlier Settlement Date remain available for the execution of Instructions with later Settlement Dates.

Modified standard 'optimisation' procedure – Option Y

(d) This procedure allows you to optimise the use of your available securities. This is achieved by following option N for positioning before the contractual Settlement Date. If after this, an Instruction with an earlier Settlement Date cannot be executed, the failure will not block the availability of the securities for processing of an Instruction with a later Settlement Date.

Exceptional procedure – daily 'purge' – Option D

(e) Under this procedure you can introduce a standing Instruction which removes Settlement Date from the criteria for standard order of selection for simulation or sequence. Your Instructions will then be sequenced based on the order of priority and amount of securities only.

5.2.1.5.2. Priority designations

(a) Your securities delivery Instructions can be sequenced in accordance with the following priority designations.

Priority Level	Comments
'Top Priority'	Can be used for all Instructions
'Priority'	Can be used for all Instructions
'Regular'	Automatic classification if you fail to request a designation
'Lowest Priority'	Can only be applied to avoid Automatic Borrowing in the Securities Lending and Borrowing Program

(b) Custody Operation Instructions that require a debit of securities will be processed before any other Instructions regardless of their priority designation. Voluntary Corporate Actions with unconditional movements are unaffected by any priority designations.

Subject to Section 5.3.2.6.1.2, Custody Operations which require a blocking of securities are submitted in the RTP.

(c) Against payment Instructions are normally sequenced before free of payment Instructions if at any time there are several outstanding unexecuted Instructions to deliver securities:

- of the same issue
- with equal priority
- with the same amount of securities
- with the same Settlement Date (under options N and Y, not applicable for option D).

(d) Within the same issue of securities, and up to the amount required for the relevant Instructions, the following rules apply.

In the OSSP:

- an unexecuted Instruction with a higher priority blocks the availability of securities for the execution of delivery Instructions with lower priority up to the amount needed for the execution of the higher priority Instruction. Securities accumulate in your Account to permit the processing of such higher priority delivery Instruction or Custody Operation Instruction before any lower priority Instruction to deliver.
- securities reserved in the OSSP are unblocked in the RTP and become available for other Instructions and operations. Top Priority Instructions are exempt from this rule. Securities reserved for Top Priority Instructions remain blocked until such Instructions are executed, lapsed, cancelled or given a lower priority by you.

In the RTP:

- an unexecuted Custody Operation Instruction blocks the availability of securities for all other delivery Instructions up to the amount of securities needed for its execution.
- an unexecuted Top Priority Instruction blocks the availability of securities for all lower priority delivery Instructions up to the amount of securities needed for its execution.

Securities accumulate in your Account to permit the processing of a higher priority delivery Instruction or Custody Operation Instruction before the processing of any lower priority Instruction to deliver.

Securities reserved for Top Priority Instructions will only be unblocked in the RTP if the Instruction is either:

- executed
- lapsed
- cancelled
- given a lower priority by you.

Securities reserved for a Priority, Regular or Lowest Priority Instruction will be unblocked once the applicable recycling period (‘settlement window’) is closed or the Instruction is executed, lapsed or is cancelled.

(e) If the RTP ends with Top Priority and Custody Operation Instructions still pending, a reservation of securities will be made in subsequent OSSP until the Instructions are executed, lapsed, cancelled or given a lower priority by you. Any securities in your Account in excess of the amount reserved remain available for the settlement of lower priority Instructions.

5.2.1.5.3. Amount of securities

(a) If under options N or Y there are unexecuted delivery Instructions of the same issue with the same priority and Settlement Date, they will be sequenced in descending order of amount of securities. Option D follows the same rule but disregards the Settlement Date.

(b) Positioning of Instructions in the OSSP can be affected by unexecuted Instructions as shown below:

Settlement Process	Blocking Rules
OSSP	An unexecuted Instruction for a larger amount of securities blocks availability of securities for delivery Instructions with smaller amounts. Securities are accumulated in your Account to permit the processing of the delivery Instruction with a larger amount of securities before any delivery Instruction with a smaller amount.

(c) In the RTP, Instructions are positioned according to when they are received and whether you have sufficient securities and/or cash in your Account(s) to execute them.

5.2.1.5.4. Modification of priority designations

(a) You can modify the priority designation of your Instructions through EUCLID. The only way of achieving modification via SWIFT or mail is to cancel and then resubmit an Instruction.

(b) The priority of Instructions to deliver securities which have not yet been successfully positioned may be modified as specified in the Euroclear Documentation.

5.2.1.6. Availability of cash for securities transactions

(a) To determine the starting positions for any given Processing, we may include any credit of cash we extend to you in our banking capacity.

(b) The availability of cash received at Cash Correspondents may be affected by holidays:

- where Cash Correspondents are located
- as indicated in the governing documentation of the issue.

(c) Incoming cash that is not associated with securities transactions, whether pre-advised or not, can be available for the execution of Instructions or operations in the RTP if:

- we have received the credit confirmation from the Cash Correspondent and cash has been credited to your Cash Account before the time of the positioning of Instructions or operations
- the cash is available as specified in Section 3.3.

5.2.1.7. Participant-linked settlement Instructions

(a) For an Instruction to qualify as a linked Instruction, it must:

- be for a Securities Clearance Account registered for the linking service
- be for the same issue of securities
- bear the same specific linking reference as described in the Euroclear Documentation. Two or more linked Instructions under the same reference constitute a 'linked set'.

The link is maintained until all linked deliveries are executed or until the relevant Instructions are cancelled.

(b) Qualifying linked Instructions are:

- linked if at least one receipt and one delivery Instruction for the same security are validated by us and at least one of the Instructions is selected for processing
- processed in the OSSP or RTP, where standard settlement rules apply between Instructions with the same linking reference.

(c) Settlement Instructions with the same linking reference are linked if at least one receipt and one delivery Instruction for the same security are validated in the Euroclear System and at least one of the Instructions is selected for processing.

5.2.1.7.1. Maintenance of linked securities and Instructions

(a) Unexecuted linked receipt Instructions and securities standing to the credit of an Account which are part of a linked set remain linked as long as the linked delivery Instructions remain unexecuted or until otherwise cancelled.

(b) The amount of linked securities available in a linked set is the sum of the amount of securities in:

- the executed linked receipt Instructions, plus any refused linked delivery Instructions regardless of whether all the securities originally debited were linked or not, plus any executed receipt Instructions that are not linked, to the extent that the securities are credited in replacement of linked securities previously debited in respect of the recall of a Loan by a Lender
- minus the amount of securities in executed linked delivery Instructions and Requested Recalls.

(c) Linked securities debited from your Account in response to a Requested Recall will remain linked securities for so long as the linked set exists up until the credit to your Account of replacement securities. The debited securities will not be available for the execution of linked delivery Instructions.

(d) A qualifying linked Instruction that we receive from you to receive or deliver securities, which bears the same linking reference as a linked Instruction to deliver, is also a linked Instruction in the same linked set.

(e) If at the time securities are debited from your Account or Instructions to deliver securities are cancelled there remains no other Instruction to deliver securities then, at the same time, any linked Instruction to receive that remains in the backlog of unexecuted Instructions will cease to be processed as a linked Instruction and any linked securities cease to be linked.

No qualifying linked Instruction received after the time described in (e) will be part of the linked set which included such previously linked Instruction. Such Instruction may however form part of a new linked set.

(f) For Instructions to be and remain linked, there must be at least one valid linked receipt Instruction and one valid linked delivery Instruction, both with the same linking reference, in the Euroclear System. Therefore:

- when securities are received and credited to your Account following the execution of a linked receipt Instruction, there must be a valid delivery Instruction with the same linking reference which has not yet been positioned or cancelled
- when a linked delivery Instruction is positioned, there must be a valid receipt Instruction with the same linking reference awaiting execution which has not been cancelled or already executed with a resulting credit of securities to your Securities Clearance Account.

5.2.1.7.2. Redemption and partial redemption by drawing of linked securities

(a) Securities will no longer be available as linked securities for linked Instructions if they no longer exist. This can occur when such securities are part of a redemption in full for such issue or for other reasons.

(b) Linked securities for which a partial redemption by drawing is processed cease to be linked securities.

However, linked Instructions, which remain in the backlog of unexecuted Instructions and have such securities as linked securities, will not be affected by the partial redemption by drawing. The Instructions remain pending until the partial redemption is complete.

5.2.1.7.3. Merging of fungible issues of linked sets

If an issue of securities (X) that contains linked sets becomes fungible with another issue of securities (Y) and is merged into Y, then:

- Instructions for X with a linking reference are cancelled and replaced with similar Instructions for Y with the same linking reference
- any linked X securities are debited and replaced with Y securities.

5.2.1.7.4. Linked securities – availability for positioning

(a) If a Securities Clearance Account is registered for the linking service, linked securities and linked sets will be considered for positioning separately from other securities and Instructions.

(b) In order to debit securities for a delivery Instruction that is not linked, there must be sufficient non linked securities available.

(c) In order to debit securities for a delivery Instruction that is linked, there must be sufficient linked securities under the same linking reference available. If there are insufficient linked securities at the time of positioning and there is no pending linked receipt Instruction, the linked delivery Instruction is executed if there are sufficient non linked securities.

(d) All delivery Instructions for Custody Operations are deemed not to be linked and are processed as such. If we take any action in respect of a Corporate Action for securities:

- where no holder action is required
- following a DACE notice requesting Instructions and we receive none by the set Input Deadline

the action is taken regardless of whether the securities are linked or not.

(e) For some Corporate Actions, securities can be blocked in your Account to enable you to participate in the event. If the number of securities blocked is more than the number of non linked securities, a linked delivery Instruction can be executed to the extent that:

- the total amount of securities standing to the credit of your Account (including both linked and non linked securities) is more than the amount blocked, and that excess is sufficient to allow the execution of the Instruction
- under the same linking reference there are sufficient linked securities.

(f) If the amount of securities blocked is the same or more than the amount of non linked securities, a non linked delivery Instruction cannot be executed.

(g) If the number of securities blocked is less than the number of non linked securities:

A linked delivery Instruction can be executed	- If there are sufficient linked securities under the same linking reference
	- If there are insufficient linked securities available at the time of positioning and no pending linked Instruction to receive, but there are sufficient non linked securities to cover the shortfall
A non linked delivery Instruction can be executed	- If the number of non linked securities is greater than the number of securities blocked and such excess is sufficient to allow the execution of the Instruction

5.2.1.8. Closed Window

(a) The standard processing rules of the RTP may be suspended by one or more Closed Windows. A Closed Window will generally not last more than 5 minutes.

(b) At the start of a Closed Window

- real time settlement will be suspended;
- only Instructions made subject to the Closed Window which are entered into the Euroclear System before the start of such Closed Window will be assessed; and
- all such Instructions which satisfy the Positioning Conditions and the Settlement Conditions will be submitted for settlement on a simultaneous basis.

(c) The standard processing rules of the RTP will resume after all Instructions to be processed during the Closed Window have been submitted for settlement.

(d) All Instructions successfully processed during a Closed Window will be executed on a simultaneous basis by means of simultaneous credits and debits to the relevant Accounts. The transfers of securities and/or cash resulting from such processing are final at the time of such credits and debits.

(e) Reporting on transactions that have been settled during a Closed Window will be made available after the end of the Closed Window.

(f) Instructions entered into the Euroclear System during a Closed Window will only be validated, matched and processed after the end of the Closed Window.

5.2.1.9. Hold and Release

(a) You can put Instructions on hold and subsequently release them in accordance with Section 5.2.2.1.2., 5.2.3.2.2. or 5.2.4.4.2. (as applicable). Instructions which are put on hold by you are not eligible for settlement and are kept pending until they are released, regardless of their intended Settlement Date.

(b) The following Instructions cannot be put on hold: (i) Instructions generated pursuant to a Triparty Service Agreement, (ii) Instructions related to Custody Operations (including without limitation market claims), (iii) your Instructions for Lending and Borrowing, (iv) Auto-Collateralisation Instructions and (v) FundSettle Instructions.

5.2.1.10. Partial Settlement

(a) If there are insufficient securities available to settle the full amount of securities instructed, we will settle your Instructions partially as provided in this Section.

(b) Subject to point (d) below, all Instructions which fail to settle on the intended Settlement Date and are being recycled, will be eligible for partial settlement during the RTP (excluding Closed Windows), provided the following conditions for partial settlement are met:

- the minimum and multiple tradeable amount of the security is respected;
- the partial settlement threshold is respected (as set forth in the Euroclear Documentation); and
- neither you or your counterparty have opted out of partial settlement and/or set the Instruction “on hold”.

(c) You will be able to opt out of partial settlement either at the level of each Instruction or at the level of each of your Securities Clearance Accounts (as set forth in the Euroclear Documentation). The choice you have made at the instruction level will override your choice at the account level.

(d) Partial settlement will not apply to:

- Free of Payment Delivery Without Matching Instructions;
- Bridge settlement Instructions;
- System-linked settlement Instructions;
- Participant-linked settlement Instructions;
- Instructions generated pursuant to a Triparty Service Agreement;
- Instructions related to Custody Operations;
- Instructions generated pursuant to the Supplementary Terms and Conditions Governing the GC Access Service;
- Instructions generated pursuant to the Securities Lending and Borrowing Program;
- Auto-Collateralisation Instructions; and
- FundSettle Instructions.

(e) Following the partial settlement and as further set forth in the Euroclear Documentation you can:

- put the unsettled part of your Instruction on hold; or
- change the choice for partial settlement on the unsettled part of your Instruction; or
- cancel the unsettled part of your Instruction in accordance with Section 4.1.5.2 (f).

5.2.2 Internal settlement

(a) Internal settlement of securities takes place by simultaneous book entries in the form of a credit of securities to one Securities Clearance Account and a debit of securities from another Securities Clearance Account. If settlement is against payment, the transaction also includes a credit of cash to one Cash Account and a debit of cash from another Cash Account.

(b) Internal settlement Instructions can settle in any eligible Settlement Currency or free of payment.

(c) Internal settlement transactions are settled on each Business Day regardless of holidays in the relevant local market. You may however wish to take local market holidays into account when choosing the Settlement Currency or Settlement Date for your Instructions.

(d) We do not guarantee the settlement time of internal Instructions.

5.2.2.1. Settlement Conditions

5.2.2.1.1. Input, deadlines, validation and irrevocability

(a) An internal Instruction shall be deemed to be entered into the Euroclear System when it is deemed to be received by us as set forth in Section 4.1.1.2 – Deemed receipt.

(b) We must have received your internal Instructions by the Input Deadline as specified in the Euroclear Documentation.

Any late internal Instruction will be entered into the next Processing for which it is eligible.

(c) After authentication of input we must validate your internal Instructions as specified in Part IV (Connectivity) before they can be selected for submission to a Processing. If the validation is successful, the internal Instruction is submitted to the Processing. If the validation is unsuccessful, we will reject the Instruction and will notify you of this rejection.

(d) You can cancel your successfully validated internal Instructions as set out in Section 4.1.5 – Cancellation and modification of Instructions.

(e) An internal Instruction is irrevocable when it can no longer be cancelled by you in accordance with Section 4.1.5 – Cancellation and modification of Instructions

5.2.2.1.2. Hold and Release

(a) You can put an internal Instruction on hold at any time before its settlement or its cancellation.

(b) Internal Instructions which are put on hold by you can be matched but are not eligible for settlement and are kept pending until they are released by you and your counterparty, regardless of their intended Settlement Date.

(c) You can release an internal Instruction, which was put on hold, at any time. Once we have processed your release, the Instruction will be processed in accordance with these Operating Procedures.

5.2.2.1.3. Matching

(a) An internal delivery Instruction must match with an internal receipt Instruction and vice versa (unless they are Free of Payment Delivery Without Matching Instructions). If you choose to transfer or deliver securities without matching Instructions or use Free of Payment Delivery Without Matching Instructions, you assume the risk linked to the absence of matching such Instructions.

(b) The process of matching an Instruction consists of comparing the matching fields included in your Instruction and in your counterparty's Instruction. Where the fields are identical or any difference is within the tolerance level (see (e)

below) the Instructions are matched. If, however, a matching field is missing or there is a difference which is outside the applicable tolerance level, the Instruction is unmatched.

(c) The information taken from the matching process is included in the reports of unexecuted Instructions. These reports reflect the matched/unmatched status of an unexecuted Instruction at a particular moment in time. These reports do not provide any indication about a potential later fulfilment of any other Settlement Conditions.

(d) Matched internal Instructions (and Free of Payment Delivery Without Matching Instructions) are put into the backlog of unexecuted Instructions until selected for submission to a Processing.

Unmatched internal Instructions are put into the same backlog of unexecuted Instructions and recycled until matched or cancelled.

(e) The fields of an internal Instruction which must match and the relevant tolerance levels are set forth on our website.

5.2.2.1.4. Selection for processing and positioning

(a) Selection for submission to a Processing only occurs at the Settlement Date of a valid internal Instruction, matched when necessary.

(b) All internal Instructions are eligible for submission to the OSSP provided they meet the relevant Input Deadline.

Internal Instructions selected for submission to a Processing before 13:30 on a Business Day are always eligible for the RTP, even without a Daylight Indicator.

(c) If the Settlement Date of an Instruction is not a Business Day, then it is selected for submission for the first eligible Processing the next Business Day.

(d) Once an internal Instruction has been selected for submission to a Processing it will be sequenced in accordance with Section 5.2.1, taking into account your priorities and options. Once sequenced, the internal Instruction will be positioned as set out below.

Positioning involves determining whether the following Positioning Conditions have been met in order to allow the execution of the internal Instruction.

Positioning Conditions

The below table outlines the conditions that must be satisfied for successful securities and cash positioning:

Positioning	Conditions
Securities positioning	If your Account is to be debited with securities then you must have sufficient securities available in your Account
Cash positioning	If your Account is to be debited with cash then you must have sufficient cash in your Account (or provision of cash) in the relevant Settlement Currency to meet the Instruction or receive a credit line from us (as determined by us in our banking capacity) to meet the Instruction

(e) When deciding if your Instructions meet the Positioning Conditions we will see if they are System-linked Instructions for the purposes of technical netting or Linked Reimbursements (described below).

These Instructions allow that delivery proceeds of cash can be used to permit settlement of a linked receipt Instruction. The two Instructions are positioned together and proceeds from the delivery Instruction are included to determine if they provide sufficient cash to permit the settlement of the linked receipt Instruction. If this is possible then both transactions will settle.

(f) If you have insufficient securities in your Account to settle an Instruction fully, partial settlement may apply in accordance with Section 5.2.1.10.

5.2.2.1.5. System-linked Instructions (technical netting) and Linked Reimbursements

'System-linked Instructions'

(a) If you input two Instructions for the same Securities Clearance Account ('Pivot Securities Clearance Account') and for securities with the same Security Code we will consider the Instructions as System-linked Instructions for cash and securities positioning.

The Instructions which may be considered System-linked Instructions are:

- Bridge against payment receipt Instructions
- internal delivery and receipt Instructions.

The amount of securities indicated in the receipt and delivery Instructions do not need to be the same.

(b) If you input System-linked Instructions, for receipt and delivery Instructions to be positioned you must have sufficient:

- securities available in your Pivot Securities Clearance Account for the delivery Instruction (including from the execution of the System-linked receipt Instruction)
- cash (or provision of cash) in the related Cash Account to the Pivot Securities Clearance Account or receipt of a credit line from us (as determined by us in our banking capacity) for the receipt Instruction (including from the execution of the original delivery Instruction).

(c) This positioning technically nets:

- cash movements of one or more purchases which failed due to a lack of cash or credit (for internal clearances or Bridge receipt Instructions), with
- one or more onward sales to another Participant's Account (i.e. internal settlement) which failed due to a lack of securities.

You can request that we block specific securities that you do not wish to be subject to this technical netting procedure.

'Linked Reimbursements'

(d) Linked Reimbursements provide that joint and simultaneous positioning of a receipt Instruction and reimbursement of a Borrowing can occur during an OSSP where the following conditions are met:

- you have an outstanding Borrowing (other than one subject to a Requested Recall)
- for a Securities Clearance Account that is being credited with securities with the same Security Code against payment
- which is in the same OSSP where reimbursement of the Borrowing becomes possible.

The amount of securities in the Linked Reimbursement and receipt Instruction do not need to be the same.

For a Linked Reimbursement to be successfully positioned and to reimburse part of the Borrowing there must either be sufficient:

- securities of the issue to be credited for the receipt Instruction in your Securities Clearance Account
- cash (or provision of cash) or receipt of a credit line from us, as determined by us in our banking capacity, in the Settlement Currency in your Cash Account once the reduction in credit usage from the repayment of the Borrowing is taken into account for us to make a payment against the receipt of securities (subject to our timely notification of their deposit in the Euroclear System).

5.2.2.2. Successful and unsuccessful positioning

(a) If full or partial positioning is successful, the internal Instructions will be fully or partially executed during the relevant Processing.

(b) If full or partial positioning is unsuccessful, the internal Instructions remain in the backlog of unexecuted Instructions and continue to be entered into subsequent Processings for which they are eligible until executed fully or partially or cancelled.

5.2.2.3. Cancellation of Instructions

The following rules apply except as otherwise set out in the Online Market Guides.

In addition to the general rules on cancellation in Section 4.1.5, with the exception of some securities, we will cancel unmatched internal Instructions at the end of each Business Day that have either:

- an input date
- an expected Settlement Date

which is more than 30 calendar days prior to that Business Day. We will take the later of the two dates into account for this cancellation.

You may request to be excluded from our daily clearing.

5.2.2.4. Credit and debit of Accounts

(a) Following the completion of a Processing in which your internal Instruction is executed we make:

For receipt of securities	a credit to your Securities Clearance Account and, if against payment, a debit to the related Cash Account
For delivery of securities	a debit to your Securities Clearance Account and, if against payment, a credit to the related Cash Account

(b) For the purposes of internal settlement, credits and debits are made to our account records held in Belgium. In exceptional circumstances, we may temporarily rely on records located outside of Belgium. For the sake of internal settlement, such records are deemed to be located in Belgium.

5.2.2.5. Settlement and Finality

(a) Internal settlement finality occurs:

For the OSSP	Upon completion of the Processing as a result of which the Instruction is successfully executed
For the RTP	At the moment of successful execution and the simultaneous credit/debit of Accounts

(b) The settlement of an internal Instruction is final upon execution and the credit/debit of Accounts. As such, the simultaneous transfer of securities and cash (if against payment) is final at such time.

5.2.3 Bridge settlement

(a) Bridge settlement takes place by simultaneous book entries in the form of a credit or debit of securities to your Securities Clearance Account (or Transit Account) and debit or credit of securities to the Securities Clearance Account of Clearstream. If against payment, it will also include a credit or debit of cash to your Cash Account (or Transit Account) and debit or credit of cash to the Cash Account of Clearstream.

(b) We only accept Bridge Instructions for Bridge eligible securities.

(c) Bridge transactions can be settled in the Euroclear System either free of payment or against payment in any Bridge Currency.

(d) Local market holidays have no bearing on Bridge settlement transactions in the Euroclear System. You may however wish to take local market holidays into account when choosing the Settlement Currency or Settlement Date for your Instructions.

(e) From time to time Euroclear Bank and Clearstream realign the securities positions we hold with each other. Such realignments are not related to settlement of transactions but may affect securities deliveries out of the Euroclear System (see Section 5.2.4.3) and also your ability to participate in a particular Corporate Action.

Realignments may also affect Instructions related to Corporate Actions that require delivery of securities received over the Bridge.

(f) We reserve the right to refuse to process Bridge Instructions if the processing would:

- create an operational constraint that we deem unacceptable
- be inconsistent with the Bridge Agreement, these Operating Procedures or the Euroclear Documentation.

(g) For Bridge settlement we accept no liability for:

- the authenticity, completeness, contents or timeliness of Instruction data we receive from Clearstream
- our processing and reporting of such Instruction data
- Clearstream processing, refusing to process and reporting to its members the information it receives from us in accordance with the Bridge Agreement
- Clearstream processing Instructions to be proposed to us in the framework of the Bridge Agreement, including the refusal by Clearstream to propose and process Instructions
- any loss you incur by relying on the delivery of securities over the Bridge in order to participate in a Corporate Action that requires delivery of those securities on the same day they were received
- losses resulting from a realignment which does not occur due to reasons outside of our control e.g. local market rules or procedures
- the consequences of our refusal to process Bridge Instructions
- your Bridge Instructions not being executed on the day you instructed as a result of our risk management procedures (see Section 5.2.3.1).

5.2.3.1. Risk management procedures

(a) To meet CSDR requirements as well as applicable industry standards, such as the ECB-CESR Standards for Clearing and Settlement Systems in the European Union and the CPSS IOSCO 'Principles for Financial Market Infrastructures', Euroclear Bank and Clearstream have established risk management procedures to avoid unsecured credit exposure over the Bridge.

(b) In accordance with the terms of the Bridge Agreement, each settlement system ensures that the cash counter value of Bridge Instructions it accepts is not greater than the operable amount of the applicable letter of credit and/or other collateral issued in favour of the relevant settlement system. Any receipts of securities which would exceed this threshold are either provisionally accepted or refused by the receiving settlement system.

(c) You should be aware (and plan accordingly) that as a result of these risk management procedures, Bridge Instructions may be delayed and settle in the RTP rather than the OSSP. Exceptionally, they may be delayed so that they do not settle on a given Settlement Date.

We do not guarantee the settlement time of Bridge Instructions.

(d) For restricted currencies, we will only propose deliveries against payment when additional risk management requirements are met.

Therefore, we do not guarantee settlement of Bridge Instructions against payment in the following restricted currencies: AED, ARS, BGN, BHD, BWP, HRK, KWD, MYR, PEN, PHP, QAR and SAR.

5.2.3.2. Pre-settlement Conditions

5.2.3.2.1. Input, deadlines, validation and irrevocability

(a) A Bridge Instruction shall be deemed to be entered into the Euroclear System when it is deemed to be received by us as set forth in Section 4.1.1.2 – Deemed receipt, or, in respect of an Instruction sent by Clearstream, when it is duly received and validated by us.

(b) We must receive your Bridge Instructions by the Input Deadline set forth in the Euroclear Documentation. Any late Bridge Instructions will be entered into the next Processing for which they are eligible.

(c) After authentication of your input we must successfully validate your Bridge Instructions before they can be selected for submission to a Processing. If the validation is unsuccessful, we will reject the Instruction and will notify you of this rejection.

(d) You can cancel your successfully validated Instructions as set out in Section 4.1.5.

(e) A Bridge Instruction is irrevocable when it can no longer be cancelled by you in accordance with Section 4.1.5 – Cancellation and modification of Instructions, or, in respect of an Instruction sent by Clearstream, in accordance with the terms of the Bridge Agreement.

5.2.3.2.2. Hold and Release

(a)You can put a Bridge Instruction on hold at any time before its settlement or its cancellation

(b)Bridge Instructions which are put on hold by you can be matched but are not eligible for Bridge settlement and are kept pending until they are released, regardless of their intended Settlement Date.

(c)You can only put on hold successfully positioned Bridge delivery Instructions during the RTP if the proposed Bridge delivery Instruction is rejected, prior to which your request to put the Instruction on hold will remain pending.

You can only put on hold successfully positioned Bridge receipt instructions during the RTP if the corresponding Bridge delivery Instruction is rejected, prior to which your request to put the Instruction on hold will remain pending

(d)You can release a Bridge Instruction, which was put on hold, at any time. Once we have processed your release, the Instruction will be processed in accordance with these Operating Procedures.

5.2.3.2.3. Matching

(a) In order for a valid Bridge Instruction to match and be submitted for further processing, it must first be included in a pre-matching transmission.

(b) Bridge receipt and delivery Instructions must match with their corresponding delivery and receipt Instructions from Clearstream (except for Free of Payment Delivery Without Matching Instructions). The fields of a Bridge Instruction which must match with the fields of the corresponding Instruction and the relevant tolerance levels are set forth on our website.

(c) If you choose to transfer or deliver securities without matching Instructions or use Free of Payment Delivery Without Matching Instructions you assume the risk linked to the absence of matching such Instructions.

(d) When we receive a valid Bridge Instruction from you or Clearstream that requires matching, we will search the backlog of unmatched Instructions for a corresponding Instruction. If found, they will be paired together as matched. If not, we will add the Bridge Instruction to the backlog as ‘unmatched’ and recycle it until matched or cancelled.

(e) The matched Bridge Instructions and Bridge Free of Payment Delivery Without Matching Instructions are put into the pool of unexecuted Instructions, until selected for submission to a Processing in accordance with Section 5.2.3.2.4. below.

5.2.3.2.4. Selection for processing and positioning

(a) Selection for submission to a Processing only occurs as of the Settlement Date of a Bridge Instruction, matched when necessary.

We reserve the right to, at any stage, not submit a Bridge Instruction for processing. We will inform you thereof on a reasonable effort basis. We accept no liability for any delay in the handling of such Instructions or failure to submit such Instructions to a Processing on a given Settlement Date.

(b) If the Settlement Date of an Instruction is not a Business Day, then it is selected for submission for the first eligible Processing the next Business Day.

(c) All Bridge Instructions are eligible for submission to a Processing provided they meet the relevant Input Deadline.

Both Bridge delivery against payment and receipt against payment Instructions need a Daylight Indicator in order to be eligible for settlement during the Optional Bridge Settlement Processing.

(d) Your Bridge receipt Instruction will be submitted for positioning once we receive a Clearstream Delivery Transmission containing the corresponding Clearstream delivery Instruction.

If we receive a Clearstream delivery Instruction without there being a corresponding receipt Instruction from you, we will refuse Clearstream's delivery Instruction.

(e) Once a Bridge delivery Instruction has been selected for submission to a Processing, it will be sequenced in accordance with Section 5.2.1.3, taking into account your priorities and options and subsequently submitted for positioning.

5.2.3.3. Positioning and settlement

5.2.3.3.1. Positioning Conditions for a Bridge Instruction

(a)

Positioning of a Bridge delivery Instruction	If your Account is to be debited with securities you must have sufficient securities available in your Account
Positioning of a Bridge receipt Instruction	If your Account is to be debited with cash you must have sufficient cash or credit available in your Account in the relevant Bridge Currency

(b) When deciding if your Instructions meet the Positioning Conditions we will see if they are System-linked Instructions for the purposes of technical netting or Linked Reimbursements (see Section 5.2.2.1.5).

5.2.3.3.2. Unsuccessful positioning

(a) If positioning or a Bridge delivery Instruction is unsuccessful, the Bridge delivery Instruction remains in the backlog of unexecuted Instructions and continues to be entered into subsequent Processings for which it is eligible until executed or cancelled in accordance with Section 5.2.3.6.

(b) If positioning of a Bridge receipt Instruction is unsuccessful, the Bridge receipt Instruction will be re-submitted for positioning once we receive a Clearstream Delivery Transmission re-proposing the corresponding Clearstream delivery Instruction.

5.2.3.3.3. Successful positioning and settlement

Bridge receipt Instructions

(a) If positioning is successful, your Cash Account is provisionally debited in accordance with Section 2.3 and settlement of your Bridge receipt Instruction is attempted in accordance with Section 5.2.3.1, resulting in us either accepting or provisionally accepting the Bridge Instruction.

Bridge Instructions provisionally accepted by us will subsequently be either accepted or rejected by Clearstream.

(b) A Bridge Instruction that is accepted by a settlement system will be settled in that settlement system and settlement finality will be achieved in accordance with Section 5.2.3.5.

(c) The provisional cash debit will (i) become final upon settlement of the Bridge Instruction or (ii) be reversed when the Bridge Instruction is rejected and remains unsettled in accordance with Section 5.2.3.3.4.

Bridge delivery Instructions

(d) If positioning is successful, your Securities Clearance Account is provisionally debited in accordance with Section 2.3 and your Bridge delivery Instruction is included in the next Eurolclear delivery Transmission.

The Bridge Instructions included in the Euroclear Delivery Transmission will subsequently be accepted, provisionally accepted or rejected by Clearstream.

Bridge Instructions provisionally accepted by Clearstream will be either accepted or rejected by us, in accordance with Section 5.2.3.1.

(e) A Bridge Instruction that is accepted by a settlement system will be settled in that settlement system and settlement finality will be achieved in accordance with Section 5.2.3.5.

(f) The provisional security debit will (i) become final upon settlement of the Bridge Instruction or (ii) be reversed when the Bridge Instruction remains unsettled at the end of the Processing in accordance with Section 5.2.3.3.4.

5.2.3.3.4. Unsuccessful settlement

(a) Bridge delivery Instructions that are rejected by Clearstream will be re-attempted for settlement.

If a Bridge delivery Instruction is rejected and remains unsettled at the end of the Processing, the following actions are taken:

Situation	Action
Bridge delivery Instruction remains unsettled after OSSP	The positioning is cancelled at the end of the OSSP and we automatically re-submit the Instruction for positioning for processing in the RTP (unless you cancel the Instruction)
Bridge delivery Instruction remains unsettled after RTP:	The positioning is cancelled and we automatically re-submit the Instruction for positioning for processing in the next OSSP (unless you cancel the Instruction)
➔ For Bridge delivery Instructions eligible for the Optional Bridge Settlement Processing	The positioning is cancelled after receipt of the final Feedback Transmission from Clearstream during the Optional Bridge Settlement Processing on the relevant Business Day. We automatically re-submit the Instruction for positioning for processing in the next OSSP (unless you cancel the Instruction)
➔ For Bridge delivery Instructions not eligible for the Optional Bridge Settlement Processing	The positioning is cancelled after receipt of the final Feedback Transmission from Clearstream during the relevant RTP. We automatically re-submit the Instruction for positioning for processing in the next OSSP (unless you cancel the Instruction)

(b) A Bridge receipt Instruction that fails to settle will be re-attempted for settlement when Clearstream re-proposes the corresponding Clearstream delivery Instruction in a later Clearstream Transmission.

5.2.3.4. Credit and debit of Accounts

(a) Notwithstanding the information contained in reports we provide, credits and debits resulting from the execution of a Bridge Instruction may be final or provisional as set out in Section 2.3 and may be reversed as set out in Section 3.2. In particular Section 3.2(b), which deals with reversals in case of non-payment from Clearstream to us, explains the circumstances in which we may reverse such credits and debits in your Account(s).

(b) After the execution of a Bridge receipt Instruction, we will:

- credit securities to your Securities Clearance Account
- debit cash from the related Cash Account (if against payment)

with the Value Date of the relevant Processing (unless shown otherwise in Section 5.2.3.7 (c) below).

(c) We may apply Back Value to Bridge Instructions involving Newly-Issued Securities which either:

- settle in the OSSP
- are selected for processing in the OSSP but settle in the RTP.

The above is subject to Section 5.1.4.4 – Back Value procedure.

5.2.3.5. Settlement and Finality

5.2.3.5.1. Settlement finality in the OSSP

(a) Notwithstanding that we may report credits and debits as final or provisional, settlement finality of a Bridge Instruction in the OSSP is reached at the end of the OSSP, at the moment when:

(i) we have received Clearstream's first Feedback Transmission and its second Delivery Transmission; and
(ii) Clearstream has received from us a positive Verification Communication or otherwise 15 minutes after the transmissions under (i) have been received and no negative Verification Communication has been sent by us.

5.2.3.5.2. Settlement finality in the RTP

(a) Notwithstanding that we may report credits and debits as final or provisional, settlement finality of a Bridge Instruction in the RTP is reached at the moment:

For receipts	• In case we accept a Clearstream delivery Instruction in accordance with Section 5.2.3.1, the settlement becomes final when securities are credited to your Securities Clearance Account • In case we provisionally accept a Clearstream delivery Instruction in accordance with Section 5.2.3.1, the settlement becomes final when Clearstream records the debit of securities as final. You should note that we only become aware of the finality upon receipt of the appropriate Clearstream Delivery Transmission. The simultaneous transfer of securities and cash (for against payment Instructions) is final at such time.
For deliveries	• In case Clearstream accepts a Euroclear delivery Instruction, the settlement becomes final when

Clearstream records the credit of securities. You should note that we only become aware of the finality upon receipt of the appropriate Clearstream Feedback Transmission.

- In case Clearstream provisionally accepts a Euroclear delivery Instruction, the settlement becomes final when we record the debit of securities as final.

The simultaneous transfer of securities and cash (for against payment Instructions) is final at such time.

5.2.3.6. Cancellation of Instructions

(a) The rules of this Section 5.2.3.6 apply except as otherwise set out in the Online Market Guides.

5.2.3.6.1. Unmatched Bridge Instructions

(a) In addition to the general rules on cancellation in Section 4.1.5, with the exception of some securities, we will cancel unmatched Bridge Instructions at the end of each Business Day that have either:

- an input date; or
- an expected Settlement Date

which is more than 30 calendar days prior to that Business Day. We will take the later of the two dates into account for this cancellation.

(b) You may request to be excluded from our daily cleaning.

5.2.3.6.2. Matched Bridge Instructions

(a) You can cancel unexecuted Bridge Instructions up until the moment the Bridge Instruction is positioned.

(b) You can only cancel successfully positioned Bridge delivery Instructions during the RTP if the proposed Bridge delivery Instruction is rejected, prior to which the cancellation will remain pending.

You can only cancel successfully positioned Bridge receipt Instructions during the RTP if the corresponding Bridge delivery Instruction is rejected, prior to which the cancellation will remain pending.

(c) Except in the event of an issuer default, we will cancel unexecuted Bridge Instructions on the final maturity date of the securities.

5.2.4 External settlement

(a) External settlement takes place by simultaneous book entries in the form of a debit/credit of securities to your Securities Clearance Account and a credit/debit of cash to an account in a local market which may be an account at the issuer's registrar.

If the transaction is against payment there will also be a debit/credit to your Cash Account and a credit/debit to a cash account in the local market.

If the settlement is through a physical receipt/delivery of securities, it will occur to or from an account outside the Euroclear System with corresponding movements into your related Transit Account.

(b) We only accept external receipt Instructions for eligible securities (see Section 5.1.1).

(c) External settlement Instructions can be settled in the local market either against or free of payment. Information on securities eligible for external settlement against payment in specific local markets can be found in the Online Market Guides. Payment can only be made in the Settlement Currency of the local market unless stated otherwise in the Euroclear Documentation.

(d) For some external Instructions, local market rules or practices may require an irrevocable commitment from us to pay cash for settlement of receipts in the local market, either:

- once an Instruction has been transmitted to the local market
- from the trade date of a stock exchange transaction in markets where such transaction is automatically fed by the stock exchange into the local clearance system
- at a time specified by local market rules.

Our exposure generated by this pre-settlement commitment may constitute an extension of credit. Such credit extension is subject to the 'General Conditions Governing Extensions of Credit to Participants' and to any collateral arrangements existing between us.

When we extend credit to you, you pledge your contractual claims against us for the delivery of the securities to be received from the local market. This is in line with the general pledge as set out in Section 3.5.2 and in the Terms and Conditions and without prejudice to any other existing collateral arrangements.

Our books and records act as sufficient evidence for our credit claims resulting from the situations envisaged above.

(e) References to Depositories shall include Other CSDs where relevant.

(f) We do not guarantee the settlement time of external Instructions.

5.2.4.1. Application of local market rules

(a) External settlement may be affected by local market rules (as from the moment they enter into force in the relevant local market) or the nature of the link with the local market as specified in the Online Market Guides.

You are required to comply with all local laws and all requirements stated in the governing documentation of issuers.

(b) It is your responsibility to research the risks of holding or settling securities in local markets.

(c) In some domestic markets there may be limitations to the maximum amount, either of cash to pay or securities to deliver or other restrictive conditions deriving from either:

- local laws or regulations
- the rules of a local clearing or settlement system
- our agreement with our local agent.

Such limits may cause the failure of settlement Instructions to settle on a given Settlement Date.

(d) For external settlement we accept no liability for:

- consequences of the execution or non-execution of receipt or delivery against payment Instructions that arise from exchanges of securities and cash not happening at the same time
- the lack of delivery versus payment in the local market
- the non-execution of new Instructions submitted in accordance with Section 4.1.5.3 above, if the non-execution was caused by a delay of acceptance or rejection of your cancellation request on the relevant local market
- failure to match Instructions
- delay or failure of local settlement
- information we provide you with on the risks of holding or settling securities in the local markets
- our use of an Other CSD to settle and hold certain Multi-listed Securities in Remote Markets
- restricting our services to all or part of the standard services offered by the Remote Market's clearance system for certain categories of Multi-listed securities

- any Instruction that, having met the Settlement Conditions, fails to settle or is delayed as a result of limits or restrictive conditions.

(e) The range and the level of services we provide for certain categories of Multi-listed securities may differ from the services usually provided for similar securities we deposit with a Specialised Depository or Other CSD established in the country of issue of the securities.

5.2.4.2. Receipts

(a) Securities in physical form may be deposited by you or by other parties for credit to your Securities Clearance Account.

Nothing in these Operating Procedures creates an obligation for us towards anyone who deposits securities in physical form for credit to your Account or requires us to act as their agent in respect of such securities.

(b) Securities in physical form can only be deposited or transferred into the Euroclear System for credit to an Account, either:

- at the Specialised Depository designated for the issue
- by transfer to one of our accounts in an Other CSD.

You consent to our appointment of Depositories and Other CSDs shown in the Euroclear Documentation.

(c) Securities held in dematerialised, registered, electronic or other book-entry form can only be deposited by book-entry transfer as described in each country section of the Online Market Guides. We can hold such securities on your behalf directly on the books of the issuer, the registrar or its agent.

(d) Depositories initially receiving securities will only accept them for our account if:

- the securities are accepted by us and conform to the information on such securities shown in the receipt advice
- the Securities Clearance Account number is indicated and corresponds to your name as shown in the delivery advice.

Likewise, we only accept securities for delivery to our accounts in Other CSDs if:

- we have accepted the securities
- we are able to identify which Securities Clearance Account needs to be credited.

We have the right not to accept securities where the Depository or Other CSD has received (or identified post-realignment) the following:

Type of security	Exceptions/Comments
A temporary certificate	If delivered after the date on which permanent securities are available
A mutilated security	Unless the trustee, registrar, Transfer Agent or issuer provides written confirmation that the security is still valid for transfer
A security called for redemption	-
A security not accompanied by appropriate warrants, rights and coupons	Unless the missing coupon is replaced by an evidenced payment of equal value
A security in registered form	Unless registered to the bearer, in correct nominee name or accompanied by complete and correct transfer documents according to local market rules

A security that is not validly issued	
A security that is fully paid	Except if specifically agreed with us
A security that is subject to a published notification of opposition or any other circumstance which affects its free transferability in any relevant market	If we discover such restrictions on a security after acceptance into the Euroclear System we can block or debit the security from a holders Account

5.2.4.3. Deliveries

(a) Securities available for delivery and subject to local regulations may be delivered or transferred out of the Euroclear System either free of payment or against payment (for securities eligible for delivery against payment).

Delivery of securities by a Depository or Other CSD will only take place if you send Instructions which comply with the rules in Part IV (Connectivity) of these Operating Procedures.

(b) Subject to applicable regulations, we may, either directly or through a Depository:

- exchange information about refused deposits with interested parties, including local authorities
- return refused securities to the relevant depositors/issuers
- take other appropriate action, including retaining securities whilst awaiting any legitimate claims to them.

Methods of delivery

(c) To enable the delivery or transfer of securities we will either perform (or request the relevant Specialised Depository to perform) the following actions:

For securities in physical form, to deliver securities either:

- to the national postal system of the Specialised Depository designated for the issue for forwarding by registered or value declared mail
- within the boundaries of the city in which the Depository or the Specialised Depository is located
- by armoured car or air-courier service
- to a courier service for delivery anywhere in the world.

For other types of securities, transfer securities:

- in accordance with the procedures of the relevant clearing or settlement system, Transfer Agent or registrar.

Risk of loss or delay

(d) Risk of loss or delay from the transport of securities you transfer or deliver out of the Euroclear System is borne by you once they are deposited in the mail, armoured car or courier service. At such time they cease to be held in the Euroclear System. We may however continue to insure such securities at this time.

We try to ensure that deliveries are made on the date you instruct or the relevant Execution Date but cannot guarantee such timing.

(e) You must inform both us and the instructing counterparty (who must also inform us) as soon as possible if you do not receive an expected delivery of securities. Recovery rights under the insurance policies may be affected if we do not receive prompt notice from you.

When we receive notice of the non receipt and satisfactory evidence of the loss, then you appoint us as your attorney-in-fact to take any actions we deem appropriate to protect you. This in no way constitutes an acceptance of liability by us.

Such actions may include either:

- notifying the trustee, fiscal or other relevant agent for the issue and requesting publication of the information
- notifying the board of ISMA

- notifying the relevant Depositories
- notifying Clearstream or Other CSDs
- taking all steps to initiate, maintain and cancel any opposition proceedings or related actions in relevant countries
- taking all steps to initiate invalidation and re-issuance procedures
- any other measures we deem necessary.

(f) If you, independently, want to initiate, maintain or cancel opposition proceedings or related actions, you must inform us. We accept no liability for your actions and we will not take any other action on your behalf.

(g) We will take no legal action (other than our obligation to cooperate with the insurer) to recover securities and provide no representation if judicial proceedings are brought against you.

(h) We will inform you of any actions that have been taken in relation to your non-receipt of securities and accept no liability for any loss caused by or arising from actions taken or not taken by us in such instance.

(i) If our insurer (upon payment of any indemnification or replacement of securities) under the insurance policy provides compensation from which you benefit, they will be fully subrogated to all rights and claims you had against third parties, including the rights to obtain the re-issuance of such securities.

We have the right to debit your Cash Account for any fees, costs or expenses incurred by us in connection with any action taken in accordance with this section.

5.2.4.4. Settlement Conditions

5.2.4.4.1. Input, deadlines, validation and irrevocability

(a) We will only accept and process your valid external Instructions if they comply with Part IV (Connectivity) of these Operating Procedures and the Settlement Conditions set out below.

Securities received by a Depository for credit to a New Issues Securities Clearance Account or short and medium-term instruments Securities Clearance Account, will be credited without requiring any Instruction from you.

(b) Instructions must conform to the 'Specific Instruction Requirements' listed in the relevant country section of the Online Market Guides. If no Instructions to receive securities are required from the recipient of the securities, then they will be automatically credited by us to the relevant Securities Clearance Account upon notice of their receipt from a Depository or Other CSD.

(c) An external Instruction shall be deemed to be entered into the Euroclear System when it is deemed to be received by us as set forth in Section 4.1.1.2 – Deemed receipt.

(d) The Input Deadlines for settlement are set forth in the 'Settlement Timing Reference Card' available on our website. Instructions received after the Input Deadline will be considered for the next Processing for which they are eligible.

(e) After authentication of the input requirements, validation of an Instruction will take place before selection for processing. The general rules of validation of external Instructions are described in Part IV (Connectivity) of these Operating Procedures but can be affected by local market rules and the security type.

Valid external Instructions will be submitted for further processing. However, if such Instructions are found to be invalid, we will reject them and notify you of this rejection.

(f) You can cancel your successfully validated external Instructions as set out in Section 4.1.5.

(g) An external Instruction is irrevocable when it can no longer be cancelled by you in accordance with Section 4.1.5 – Cancellation and modification of Instructions.

5.2.4.4.2. Hold and Release

(a)You can put an external Instruction on hold at any time before it is positioned by us or it is cancelled.

(b)External Instructions which are put on hold by you may be matched but are not eligible for settlement and are kept pending until they are released, regardless of their intended Settlement Date.

(c)You can release an external Instruction, which was put on hold. Once we have processed your release, the Instruction will be processed in accordance with these Operating Procedures.

5.2.4.4.3. Matching

(a) Where external receipt Instructions require matching, they must match with a notification of a delivery of securities from a Depository or Other CSD.

(b) External Instructions may also require matching in the local market (see the Online Market Guides). Matching rules, tolerances and priorities vary depending on local market rules.

(c) If we receive a matching notification from the local market before positioning an external receipt Instruction, the cash countervalue indicated by the seller (if different from that indicated by you as buyer) will be used for execution. Otherwise, we will use your cash countervalue for execution.

We reserve the right to adjust your Cash Account for any difference between the cash amount used for execution in the Euroclear System and that used for settlement in the local market.

5.2.4.4.4. Unsuccessful matching

Receipts from the local market

(a) If we do not receive your matching Instructions, once the Depository or Other CSD notifies us of the receipt of securities for your Account, we will credit them to your linked Transit Account. This takes place during the OSSP and RTP. Securities will remain in your Transit Account until:

Input	Our Action
You provide appropriate matching Instructions	We credit the securities to your Securities Clearance Account
You indicate your refusal of the securities	We initiate the return of the securities to the depositor as soon as practicable
The depositor submits a request to us to reclaim the securities	No earlier than 5 Business Days after the initial credit to your Transit Account (unless you agree to an earlier date) we will return the securities to the depositor. The Instruction from the depositor must be delivered to us and any Instruction to a Depository or to an Other CSD will be disregarded

If none of the above occurs, we will wait 5 Business Days after the initial credit to your Transit Account and then return the securities to the depositor.

(b) In the event that securities are to be returned, we will debit your Transit Account in the first Processing after the initiation of the return. If we receive your matching Instructions in sufficient time, determined by us in our sole discretion, before the return of securities is initiated by us, we may cease processing such return and instead process your matching Instructions.

Deliveries to the local market

(c) Where local market practice requires settlement Instructions to match, the Depository may not deliver the securities in the local market until matching has occurred (if possible).

(d) Where matching is not required, securities already debited will be re-credited to the relevant Securities Clearance Account and debited to the related Transit Account during the first Processing following receipt of the notification.

5.2.4.4.5. Selection for processing and positioning

(a) A valid external Instruction which has been matched (if necessary) may be selected for submission to a Processing only if the Settlement Date has been reached. Such Instruction may be selected for submission to a Processing before we have received matching notification from the local market.

(b) If the Execution Date is not a Business Day, the Instruction will be selected for submission to the first Processing in which it is eligible on the next Business Day.

(c) Securities received at a Depository before the Settlement Date in your matched receipt Instruction may be credited to your Transit Account. The securities will be moved to your Securities Clearance Account as a result of either:

- the first Processing after we reinstate a valid matching Instruction by reversing your cancellation
- the OSSP following the Input Date of the Instruction.

(d) Your free of payment Instructions may be submitted to the first Processing following confirmation of the receipt of securities from the Depository or Other CSD regardless of your indicated Settlement Date.

5.2.4.4.6. Processing of local market confirmations

(a) We will process confirmations of settlement results that we receive from a Depository or Other CSD, either:

- before or during the RTP
- after the closure of the RTP or during the OSSP.

This processing will occur as soon as possible following receipt of securities and/or cash with a resulting credit or debit of securities and cash to or from your Account(s).

(b) Confirmations of receipt of cash we receive from a Cash Correspondent are processed in accordance with Part V: Section 4 (Money Transfer) of these Operating Procedures.

5.2.4.5. Successful and unsuccessful positioning

(a) If the Execution Date is not a Business Day or if the Settlement Conditions are not satisfied, Instructions are executed in the first following Processing dated a Business Day in which the Settlement Conditions are met.

(b) If positioning is successful, against payment external receipt Instructions are executed for:

Security Type	Processing
Local market securities	In the RTP of the Business Day set out in the Online Market Guides for that local market
International securities	In the RTP of the Business Day prior to the Instructions Settlement Date; or - if the Settlement Date has passed, during the RTP in which the Instruction is received (if before the Input Deadline as set out in the Euroclear Documentation); or - in the RTP following receipt of the Instruction

(c) The successfully positioned cash is no longer available for other Instructions or operations after execution of the external receipt against payment Instructions even if the corresponding debit to the Cash Account has not yet been made.

(d) If we act on an external receipt against payment Instruction and can no longer revoke or reverse the Instruction, you are obliged to reimburse us for any payment we make for the securities received in the local market. We have the right to debit your Cash Account for such amount.

(e) External delivery Instructions are executed for:

Security Type	Processing
Domestic market securities	In the Processing on the Business Day shown in the relevant market section of the Online Market Guides
International securities	In the OSSP of the Business Day prior to the Instructions Settlement Date; or if the Settlement Date has passed, during the OSSP following receipt of the Instruction

(f) If positioning is unsuccessful the external Instructions remain in the backlog of unexecuted Instructions and continue to be entered into subsequent Processings for which they are eligible until executed or cancelled.

5.2.4.5.1. Partial settlement for external receipt Instructions

Provided the local market offers partial settlement (see the Online Market Guides), you can partially settle your external receipt Instructions if the conditions of Section 5.2.1.10 are met. Partial settlement of external delivery Instructions will not be available.

5.2.4.6. Cancellation of Instructions

(a) The following rules apply except as otherwise set out in the Online Market Guides.

(b) We automatically cancel external Instructions if they remain in the backlog of unexecuted Instructions 4 Business Days after the intended Settlement Date (S+4).

We will attempt to position valid Instructions (matched if necessary) which we receive after S+4 once before cancellation.

5.2.4.7. Refusal of securities

Receipts from the local market

(a) We will refuse securities if their corresponding Instructions are unmatched or do not meet the Settlement Conditions.

(b) If tendered securities that have been received in the local market are refused:

- external receipt Instructions will remain in the backlog of unexecuted Instructions
- the relevant Transit Account is credited until the issue is resolved.

Deliveries to the local market

(c) If securities you deliver out of the Euroclear System are refused by the recipient we may reattempt to deliver your refused securities as set out in the Euroclear Documentation.

Upon refusal by an intended recipient, securities may be re-credited to your Securities Clearance Account (with the related Transit Account receiving a debit). In this case, positioning will take place before we reattempt to deliver the security.

(d) If securities previously delivered out of the Euroclear System are returned to a Depository or Other CSD for our account and such return is reported to us as a refusal, then your Securities Clearance Account will be re-credited.

In the absence of acceptance or upon confirmation of refusal, the securities are debited from the Transit Account and re-credited to your Securities Clearance Account.

(e) You will be notified of any such refusals and credits/debits of securities.

5.2.4.8. Credit and debit of Accounts

(a) Credits and debits which result from the execution of an external Instruction may be final or provisional as set out in Section 2.3 and reversed as set out in Section 3.2.

(b) Upon notice of receipt of securities for our account from the Depository, Other CSD or the issuer's agent, we will make:

- a credit to your Securities Clearance Account
- a debit to your Cash Account (if against payment).

(c) Upon the successful execution of an external delivery Instruction, we will make:

- a provisional debit to your Securities Clearance Account
- a provisional credit to your Transit Account
- a credit to your Cash Account (if against payment) upon notice that cash has been received for our account.

(d) Securities will remain credited to your Transit Account until the first Processing after one of the following events occurs:

- we receive confirmation of delivery of the securities out of the Euroclear System
- 6 or more Business Days have passed since free of payment external delivery occurred and no refusal notice has been received from the local market
- we have received notification of refusal in the relevant local market. In this case we will also re-credit your Securities Clearance Account.

5.2.4.9. Settlement and Finality

Settlement and finality occurs in the local market in accordance with local market rules and practice.

5.2.5 Settlement of Auto-Collateralisation Instructions

5.2.5.1 Auto-Collateralisation Service

(a) In order to benefit from our Auto-Collateralisation Service, you must acknowledge receipt of and agree to the Auto-Collateralisation Terms and Conditions. You must also:

- designate one or more of your Securities Clearance Accounts as the Securities Clearance Account(s) to be used in connection with the Auto-Collateralisation Service
- indicate for which market(s) you wish to activat the Auto-Collateralisation Service
- have a credit arrangement in place with us in our banking capacity.

(b) As an exception to the rules set out in Section 5.2.4 (External Settlement), Auto-Collateralisation Instructions and the credit and debit of your Accounts as a result of the processing of Auto-Collateralisation Instructions shall be governed by the rules of this Section 5.2.5 (Settlement of Auto-Collateralisation Instructions).

5.2.5.2 Input of Auto-Collateralisation Instructions

(a) All Auto-Collateralisation Instructions are generated and entered into the Euroclear System by us. You hereby authorise us to generate such Instructions on your behalf.

(b) Upon receipt of a confirmation from a T2S-linked CSD that an Auto-Collateralisation transaction has been initiated on T2S, we will generate and enter into the Euroclear System the following Auto-Collateralisation Instructions, which aim at reflecting in our books the credits and debits made in the books of the relevant T2S-linked CSD:

➔ For the initiation of the Auto-Collateralisation transactions:

(i) the debit of your relevant Securities Clearance Account will result from an against payment external delivery Instruction for delivery of securities from your relevant Securities Clearance Account to our Collateral SAC
(ii) the credit of our Collateral Securities Account will result from an against payment external receipt Instruction for receipt of securities on our Collateral Securities Account from the relevant Segregated SAC

➔ For the closing of the Auto-Collateralisation transactions:
(iii) the debit of our Collateral Securities Account will result from an against payment external delivery Instruction for delivery of securities from our Collateral Securities Account to the relevant Segregated SAC
(iv) the credit of your relevant Securities Clearance Account will result from an against payment external receipt Instruction for receipt of securities on your relevant Securities Clearance Account from our Collateral SAC.

Each such Instruction shall relate to (x) the same amount of securities of the same issue as the corresponding transfers on T2S and (y) an amount of cash corresponding to the credit granted by us in relation to that Auto-Collateralisation transaction.

(c) Auto-Collateralisation Instructions are deemed to be entered into the Euroclear System on the moment on which T2S has generated the corresponding Auto-Collateralisation Instruction(s) on the T2S platform.

(d) Auto-Collateralisation Instructions are irrevocable as of the moment they have been entered into the Euroclear System.

5.2.5.3 Validation

(a) After the generation of Auto-Collateralisation Instructions in accordance with Section 5.2.5.2 above, validation of each such Instruction will take place before selection for processing. The general rules of validation described in Section 4.1.4 (Processing and validation of Instructions) shall apply, unless specified otherwise in this Section 5.2.5.

(b) Valid Auto-Collateralisation Instructions will be submitted for further processing in accordance with Section 5.2.5.4 below.

5.2.5.4 Processing

(a) Provided they have been validated, the Auto-Collateralisation Instructions referred to in Section 5.2.5.2(b) (i) and (ii) will be submitted for booking, as soon as possible, in the Real-time Processing.

(b) The Auto-Collateralisation Instructions relating to the closing of an Auto-Collateralisation transaction (i.e. the Instructions referred to in Section 5.2.5.2 (b) (iii) and (iv)) will not be submitted for processing until we have received a confirmation from the relevant T2S-linked CSD that the relevant Auto-Collateralisation transaction has been closed on T2S.

(c) Upon receipt of a confirmation from a T2S-linked CSD that an Auto-Collateralisation transaction has been closed on T2S, we will submit the Auto-Collateralisation Instructions referred to in Section 5.2.5.2(b) (iii) and (iv) for booking, as soon as possible, in the Real-time Processing, provided they have been validated.

(d) Auto-Collateralisation Instructions are not subject to positioning and will settle unconditionally once submitted to the Real-time Processing.

5.2.5.5 Credit and debit of Accounts

Following the completion of a Processing in which Auto-Collateralisation Instructions are executed we make:

For the initiation of an Auto-Collateralisation transaction	• a debit to your relevant Securities Clearance Account and a credit to the related Cash Account (Auto-Collateralisation Instructions referred to in Section 5.2.5.2(b) (i))

	• a credit to our Collateral Securities Account and a debit to the related Cash Account (Auto-Collateralisation Instructions referred to in Section 5.2.5.2(b) (ii))
For the closing of an Auto-Collateralisation transaction	• a debit to our Collateral Securities Account and a credit to the related Cash Account (Auto-Collateralisation Instructions referred to in Section 5.2.5.2(b) (iii)) • a credit to your relevant Securities Clearance Account and a debit to the related Cash Account (Auto-Collateralisation Instructions referred to in Section 5.2.5.2(b) (iv))

5.2.5.6 Cancellation of Auto-Collateralisation Instructions

(a) Auto-Collateralisation Instructions may not be cancelled by you.

(b) We may, at any stage, refuse to process Auto-Collateralisation Instructions or cancel them. We will inform you via our reports if we refuse or cancel an Auto-Collateralisation Instruction and take no other action.

5.2.5.7 Settlement and Finality

(a) Upon receipt of the settlement confirmation from the relevant T2S-linked CSD, we will reflect the settlement of an Auto-Collateralisation transaction on our books through the credits and debits referred to in Section 5.2.5.5 above.

(b) The simultaneous transfer of securities and cash is final at the time of such credits and debits.

5.2.6 Suspension of Settlement

If we become aware of an undue creation or deletion of securities and we are not able to find a solution to the problem by the end of the following Business Day or if an Other CSD decides to suspend the settlement of any securities we hold with such Other CSD, we are required to suspend the securities issue for settlement in accordance with Section 7(b) and (c) of the Terms and Conditions.

5.2.7 Settlement Discipline

You will comply with all your obligations under or pursuant to CSDR in relation to settlement discipline.

Part V: Section 3 – Custody Services

5.3.1 Custody – General rules 109

5.3.1.1 Information provided and received for Corporate Actions 109
5.3.1.2 Corporate Action reports 109
5.3.1.2.1 Other securities information available 110
5.3.1.3 Services for securities in default 110
5.3.1.4 Execution of Custody Operations 110
5.3.1.4.1 Custody Operation Conditions 111
5.3.1.4.2 Processing rules for Custody Operations 114
5.3.1.5 Custody Distributions 115
5.3.1.5.1 Custody Distributions subject to tax 115
5.3.1.5.2 Entitlement to the proceeds of Custody Distributions 116
5.3.1.5.3 Credit of the proceeds of Custody Distributions 117
5.3.1.5.4 Custody Distributions in respect of securities in Transit Accounts 118
5.3.1.5.5 Custody Distributions in respect of securities in Non-Deposit Accounts 118
5.3.1.5.6 Custody Distributions not accepted in the Euroclear System 118

5.3.2 Custody – Specific custody rules 119

5.3.2.1 Collection of income and redemption proceeds 119
5.3.2.1.1 Calculation method for income payments 119
5.3.2.1.2 Final redemption 120
5.3.2.1.3 Partial redemption without pool factor reduction 120
5.3.2.1.4 Pro-rata redemption and drawing by lottery 120
5.3.2.1.5 Currency options on income and redemption 121
5.3.2.1.6 Automatic currency conversion of income 121
5.3.2.2 Taxes 122
5.3.2.2.1 Provision of information 122
5.3.2.2.2 Provision of assistance in obtaining tax relief 122
5.3.2.3 Issues of subscription rights 123
5.3.2.3.1 Exercise and lapse of rights 123
5.3.2.3.2 Deferred payment 124
5.3.2.4 Detachment and reattachment of warrants 124
5.3.2.5 Coupon stripping 124
5.3.2.5.1 Securities eligible for coupon stripping 125
5.3.2.5.2 Processing of stripped corpus' and stripped coupons 125
5.3.2.6 Market claims 125
5.3.2.6.1 Domestic market claims procedure 126
5.3.2.6.2 Other market claims procedure 128
5.3.2.7 Voting 128
5.3.2.7.1 Processing of Instructions to vote 129
5.3.2.7.2 Our liability for voting services 130
5.3.2.7.3 Non-Deposit Accounts 130
5.3.2.8 Certification under applicable U.S. law 130
5.3.2.9 Other forms of certification 132

5.3.2.10 Global securities 132
5.3.2.10.1 Exchange for definitive individual or global certificates 132
5.3.2.10.2 Exercises of warrants or other options 132
5.3.2.11 Safekeeping and related services for fractional amounts of funds securities 133
5.3.2.12 Transformations 133

5.3.1 Custody – General rules

(a) This general rules section applies to all Custody Operations. Section 5.3.2 sets out any exceptions and additional rules which apply to certain Custody Operations.

(b) The custody services we provide for Remote Market Securities depend on the services offered by the Depository in the Remote Market. These can differ from services offered for Home Market Securities.

(c) We sometimes use third parties to provide certain custody services. Our duties and liabilities with respect to the activities of these third party service providers are set out in Section 12 of the Terms and Conditions. We will inform you of the appointment of third parties in the relevant market section of the Online Market Guides.

5.3.1.1 Information provided and received for Corporate Actions

(a) We may report information to you or act upon information received about Corporate Actions when we have received notice in a manner and from a source satisfactory to us. We may require a formal announcement to the general public of such information before we do so.

(b) We will decide whether the information we have received is related to a particular Corporate Action.

(c) We do not verify the accuracy or completeness of information we receive and report to you. As such, we accept no liability for any inaccuracy or incompleteness of such information. Neither do we accept liability for your timely receipt of our reported information.

(d) Our reports may be summaries or English translations of information received. Reliance on such reports is at your own risk.

(e) We collect information regarding Corporate Actions on a reasonable effort basis but do not always receive notification for Corporate Actions set out in the original documentation of the issuance. You should therefore be aware of the terms and conditions and characteristics of the securities you purchase, hold or intend to hold in your Account(s). In particular we will not accept liability for acting upon a fraudulent, incomplete, or incorrect notice or request indicating that the security is subject to the application of national legislation implementing the Shareholders Rights Directive (EU) 2017/828 and Commission Implementing Regulation (EU) 2018/1212.

We accept no liability for failing to provide you with information regarding a Corporate Action set forth in the original documentation of the issuance.

(f) For the avoidance of doubt, we will not contact you via telephone when providing information for Corporate Actions unless specifically stated in these Operating Procedures.

Third Party Offers

(g) You should be aware that it is our policy not to provide information in respect of offers to purchase securities by unrelated third parties (i.e. not the issuer or its agent). These offers are not considered Corporate Actions. We are not licensed to provide a trading platform and we do not provide information related exclusively to trading activity.

(h) If we receive information related to a third party offer to purchase securities which carry voting rights, we will verify that the offer is related to an announced takeover bid. If we determine that it is, we will treat the offer as a Corporate Action and will try to provide you with the relevant information via DACE notice. No other information regarding third party offers is provided.

5.3.1.2 Corporate Action reports

We provide several reports in order to keep you informed of your Corporate Action activity. Information on these reports can be found in the ‘Custody Reporting – Quick Card’ and on our website under ‘How are you informed about corporate actions’.

5.3.1.2.1 Other securities information available

(a) You can access database information for on-line inquiry through EUCLID, EasyWay or our website. The information is not verified for accuracy or completeness and may not be up to date; we accept no liability for this. Use of this resource is at your own risk and we do not recommend you use it as a primary resource.

(b) We have the right to use any of the prices from any source we consider reliable (including any prices from Instructions for settlement in the Euroclear System) for any purpose.

5.3.1.3 Services for securities in default

(a) We will not take any action, legal or otherwise, to enforce your rights against any issuer or any guarantor in respect of a security.

We authorise you and/or the underlying beneficial owners of such securities to maintain proceedings against issuers, guarantors and any other parties. This is to the extent that we, our nominee, a Depository or their nominee acts as registered owner of any security held in the Euroclear System, or in any other relevant situation.

(b) Subject to any applicable law, decree, regulation, order, injunction or request of any governmental agency or body or other authority, we are not required to take any legal or other action.

(c) Upon your request, we will issue a statement of account for the purpose of the filing of a claim. This statement can be issued in paper of in electronic form, depending on the claim filing requirements.

- If in paper form, the statement of account may be notarised or affixed with an apostille if so requested. Upon your request, we will state the name of the beneficial owner on the face of such statement based on the beneficial owner information you provided. Such beneficial owner information is not reflected in our books and records and is not reviewed or verified by us.
- If in electronic form, the statement of account will be sent by us, upon receipt of your Instructions, directly to the entity in charge of the claim filing procedure via SWIFT message or fax.

(d) Once we issue the statement of account for the purpose of filing a claim, we will block the relevant securities holding referenced in such statement of account to avoid the potential for multiple claims based on the same securities' position.

This blocking will only be lifted:

- upon receipt of the original statement of account we provided
- or, if such original statement is unavailable, upon receipt of an appropriate indemnity letter from you.

5.3.1.4 Execution of Custody Operations

(a) We execute Custody Operations in the OSSP or RTP. Which Processing is used depends on factors such as:

- the Input Deadline
- the type of Custody Operation
- the time required for validation of the relevant Instruction.

(b) We execute Custody Operations in respect of Corporate Actions either on the basis of your Instruction (where your Instruction is required) or on the basis of the authorisation set out in (d) below. We have no discretion to instruct any Corporate Action, including a voting action, in the absence of your Instruction where your Instruction is required.

(c) For Corporate Actions where you have a choice, the following shall apply:

- if you wish to make an election you must send us an Instruction to that effect before the Input Deadline
- if you do not send us an Instruction before the Input Deadline or you send us a 'no action Instruction' before the Input Deadline, we will deem you to have chosen the default action as specified in these Operating Procedures or relevant DACE notice
- you authorise us to take any and all actions required to execute your Instruction or the default action (if you did not send an Instruction), in accordance with these Operating Procedures and the Terms and Conditions without the need of any further authorisation from you

- we reserve the right to block or debit securities of the issue concerned by the default action following the applicable Input Deadline, until the end of the RTP or until such time as we consider necessary for execution of the default action.

(d) For Custody Operations where you are not required to send an Instruction, you authorise us to take any and all actions required to execute such Custody Operation for you in accordance with these Operating Procedures and the Terms and Conditions without the need of any further authorisation from you. We are not obliged to take an action unless specified in the Operating Procedures or the relevant DACE notice (or similar notice).

You appoint and authorise us, any Depository or any agent or service provider (designated or authorised by us), as your true and lawful agent and attorney-in-fact, for the purpose of completing, executing and delivering any required documents for any Custody Operation on your behalf.

This right does not extend to our completion of paper notices for certain Corporate Actions on your behalf. In order for us to complete such notices you are required to subscribe to our 'Paper Notice Service'.

5.3.1.4.1 Custody Operation Conditions

We can only execute Custody Operations which meet the necessary conditions. These conditions are listed throughout this section and outlined below for each type of Custody Operation:

Type of Custody Operation	Conditions
All Custody Operations	the provision of any required documents
Custody Operations which require your Instruction	deadlines, validation conditions and the input of Instructions
Custody Operations which result in the debit/credit of your Account	the additional Custody Operation Conditions

5.3.1.4.1.1 Input of Instructions

(a) You must send us Instructions as specified in the relevant DACE notice with the format and contents described in such DACE notice and the Euroclear Documentation.

(b) We may however in our sole discretion, accept your Instruction even if it does not fit the standard Instruction type required by the relevant DACE notice.

5.3.1.4.1.2 Deadlines

We must receive your Instructions by the Input Deadline as specified in the relevant DACE notice.

5.3.1.4.1.3 Validation

(a) After authentication of input, Instructions must be validated before being submitted for further processing. The validation rules are described in Part IV (Connectivity) of these Operating Procedures. You may receive notification that your Instruction is in the process of validation by us. If you do receive such notice, you should double-check the Instruction to ensure that the Security Code is correct.

(b) If the validation is successful, we will accept the Instruction for further processing.

(c) Instructions may require additional manual validation. This can result in Instructions passing the computer validation but being rejected after manual validation. We will inform you of the status of your Instructions as specified in the Euroclear Documentation.

The validation of an Instruction may necessitate required documents to be verified as complete. Verification of the contents of any required document is not part of the validation rules.

(d) The time required for validation of Instructions can depend on:

- the means of communication you use to input your Instruction
- the availability, quality and readiness (both as to contents and format) of the information that, in our discretion is required to permit its execution
- the location of the issuer or relevant agents and service providers from whom information is required
- the type of Instruction
- the need for manual intervention.

If validation is unsuccessful, the Instruction is not accepted for further processing and is rejected by us. We will inform you of this. You may not receive a rejection notification until after the Input Deadline for the relevant Corporate Action.

5.3.1.4.1.4 Provision of certifications and other required documents

(a) You are solely responsible for:

- determining whether a required document (including certifications that you may need to transmit to us) is necessary for any of the securities you hold in the Euroclear System
- obtaining and reviewing such documents in line with the governing documentation of the issue and/or provisions of applicable law.

We may inform you, by DACE notice or otherwise, that you need to execute a required document. We do not guarantee that such documents will be accepted by the issuer, its agent or any other relevant person or that no additional documents are required.

DACE notices advising of required documents may contain summaries of the terms of certifications, statements or documents required. Reliance on information contained in such summaries is at your own risk.

(b) You may need to send required documents, either to:

- us, we will then pass on the information to the issuer, its agent or any other relevant person as required
- the issuer, its agent or any other relevant person.

You are responsible for determining who you should send the documentation to in line with the governing documentation of the issuance.

(c) You may provide required documents by:

- sending a completed document form as required by the governing documentation of the issue
- sending a certification Instruction, incorporating by reference the 'Standard Long Form Certification' (available on our website)
- sending a Custody Operation Instruction under the electronic certification procedure (as detailed under point (d) below.
- a combination of the above

The electronic certification procedure may be revoked by the issuer of the relevant securities with little or no notice. You should check the DACE notice for such action on the same day you input your Custody Operation Instruction to ensure the electronic certification procedure is still valid.

(d) We may advise you by DACE notice that the electronic certification procedure applies. In that case, by sending a Custody Operation Instruction to us with the requested certification letter in the certification field or with the certification field left blank, you confirm that you:

- have received from us and reviewed all required documents for the relevant securities
- have been notified by us of the requirement to complete such required documents
- agree (or an underlying beneficial owner agrees) to comply with the certification requirements, the terms and conditions of the required documents and the applicable laws and regulations
- instruct us to confirm your certification of compliance with the terms of the required documents to any relevant third party.

(e) You should be prepared to complete and send any required documents on the same Business Day that you send the Custody Operation Instruction.

Your reliance on the electronic certification procedure is at your own risk.

(f) Under the electronic certification procedure, input of your name or Account number in a Custody Operation Instruction shall be deemed to be equivalent to a manual signature for all purposes.

(g) You are responsible for the accuracy of certifications in respect of any persons or entities you may be acting for. You agree to indemnify us and hold us harmless for acting upon required documents you send which contain a misrepresentation.

(h) Required documents must be received by the relevant Input Deadline as specified in the DACE notice (or similar notice).

If a required document is necessary, you must send us separate Instructions and documents for each Securities Clearance Account. Failure to do so may have the following consequences:

- the Instruction may be rejected after validation
- the execution of such Custody Operation or exercise of rights to which such required document relates may not be effected until you have delivered the completed required document
- if you do not provide the appropriate form of certification in a timely manner, your holding of the securities subject to the certification action may be blocked to the extent they remain uncertified. This blocking can only be lifted once we receive the requested certification.

Securities credited to your Securities Clearance Account after the certification action will not be blocked. Any cash received or to be received by us in respect of any certification action will be credited to the relevant Cash Account upon our receipt and reconciliation of cash and your fulfilment of any certification action.

(i) By sending a Custody Operation Instruction or the required documents, you represent and warrant that you or the beneficial owner(s) comply with all terms and conditions set forth in:

- the governing documentation of the issue or any provision of applicable law
- any certification
- any other required document relating to a Custody Operation

and that we are allowed to act on such representations and warranties without further investigation.

(j) Once we receive a Custody Operation Instruction or required documents, we are entitled to rely on its accuracy and completeness as of the date of delivery or signature (as appropriate). Unless you inform us to the contrary, this reliance will continue until the date of the relevant certification action.

(k) Following our request, you (or an underlying beneficial owner as the case may be) must execute a paper form certification as required in the governing documentation of the issue or as requested by the issuer, agent or any other relevant person.

(l) You irrevocably authorise the production of:

- any certification or record we retain of an Instruction
- any certification or any other documents you deliver to comply with this section
- copies of the above listed documents

to any interested party in any administrative or legal proceeding or official inquiry with respect to matters covered by this section or any such Instruction.

5.3.1.4.1.5 Additional Custody Operation Conditions

(a) The rules in this section only apply to Custody Operations which result in a credit/debit of securities or cash to your Account(s).

(b) Valid Instructions are submitted for cash positioning in the RTP during which the securities positioning for such Custody Operation took place, according to their Execution Date, either as indicated in the Instruction or as required according to the Custody Operation.

Instructions are submitted to a Processing for securities positioning, according to their Execution Date or as required according to the Custody Operation as soon as practicable and once validated.

(c) Once selected for processing, the Custody Operation is positioned. Positioning involves determining whether the following Positioning Conditions have been met:

Securities positioning

- If the execution of a Custody Operation requires a debit for the delivery or blocking of securities, sufficient available securities of the issue must be standing to the credit of your Securities Clearance Account to make the delivery or to effect the blocking
- If the execution of a Custody Operation does not require a debit or a blocking, sufficient available securities of the issue must be standing to the credit of your Securities Clearance Account on the Record Date
- If you have insufficient available securities in your Securities Clearance Account, but have a sufficient amount of securities of the same issue credited to your Record-keeping Account, then the Positioning Conditions will be fulfilled for certain Custody Operation types (see Section 5.3.1.4.2)
- Custody Operations which require a blocking of securities do not generate Automatic Borrowings. Such Instructions may be unsuccessfully positioned if you have insufficient available securities in your Securities Clearance Account.

Cash positioning

- If the execution of a Custody Operation necessitates a payment then you require sufficient cash (or provision of cash) or receipt of a credit line from us, as determined by us in our banking capacity, in the relevant Settlement Currency in your Cash Account for the payment.

Collateral positioning

- You require sufficient collateral if you are to be debited with cash or securities and are granted secured credit that we may make available to you in our banking capacity.

5.3.1.4.2 Processing rules for Custody Operations

5.3.1.4.2.1 Successful positioning

(a) Subject to Section 5.3.1.4.1.5 and Section 5.3.2.6.1.2, if the execution of a Custody Operation requires a debit for the delivery or blocking of securities, then we will execute such Custody Operation:

- at the earliest, on the Execution Date of the Instruction
- at the latest, on the date and time we determine as the deadline for execution of an Instruction.

For some mandatory Custody Operations where no Instruction is required, we will debit or block the securities at the date and time we deem necessary for processing.

We process Custody Operations in accordance with the priority rules set out in Section 5.2.1.

(b) If the execution of a Custody Operation requires a payment from you then cash is debited from your Cash Account and the Value Date is determined either:

- under the governing documentation of the Corporate Action
- as advised by the issuer of the Custody Operation or any agent acting on behalf of such issuer.

(c) If securities positioning is successful, the securities may be debited, blocked and/or Record Date positioned.

If cash positioning is successful, a debit is made to your Cash Account.

(d) If the execution of a Custody Operation requires the delivery of securities, we will automatically generate an external delivery Instruction on your behalf.

(e) For securities that are in global form, if the execution of the Custody Operation requires the delivery of securities, we will automatically generate the required Instructions on your behalf to obtain the mark-down of the global security.

(f) Once the Custody Operation has been successfully executed, we will communicate the appropriate information to the Specialised Depository, Cash Correspondent, issuers' agent or any other relevant person.

5.3.1.4.2.2 Unsuccessful positioning

(a) Subject to specific custody rules, if cash or securities positioning is unsuccessful then the Custody Operation will not be executed.

(b) All Custody Operations that are unsuccessfully positioned continue to be entered for processing until executed or cancelled as follows:

- Custody Operations relating to a holder's options (except put options) which have not met the Custody Operation Conditions will be cancelled by us at the Input Deadline or Record Date (if applicable) and at the latest, after 5 Business Days
- Custody Operations relating to offers and put options which have not met the Custody Operation Conditions will be cancelled by us if the Input Deadline for receipt of the Instruction has been reached or the Record Date (if applicable) has passed
- any securities debited or blocked in anticipation of a delivery or exercise of your option/right will be re-credited or unblocked during the OSSP or in the RTP after cancellation of the Custody Operation Instruction.

We will try to inform you promptly of any non-executed Custody Operation but do not guarantee our timeliness in doing so.

5.3.1.4.2.3 Credits and debits to your Account(s)

(a) For Custody Operations, credits and debits to your Account(s) may take place both in the OSSP and in the RTP.

(b) If a Custody Operation results in the debit of securities from your Account we may credit the securities to a Transit Account until the credit of the Custody Distribution to the relevant Account.

(c) Credits and debits resulting from the execution of a Custody Operation may be final or provisional.

5.3.1.5 Custody Distributions

Custody Distributions can be accepted in the Euroclear System, and subsequently credited to your Account(s), if they conform to the rules set out in Section 5.1.1, 5.1.2 and 5.4.1 and more broadly the Terms and Conditions and Operating Procedures.

5.3.1.5.1 Custody Distributions subject to tax

(a) If we receive a Custody Cash Distribution after withholding or deduction of taxes, duties, fines, penalties or damages or we are required to make such withholding or deductions ourselves, we will credit you with the net Custody Cash Distribution.

(b) If before or after we credit a Custody Distribution to your Account(s) we must make a payment for or on account of taxes, duties, fines, penalties or damages for such Custody Distribution:

- you will indemnify and hold us harmless for such payments, pro rata to the amount you received
- we are authorised to immediately debit your Account(s) for such amounts.

5.3.1.5.2 Entitlement to the proceeds of Custody Distributions

(a) You are entitled to the proceeds of Custody Distributions resulting from a Corporate Action if you hold the relevant securities in your Securities Clearance Account on the Record Date or at any other date or period specified by the issuer.

The Record Date for particular securities may vary due to special circumstances. We will try to inform you of the Record Date information we receive.

Unless we inform you otherwise, the Record Dates are as follows:

Custody Distribution	Record Date
Income and redemption proceeds	The date indicated in the country section of the Online Market Guides or the Business Day before the Payment Date (for securities not covered by the Online Market Guides)
All other Custody Distributions	The date specified by the issuer

(b) Securities balances used to determine entitlements for Custody Cash Distributions are those balances at the end of the RTP dated the Record Date or any other date/period specified by the issuer. These are then adjusted to reflect the results of receipts and deliveries from the local market received by such date during the RTP.

(c) Securities balances used to determine entitlements for Custody Non-cash Distributions are those balances at the end of the RTP dated the Record Date or any other date/period specified by the issuer.

(d) The Custody Distributions that we receive are credited (or debited, if the amount of Custody Cash Distributions is negative, typically due to a negative interest rate) pro rata to the amount of available securities in your Securities Clearance Account(s) at the time relevant for allocation of entitlements of each issue of securities. This is unless we receive Instructions to the contrary from the issuer or from you.

The calculation of available securities for Custody Distributions does not include those that are:

- unavailable
- registered in the name of the previous holder.

(e) Custody Distributions may result in a market claim (see Section 5.3.2.6).

(f) If an entitlement calculation rule results in a discrepancy (due to the rounding of amounts), we may recalculate your entitlement by applying the calculation rules used by the issuer or its agent. In case of a recalculation, we reserve the right to reverse Custody Distributions already credited to your Account(s).

(g) If the proceeds of a Non-cash Distribution result in an entitlement of a number of securities that we cannot allocate in the Euroclear System, we apply an objective rounding and allocation mechanism whereby the security or securities (received by us in full but each representing fractional amounts of securities of one or more Participants) will be allotted pursuant to a cascade system (the rounded fractional entitlement takes into account up to 4 decimals):

- The participant having the largest fractional entitlement will be allocated one security. Subsequently, the Participant with the second largest fractional entitlement will be allocated one security (where available) and so on, until all securities representing a fractional entitlement are distributed.
- If Participants would have equal fractional entitlements, we will allocate to the Participant which has instructed first in relation to the Non-cash Distribution or, if no Instruction was required, to the Participant who had the largest holding in the security.

If the proceeds of a Non-cash Distribution result in a fractional entitlement for which we receive an equivalent cash payment, such cash payment will be credited pro rata to the Account of our Participants who are entitled to proceeds if:

- the Participant has not yet received any securities following the above-mentioned allocation mechanism; and

- the total amount of cash received from the issuer or its agent is at least equal to EUR 200; if the amount of cash received is less than EUR 200, we will not credit the Account of the relevant Participants. We will attempt to return such amount to the issuer or its agent and if we cannot do so, you agree that we retain it.

If the proceeds or a Non-cash Distribution would result in a fractional entitlement, we may request the issuer to rather pay the equivalent amount of cash. The cash will be credited pro rata to the Account of our Participants. If the amount of cash received is less than EUR 200, we will not credit the Account of the relevant Participants. We will attempt to return such amount to the issuer or its agent and if we cannot do so, you agree that we retain it.

5.3.1.5.3 Credit of the proceeds of Custody Distributions

Cash Distributions

(a) Cash to be distributed as a result of a Custody Operation will be either:

- credited to the relevant Cash Account during the OSSP or during the RTP in one of the intra-day batches after receipt of the notification that cash has been received in our account with the relevant Cash Correspondent and reconciliation of the Corporate Action proceeds
- advanced as provisional (see Section 2.3), becoming final once
    - we receive the cash for the distribution in our account with the relevant Cash Correspondent
    - we have reconciled the cash.

We may delay or skip one of the intra-day batches at our sole discretion in which case the cash will be credited in one of the subsequent batches.

If the amount of Custody Cash Distributions is negative, typically due to a negative interest rate, we may debit your Cash Account either during the OSSP or during the RTP in one of the intra-day batches.

(b) Various factors will be taken into account when considering whether to advance cash following the second option above. These can include the credit rating of the issuer, your own credit rating and whether we have received satisfactory and sufficient notice of the date and amount of the payment for the Custody Cash Distribution.

The provisional credit is recorded in your Cash Account in the OSSP dated the Value Date with the same day value if the Value Date is a Business Day and is also a business day in the country of the relevant Cash Correspondent and cities set by the governing documentation of the issue.

(c) We reserve the right to defer the credit of cash from a Custody Distribution to your Account or to block such cash if already credited, until we receive notice of the final receipt of cash from our Cash Correspondent and subsequent reconciliation is completed.

We also reserve the right to block all or part of any cash proceeds credited to your Account in case they are related to Cash Distributions performed in a market whose Settlement Currency transferability, convertibility or availability is affected, as described in Section 16(d) of the Terms and Conditions, until and insofar as said restrictions are removed in the relevant market (as further described in the relevant market sections of the Online Market Guides).

(d) In exceptional circumstances, we may allow you to irrevocably waive your rights to a credit of your Cash Account with a Cash Distribution with respect to a particular Corporate Action. This right extends to situations where we believe that you will not or have chosen not to receive such Cash Distribution through us.

(e) We do not investigate Custody Cash Distributions where the difference between the amount expected and that received in the Euroclear System is less than EUR 200 (or the equivalent amount in another currency). Neither do we initiate claims for delayed interest when such compensation is less than EUR 200 (or the equivalent amount in another currency) or reverse for rounding discrepancies.

Non-cash Distributions

(f) The proceeds of a Non-cash Distribution resulting from a Custody Operation will be credited to your Securities Clearance Account after notification of receipt of the proceeds in our account at the relevant Depository and our subsequent reconciliation of Corporate Action proceeds. The credit may be final or provisional.

(g) The proceeds of a Non-cash Distribution for rights distributions, stock splits, amalgamation or other similar actions will be credited to your Securities Clearance Account in the OSSP dated the Corporate Action date or in the RTP. This is based on information we receive on the rights or securities distribution, not necessarily based on the confirmation of receipt by the Depository.

(h) If the proceeds considered in (g) are not credited to our account with the Depository, we can:

- debit all entries representing holdings in such proceeds in any Account in the Euroclear System
- cancel all unexecuted Instructions for such proceeds
- delete the Security Code assigned to the proceeds from the securities database.

5.3.1.5.4 Custody Distributions in respect of securities in Transit Accounts

(a) Custody Distributions we receive in respect of securities credited to a Transit Account on the Record Date will be transferred to the recipient of such securities either:

- on the date of transfer of the securities from the Transit Account to a Securities Clearance Account
- on the date of delivery of the securities credited to the Transit Account out of the Euroclear System.

This will not be earlier than the Business Day on which we receive confirmation of the credit of the proceeds of such Custody Distribution to our account and subsequent reconciliation is completed.

(b) If the securities in the Transit Account are returned to the depositor, the delivery/payment of the proceed securities/cash will be returned by the Depository following local market practice.

(c) When the securities are credited to a Transit Account on the Record Date due to a delivery Instruction, the proceeds will be credited to your Account if the securities have been delivered ex-coupon following local market practice and upon confirmation of receipt of such proceeds from the Depository.

5.3.1.5.5 Custody Distributions in respect of securities in Non-Deposit Accounts

(a) The proceeds of a Custody Distribution we receive for securities temporarily delivered out of the Euroclear System for voting purposes are credited to the Securities Clearance Account or Cash Account associated with the Account which held the securities before their expected return was reflected in a Non-Deposit Account. This is in the absence of directions from the issuer or its agent to the contrary.

(b) The proceeds of a Custody Distribution for securities recorded on a Non-Deposit Account connected to the FundSettle service will be either:

- reflected in the Non-Deposit Account, if it results in an increase in the position registered in your name or your designees' name
- credited to your Securities Clearance Account and registered in the name of Euroclear Bank SA/NV, FundSettle EOC Nominees Ltd. or any other nominee controlled by us, if it results in securities eligible in the Euroclear System
- credited to your Cash Account.

This is in the absence of directions from the issuer or its agent to the contrary.

5.3.1.5.6 Custody Distributions not accepted in the Euroclear System

(a) If the proceeds of a Custody Distribution are not accepted into the Euroclear System in accordance with the Terms and Conditions and these Operating Procedures, we reserve the right to either:

- refuse their acceptance
- distribute them in accordance with the Terms and Conditions and Operating Procedures and:
    - block such securities in your Account(s)
    - suspend Instructions and requests involving such securities; however, you will be able to send Instructions to dispose of such securities

- suspend all services related to such securities
- hold the amount received pending our decision on its appropriate distribution
- return them to the issuer or issuer's agent.

You must provide Instructions as to the disposal of a Custody Distribution not accepted for deposit in the Euroclear System by the Input Deadline we specify.

Cash Distributions

(b) If the Custody Cash Distribution is not in a Settlement Currency, we will require you to instruct us as to where the cash should be paid. Until such time, the cash will be held by the Depository or the agent in charge of handling the Corporate Action on the market. Once we receive your Instruction, the cash will be transferred to the extent practicable and as soon as practicable.

Unless you inform us otherwise, we are authorised to provide your name and address to the issuer, its agent or other relevant person so that delivery can be arranged.

We accept no liability for a Custody Cash Distribution that is not in a Settlement Currency, including for consequences relating to the bankruptcy of the Cash Correspondent where such Custody Cash Distribution is temporarily held.

Non-cash Distributions

(b) Where a Non-cash Distribution cannot be accepted into the Euroclear System and you have already provided us with onward delivery Instructions, we will pass such Instructions on to the appropriate agent with the request that they deliver the distribution in accordance with your Instructions.

Where you have not provided Instructions by an Input Deadline we specify, we can either:

- provide your name and address to the issuer, its agent or other relevant person so that delivery to an account you hold outside the Euroclear System can be arranged
- deliver the distribution to such account ourselves.

We accept no liability for the delivery or cost of delivering your Custody Non-cash Distribution.

(c) If you are to receive an Odd Lot which is not accepted in the Euroclear System, we will not credit it to your Account. We will notify you of this and in response, you can request that we deliver the Odd Lot to a recipient outside the Euroclear System in the relevant local market.

If within two weeks of such notice from us you have not provided such a request, we can ask a third party to try to arrange the sale of such Odd Lot notably, but not limited to, cases where such sale is required by law or regulation or subject to penalties, or if such sale is in the interest of the Euroclear System.

If the third party is able to sell such Odd Lot, we will credit your Account with the net proceeds of the sale. We accept no liability for the price obtained for such Odd Lot or for any delay in disposing of it.

5.3.2 Custody – Specific custody rules

5.3.2.1 Collection of income and redemption proceeds

5.3.2.1.1 Calculation method for income payments

(a) The information we receive is used to calculate the amount of income to be credited to your Cash Account. The amount of interest per 1,000 units of Settlement Currency is calculated using the following formula:

$$1{,}000 \times \frac{\text{published rate}}{100} \times \frac{\text{number of days}}{y} = zzz.zzzzzz$$

where 'y' is the number of days per year specified in the prospectus.

(b) Any result of this calculation which has more than six decimal places is capped at the sixth decimal place without rounding.

(c) The outcome of the calculation based on the published rate may differ from the outcome of the calculation done by the issuer. As a result there can be a difference between the amount received by us from the issuer and the amount paid by us to you, which difference may be positive or negative.

You agree that, if the amount received by us from the issuer is more than the amount resulting from our calculation method, we will only pay you the amount resulting from our calculation and we will keep the difference.

On the contrary, if the amount resulting from our calculation is higher than the amount paid to us by the issuer, we will pay you such higher amount (i.e. the amount resulting from our calculation method) notwithstanding the fact that we have received a lower amount from the issuer.

5.3.2.1.2 Final redemption

(a) If you have a secured credit line with us, granted to you in our banking capacity, then you will benefit from the collateral value of securities until the OSSP in which the redemption proceeds become available.

(b) Securities approaching redemption are subject to settlement restrictions (see Section 3.4).

(c) We will reflect the final (extended) maturity date in the Euroclear System for securities with an automatically extendable maturity date. Payment of the redemption proceeds may take place on the initial maturity date if we have received confirmation from the issuer (or its agent) that payment will take place on such date and will not be automatically extended.

5.3.2.1.3 Partial redemption without pool factor reduction

If a partial redemption requires a reduction of the nominal value:

- we cancel all unexecuted settlement Instructions on the Business Day before the redemption date and you must send new settlement Instructions for a nominal amount that is a multiple of the new denomination amount as from the redemption date onwards
- we debit an amount equal to the portion of the redeemed principal:
  - during the OSSP on the redemption date
  - on a later date if the redemption is processed after the redemption date.

5.3.2.1.4 Pro-rata redemption and drawing by lottery

(a) Where there is a pro-rata redemption or a drawing by lottery we will conduct a computerised lottery to allocate the amounts of securities to be redeemed and to determine the impacted Account(s). Debits for these allocations are generated in the OSSP the Business Day after allocation in the Euroclear System.

(b) Under our arrangement with Clearstream concerning book-entry transfers, if up to USD 1,000,000 nominal value (or equivalent) of any issue of securities subject to a drawing by lottery is held in the Euroclear System by Clearstream, then:

- if such securities can be allocated in full to Participants, the securities held by Clearstream will be excluded from the allocation procedure in the Euroclear System
- if such securities cannot be allocated in full to Participants, the securities will be allocated among Participants and Clearstream in accordance with (a) above.

If on the day of the allocation the amount of an issue held on Clearstream's behalf in the Euroclear System is equal to or more than USD 1,000,000 nominal value (or equivalent) then the entire amount of the issue held by Clearstream is included in the allocation process described in (a) above.

This arrangement includes similar allocation procedures in respect of securities held on our behalf with Clearstream.

(c) When there is a pro-rata redemption or a drawing by lottery of a security held in global form, the interests of Euroclear Bank and Clearstream are determined at the end of the RTP on the Business Day before the date of notification of the redemption. The Business Day must be a day when both we and Clearstream are open for business. This provision applies unless an indication to the contrary is included in the governing documentation of the issue.

The principal amount of such security is allocated pro rata between us and Clearstream. The amount allocated to us will be distributed amongst Securities Clearance Accounts.

Euroclear Bank and Clearstream do not always execute drawings simultaneously on a processing date. As such, if you are receiving or delivering securities subject to a drawing through Bridge settlement on or near a drawing date, you may be unable to participate in the drawing or be subject to the drawing twice.

(d) Where a pro-rata redemption or a drawing by lottery takes place in a local market, we will try to inform you as soon as we are aware of it. We may block your positions between the time of local processing and our processing if appropriate.

(e) We cannot process drawings on local market securities until we are provided with the results from the relevant Depository or Other CSD. You will be drawn on your positions available at the time we process the drawing. As the timing of our processing may be different from that of the local market, the position used may be from a different Record Date. Our processing rules for drawings may be different from the local market rules.

(f) External settlements of drawn or pro-rata redeemed securities can occur between the time of processing in the local market and our processing of such local market drawing by lottery or pro-rata redemption. This can cause the position in the local market to be greater or smaller than our position at the time of processing.

If this occurs, we will debit the Participant(s) that most recently held the relevant securities and delivered them out of the Euroclear System. This is because those securities will be included in our processing of the drawing or pro-rata redemption and it is possible a shortfall will arise.

Any shortfall in a Securities Clearance Account created by the external settlement of a drawn or pro-rata redeemed security must be covered immediately by the relevant Participant(s). In circumstances such as but not limited to cases where a purchase is required by law or regulation or subject to penalties, or if such purchase is in the interests of the Euroclear System, we may require a third party to buy the relevant securities to cover the drawing by lottery or pro-rata redemption for a period of less than 7 Business Days.

In such a case, we will credit your Securities Clearance Account with the purchased securities, and debit your Cash Account with the corresponding price.

5.3.2.1.5 Currency options on income and redemption

If we do not receive your Custody Operation Instruction to exercise a currency option by the Input Deadline specified in the relevant DACE notice, we can accept payment in the Settlement Currency shown in the DACE notice specifying a default currency or exceptionally the currency received from the paying agent.

5.3.2.1.6 Automatic currency conversion of income

(a) Once you register for the automatic currency conversion service, income credited to your Cash Account can be automatically converted into a Settlement Currency of your choice.

You can choose one of the following options for automatic conversion:

- conversion of either dividends or interest
- conversion of both dividends and interest
- conversion of income credited in a specific Settlement Currency
- conversion of income credited in all Settlement Currencies
- conversion of income up to a specified maximum amount for each Settlement Currency to be converted on each Business Day
- income to be credited from a specific start date.

(b) You must register for the automatic currency conversion service. A change to registration or revocation of a registration by 10:00 on a Business Day will be effective 2 Business Days later.

The automatic conversion can be applied to settlement Instructions received before 17:00 on any given Business Day.

(c) The amount of a Settlement Currency to be converted on a given Business Day is determined as follows:

Amount of income to be credited on the next Business Day
+
Income amounts resulting from a market claim or other compensation already processed to be credited
-
Income amounts resulting from a market claim or other compensation already processed to be debited
-
Income amounts resulting from a market claim or other compensation to be processed to be debited

(d) We execute the conversion on the Business Day on which the income is to be credited, provided that it is either:

- a business day in the countries of both the currencies
- if not such a business day, then the next Business Day

On the Execution Date of the Instruction, proceeds from a foreign exchange conversion are credited to your Cash Account from which the currency to be converted was debited. The Value Date is the second calendar day after the Execution Date provided it is a business day in the countries of both currencies.

Specific rules may apply to certain currencies. These can be found in the relevant market sections of the Online Market Guides and other Euroclear Documentation.

5.3.2.2 Taxes

5.3.2.2.1 Provision of information

(a) We may provide you with information on:

- the tax treatment of securities held or to be held in the Euroclear System
- types of tax relief available for such securities
- eligibility criteria and documentation that may be required for obtaining tax relief at source or through refund
- any other tax matter we deem appropriate.

(b) The information we provide is not legal or tax advice and should not be relied upon as such. It is your responsibility to inform yourself of applicable legal, tax or regulatory requirements and to check if the information we provide you with is correct, accurate and complete.

(c) We may provide you with information on the number of securities or amount of Custody Distributions on which you may obtain tax relief services through us. This does not constitute an acknowledgement on our behalf of your entitlement (or the beneficial owner's entitlement) to such tax relief. You are responsible for determining if you or any other beneficial owners are entitled to tax relief and, if so, the number of securities and Custody Distributions to which you are entitled.

(d) You are liable for any taxes, interests, penalties or any other amounts payable in respect of securities held in the Euroclear System or in respect of transactions with securities held in the Euroclear System.

5.3.2.2.2 Provision of assistance in obtaining tax relief

(a) We may assist you in obtaining tax relief at source or through a refund procedure. This assistance can include:

- checking whether documents and information you send to justify tax relief appear to be complete
- forwarding such completed documents and information to the relevant intermediary or tax authorities

- reporting the status of your tax relief requests to you
- depending on the procedure, applying the reduced tax rate on payment date or crediting recovered tax amounts to your Cash Account.

(b) In the case of depository receipts, the tax assistance set out in (a) is not systematically offered and generally limited to:

- transmission of the information and documentation received from an issuer or its agent (without independently verifying it)
- where a tax relief service is offered by the issuer or its agent at source or through refund, forwarding the documents to support a tax relief claim we receive from you to an issuer or its agent when required (without independently verifying them)
- crediting any recovered tax amounts to your Cash Account.

(c) We do not guarantee that tax procedures will result in obtaining tax relief either at source or through a refund procedure, neither do we exclude the possibility of additional procedural requirements with which you must comply.

(d) We may withdraw from taking part in any tax procedure, refuse to process any particular tax claim or cancel pending tax claims at any time. We accept no liability for taking such actions for whatever reason.

(e) We are not responsible for the correctness, accuracy, timeliness or completeness of documents to support a tax relief claim we receive from you and process or forward to the relevant persons or authorities.

We may process or forward such documents received after the Euroclear deadline, but accept no liability for errors or omissions resulting from our processing or forwarding, nor for any damages, costs, taxes, penalties, interests or other related amounts.

(f) We are not responsible for the value against which any recovered tax amounts are credited or for any delay in crediting such amounts. The credit of such amounts is provisional until the receipt is final.

(g) If you receive an unwarranted benefit you must refund it along with any interest and penalties. You authorise us to debit your Cash Account for such amount.

(h) You authorise us, the relevant Depository or Other CSD to disclose all required information or documentation to the relevant local authorities (including tax authorities) or any other appropriate person.

(i) You must notify us immediately of any change which could render any statement in any declaration connected with tax procedures untrue or incomplete and immediately correct or complete such document.

The above also applies to the ‘Proactive Tax Reclaim Service’. We accept no liability for the consequences the ‘Proactive Tax Reclaim Service’ can have on your standard reclaims. Information about this service can be found on our website.

5.3.2.3 Issues of subscription rights

(a) A separate Security Code will be allocated to subscription rights, accepted for deposit in the Euroclear System, from the parent security for which the rights are issued. This is unless required otherwise by applicable law, issue documentation or when we consider otherwise.

(b) When we become aware of a forthcoming issue of subscription rights, we will accept settlement Instructions for their transfer (subject to their terms) but will not execute such Instructions until the subscription rights’ date of issue. We will not accept Custody Operation Instructions in respect of subscription rights until after their issuance.

(c) Deposits into, and deliveries out of, the Euroclear System of subscription rights will be executed by the Depository on the terms we determine.

5.3.2.3.1 Exercise and lapse of rights

(a) Instructions for the sale or purchase of fractional rights will be executed in accordance with market practice. Rights for which we do not receive an Instruction will be allowed to lapse.

Exceptionally, we may sell any rights (which would otherwise lapse) for your benefit, unless you advise us in writing to the contrary, in circumstances such as, but not limited to cases where a sale is required by law or regulation or subject to penalties, or if such sale is in the interests of the Euroclear System.

Such sale will take place in the market and manner, on such terms and for such consideration as we deem appropriate. We accept no liability for the price obtained for such sales or for any delay in the timing of the sale.

(b) Any of your rights sold are debited from the Account where the rights are located. The net proceeds of the sale are then credited to your Cash Account pro rata to the amount sold.

5.3.2.3.2 Deferred payment

(a) When, due to the conditions of a right, you are required to pay the subscription price after giving notice of the exercise, we can accept Instructions to exercise such rights subject to a deferred payment and successful cash positioning.

If we provide notice of exercise and the cash positioning is unsuccessful on the date on which payment is required, we are authorised but not obliged to pay the required amount for your Account. You are not relieved of your liability for such payment or default in these circumstances.

(b) The timing of these payments should correspond to the timings outlined for the appropriate form of money transfer Instruction as shown in Section 5.4.2.4.

5.3.2.4 Detachment and reattachment of warrants

(a) We may agree to detach (or cause to be detached) warrants or similar attachments issued or attached to other securities provided that:

- the warrants or similar attachments, when detached are freely and customarily traded as separate securities
- the detachment will not cause the security from which the warrants or similar attachments are to be detached to become invalid.

(b) We will submit the Instruction to transfer securities during the OSSP in which the new issue is distributed for detachment of warrants from a new issue of securities where:

- the Execution Date is no later than the OSSP in which the issue is distributed
- the Instruction has been input for a Securities Clearance Account which is to receive securities from a new issues Securities Clearance Account.

(c) We process warrants or ex-warrant securities resulting from detachment of warrants as new issues of securities. This is performed by internal settlement against payment for settlement on the Closing Date.

5.3.2.5 Coupon stripping

(a) Detachment of coupons, or coupon stripping, is where interest coupons for future payment dates are separated from the original security (corpus) which entitles the holder to principal repayments.

Once stripped, each of the stripped coupon (coupon only or ‘CO’) or stripped corpus (principal only or ‘PO’) are given a separate Security Code, different from the original security.

(b) Coupon stripping in the Euroclear System is by book entry regardless of the form of the original security. The original security is debited and POs and COs are credited separately. The coupons are not physically detached from the principle corpus. All unmatured coupons are detached and resulting COs are given a separate Security Code.

(c) Coupon stripping in the Euroclear System is only done at your request provided it is not foreseen by the governing documentation of the issue. We will not strip coupons where:

- coupon stripping is contemplated by an issuer in the structure of the issue (organised stripping)

- securities are stripped by or on behalf of custodians that repackage long-term securities (repackaging of securities)
- the governing documentation of the issue prohibits coupon stripping.

(d) You are solely responsible for ensuring that local regulations do not prohibit coupon stripping when sending a Custody Operation Instruction. We do not investigate this. If you wish to strip securities or hold stripped securities in the Euroclear System, you do so at your own risk and must consult your tax advisors about tax requirements and consequences of such actions.

In the event of issuer default, the rights of the holders of POs and COs will be determined in accordance with the governing documentation of the issue and applicable law.

(e) If CO rights are not recognised and possession of coupons is required for PO holders to exercise their rights, we will reattach the necessary coupons where possible and CO holders will lose further claims.

5.3.2.5.1 Securities eligible for coupon stripping

Coupons can be stripped from bonds accepted in the Euroclear System that have a fixed rate and frequency of interest payment, unless:

- coupon stripping is contemplated by an issuer in the structure of the issue
- the governing documentation of the issue prohibits coupon stripping.

5.3.2.5.2 Processing of stripped corpus' and stripped coupons

(a) POs and COs stripped outside the Euroclear System, if accepted for deposit in the Euroclear System, are processed in accordance with our usual local market procedures for the relevant market of such POs and COs (see the Online Market Guides).

(b) Custody Operation Instructions for detachment and reattachment are executed (if successfully positioned) in the OSSP dated the Business Day before the Instructions' Execution Date. The securities positioning for the OSSP is based on available securities at the end of the RTP.

(c) POs and COs stripped in the Euroclear System may be transferred through internal settlement but may not be delivered out of the Euroclear System by Bridge or external settlement.

(d) In case of early redemption for tax reasons or partial redemption by drawing, we will take the necessary action to calculate the value of the POs and COs. We will then allocate the redemption proceeds to holders pro rata to their present value.

(e) Where there is a partial redemption by drawing, we will:

- determine the proportion of the issue that has been stripped in the Euroclear System
- allocate the amount of drawn securities in the Euroclear System pro rata to the amounts of stripped securities and securities of the issue that have not been stripped held in the Euroclear System
- carry out a computerised lottery for stripped securities to determine to which Securities Clearance Accounts and in what amounts POs and COs to be redeemed will be allocated.

5.3.2.6 Market claims

(a) Market claims can be processed in respect of a Custody Distribution when you have either:

- instructed a transfer of securities cum-distribution which settles ex-distribution
- received a distribution of securities which you purchased ex-distribution

The type of security on which there is a distribution and the type of Instruction used will determine whether we will process a market claim and if we do, when we will do so.

The two procedures we use for market claims are the:

Domestic market claims procedure	Used for processing market claims on internal and external settlements only
Other market claims procedure	Used for processing market claims on certain internal settlements against payment

We do not process market claims for Bridge settlements.

(b) When you receive a distribution on securities, market claims are processed as follows:

For…	With…
Securities transferred cum-distribution	a debit to the transferor's Account and a credit to the recipient's Account
Securities purchased ex-distribution	a credit to the transferor's Account and a debit to the recipient's Account

Such Accounts will be either Cash Accounts or Securities Clearance Accounts depending on the individual circumstances.

(c) You cannot instruct to transfer securities cum-distribution which you purchased ex-distribution. If, despite this prohibition, you do instruct to transfer securities cum-distribution after receiving them ex-distribution, the market claim will not be processed in the Euroclear System unless it is processed automatically in the local market.

In the latter case, the market claim will (notwithstanding Section 5.3.2.6.1.1) be processed in accordance with (b) above.

(d) A market claim credit to your Cash Account or Securities Clearance Account is subject to:

- for internal settlement, a corresponding debit to your counterparties' Cash Account or Securities Clearance Account
- for external settlement, a payment or delivery of securities from your counterparty.

(e) Market claim credits can be processed before the related debit to, or payment or delivery by your counterparty. In such cases, the market claim credit is provisional.

(f) Market claim debits may represent an extension of credit to you by us in our banking capacity.

(g) Market claims on internal settlement will be subject to the same choice for partial settlement as the underlying internal settlement Instruction. Market claims deliveries resulting from the external settlement will not be subject to partial settlement. Cash market claims are not subject to partial settlement.

5.3.2.6.1 Domestic market claims procedure

(a) Securities which are subject to the domestic market claims procedure are shown in the Online Market Guides under the heading market claims. We will use specific reports to notify you of settlement Instructions that are expected to result or have resulted in market claims. In addition, such reports will indicate which market claims we may process or have already processed.

(b) We may notify you of market claims which will not be processed by reference to the type of Instruction or security.

(c) Market claims resulting from external settlement are made in accordance with local market practice and performed by the Depository or Other CSD designated for the issue. Market claim credits and debits in the Euroclear System that result from external settlement reflect the market claim payments or transfers by such Depositories or Other CSDs.

5.3.2.6.1.1 Withholding tax relief

(a) You are responsible for ensuring that withholding tax relief claims are cancelled or amended where necessary.

(b) If you have applied for full or partial relief of withholding tax at source in respect of a Custody Distribution which has already been debited from your Account(s) following the processing of a market claim, we may ask you to amend or confirm the tax relief claim previously introduced. If we do not receive your amendment or confirmation by a specified Input Deadline, we may cancel the tax relief claim and apply withholding tax at the maximum rate.

(c) If you transfer securities cum-distribution that you purchased ex-distribution, then you must (notwithstanding Section 5.3.2.6.1.1(e)) inform the recipient that the resulting market claim does not constitute a dividend for tax purposes.

When you receive securities cum-distribution you must ensure that the distribution represents a dividend for tax purposes. If it does not, we can apply the procedure set out below in (e).

(d) If, in connection with the credit of a market claim, we are required to make a withholding or deduction for or on account of taxes, duties, fines, penalties or damages, we will credit the market claim net of such amounts to your Account.

(e) If we are required to make a payment in connection with a market claim, you indemnify and hold us harmless for any associated taxes, duties, fines, penalties or damages. We are authorised to immediately debit your Cash Account for such amounts.

5.3.2.6.1.2 Processing of market claims

(a) We only process market claims once we have confirmation, which in our sole discretion we deem satisfactory, that the Custody Distribution has been processed in the local market.

(b) If a market claim is processed automatically in the local market without regard to whether sufficient securities or cash is available to process the market claim, our processing may require us to debit, or create a debit position in, your Account. If a shortfall is created, Section 15(c) of the Terms and Conditions will be applicable.

(c) If the processing of a market claim requires a debit or blocking of cash or securities, we can debit or block your Account for such amounts at a time we deem fit.

5.3.2.6.1.3 Custody Distributions

(a) These rules apply for both Cash Distributions and Non-cash Distributions except where stated otherwise.

(b) For a market claim resulting from an internal or external settlement we will create and submit the necessary Instructions on your behalf as described in the relevant country section of the Online Market Guides in the first available Processing.

The expected date of the credit or debit in the local market described in the market claims section of the Online Market Guides is only an indication of the date we expect to be able to make the credit/debit. We do not guarantee that the credit or debit will be made at such date.

(c) Credits of securities to your Securities Clearance Account remain provisional until the related debit to the account of the counterparty or delivery by the counterparty is final.

Credits of cash to your Cash Account remain provisional until related debits to the account of the counterparty or payment by the counterparty is final.

(d) In addition, the following rules apply for Non-cash Distributions only:

- if you are a party to a market claim you must have sufficient available securities in your Securities Clearance Account to avoid a debit position
- local market practice may mean that Non-cash Distributions can be compensated in securities or cash depending on when the relevant Instruction settles in the local market. We process such claims in accordance with local market practice.

5.3.2.6.2 Other market claims procedure

(a) All securities not subject to the domestic market claims procedure will be subject to the following procedure.

We will not (save in exceptional circumstances) process market claims for international securities and domestic bonds which:

- are subject to a varying rate of withholding tax at source depending on the recipient status
- have an option as to currency of payment
- are domestic bonds indicated as not subject to compensation in the Online Market Guides under the heading 'Market Claim'
- have a date on which the interest rate is fixed on or after the Record Date (provided that we know this date)
- are in default.

(b) All transactions executed after the Record Date are deemed to be ex-coupon.

(c) Processing will include market claims for internal settlement Instructions against payment executed after the Record Date, if the Settlement Date of the matched Instructions is before the last day of the interest period.

(d) All credits and debits in respect of market claims are made to you upon our receipt and reconciliation of the securities or cash.

Credits and debits of cash to Cash Accounts for the other market claims procedure remain provisional until our receipt of the interest payment is final.

(e) A message is produced on the Statement of Transactions indicating we do not process the market claim for securities transactions which:

- settled after the Record Date
- have a Settlement Date indicated by the seller before the last day of the interest period for which no market claim is effected.

(f) For an internal settlement against payment Instruction, debits and credits to Cash Accounts are made once the processing of underlying Instructions is completed.

If settlement takes place:

- on or after the interest Payment Date, the entry is valued the Settlement Date
- before the interest Payment Date, the entry is valued such interest Payment Date.

5.3.2.7 Voting

(a) We provide a voting service for equities and funds which are eligible for this service (qualifying equities and qualifying funds). This is described on our website under 'Proxy Voting – Equities – Basics'. Your right to vote can be affected by:

- local regulations
- local market practice
- the rules of the relevant company.

We are not responsible for your inability to exercise voting rights on securities held in the Euroclear System.

(b) We may allow you to use a Custody Operation Instruction to exercise voting rights for securities which are not qualifying equities or qualifying funds, such as bonds. We can:

- accept your Instructions to block securities standing to the credit of your Securities Clearance Account
- execute or make arrangements for the execution of proxies, powers-of-attorney, entry cards or other certificates for delivery to the issuer or its agent
- require our nominee, the Specialised Depository, its nominee or any other person we designate to vote for securities held in the Euroclear System.

(c) All requests we complete upon your demand for this service are at your full and sole risk. We reserve the right not to take any action in connection with the voting of securities.

We have no discretion to exercise any voting rights in respect of securities held in the Euroclear System. In the absence of any Instruction from you, we will not process voting Instructions for a specific voting action.

(d) As we make no investigation and assume you have obtained the necessary authorisation, you must ensure that:

- your voting Instructions reflect those given to you by any beneficial owner
- you are properly authorised by such beneficial owner
- all documents required from such beneficial owner have been authorised and executed.

(e) We accept no liability for being unable to cast your votes in accordance with your Instructions due to any holding, registration, voting or any other restriction.

(f) In some countries it is customary for custodians to vote in favour of management in the absence of the receipt of timely Instructions to the contrary, or to consider such absence of receipt as a 'vote against' all proposed resolutions. We accept no liability with respect to voting rights exercised in line with such local market practice.

(g) A Custody Operation Instruction submitted by you for a voting action authorises us to disclose your name, residency and the amount of securities of the relevant issue which you hold if requested by either:

- the issuer or its agent
- any court or other governmental agency
- a body of competent jurisdiction.

5.3.2.7.1 Processing of Instructions to vote

(a) We make arrangements for voting of securities in accordance with your Instructions as set out in this section. We may use third party providers to facilitate this service. Our duties and liabilities with respect to such third parties are specified in Section 12 of the Terms and Conditions.

(b) The general voting procedures for qualifying equities and qualifying funds held in the Euroclear System at annual and extraordinary general meetings are shown below. Special additional procedures for certain qualifying equities are shown in the Online Market Guides.

(c) Once we receive your Custody Operation Instruction to vote and any required proxy voting form, duly completed and executed before the appropriate Input Deadline, we will act as shown below:

Type of Instruction	Our actions
Instruction is for voting through the Euroclear System	We will take all necessary actions to effect your vote in accordance with your Instructions. This may include: - sending a postal vote - appointing a proxy to vote - requesting the Specialised Depository or any other person to appoint a proxy for such purpose
Instruction is for voting other than through the Euroclear System	We will execute or arrange the execution of: - proxies - powers-of-attorney - entry cards - other similar certificates for delivery as shown in the Instruction

(d) For some markets and depending on the event specifics, we can block the securities for which actions shown in (c) are taken. The blocking period varies depending on factors such as, but not limited to, the market, the agent and/or the event.

(e) Provided your securities are blocked, if a meeting is adjourned, we will, in the absence of contrary Instructions from you:

- take actions required to effect your voting Instructions
- continue blocking the securities until the date necessary to confer voting rights at the adjourned meeting.

If your securities are unblocked at the time we process the adjourned meeting advice, you may be required to send new voting Instructions.

(f) Information included in a voting Instruction in the field marked 'Remarks to Euroclear' can be verified by us and may cause Instructions to be rejected. This will depend on the action type and requirements. We may however pass on information contained in this field to the relevant agent or a Depository in the form input by you without verifying it ourselves.

5.3.2.7.2 Our liability for voting services

(a) Notwithstanding Section 12(a) of the Terms and Conditions and in the absence of wilful misconduct on our part in relation to the provision of our voting service, we are not liable towards you for indirect losses such as, but not limited to, loss of business or loss of profit or for unforeseeable losses.

(b) In accordance with Section 12(f) of the Terms and Conditions, we are not liable for any acts or omission of (or the bankruptcy or insolvency of) any third party provider acting for an issuer in relation to voting instructions

5.3.2.7.3 Non-Deposit Accounts

In some markets we may deliver securities on your behalf, and upon your Instruction, outside of the Euroclear System for voting purposes. In such cases we will record the total positions held outside the Euroclear System on a Non-Deposit Account. We will normally re-credit this position the Business Day after the meeting date.

5.3.2.8 Certification under applicable U.S. law

(a) For securities you hold, where the governing documentation or applicable U.S. law requires the delivery of certifications, you must send us a Custody Operation Instruction which provides for an electronic certification ('Certification Instruction'). The Certification Instruction must comply with the procedures outlined in the DACE notice.

The Certification Instruction provides confirmation from you that the beneficial owner(s) of such securities meet the beneficial ownership requirements under U.S. law as set out in the terms and conditions of the securities. The Certification Instruction may be based solely on certifications you have received.

We do not monitor or enforce transfer restrictions for securities you hold in the Euroclear System where the governing documentation or applicable U.S. law requires the delivery of certifications

(b) A model form of U.S. beneficial ownership certification can be found on our website (the 'Standard Long-Form Certification'). This form is designed as a comprehensive certification for incorporation in automated certification procedures. Certain clauses may not apply for a particular Certification Event. The only clauses which apply in a Certification Instruction you send are those which relate directly to and are applicable to the specific Certification Event.

If the proposed form of any certification required for an issue substantively differs from the model form, we must be advised in writing by the lead manager or issuing agent, as appropriate, when we are first notified of the issue. Without such notice, the Standard Long-Form Certification will be used.

A Certification Instruction only incorporates the Standard Long-Form Certification. Failure to follow such form will result in your inability to use automated Certification Instructions.

(c) The certification date for securities in the Euroclear System is the date shown in the relevant DACE notice for the Certification Event. If you receive securities into the Euroclear System after such date, you will be deemed to have confirmed the required certification previously. This date is usually the last day of the period of offering restrictions, except when the first interest payment date for such securities is before such date.

Depending on the issue of securities, the certification required for such interest payment may be the only certification required. Some issues may require further certifications such as, but not limited to, for interest payments during the life of the issue and/or if temporary global securities are exchanged for permanent or definitive securities. In the latter case, there may be multiple certification dates for the same issuance.

(d) For some Certification Events you may be required to send other documents or Instructions. This will be shown in the governing documentation of the issue.

(e) We will send you notice of any Certification Event of which we have advance notice from the terms and conditions of the issue. You must send us separate Certification Instructions for each Securities Clearance Account which holds securities of the issue subject to the Certification Event.

For the purposes of such Certification Instruction, your name or Securities Clearance Account number will be deemed to be the equivalent of a manual signature.

(f) You are responsible for the completeness, truth and accuracy of all information contained in a Certification Instruction once it is delivered to us. Statements made in the Standard Long-Form Certification are incorporated by reference into your Certification Instruction.

(g) If you do not provide the appropriate form of certification or your Certification Instruction indicates that your securities position (or a portion) remains uncertified, then we will block or flag such securities as uncertified. This blocking or flagging will only be lifted:

- upon receipt of the required certification
- or, if such certification is not possible, upon receipt of consent from the issuer or its agent and an appropriate indemnity letter from you and from any transferee.

Uncertified holdings are blocked or flagged to denote that, after the relevant exchange date, such holdings reflect rights in a temporary form security rather than rights in a permanent form security or definitive securities.

(h) Pursuant to the governing documentation and/or applicable U.S. law, an exercise of rights including, without limitation:

- exchange and delivery of definitive securities
- receipt of payment of interest or principal
- exercise of warrants
- conversion of securities

may not be effected until you have delivered the Certification Instruction required with respect to such Certification Event.

Certain warrants, conversion, subscription or other rights may terminate unless a Certification Instruction and any other required information is received by the date set forth in the governing documentation of the issue.

(i) The date and value of the credit to your Cash Account depends on when we receive the cash. If cash is received no later than the receipt of the Certification Instruction, we will credit your Cash Account as soon as possible after receipt of the Certification Instruction with Value Date the Business Day on which the Certification Instruction is received. This is provided the Certification Instruction is received on such Business Day by 18:30.

If cash is received after the receipt of any certification, you receive the same Value Date as we do.

(j) You irrevocably constitute and appoint us as your true and lawful agent and attorney-in fact for making, executing, dating and delivering a Standard Long-Form Certification (or other required forms) relating to the Certification Event.

(k) Upon our request you must either:

- execute a Standard Long-Form Certification or an issuer defined non-standard certification as required by the relevant governing documentation for any Certification Instruction you send to us
- ratify and confirm any Certification Instruction or Standard Long-Form Certification we execute on your behalf or on behalf of the relevant beneficial owner(s).

(l) You irrevocably authorise the production of:

- these Operating Procedures
- any certification or record we retain based on a Certification Instruction
- any Standard Long-Form Certification
- any other document you deliver to us in accordance with this section
- a copy or copies of the documents listed above

to any interested party in any administrative or legal proceeding or official inquiry with respect to matters covered by this section or any such Instruction.

5.3.2.9 Other forms of certification

We will inform you via DACE notice of other forms of certification required for securities you hold. We may block your securities position subject to certification until such certification is received by us.

5.3.2.10 Global securities

(a) When a security is represented by a single global certificate, the custody of such certificate will be entrusted to a Common Depository or Common Safekeeper.

When the Common Depository or Common Safekeeper acts in this capacity, they:

- are not an exchange agent or registrar and hold global securities for us and Clearstream only
- have no knowledge of the interests of Participants in the Euroclear System or beneficial owners
- will not sign any certification as to interests in a global security without Instruction from us or Clearstream
- cannot accept any certification or confirmation as to ownership or any other matter for any purpose relating to interests in a global security.

(b) If the global security is in registered form, it must be registered in the name of a nominee company of the Common Depository or Common Safekeeper.

(c) After receiving the global security at the closing, the Common Depository or Common Safekeeper is only responsible for holding the global security for us and Clearstream.

(d) The Common Depository or Common Safekeeper's activities regarding the global security are:

- the exchange of the temporary global security for definitive securities in the form of individual certificates or a permanent global security
- the cancellation or surrender of the global security
- any other operations concerning the global security.

(e) The Common Depository, Common Service Provider or Common Safekeeper are contractually bound to follow our and Clearstream's Instructions as regards the disposition of global securities. They have no obligation to any other party regarding such disposition.

5.3.2.10.1 Exchange for definitive individual or global certificates

Exchanging temporary global certificates for definitive securities occurs as agreed with the issuer. This includes any relevant mandatory requirements such as the provision of certifications of beneficial ownership as set forth in Section 5.3.2.8.

5.3.2.10.2 Exercises of warrants or other options

(a) In order to exercise warrants or other options you must:

- discuss forms with us before the closing at the time acceptance of the security is requested from us

- provide us with Instructions for exercises of warrants and other options through the Euroclear System. This includes the collection of any certification from holders and the provision of any certifications to the fiscal agent or other party.

(b) We are responsible for instructing our Depository to make global securities available for endorsement to reflect the exercise of options through the Euroclear System.

(c) Documentation must not require the Depository to endorse or mark global securities in its capacity as such.

5.3.2.11 Safekeeping and related services for fractional amounts of funds securities

(a) We can accept fractional nominal amounts of securities issued by international or domestic investment fund companies for deposit in the Euroclear System as described in this section.

(b) We will record fractional amounts of fund securities in a special purpose database. This database is a part and a subdivision of the Securities Clearance Account which holds the whole numbers of securities of such issue. Records of fractional amounts will usually include up to 4 decimal figures.

(c) Acceptance of fractional amounts of fund securities for deposit in the Euroclear System and any subsequent transfer is subject to our prior approval on a case by case basis. You must notify us in advance of the transfer of fractional amounts of fund securities. If we allow such transfer, you must send us specific settlement Instructions which we will inform you of. Internal, Bridge or external settlement Instructions which do not include such specific requirements will not be accepted for fractional amounts of fund securities.

(d) We will not accept voting or subscription Instructions in respect of fractional amounts of fund securities other than voting or subscription Instructions.

(e) On a case by case basis, and subject to our prior approval, we can accept Custody Operation Instructions in respect of fractional amounts of fund securities for Corporate Actions. If you wish to send Custody Operation Instructions in respect of fractional amounts of fund securities you must contact us for the details on the specific Instruction requirements.

(f) If the proceeds of a Custody Non-cash Distribution result in fractional amounts of fund securities in circumstances such as, but not limited to, cases where a sale is required by law or regulation or subject to penalties, we may require the fund company (or its agent) to credit a cash equivalent or organise for a third party to try and sell the fractional amount and then credit you with the net sale proceeds.

We do not guarantee that a sale will be made nor do we guarantee the terms and conditions (including price) of a sale.

(g) Standard reporting on your balances and Instructions does not include decimal fractions of securities.

(h) We can stop any or all of the services described in this section at any time without prior notice.

5.3.2.12 Transformations

(a) Transformations in cash can be processed in respect of certain Corporate Actions, for transactions in equities or in debt securities.

Whether transformations are applicable depends on the relevant market and the type of Corporate Action. The details of the process are set out in the relevant country section of the Online Market Guides.

Where applicable, we detect and generate transformations on all external transactions that are matched and unsettled on the reference date. The reference date is the date used to identify the need for a transformation. It can be different per event type.

We neither detect nor process transformations on internal and Bridge settlements.

If you don’t want a transformation to be raised on an external settlement Instruction, you may opt out of the transformation process. If both parties opt out, the settlement Instruction is cancelled rather than transformed.

(b) Upon confirmation from the local market, we process transformations in two steps:

- we cancel the underlying settlement Instruction
- we generate new settlement Instructions, as well as the cash transformation movements as applicable.

If the underlying settlement Instruction was against payment, we generate two new money transfer Instructions:

- for the original settlement amount
- for the proceeds of the Corporate Action.

If the underlying settlement Instruction was free of payment, we only generate an Instruction for the proceeds of the Corporate Action.

(c) To ensure that the new Instructions will be executed, we will block cash on your Account on the reference date of the Corporate Action (in accordance with Section 3.3). If the new Instruction is executed successfully, this blocking will be lifted.

(d) Instructions generated as a result of transformations will be generated with the same choice for partial settlement as the related settlement Instruction.

Part V: Section 4 – Money Transfer

5.4.1 Acceptance of currencies 137

5.4.1.1 Eligibility criteria 137

5.4.2 Money transfer services 137

5.4.2.1 Cash Correspondents 137

5.4.2.2 Receipt of funds 138

5.4.2.2.1 Identification of Accounts to be credited 138

5.4.2.2.2 Credit of funds received by a Cash Correspondent 138

5.4.2.3 Money transfer Instruction types 138

5.4.2.4 Conditions for the execution of money transfer Instructions 139

5.4.2.4.1 Input of Instructions 139

5.4.2.4.2 Deadlines 139

5.4.2.4.3 Impact of holidays and weekends 140

5.4.2.4.4 Validation 140

5.4.2.4.5 Selection for the Real-time Processing 141

5.4.2.4.6 Positioning 141

5.4.2.5 Successful positioning and execution of money transfer operations – Value Date 141

5.4.2.5.1 General 141

5.4.2.5.2 Book transfer 141

5.4.2.5.3 Wire transfer 141

5.4.2.5.4 Receipt of funds by a Cash Correspondent 142

5.4.2.5.5 Foreign exchange conversion 143

5.4.2.5.6 Foreign exchange direct dealing conversion 143

5.4.2.6 Unsuccessful positioning and recycling 143

5.4.2.7 Cancellation of money transfer Instructions 144

5.4.2.7.1 Cancellation by us 144

5.4.2.7.2 Cancellation by you 144

5.4.2.8 Credits and debits 144

5.4.1 Acceptance of currencies

5.4.1.1 Eligibility criteria

(a) Without prejudice to Section 16(d) of the Terms and Conditions, we may:

- accept any currency as a Settlement Currency
- determine the use of a Settlement Currency within the Euroclear System.

(b) Settlement Currencies are listed in the 'Eligible Currencies Reference Card' (available on our website). Settlement Currencies can be identified by the three letter currency code 'ISO' (International Organisation for Standardisation).

(c) We reserve the right in our sole discretion and without notice:

- not to accept a currency as a Settlement Currency within the Euroclear System
- to withdraw acceptance of any Settlement Currency previously accepted
- to refuse any deposit into the Euroclear System of a Settlement Currency regardless of any deposit of other cash in the same Settlement Currency, or to deliver out of the Euroclear System to any Participant holding such cash in the Euroclear System, if we determine that acceptance of any deposit in such Settlement Currency would not be in the best interests of Participants generally or of the Euroclear System.

5.4.2 Money transfer services

(a) The money transfer services that we offer must be related to the services we provide on the securities you hold, will hold or have held in the Euroclear System or to services that we provide on securities that you hold in an Other CSD and include:

- the receipt of funds into the Euroclear System, whether preadvised or not
- the transfer of funds between Accounts in the Euroclear System and to accounts outside the Euroclear System
- foreign exchange conversions
- foreign exchange direct dealing.

(b) Money transfer services are offered in respect of all Settlement Currencies.

(c) We will reject all Instructions for money transfer services not related to the services on the securities you hold, will hold or have held in the Euroclear System or to services that we provide on securities that you hold in an Other CSD.

(d) All money transfer Instructions should be written in English.

5.4.2.1 Cash Correspondents

(a) Transfers of funds into and out of the Euroclear System are effected through designated Cash Correspondents. Details of such Cash Correspondents, including Bank Identifier Codes (BIC) and Euroclear Bank account numbers for the Euroclear System, can be found in the 'Quick Cash Card' (available on our website).

(b) We may, in our sole discretion, appoint or disable a Cash Correspondent upon notice to you. We will provide you with notice and deem receipt of such notice in accordance with Part IV (Connectivity) of these Operating Procedures. You should take immediate action to adapt to a disablement as we do not deem payments, made through a disabled Cash Correspondent, to have been received by us.

5.4.2.2 Receipt of funds

(a) Either you or another party (whether a Participant or not) can send us funds to credit to your Cash Account in any Settlement Currency. You must ensure that all such payments are made directly to the designated Cash Correspondent for the Settlement Currency.

(b) We do not accept cheques for payment into the Euroclear System. We will try to return any cheques you send to us but accept no liability for loss, delay or our failure to do so.

5.4.2.2.1 Identification of Accounts to be credited

We will only credit funds to a Cash Account if we can identify such Account. In order for a Cash Correspondent to recognise that the funds are to be credited to a Participant's Cash Account you must ensure the credit advice submitted by the remitter to the Cash Correspondent states:

> *'For account of Euroclear Bank, Brussels - Euroclear Operations Centre,*
> *BIC: MGTC BEBE ECL account number ...*..'*
>
> *in favour of Participant (BIC or name and location) - Participant Account Number'*

*Account numbers and descriptions of fields to be filled/used are shown in the Online Market Guides and the SWIFT/EUCLID data reference manuals (available on our website).

A failure to follow the above template may result in the delay of credit to your Cash Account.

5.4.2.2.2 Credit of funds received by a Cash Correspondent

(a) The timing of the credit of funds to your Cash Account is determined according to the time we receive credit confirmation from the relevant Cash Correspondent (see table below).

Credit confirmation received …	Credit to your Cash Account takes place…
During the RTP	On the day of receipt*
After the RTP	In the RTP dated the next Business Day*

* This is provided the credit confirmation contains all necessary information.

(b) The funds we receive in respect of credit confirmations from Cash Correspondents are initially credited with the Value Date provided by the Cash Correspondent (see 'Quick Cash Card' available on our website). We may adjust the Value Date depending on whether the funds have been preadvised or not (see Section 5.4.2.5.4).

5.4.2.3 Money transfer Instruction types

Instruction Type	Description
Book transfer	A transfer of funds between two Cash Accounts, effected by the simultaneous debit and credit of a Settlement Currency from one Account to the other
Wire transfer	A payment out of the Euroclear System, effected by the debit of a Cash Account and payment to an account outside the Euroclear System as specified in the money transfer Instruction
Preadvice of funds	An advice to us by or on your behalf that funds from outside the Euroclear System will be deposited at the appropriate Cash Correspondent for credit to a Cash Account in the Euroclear System

Foreign exchange	The conversion of one Settlement Currency to another at a determined rate (see Section 2.8) effected by the simultaneous debit and credit of subdivisions of your Cash Account. You can specify either the amount to be converted or the amount of proceeds of such conversion You can register for automatic conversion for income proceeds (see Section 5.3.2.1.6)
Foreign exchange direct dealing	This is a foreign exchange whereby you contact us directly by telephone or Reuters. Once the exchange has been performed, we will send you a confirmation including the terms of the transaction The following additional rules apply: - we have the right to refuse any transaction - minimum transaction amounts are specified in the Euroclear Documentation and exceptions the minimum transaction amounts may apply, linked to market specifics as specified in the relevant market guide available on my.euroclear.com - only Settlement Currencies which carry no restrictions regarding their conversion are accepted for dealing - we charge costs we incur due to cancellation or failure of an Instruction to you - we accept transactions on Business Days during the times shown in the Euroclear Documentation - for some Settlement Currencies specific rules may apply. These can be found in the money transfer section on our website - we can discontinue this service at any time

5.4.2.4 Conditions for the execution of money transfer Instructions

5.4.2.4.1 Input of Instructions

We only process valid Instructions for this service as set out in this Section 5.4.2.4 and Part IV (Connectivity) of these Operating Procedures.

5.4.2.4.2 Deadlines

(a) The Input Deadlines for money transfer Instructions are set forth in the 'Quick Cash Card' (available on our website) and can vary. Variance can be caused by:

- the communication tool you use to input the Instruction
- whether the Instruction is received in the Euroclear System 'straight through' or whether it required manual intervention.

Instructions received after the Input Deadline will be treated as being received the following Business Day.

(b) Settlement Currencies are grouped as shown in the 'Quick Cash Card' (available on our website) under various categories (Groups A, C and D). This is to reflect the different Input Deadlines for receipt of money transfer Instructions and the Value Date applied when executing such Instructions.

5.4.2.4.3 Impact of holidays and weekends

(a) Money transfer Instructions (book transfer, wire transfer, foreign exchange, foreign exchange direct dealing) and credit confirmations which have a requested Value Date of any non-Business Day will be executed for Value Date the next Business Day unless sent by EUCLID or EasyWay in which case they are invalidated.

(b) Money transfer Instructions with a requested Value Date which is a holiday in the city of the relevant Cash Correspondent are processed for Value Date the next business day in such city. An exception to this rule are book transfer Instructions that are accepted and processed for any Business Day regardless of whether the day is a business day in the country of the Settlement Currency or not.

(c) Preadvices of funds which have a requested Value Date (i) of any non-Business Day or (ii) which is a holiday in the city of the relevant Cash Correspondent, are considered as invalid.

5.4.2.4.4 Validation

(a) After authentication of input, money transfer Instructions must be validated before further processing can take place. The general rules for validation are described in Section 4.1.4.3.

(b) Money transfer Instructions which are sent by SWIFT, EUCLID or EasyWay are subject to additional manual validation. As such these Instructions can pass the required computer validation but be rejected or cancelled after manual validation.

(c) If validation is successful, the money transfer Instruction is accepted for further processing.

If validation is unsuccessful due to an incorrect format or incomplete/incorrect contents we may try to repair the Instruction.

Instructions that failed the validation process can be repaired by us with no additional input from you, provided that the incorrectly formatted item of information is available to us. If such information is missing, we cannot repair the Instruction and may notify you and request that such information is subsequently made available to us. We can then amend your Instructions using such additional information.

If we do not receive such information in the required form via authenticated message within 5 Business Days of our request, we will cancel the Instruction (except for preadvice of funds which we will cancel on the Business Day following our request).

(d) For the purposes of (c) above, the Instructions are deemed to be received by us once we have repaired them.

(e) We accept no liability in respect of any Instructions we repair.

(f) If validation of a money transfer Instruction is unsuccessful and we cannot repair the Instruction due to such Instruction being unclear, we will automatically cancel it and notify you of such cancellation.

(g) We will only accept money transfer and cancellation Instructions sent via free format SWIFT messages (MT199, MT299) or fax:

- in contingency situations, if our Money Transfer Client Service team has been informed in writing by the Client before sending them and has agreed to this; or
- if specifically requested by us, e.g. due to special market requirements that will prevent us from processing standard formatted Instructions

5.4.2.4.5 Selection for the Real-time Processing

(a) A valid money transfer Instruction is put into the backlog of unexecuted Instructions until submission to the RTP dated its Execution Date. This is depending on the type of money transfer Instruction and the requested Value Date as shown in Section 5.4.2.5.

(b) Valid money transfer Instructions are only eligible for the RTP.

(c) Valid wire transfer Instructions are selected for the RTP as determined by us taking into account:

- the nature of the Instructions
- any local market constraints
- other relevant circumstances.

5.4.2.4.6 Positioning

(a) Once a money transfer Instruction has been selected for the RTP, Instructions are sequenced in accordance with Section 5.2.1 (Processing rules). Positioning is successful if the following conditions are met:

- Cash positioning
  - If the execution of a money transfer Instruction necessitates a payment then you require sufficient cash available or receipt of a credit line from us, as determined by us in our banking capacity, of the relevant Settlement Currency in your Cash Account for the payment
- Collateral positioning
  - You require sufficient collateral if you are to be debited with cash and are granted secured credit that we may make available to you in our banking capacity.

(b) Availability of cash may be affected notably as described in Section 3.3.1 or Section 5.3.1.5.3(c), or due to specific restrictions which may apply to certain Settlement Currencies or certain local markets. These can be found in the relevant market sections of the Online Market Guides

5.4.2.5 Successful positioning and execution of money transfer operations – Value Date

5.4.2.5.1 General

We will not execute money transfer Instructions with a Value Date earlier than the Input Deadline of the Instruction.

5.4.2.5.2 Book transfer

Book transfer Instructions are executed in the RTP for the date indicated in such Instruction provided this is a Business Day. If not, execution takes place the next Business Day, Value Date the Execution Date.

5.4.2.5.3 Wire transfer

(a) Wire transfer Instructions are executed on the date shown below in relation to the Value Date indicated in the Instruction provided this is a Business Day. If not, execution takes place the next Business Day.

(b) Funds are debited from your Cash Account in the RTP dated the Execution Date (and valued in relation to the Execution Date) as follows:

Currency Group	Date of debit
Group A currencies	at the latest on the Value Date
Group C currencies	at the latest on the Business Day before the Value Date
Group D currencies	at the latest 2 Business Days before the Value Date

(c) As soon as we have acted on a wire transfer Instruction and cannot revoke or reverse such action your rights to the related funds are reduced accordingly even if the corresponding debit to the Cash Account has not been effected.

5.4.2.5.4 Receipt of funds by a Cash Correspondent

5.4.2.5.4.1 Preadvice of funds

(a) You must ensure that all funds to be remitted for the credit of your Cash Account(s) are preadvised according to the rules described below. Where there is more than one Cash Correspondent for a Settlement Currency, you must indicate to us the Cash Correspondent to whom the cash will be sent in the preadvice you send to us. If you do not preadvise or incorrectly preadvise and/or if funds cannot be credited to your Cash Account due to incorrect/incomplete details, funds will be returned to the cash correspondent from which the funds were received, as described in the relevant Euroclear Documentation.

(b) Once we receive a credit confirmation from our Cash Correspondent of the receipt of preadvised funds we will, in the RTP on the Execution Date, credit your Cash Account with the required amount with the Value Date provided by the Cash Correspondent.

The report of preadvices of funds included in the 'Daily Cash Movement Report' is an acknowledgement of the receipt of the Instruction and does not constitute a credit to your Cash Account for any reported amount.

5.4.2.5.4.2 Funds not preadvised or incorrectly preadvised

(a) A Value Date adjustment will be made to a credit of funds if such credit has either:

- been received after the currency deadline and has not been preadvised
- been credited to another Cash Account than the one which can be derived from the preadvice
- been in excess of the amount preadvised
- been preadvised after the relevant deadline as shown in the Euroclear Documentation
- been received by a correspondent bank different than listed on the Quick Cash Card available on our website.

The adjustment will be made giving the following values:

Currency Group	Value Date
Group A currencies	the next Business Day
Group C currencies	2 Business Days later
Group D currencies	3 Business Days later

(b) If, having received your preadvice, an additional and/or unexpected credit confirmation (different to the one preadvised) is received for your Cash Account, this credit confirmation will consume a corresponding amount of the received preadvice.

Further credit confirmations (including the one for which the preadvice was originally received) will only receive good value up to the amount left of the preadvice following the earlier credit confirmation. Excess amounts will be value adjusted in accordance with (a) above.

(c) In the case of a Value Date adjustment we reserve the right to debit a Cash Account for an amount we calculate:

- by applying the debit interest rate for the relevant Settlement Currency for the period between the credit of the funds and the adjusted Value Date
- to compensate for losses associated with such failure to preadvise correctly.

We will apply whichever amount is higher.

(d) Funds which are preadvised but not received are subject to a penalty supplemental fee.

(e) If you hold funds, or funded your Cash Account, in a Settlement Currency with us then you bear the risk of default of the Cash Correspondent to which the funds have been remitted to the extent that either:

- funds credited have not been preadvised or have been incorrectly preadvised by you
- funds credited are in excess of the amount you preadvised
- the preadvice of funds has been received after the relevant Input Deadline as included in the Euroclear Documentation.

In such situations, if the Cash Correspondent is unable to return funds we hold with them due to the Cash Correspondent's bankruptcy, insolvency proceedings or similar situations, we are not obliged to return to you an amount corresponding to the funds you hold with us in that Settlement Currency, or for which you funded your Cash Account.

5.4.2.5.5 Foreign exchange conversion

(a) A foreign exchange Instruction is executed in the RTP dated the second Business Day before the Value Date in the Instruction. This is provided that it is a business day in the countries of both currencies and if not, the next Business Day that is.

(b) On the Execution Date of the Instruction, proceeds from a foreign exchange conversion are credited to your Cash Account from which the currency to be converted was debited.

(c) If the proceeds are to be paid or transferred to another Account or bank you must submit a separate book transfer or wire transfer Instruction.

(d) The Value Date is the second calendar day after the Execution Date provided it is a business day in the countries of both currencies.

(e) Specific rules may apply to certain currencies. These can be found in the relevant market sections of the Online Market Guides and other Euroclear Documentation.

5.4.2.5.6 Foreign exchange direct dealing conversion

(a) A foreign exchange direct dealing Instruction is executed in the RTP dated the second Business Day before the Value Date in the Instruction. This is provided that it is a business day in the countries of both currencies and if not, the next Business Day that is.

You can request short dated forward transactions up to 3 Business Days in advance. Same day or next day transactions can be provided if technically feasible.

(b) On the Execution Date of the Instruction, proceeds from the execution of the conversion are credited to your Cash Account from which the currency to be converted was debited.

(c) We will not authorise third party payments resulting from foreign exchange direct dealing transactions. All cash payments will be cleared via your Cash Account(s).

(d) The Value Date is the second calendar day after the Execution Date provided it is a business day in the countries of both currencies.

(e) Specific rules may apply to certain Settlement Currencies. These can be found throughout in the relevant market sections of the Online Market Guides and other Euroclear Documentation.

5.4.2.6 Unsuccessful positioning and recycling

(a) If positioning is unsuccessful then the Instruction remains unexecuted in the backlog of unexecuted Instructions. Such Instruction will be re-entered into subsequent RTPs for 5 Business Days until executed or cancelled. If after 5 Business Days the Instruction is yet to be successfully positioned it will be refused.

(b) For foreign exchange Instructions, the 5 Business Days on which positioning is re-attempted following the initial unsuccessful positioning must also be business days in the countries of both currencies.

5.4.2.7 Cancellation of money transfer Instructions

5.4.2.7.1 Cancellation by us

We will cancel any Instruction that remains unexecuted after 5 Business Days (see Section 5.4.2.6).

5.4.2.7.2 Cancellation by you

(a) You can cancel valid Instructions which we have received but not executed provided that the cancellation request is received before the cancellation deadline set out in the 'Quick Cash Card' (available on our website) for money transfer Instructions.

(b) Cancellation will take place as soon as we have validated your cancellation request. We will disregard Instructions with a value date in the past.

(c) If we cannot find the Instruction you wish to cancel among those due for execution, the cancellation request and any associated replacement Instruction will lapse.

(d) After a Closed Window has been opened, you cannot cancel Instructions subject to such Closed Window. Instructions which have not been settled during such Closed Window can be cancelled after the end of the Closed Window in accordance with the rules set out in (a) to (c) above.

(e) We will not act upon a request sent in order to cancel a cancellation request.

(f) Cancellation Instructions should be sent only via SWIFT messages MT192 or MT292.

5.4.2.8 Credits and debits

Credits and debits are performed in the RTP dated the Execution Date of a money transfer Instruction. Such credits and debits may be final or provisional as shown in Section 2.3. Section 3.2 sets forth the circumstances in which we can reverse such credits and debits.

Part V: Section 5 – Securities Lending and Borrowing Program

5.5.1 Securities Lending and Borrowing Program overview 147
5.5.1.1 Introduction 147
5.5.1.2 Securities Lending and Borrowing Processing 147
5.5.1.2.1 Securities Lending and Borrowing Processing runs 147
5.5.1.2.2 Recording of Loans 148
5.5.1.2.3 Irrevocability 148
5.5.1.3 Our role 148
5.5.1.4 Credit aspects 149
5.5.1.5 SLB Eligible Securities 149
5.5.1.6 Borrowing limits 149
5.5.1.7 Reporting 150
5.5.1.8 Resigning from the Securities Lending and Borrowing Program 150
5.5.2 Lending 150
5.5.2.1 Lender profile 150
5.5.2.1.1 Monitoring level 151
5.5.2.1.2 Pending Delivery Period 151
5.5.2.2 Determining Lendable Positions 151
5.5.2.3 Allocation among Lenders 152
5.5.3 Borrowing 152
5.5.3.1 Borrower profile 152
5.5.3.2 Identification of Borrowing needs 153
5.5.3.3 Allocation of Borrowings 154
5.5.3.4 Automatic reimbursement 154
5.5.4 Recalls 155
5.5.4.1 Automatic detection 155
5.5.4.2 Recall process 155
5.5.4.3 Failure to return Loan Securities 156
5.5.5 Corporate Actions 156
5.5.6 The Euroclear Bank Guaranty 158
5.5.6.1 Purchase of replacement securities 158
5.5.6.2 Cash compensation 158
5.5.6.3 Equivalent securities 159
5.5.7 Billing 159
5.5.7.1 Failed Return Fee and supplementary fee 159
5.5.8 Specific features 160
5.5.8.1 Participating on an opportunity basis 160
5.5.8.1.1 Lending 160
5.5.8.1.2 Borrowing 160
5.5.8.2 Intra-family Borrowing 162
5.5.8.3 Dedicated services 162
5.5.8.4 Recognition as a centralised lending system for Belgian withholding tax 162

5.5.1 Securities Lending and Borrowing Program overview

5.5.1.1 Introduction

(a) Our automated Securities Lending and Borrowing ('SLB') Program is an integral part of our settlement service. Whenever a settlement failure is detected due to a lack of securities in the Borrower's Account, the SLB Program automatically generates a Borrowing, provided that sufficient relevant securities are available in the lending pool.

Lenders can make securities held in their Securities Clearance Accounts available for lending on an automatic basis and at any time. Their Lendable Position is automatically determined during each SLB Processing run and Loans are allocated amongst Lenders according to set rules, preventing arbitrary selection.

(b) In order to participate in the SLB Program you must acknowledge receipt of and agree to the Supplementary Terms and Conditions. The Supplementary Terms and Conditions are an integral part of the Terms and Conditions.

You must also:

- inform us in writing as to whether you wish to become an Automatic Lender, Automatic Borrower, Opportunity Lender and/or Opportunity Borrower
- register your options for Lending and Borrowing
- designate one or more of your Securities Clearance Accounts as being available for the Lending or Borrowing of securities.

(c) We will notify you of your acceptance as an Automatic Lender, Automatic Borrower, Opportunity Lender and/or Opportunity Borrower and of the date on which you may begin to participate in the SLB Program.

(d) Requests to borrow securities may be submitted by:

- Automatic Borrowers who authorise us to identify their Borrowing needs and to arrange Borrowings to meet such needs
- Opportunity Borrowers who identify their own Borrowing needs and submit specific requests for us to arrange Borrowings.

(e) Loan Securities to meet Borrowing requests are provided by:

- Automatic Lenders who agree to make securities available for lending
- Opportunity Lenders who may be called upon by us to make securities available for lending when needed to supplement the supply of securities made available by Automatic Lenders.

5.5.1.2 Securities Lending and Borrowing Processing

5.5.1.2.1 Securities Lending and Borrowing Processing runs

(a) Loans and Borrowings may be generated and reimbursed as a result of each Securities Lending and Borrowing Process ('SLB Process'). These SLB Processes are shown in the table below.

Process	Timing	Comments
'Batch SLB Process'	During the OSSP dated S	
'First real-time SLB Process'	50 minutes after the opening of the RTP	
'Second real-time SLB Process'	During the RTP at approximately 07:15	

'Third real-time SLB Process'	During the RTP at approximately 10:30	
'Fourth real-time SLB Process'	During the RTP at approximately 13:00	
'Fifth real-time SLB Process'	During the RTP at approximately 15:00	Last opportunity to Borrow for same day settlement
'Sixth real-time SLB Process'	During the RTP at approximately 17:30	Generates reimbursements of Borrowings for all markets

(b) The SLB Processes taking place in the RTP are cumulatively known as the 'Real-time Securities Lending and Borrowing Processes'. The sixth real-time SLB Process is known as the 'End-of-Day SLB Process' when it is the last opportunity for a Borrowing to be reimbursed.

(c) Although we endeavour to perform the SLB Processes as described above, we reserve the right to omit any SLB Process or to perform the SLB Process at such time and include such data as we in our sole discretion determine.

(d) We do not guarantee the timing of the execution of the SLB Processes.

5.5.1.2.2 Recording of Loans

When a Loan is granted, securities are debited from the Lender's Securities Clearance Account and credited to their Record-keeping Account. The Borrower's Securities Clearance Account is credited with the securities and their Record-keeping Account is debited to reflect the Loan.

5.5.1.2.3 Irrevocability

Any Instruction you enter into the Euroclear System which requires a Loan cannot be cancelled as from the time stated below:

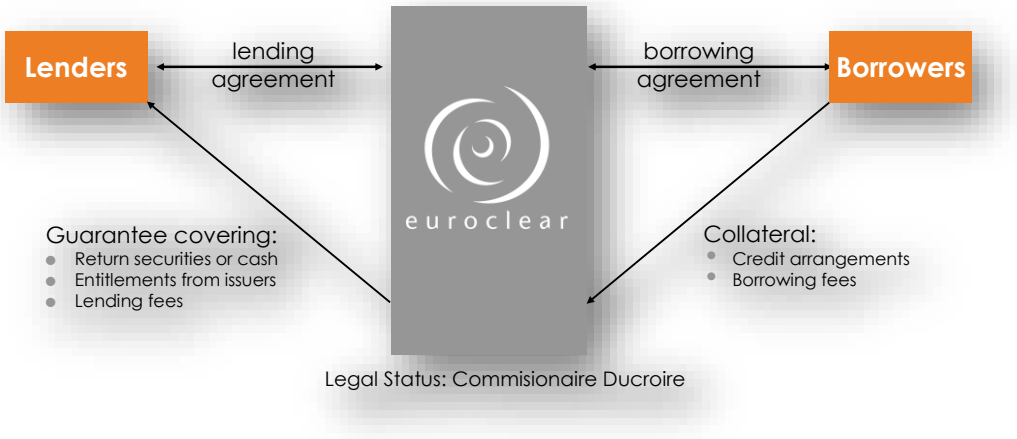
Your participation	Irrevocable from…
Automatic Lender	the time we determine your Lendable Position
Automatic Borrower	the time we determine your Borrowing need

5.5.1.3 Our role

(a) We will act as 'commissionaire', meaning we will act in our own name but on behalf of Borrowers (when borrowing securities from Lenders) or in our own name but on behalf of Lenders (when lending securities to Borrowers) to arrange Loans.

In addition, we act as a commissionaire *ducroire* (guarantor) to Lenders and will step in to fulfil Borrowers' obligations should they fail to perform.

(b) Lenders are protected by the Euroclear Bank Guaranty as described in Section 14 of the Supplementary Terms and Conditions.



5.5.1.4 Credit aspects

(a) At the time of each Borrowing, you must have a credit arrangement in place with us in our banking capacity and have sufficient credit available under such arrangement in order to make such Borrowing.

(b) As a Lender, you will continue to benefit from the collateral value of Loan Securities for any credit arrangement you have in place with us in our banking capacity. This will be for the duration of the Loan.

5.5.1.5 SLB Eligible Securities

(a) 'SLB Eligible Securities' are securities accepted in the Euroclear System that have no legal, fiscal or liquidity constraints that preclude them from being used in the SLB Program. For more information, please consult the SLB section of our website and the Online Market Guides.

We reserve the right at any time to make securities in the Euroclear System eligible for the SLB Program and/or to withdraw or postpone the eligibility of securities already accepted for use in the SLB Program.

(b) Defaulted securities are not eligible in the SLB Program. If a security eligible for the SLB Program defaults, we will ensure that no new Loans are created but we will not automatically recall outstanding Loans unless there is a Requested Recall from the Lender. The standard recall process applies in such instance.

5.5.1.6 Borrowing limits

Certain discretionary limits apply to determine the percentage quantity of outstanding securities of an issue that:

- you, individually, are allowed to borrow
- Participants, as an aggregate, are allowed borrow.

Type of Borrowing	Borrowing limit (as a percentage of the quantity of outstanding securities of any issue)
Individual Borrowings	10%
Aggregate Borrowings	20%

We reserve the right at any time to change these limits for all SLB Eligible Securities, any group of securities or a particular security.

We will determine the quantity of outstanding securities of an eligible issue on the basis of information obtained from publicly available information sources.

We reserve the right to determine the total amount of Borrowings that will be generated in the sixth real-time SLB Process.

5.5.1.7 Reporting

For information on reporting functions, please see the 'Securities Lending and Borrowing – Quick Card', available on our website.

Transactions under the SLB Program fall under Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012.

When entering into a Loan, Euroclear Bank acts in its own name but on behalf of the Borrower and the Lender. To preserve full anonymity between the Lender and the Borrower, Euroclear Bank will report these transactions as a principal.

When entering into the SLB Program, you accept:

(i) that Euroclear Bank will generate the UTI (Unique Transaction Identifier) for Euroclear Bank, the Lender and the Borrower; and
(ii) to have your LEI reported as the counterparty of Euroclear Bank in Euroclear Bank's SFT reports.

If you are subject to reporting obligations, please refer to our SFT Reporting Service.

5.5.1.8 Resigning from the Securities Lending and Borrowing Program

If you no longer wish to participate in the SLB Program in any capacity you must notify us in writing. The notification will take effect in the Batch SLB Process dated the Business Day after such notification is received by 14:00.

5.5.2 Lending

5.5.2.1 Lender profile

(a) As an Automatic Lender, you agree to make available for lending all or part of the securities available for delivery credited to the Securities Clearance Account you designate for Automatic Lending. This will take into account any operational limitations you specify on securities available for lending.

(b) In such capacity, you authorise us to:

- lend up to a maximum of your Lendable Position
- take the necessary actions to generate the requested Loans
- ensure the amount of outstanding Loans does not exceed your Lendable Position.

(c) You may, as an Automatic Lender, elect to limit the securities you wish to make available for lending in the SLB Program ('Lending Level Monitored Amount'). This can be done by providing us with written notice. We automatically take into account such limitations when calculating your Lendable Position for each SLB Process.

(d) You may:

- specify when pending delivery Instructions and Custody Operation Instructions will reduce your Lendable Position by modifying the Pending Delivery Period default value for your Securities Clearance Account
- specify that only a certain percentage of your securities is available for lending. This can be done for all issues or a particular issue. Any lendable percentage specified for an individual issue will be used regardless of any lendable percentage specified for all issues
- exclude certain categories of securities from lending (e.g. security type, denomination currency, issuer type)
- include certain categories of securities for lending (as above) where they would otherwise be excluded by defining exceptions

- temporarily exclude availability of all securities in your Securities Clearance Account from the lending pool.

(e) We have no obligation to enter more than 20 amendments on your behalf on any Business Day. Changes become effective in the Batch SLB Process dated the Business Day after we receive notice of such amendment by 14:00.

We can accept such notifications if sent via email provided that all required information is contained in such email in the correct format. Information about the format we require is available upon request from the SLB operations team.

5.5.2.1.1 Monitoring level

(a) We will notify you if your Lending Level Monitored Amount is exceeded. You may then instruct us to:

- increase the Lending Level Monitored Amount as appropriate
- implement a Requested Recall of Loan Securities in order to bring the amount of Loan Securities below your Lending Level Monitored Amount. We will recall outstanding Loans in a USD equivalent and issues of securities which we, in our sole discretion, deem appropriate.

(b) We reserve the right to discontinue this Lending Level Monitored Amount procedure at any time.

5.5.2.1.2 Pending Delivery Period

(a) For each delivery Instruction a 'Pending Delivery Period' begins a number of Business Days before the Settlement Date of each Instruction.

For the following Corporate Actions, the Pending Delivery Period begins at the latest in the Batch SLB Process dated the Execution Date of the Instruction:

40, 41, 42, 43, 44, 45, 46, 48, 49, 50, 51, 52, 54, 62 and 63 (or their equivalent as set out in the SWIFT specifications).

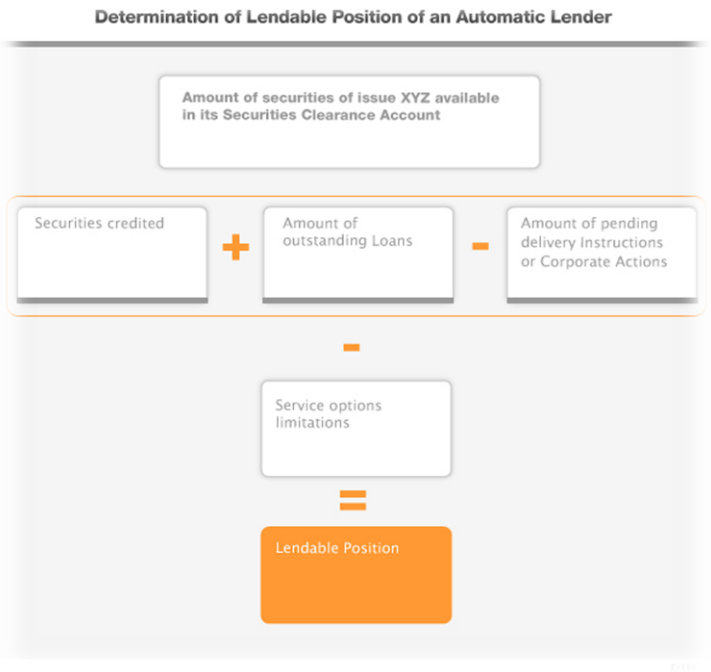
(b) Your Lendable Position is reduced during the Pending Delivery Period by the total quantity of securities included in such Instructions.

(c) In the absence of any election made by you, the default value for the Pending Delivery Period is set forth in the relevant country section of the Online Market Guides under 'Notice Periods'.

5.5.2.2 Determining Lendable Positions

(a) The calculation of the Lendable Position for each issue of securities available for lending in each of your Securities Clearance Accounts is made by us.

(b) Your Lendable Position is determined as follows:



5.5.2.3 Allocation among Lenders

(a) Loans are allocated among Automatic Lenders based on the quantity of securities credited to all Securities Clearance Accounts made available for lending.

(b) We apply a fair allocation principle when allocating Loans among Lenders. As a Lender, you are assigned priority based on the size of your global lendable portfolio and the holding you have of the security for which there is a Borrowing need.

The thresholds of SLB Eligible Securities we use when allocating priorities are as follows:

Priority	Aggregate balance of securities of all issues for lending is…	Lendable position for the particular issue is …
First priority	≥ USD 50 million	≥ USD 1,000,000
Second priority	< USD 50 million	≥ USD 1,000,000
Third priority	≥ USD 50 million	< USD 1,000,000
Lowest priority	< USD 50 million	< USD 1,000,000

(c) Priority in the allocation process can vary from issue to issue and from time to time based on your Lendable Position for each issue in each SLB Process.

(d) If you have the same priority as another Lender, Loans will be allocated on a pro rata basis based on the holdings of the issue for which there is a Borrowing need.

5.5.3 Borrowing

5.5.3.1 Borrower profile

(a) As an Automatic Borrower, you participate in the Automatic Borrowing Program in which we will continuously evaluate your Borrowing needs throughout each SLB Process for each of your Securities Clearance Accounts.

(b) You authorise us to fulfil your Borrowing needs and to take any necessary action to generate requested Borrowings.

(c) You may, as an Automatic Borrower, elect to limit the type of securities you wish to Borrow in the SLB Program. This can be done by providing us with written notice. We automatically take into account such limitations when calculating your Borrowing needs for each SLB Process.

(d) You may:

- exclude certain categories of securities from your Borrowing (e.g. security type, denomination currency, issuer type)
- include certain categories of securities from your Borrowing (as above) where they would otherwise be excluded by defining exceptions
- temporarily exclude any Borrowing.

(e) We have no obligation to enter more than 20 amendments on your behalf on any Business Day. Changes become effective in the Batch SLB Process dated the Business Day after we receive notice of such amendment by 14:00.

We can accept such notifications if sent via email provided that all required information is contained in such email in the correct format. Information about the format we require is available upon request from the SLB operations team.

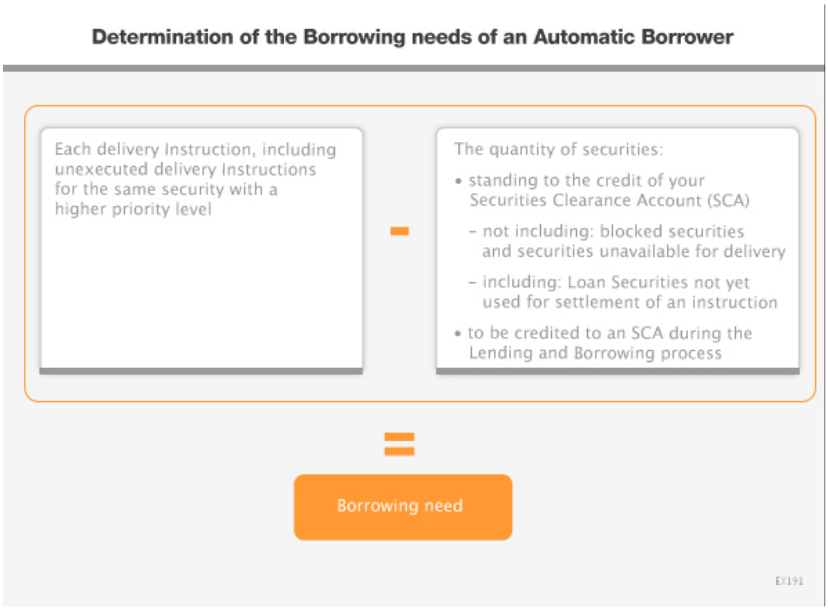
5.5.3.2 Identification of Borrowing needs

(a) When determining your Borrowing needs for a particular issue of securities we will take into account the following:

- all matched internal delivery Instructions with a Settlement Date not later than the date of the SLB Process
- all external and Bridge delivery Instructions submitted for execution for which the date of the SLB Process is not earlier than the Execution Date
- certain Custody Operation Instructions* with Execution Dates not earlier than the SLB Process
- any shortfall in your Securities Clearance Account.

* Instruction types 40, 43, 44, 45, 48, 49, 54, 62 and 63 (or their equivalent as set out in the SWIFT specifications) when their processing does not require a blocking of securities.

(b) A request to borrow is generated to cover a shortfall as shown below:



(c) To be taken into account, we must have received and validated the Instructions listed in (a) above (with a priority level other than lowest) as follows:

SLB Process	Received and validated by…
Batch SLB Process	the Input Deadline on the Business Day prior to the Batch SLB Process
Real-time SLB Process	the start of the real-time SLB Process or by the relevant Input Deadline (whichever one is earlier)

(d) As we calculate your Borrowing needs on a continuous basis, the amount of securities you borrow may be insufficient to settle all Instructions with the same priority level.

(e) Your request to borrow will result in a Borrowing but will not result in the execution of a delivery Instruction if, after the Borrowing has been effected:

- there is a delay in the local market
- execution is unsuccessful due to the counterparty's lack of cash or credit
- you have insufficient collateral for the execution of the Instruction.

(f) We will not identify a Borrowing need in your Securities Clearance Account for any issue against which a total blocking has been recorded.

Linked delivery Instructions

(g) When the linking of Instructions is applicable to your Securities Clearance Account, Borrowing needs will be identified as follows:

Option	Borrowing need identified?
Segregation of activities option	No: for a linked delivery Instruction that forms part of a linked set if such linked set includes any unexecuted linked receipt Instruction. Yes: if the total quantity of securities of any unexecuted linked delivery Instruction exceeds the quantity of any linked securities and there remain no unexecuted linked receipt Instructions (all securities and Instructions being part of the same linked set).
Back-to-back trade management option	Yes

5.5.3.3 Allocation of Borrowings

(a) If the quantity of SLB Eligible Securities is sufficient to cover all outstanding Borrowings, net of reimbursements, then all requests to borrow will be granted.

(b) Requests to borrow generated through the Automatic Borrowing Program have first priority in the allocation of Borrowings after all Requested Recalls by Automatic Lenders and Opportunity Lenders have been granted.

(c) If Borrowing requests cannot all be satisfied, Borrowings will be allocated based on the priority and chronological settlement rules set out in Section 5.2.1.

5.5.3.4 Automatic reimbursement

(a) The calculation of whether your Borrowing can be reimbursed takes account of:

- all securities of the issue credited to your Securities Clearance Account
- all the Instructions in the backlog of unexecuted Instructions for such issue and such Securities Clearance Account (excluding linked Instructions).

(b) For each issue of securities for which a Borrowing is outstanding, we will calculate whether the quantity of securities credited to each Securities Clearance Account exceeds the quantity needed to permit the execution of:

- matched internal delivery Instructions

- external and Bridge delivery Instructions being examined for settlement for which the Settlement Date in the Instruction is the date of processing or earlier
- Custody Operation Instructions*.

* Instruction types 40, 43, 44, 45, 48, 49, 54, 62 and 63 (or their equivalent as set out in the SWIFT specifications).

We will cause your Borrowing to be reimbursed in the SLB Process during which we identify such excess up to an amount appropriate in light of such excess.

(c) Where an Instruction has generated a Borrowing but the delivery is not executed due to a counterparty's lack of cash or credit, the Borrowing will be maintained until the next Batch SLB Process when it will be re-assessed.

(d) Where an Instruction has generated an Automatic Borrowing but securities are not required to execute the Instruction due to either:

- your lack of collateral to support the credit facility we make available to you in our banking capacity
- a delay in the local market,

the Automatic Borrowing will be maintained until the first real-time SLB Process following the Execution Date when the Instruction is no longer available for settlement.

(e) The last opportunity to reimburse a Borrowing for the same day is 17:30 for all securities.

5.5.4 Recalls

5.5.4.1 Automatic detection

(a) If the aggregate outstanding Borrowings of securities of a particular issue will exceed the aggregate Lendable Positions of such securities in an SLB Process, then no further requests to Borrow securities of that issue will be granted.

(b) To the extent that a Loan exceeds an Automatic Lender's Lendable Position, such excess will result in the generation of a Requested Recall. A Requested Recall will be granted first by attempting to use SLB Eligible Securities from other Lenders available in the SLB Process in which the Requested Recall is granted. All Requested Recalls have equal priority.

(c) To the extent that we are unable to substitute Lenders, one or more Borrowers will be required to repay their Borrowings. We will send the Borrower(s) a recall notice for the quantity of securities in the Requested Recall.

5.5.4.2 Recall process

(a) A recall notice requires the repayment of Borrowings in the quantities of securities within the following 'Recall Periods':

For…	Recall Period
Debt securities	Settlement period + 1 Business Day
Equities	Settlement period

We will try to grant the Requested Recall in each succeeding SLB Process.

(b) The Recall Period starts the Business Day following the sending of the recall notice and ends with the End-of-Day SLB Process on the Repayment Date.

(c) If, during the RTP, a Borrower receives securities of the same issue for which there is a Requested Recall, the quantity of securities required to reimburse such Requested Recall will be reserved for reimbursement in the next SLB Process.

5.5.4.3 Failure to return Loan Securities

(a) We may allocate securities for which a Borrowing has not been fully returned to one or more Lenders in the following order:

- Intra-family Borrowings will be allocated to a 'related' designated Lender
- Lenders that have submitted a Requested Recall (in order of the submission of such Requested Recalls)
- any other Lenders (in order of decreasing quantity of securities of outstanding Loans).

In the event that two Lenders fulfil any of the criteria above to an identical extent, securities will be reallocated at random.

(b) If, as a Borrower, you fail to return recalled Loan Securities by the Repayment Date given in the recall notice, we will take the actions set forth in Section 5.5.6 and debit any costs incurred to your Cash Account.

(c) If a Requested Recall lapses we will inform the Lender and the selected Borrower(s) in such manner as we deem appropriate through standard EUCLID and SWIFT reports.

5.5.5 Corporate Actions

(a) In case a Corporate Action occurs with respect to any Loan Securities while a Loan is outstanding, we will either:

- create a manufactured income and enter Instructions to transfer it from the Borrower's Cash Account to the Lender's Cash Account
- recall the Loan Securities
- allow the Lender to recall the Loan Securities, depending on the type of Corporate Action.

(b) In addition to the general rules on Corporate Actions in Part V: Section 3 (Custody Services), the main principles applicable to Corporate Actions affecting Loan Securities are as follows:

Corporate Action type	Principle
Income	Loan remains outstanding We will automatically return the income to the Lender We will enter Instructions to debit the Borrower's Cash Account with the relevant cash and credit the Lender's Cash Account with the relevant cash on the income payment date In the event that we would need to reverse any income payment made to the Borrower's Cash Account, the Lender having provided the Loan Securities to which the income payment relates, authorises us to reverse any credit made to their Cash Account in respect to this income payment
Redemptions	Loan is closed prior to the redemption taking place If this is not possible, then we will make a payment to return the redemption proceeds due to the Lender. We will enter Instructions to debit the Borrower's Cash Account with the relevant cash and credit the Lender's Cash Account with the relevant cash on the redemption date
Voting	Lenders wishing to exercise their voting rights must recall their Loan Securities

Mandatory Corporate Actions	We will automatically recall the Loan Securities provided there is sufficient time between the DACE notice and the Corporate Action Input Deadline for the Loan to be recalled and the Loan Securities to be returned to the Lender
Voluntary Corporate Actions	The Lender may recall the Loan Securities. If they decide to do so, they must make the Requested Recall sufficiently in advance (i.e. the Repayment Date should be before the Corporate Action Input Deadline) to be able to participate to the Corporate Action
Taxable Cash Distributions	Cash distributions subject to withholding tax at source will be paid gross to the Lender (unless specified otherwise in the Online Market Guides) Where Borrowers are required by law, decree, regulation or order of government or governmental body to make a deduction or withholding, for or on account of tax or other duties, the amount due to the Lender will be increased to equal the gross Cash Distribution made by the issuer Where we are required by law, decree, regulation or order of government or governmental body to make a deduction or withholding, for or on account of tax or other duties, the amount due to the Lender will be net of all deductions and/or withholding
Consent fees	Compensation for consent fees (including incentive fees) paid by an issuer or its agent as an incentive to holders of securities to participate in a Corporate Action will be provided to Lenders where: • the Lender has recalled the securities • we received the Lender's Requested Recall or change in options during the Recall Period for the Loan Securities • the Borrower fails to return the Loan Securities by the end of the Recall Period for such securities Compensation will not be provided to Lenders for voting events with a past Record Date or a future Corporate Action Input Deadline where the number of Business Days before the Input Deadline is less than the Recall Period for the Borrowed Securities We will debit the Borrower and credit the Lender for the cash amount equal to the consent fees

(c) If a Non-cash Distribution or the product thereof is not eligible for the SLB Program but is eligible in the Euroclear System, we will create a temporary Loan in the SLB non-eligible securities. No new Loans will be created and this temporary Loan will only be recalled from the Borrower where the Lender sends a Requested Recall.

Upon a Requested Recall from the Lender, we will send a recall notice to the Borrower or will, in our sole discretion, provide cash compensation to the Lender for the Market Value of such distribution.

In the event that the Borrower does not return the Non-cash Distribution by the Repayment Date, pursuant to Section 14(b) of the Supplementary Terms and Conditions, we will attempt to purchase such Non-cash Distribution in such markets, in such manner, on such terms and for such consideration as we consider appropriate.

(d) Compensation for Non-cash Distributions which are not accepted for deposit in the Euroclear System is a cash amount equal to the Market Value of such distribution.

(e) For additional information please see the 'How corporate actions impact securities lending and borrowing' page on our website.

5.5.6 The Euroclear Bank Guaranty

Under the guaranty we provide to Lenders in accordance with Section 14 of the Supplementary Terms and Conditions, we undertake the following.

5.5.6.1 Purchase of replacement securities

(a) When a Borrower fails to return Loan Securities by the Repayment Date and when the Lender has not requested a cash compensation before 10:00 on the Business Day following the Repayment Date, we will make a reasonable effort, during a period of 2 Business Days starting on the Business Day following the Repayment Date, to purchase replacement securities in such a manner and on such terms as we consider appropriate.

(b) We will always attempt to purchase securities of the same issue and of an identical type, nominal value, description and amount as the Loan Securities, unless a request for equivalent securities has been received from the Lender. If we are not successful in purchasing replacement securities for the same amount as the unreturned Loan Securities, we may in our sole discretion purchase only a portion of replacement securities and continue our reasonable effort to purchase additional replacement securities if the period of 2 Business Days has not yet expired. In such a case, the amount of Loan Securities under the relevant Loan shall be reduced pro rata.

(c) Once our treasury department has executed a trade to purchase replacement securities, we will inform the Lender and the Borrower by MT599 SWIFT message or email. The notification will include details of the security, nominal amount, price and intended Settlement Date. Replacement securities will be credited to the Securities Clearance Account of the Lender as soon as practicable after the securities are received by us. All costs incurred by us in connection with the purchase of replacement securities will be debited from the Cash Account of the Borrower and the Loan will be terminated.

If, at the end of the period of 2 Business Days mentioned above, all or part of the replacement securities cannot be purchased on the market, the Loan will continue in default for the amount of Loan Securities which have not been replaced. The Loan recall remains outstanding for the same amount until either:

- the Loan is returned
- the Loan is covered by lender re-allocation
- the Lender requests cash or equivalent securities.

5.5.6.2 Cash compensation

(a) A Lender may request cash compensation for Loan Securities at any time after the Repayment Date, provided that:

- the Loan has not yet been reimbursed
- a trade to purchase replacement securities has not yet been executed by our treasury department.

This can be done by sending an MT599 SWIFT message or email to us. Any request received before 10:00 on the Business Day following the Repayment Date will be considered same day, otherwise it will be considered the next Business Day.

(b) If at the time of receipt, the conditions listed above are met, we will advise the Lender of the amount of the cash compensation (Market Value) via MT599 SWIFT message or email. The Lender must confirm by MT599 SWIFT

message or email its agreement to the cash amount to be credited no later than 10:00 on the second Business Day after being advised of the amount.

(c) Upon Lender confirmation of the cash amount, we will credit the Lender's Cash Account with the agreed cash amount at the latest on the second Business Day after the Lender's confirmation, with same-day value.

The amount of cash credited to the Lender's Cash Account together with any other expenses incurred by us will be debited from the Cash Account of the Borrower on the same day and the Loan will be terminated.

If no confirmation is received by the deadline, the Loan will continue and remain in recall. A Lender not having confirmed its request for cash compensation by the deadline may make further requests for cash compensation at a later date.

5.5.6.3 Equivalent securities

(a) A Lender may request compensation in the form of equivalent securities (similar characteristics) as the Loan Securities at any time after the Repayment Date, provided that:

- the Loan has not yet been reimbursed
- a trade to purchase replacement securities has not yet been executed by our treasury department.

This can be done by sending an MT599 SWIFT message or email to us. Any request received before 10:00 will be considered same day, otherwise it will be considered the next Business Day.

(b) If at the time of receipt, conditions listed above are met, we will advise the Lender of our agreement to pursue the request further via MT599 SWIFT message or email. If a Lender informs us of the Securities Codes of equivalent securities that it would be willing to accept instead of the Loan Securities, then we will advise the Borrower. The Borrower must confirm via MT599 SWIFT message or email that an outstanding Loan can be covered with such equivalent securities.

(c) If the Borrower has the equivalent securities in its Securities Clearance Account, we will transfer such securities to the Lender's Securities Clearance Account.

If the Borrower does not have the equivalent securities in its Securities Clearance Account, we will purchase them. Any purchase of equivalent securities shall be made in such a manner and on such terms as we consider appropriate. We will credit the Securities Clearance Account of the Lender as soon as possible after such securities are received by us.

All costs incurred by us in connection with the purchase of equivalent securities will be debited from the Cash Account of the Borrower and the Loan will be terminated.

5.5.7 Billing

5.5.7.1 Failed Return Fee and supplementary fee

(a) In the event that one or more Borrowers does not reimburse its Borrowing by the Repayment Date, the following fees will be credited to the Cash Account of each Lender:

- a Failed Return Fee
- a supplementary fee calculated using the Market Value of Loan Securities which have not been returned as a result of the End-of-Day SLB Process.

The Failed Return Fee is a fixed amount determined in our sole discretion .The supplementary fee is calculated at a rate we determine in our sole discretion with reference to overnight rates in the currency of the Loan Securities for a period starting on the Repayment Date until the date that either:

- the Loan is reimbursed
- the Requested Recall is cancelled.

5.5.8 Specific features

5.5.8.1 Participating on an opportunity basis

5.5.8.1.1 Lending

(a) We may contact one or more Opportunity Lenders if the quantity of securities made available by all Automatic Lenders is expected to be insufficient to fill all requests to borrow and to recall Loans of such securities.

(b) Your Lendable Position as an Opportunity Lender is the quantity of securities you agree to make available for Loans upon our request and does not take into account any deliveries of securities or Custody Operations.

You can also define a lending profile similar to that explained for Automatic Lenders in Section 5.5.2.1, but you cannot define a Pending Delivery Period or any blanket exclusions.

Priorities

(c) As an Opportunity Lender you will have priority over Automatic Lenders in the allocation process. If the total supply of securities supplied by Opportunity Lenders exceeds the total demand, Loans will be allocated in order of increasing quantity of securities of such issue made available by Opportunity Lenders.

(d) If all Requested Recalls for Opportunity Lenders cannot be executed, such Requested Recalls will be granted in order of increasing quantity of securities.

5.5.8.1.2 Borrowing

(a) As an Opportunity Borrower, you may submit a request to borrow as shown in the Euroclear Documentation. Requests to borrow may also be submitted by Automatic Borrowers in addition to requests generated by the Automatic Borrowing Program.

(b) We must receive Borrowing requests for an SLB Process before the Input Deadline for such Process. Requests received after such Input Deadline will be considered for the next SLB Process.

We will initially examine a Borrowing request containing a Start Date during the Batch SLB Process dated such Start Date. We will keep requests with a future Start Date in the backlog of unexecuted requests until such Start Date has been reached.

If the request does not include a Start Date or if the Start Date has passed, we will examine the request in the first SLB Process run where new Borrowings are allowed.

Priorities

(c) Your request to borrow as an Opportunity Borrower will only be considered after all Requested Recalls and requests by Automatic Borrowers have been granted.

If sufficient SLB Eligible Securities are available to satisfy all outstanding Borrowings, then we will attempt to grant Opportunity Borrowing requests but do not guarantee our success.

If all Opportunity Borrowing requests for a particular issue cannot be satisfied, allocation will be determined in the following order:

- the Start Date in the request (or if there is no Start Date in the request, the date of the SLB Process in which we first consider the request)
- decreasing quantity of securities.

If a request with an earlier Start Date (or date of first consideration) cannot be granted, a request with a later Start Date (or date of first consideration) may be granted.

If a request with a larger quantity of Eligible Securities cannot be granted, the granting of a request with a smaller quantity of securities may be granted.

Conditions

(d) A request to borrow results in a Borrowing if sufficient securities are available and, subject to the satisfaction of the Settlement Conditions, the granting of the request permits the execution of a delivery Instruction or Custody Operation Instruction. This decision is dependent on whether the Securities Clearance Account of the Borrower is registered for the linking of Instructions option as shown below:

Securities Clearance Account registered for linking?	Borrowing permits the execution of…
No	A delivery Instruction or Custody Operation Instruction (Instruction types 40, 43, 44, 45, 48, 49, 54, 62 or 63 or their equivalent as set out the SWIFT Specifications)
Yes	A delivery Instruction that is not linked or a Custody Operation Instruction (Instruction types 40, 43, 44, 45, 48, 49, 54, 62 or 63 or their equivalent as set out in the SWIFT Specifications) or An unexecuted linked delivery Instruction in the OSSP, if the total quantity of securities of any unexecuted linked delivery Instructions exceeds the quantity of any linked securities and there remain no unexecuted linked receipt Instructions (all securities and Instructions being part of the same linked set) A request to borrow does not result in a Borrowing in the Securities Clearance Account of an Opportunity Borrower if such linked delivery Instruction forms part of a linked set if such linked set includes any unexecuted linked receipt Instructions

(e) Such request to borrow will be reported as executed. The Borrowing is for the quantity of securities necessary to permit the execution of the relevant delivery Instruction or Custody Operation Instruction. This is regardless of whether the request to borrow is for a greater quantity of securities.

(f) A request to borrow will not result in a Borrowing as shown below:

If…	Then…
Insufficient securities are available for lending	Such a request to borrow will be reported as unexecuted and will be attempted again in the next SLB Process. A request to borrow that remains unexecuted after attempts for 10 subsequent Business Days lapses automatically and we take no further action in respect of any such lapsed request.
Sufficient securities are available for lending, but the granting of the request does not permit the execution of a delivery Instruction or Custody Operation Instruction, either because: - there is no such Instruction	Such a request to borrow is reported as executed but there will be no Borrowing. The request to borrow is allowed to lapse during the SLB Process in which it is reported as executed and we take no further action. In particular, we will not attempt to re-submit the request in the next SLB Process.

- there is such an Instruction but the quantity of securities in the request to borrow is not sufficient to permit its execution in the same SLB Process
- there is insufficient collateral available in the Borrower's Account.

5.5.8.2 Intra-family Borrowing

A 'Family' is a grouping of Participants that comprises parents, branches and/or subsidiaries with direct ownership links of more than 50%.

A request by an Automatic Lender or Automatic Borrower who is identified as being part of a Family for the purpose of intra-family Borrowing will be given preferential priority over any other request. As such, the Lendable Position of an Automatic Lender will be used first to satisfy the Borrowing request from an Automatic Borrower of the same Family and an Automatic Borrower will have preferential access to the Lendable Position of an Automatic Lender of the same Family.

5.5.8.3 Dedicated services

(a) Opportunity Borrowing for dedicated services in the fourth real-time SLB Process is subject to the general rules for Opportunity Borrowing in Section 5.5.8.1.2 except as modified below.

(b) Instructions for Borrowings required to cover debit positions created by our release of an external delivery Instruction to the French market before you have sufficient available securities will only be considered in the fourth real-time SLB Process.

(c) Instructions to borrow securities referred to in (b) above are generated by us on your behalf. Each Instruction from you is deemed to have been entered into the Euroclear System and becomes irrevocable when we have identified a Borrowing need in accordance with (b) above.

5.5.8.4 Recognition as a centralised lending system for Belgian withholding tax

The SLB Program has been partially recognised as a centralised lending and borrowing program foreseen in Article 261, third paragraph of the Belgian Income Tax Code. We rely on this recognition as of 1 March 2005 with respect to all securities eligible for Lending through the SLB Program. The current recognition is valid until 31 December 2021, subject to renewal.

The recognition as centralised lending and borrowing system does not apply to intra-family Borrowing transactions as described in Section 5.5.8.2.

Part V: Section 6 – FundSettle

5.6.1 General section 165

5.6.1.1. FundSettle services 165

5.6.1.2. FundSettle user requirements 165

5.6.1.3. Accepted securities and currencies in FundSettle 165

5.6.1.4. Termination of FundSettle services 165

5.6.1.5. Set-off 166

5.6.2 FundSettle holding structures 166

5.6.2.1. Held in the Euroclear System 166

5.6.2.2. Held outside the Euroclear System 166

5.6.2.2.1. General rules 166

5.6.2.2.2. Non-Deposit Accounts 167

5.6.2.2.3. Processing conditions for Non-Deposit Accounts 167

5.6.2.3. Allocation 167

5.6.3 Additional FundSettle services 167

5.6.3.1. FundSettle Order Routing Service 167

5.6.4 Rights and responsibilities 168

5.6.4.1. Power of attorney in favour of Euroclear Bank 168

5.6.4.2. Agreement with Funds 169

5.6.4.3. Your authority to act on behalf of beneficial owners 169

5.6.4.4. Certification and other required documents 170

5.6.4.5. Application of local market rules 170

5.6.4.6. Application of the Net Asset Value and reversals 170

5.6.4.7. Blocking of Fund Shares and settlement restrictions 171

5.6.4.8. Limitations of liability 171

5.6.5 Connectivity 171

5.6.5.1. Means of sending FundSettle Instructions to us 171

5.6.5.1.1. FundSettle Browser 172

5.6.5.1.1.1 FundSettle Instructions through the FundSettle Browser 172

5.6.5.1.1.2 Access to the FundSettle Browser 172

5.6.5.1.1.3 User hierarchies for the FundSettle Browser 172

5.6.5.1.2. FundSettle Instructions through SWIFT 173

5.6.5.1.3. FundSettle Instructions by fax or secure e-mail 173

5.6.5.1.4. Contingency procedures 174

5.6.5.2. FundSettle reporting 174

5.6.6 Operational information 174

5.6.6.1. Input of FundSettle Instructions 174

5.6.6.2. Irrevocability, cancellation and amendment of FundSettle Instructions 174

5.6.6.3. Notification of invalid and rejected FundSettle Instructions 175

5.6.6.4. Transfers 175

5.6.6.5. Processing 175

5.6.6.5.1. Positioning conditions, matching and dumps 176

5.6.6.5.2. Execution 176

5.6.6.6. Settlement 177
5.6.6.6.1. Use of code numbers for distributor identification 177
5.6.6.6.2. Trading limit 177
5.6.6.6.3. Cash redemptions 177
5.6.6.6.4. Subscription proceeds 178
5.6.6.6.5. Order and transfer confirmations 178
5.6.6.6.6. Settlement and finality 178
5.6.6.7. Custody 178
5.6.6.7.1. Corporate Actions 178
5.6.6.7.2. Custody Distributions 178

5.6.1 General section

5.6.1.1. FundSettle services

(a) We provide services for Fund Shares supported by the FundSettle platform. The FundSettle services are part of the services we offer as operator of the Euroclear System.

The rules and procedures described in this Section must be read in conjunction with all other Sections of these Operating Procedures unless specified otherwise.

(b) For more information on the FundSettle services, please consult our website, the 'FundSettle International – service description' and other Euroclear Documentation we make available.

(c) FundSettle services may differ depending on factors such as:

- whether we have entered into an agreement with the Fund or its agent
- whether securities are held in the Euroclear System or recorded on a Non-Deposit Account
- the nature of the relevant Fund Shares.

(d) Upon notice to you, we may limit our FundSettle services to you.

5.6.1.2. FundSettle user requirements

In order to use the FundSettle services you must:

- be a Participant
- subscribe to the service by completing and sending to us the relevant application form
- enter into an agreement with us to communicate via the internet by subscribing to the FundSettle Browser.

5.6.1.3. Accepted securities and currencies in FundSettle

Securities

(a) We may accept Fund Shares for deposit into the Euroclear System in accordance with Section 5.1.1 (Acceptance criteria). We may also provide FundSettle services for Fund Shares which are not accepted for deposit in the Euroclear System.

(b) We decide, in our sole discretion, whether to hold Fund Shares in the name of Euroclear Bank SA/NV, FundSettle EOC Nominees Ltd., any other nominee controlled by us, or otherwise.

(c) Accepted Fund Shares are listed in the FundSettle funds database as described in the 'FundSettle International – service description'.

Currencies

(d) Settlement Currencies accepted for FundSettle Instructions depend on the settlement currencies offered by the Fund and the operational agreement with the Fund's agent. FundSettle does not guarantee that all currencies accepted by the Fund will be available in FundSettle.

5.6.1.4. Termination of FundSettle services

In order to terminate your subscription to the FundSettle services you must provide us with notice and send FundSettle Instructions to transfer out all Fund Shares held in your FundSettle account(s).

5.6.1.5. Set-off

We may at any time set off any liability of you to us under, or resulting from any action taken pursuant to, this Section 5.6 against any liability of us to you under, or resulting from any action taken pursuant to, this Section 5.6. Any exercise by us of our right of set off under this Section 5.6.1.5 shall not limit or affect any other rights or remedies available to us under the Terms and Conditions or otherwise.

5.6.2 FundSettle holding structures

5.6.2.1. Held in the Euroclear System

(a) Fund Shares registered with the Fund or its agent in the name of Euroclear Bank SA/NV, FundSettle EOC Nominees Ltd. or any other nominee controlled by us, are securities held in the Euroclear System. Records of such holdings are shown in your Securities Clearance Account(s). We decide, in our sole discretion, whether to register Fund Shares in the name of Euroclear Bank SA/NV, FundSettle EOC Nominees Ltd. or any other nominee controlled by us.

(b) If, for any reason, the records on a Securities Clearance Account do not correspond to the recorded position on the Fund's shareholder register or records, we will endeavour to solve the problem before the following Business Day. Section 7(b) of the Terms and Conditions shall apply.

(c) Transfers between Participants are reflected on a Securities Clearance Account:

- for Real-time Settlement (RTS) eligible Funds, upon successful positioning and matching of the transfer Instructions in FundSettle,

  Consequently, we will:

  1. forward requests for re-registration or recording to the relevant Fund. The Fund will reflect all settled transfer Instructions with the same trade date as FundSettle.

  2. reconcile the positions in your Securities Clearance Account(s) with the recorded position on the Fund's shareholder register or records.

- for non-RTS eligible Funds, after we receive confirmation of the amendment to the shareholders register or records.

(d) Transfers between a Participant and any person, who is not a Participant, are reflected on a Securities Clearance Account only after we receive confirmation of the amendment to the shareholders register or records of the Fund.

5.6.2.2. Held outside the Euroclear System

5.6.2.2.1. General rules

(a) Fund Shares registered or recorded with the Fund or its agent in a name other than Euroclear Bank SA/NV, FundSettle EOC Nominees Ltd. or any other nominee controlled by us, are not held in the Euroclear System. Information on such Fund Shares will be recorded in a Non-Deposit Account.

(b) In accordance with your FundSettle Instructions, when it is required to effect the registration or recording of Fund Shares in the name of your designee, we will forward the details you provide for such registration or recording to the relevant Fund.

5.6.2.2.2. Non-Deposit Accounts

(a) Non-Deposit Account records may show information for securities or other rights or entitlements to receive securities. You should consult your own advisers to determine:

- the nature of such rights or entitlements
- in whose name such rights or entitlements should be recorded with the Fund.

We will not provide advice on the above subjects and are not responsible for any losses related to entitlements held outside the Euroclear System.

(b) If for any reason the records on a Non-Deposit Account do not correspond to the recorded position on the Fund's shareholder register or records, we will adjust the records on the Non-Deposit Account provided we have, what we deem to be, sufficient notice of the discrepancy. We accept no liability for such adjustment.

(c) Transfers can only be reflected on a Non-Deposit Account after we receive confirmation of the amendment to the shareholders register or records of the Fund if applicable. We will forward requests for re-registration or recording to the relevant Fund.

(d) We have no liability for losses caused by Fund Shares recorded on your Non-Deposit Account being found to be fraudulent, forged or invalid. Upon such discovery, we will debit your Non-Deposit Account for such Fund Shares.

5.6.2.2.3. Processing conditions for Non-Deposit Accounts

(a) The execution of FundSettle Instructions in respect of Non-Deposit Accounts is subject to the same settlement and custody conditions for processing and execution as for any other Instruction. This will include a positioning to determine whether you have a sufficient quantity of securities to execute your FundSettle Instruction.

We can refuse to process a FundSettle Instruction if you have an insufficient quantity of securities to permit its execution.

(b) We accept no liability if, for any reason, the Fund refuses to:

- make or receive payment in relation to Fund Shares for which information is recorded on a Non-Deposit Account
- process any voting or any other FundSettle Instruction in respect of such Fund Shares.

5.6.2.3. Allocation

(a) We determine, in our sole discretion, whether Fund Shares will be held in or outside the Euroclear System.

You can verify the holding structure of each Fund Share in the FundSettle funds database as described in the 'FundSettle International – service description'.

(b) We reserve the right to change the holding structure at our sole discretion. In such case, we may contact you to obtain additional information or documentation from yourself or from the underlying beneficial owner if required by us or the Fund.

5.6.3 Additional FundSettle services

5.6.3.1. FundSettle Order Routing Service

(a) For the FundSettle Order Routing Service, no holdings are recorded in a Securities Clearance Account or Non-Deposit Account. If you use this service without already having a Securities Clearance Account, we will open such an Account for you for purposes such as identification, user access management and invoicing.

(b) The following rules apply to the FundSettle Order Routing Service in addition to the other relevant provisions of these Operating Procedures:

- you must agree with the power of attorney outlined in Section 5.6.4.1 for your Account(s)
- Fund Shares which we accept for the provision of this service are identified as such in the FundSettle funds database
- it is your sole responsibility to execute payments in a timely manner and to perform all obligations which stem from Instructions routed through this service.

5.6.4 Rights and responsibilities

5.6.4.1. Power of attorney in favour of Euroclear Bank

(a) Irrespective of the applicable holding structure as described in Section 5.6.2, you hereby irrevocably constitute and appoint us as your true and lawful agent and attorney in fact for the purpose of making, executing, dating and delivering, on your behalf or in order to hold the Fund Shares on your behalf, subscription forms, share application forms, redemption forms, transfer forms, account opening agreements, acknowledgements that KIID and other documentation (including but not limited to the prospectus, and any other documentation incorporated by reference) were received, read and understood, or any other agreements or documents required by a Fund or any relevant third party further to a FundSettle Instruction or as we deem necessary.

You agree with and are bound by the terms and conditions of all documents we execute pursuant to this power of attorney, which may include (but are not limited to):

- settlement obligations and any corresponding right of the Fund to cancel subscriptions, sell Fund Shares, bring action, charge interest or other rights in case of late, partial or non-payment;
- any compulsory redemption and/or freezing of Fund Shares in case of non-compliance with the corresponding terms and conditions;
- obligations and/or representations with regard to Sanctions, compliance with laws and regulations as well as the prospectus requirements, identification of the beneficial owners and other measures which relate to money laundering, terrorist financing or fraud;
- obligations regarding the immediate notification of any changes in your situation or the situation of the beneficial owners;
- any indemnity, penalty or similar provisions.

(b) Without prejudice to Section 5.6.6.6.4 and as far as required, you hereby irrevocably constitute and appoint us as your true and lawful agent and attorney in fact for the purpose of cancelling a subscription order (where possible) or redeeming newly subscribed or newly issued Fund Shares, if we determine in our sole discretion that such cancellation or redemption is required.

This irrevocable power of attorney will remain in full force and effect notwithstanding the opening of liquidation, bankruptcy or any other insolvency proceedings. We accept no liability for any loss suffered as a consequence of a cancellation or redemption of Fund Shares in accordance with this Section 5.6.4.1(b).

(c) The powers of attorney in (a) and (b) above are exclusive, meaning that in respect of securities for which FundSettle services are being provided, you must not directly instruct the Fund or any Depository or Other CSD unless you have a prior agreement for such Instruction in place with us.

If, in the process of performing any actions under the powers of attorney in (a) and (b) above, we require any additional information, you must provide such information upon our request. We are not responsible for any delay in processing your FundSettle Instructions caused by the need for additional documentation.

In exceptional circumstances for the FundSettle Order Routing Service, a Fund may not accept Instructions from FundSettle. In such exceptional circumstances, you are obliged to instruct the Fund directly.

(d) You represent and warrant that:

- you have full power and authority to grant us the above powers of attorney

- the granting of such powers of attorney does not, and will not, violate any provision of your constitutional documents (including articles, charter or by-laws) or any law, regulation, ordinance, rule or statute of the jurisdiction by which you are bound or governed
- the powers of attorney are enforceable against you in accordance with their terms.

5.6.4.2. Agreement with Funds

(a) In order to provide FundSettle services, we may, in our sole discretion, enter into agreements with Funds, entities acting for such Funds or other third parties.

We accept no liability for:

- failing to enter into such agreements
- the Fund's, an entity acting for the Fund or any other third party's breach of the agreements
- termination of such agreements.

(b) You agree to hold us harmless and indemnify us from and against any and all claims, demands, liabilities and expenses which may be incurred by or brought or made against us, by a Fund or any other third party, whether arising directly or indirectly in connection with our having acted upon your FundSettle Instructions or where we have otherwise entered into agreements such as those envisaged in (a) above.

5.6.4.3. Your authority to act on behalf of beneficial owners

(a) You must have authority from

- any person for which you send (a) FundSettle Instruction(s)
- the beneficial owner of Fund Shares credited to your Securities Clearance Account
- any person registered as the direct holder of Fund Shares recorded in your Non-Deposit Account
- the beneficial owner of Fund Shares recorded in your Non-Deposit Account

to:

- send FundSettle Instructions
- make and receive payments in respect of FundSettle Instructions and Fund Shares
- grant us the powers of attorney set out in Section 5.6.4.1.

You must act within the scope of such authority and inform us immediately if such authority is impaired or revoked. We make no investigation in regards to such authority and assume that you have obtained such authority.

(b) Upon our request, the request of a Fund or any relevant third party, you must provide the required documentation which evidences your authority to act on behalf of

- a person for which you send (a) FundSettle Instruction(s)
- a beneficial owner
- any person registered as the direct holder of Fund Shares

in respect of FundSettle Instructions or otherwise under this Section 5.6.

You indemnify us, upon demand, for any loss, claim, liability or expense asserted against or imposed upon us in connection with:

- your lack of authority to grant the powers of attorney set out in Section 5.6.4.1
- your lack of authority to send FundSettle Instructions
- your failure to produce or execute any required documents.

(c) The FundSettle 'client information function' allows you to input names in your FundSettle Instructions other than your own for your convenience. Referrals to the identity of any other person on the screen pages of the FundSettle website or any Instruction, report, communication or any other form we receive from you, will not imply or create a contractual relationship between us and such named person.

5.6.4.4. Certification and other required documents

(a) Funds may require you, or beneficial owners, to certify compliance with holding or investment restrictions, or make certain representations, warranties, covenants, acknowledgements or other requirements (including indemnities) for the holding of Fund Shares or execution of:

- subscriptions forms
- share application forms
- account opening agreements
- any other agreement or document required by the Fund.

(b) By sending us a FundSettle Instruction, you confirm that:

- you and, where relevant, your customer, any other intermediary (if any) and/or the underlying beneficial owner have read, and agree with all provisions of, the account opening form, application form or any other document that is used to subscribe to the relevant Fund.
- you and, where relevant, your customer, any other intermediary (if any) and/or the underlying beneficial owner have read, are bound by, and will comply with the terms and conditions of all documents required by the relevant Fund.
- you and, where relevant, your customer, any other intermediary (if any) and/or the underlying beneficial owner are, and will remain, compliant with all certification requirements of the relevant Fund.

For some Instructions, the Fund may require a written form containing certification requirements. We may sign this document based on your Instructions.

(c) The Fund may require that certification must be executed directly by you or the beneficial owner. We are not responsible for any delays this may cause. You are responsible for obtaining certification from beneficial owners and verifying the accuracy of such certification. You indemnify and hold us harmless for any damage we incur due to your (or an entity acting for you) misrepresentation.

(d) Once we receive a FundSettle Instruction from you, your name or Account number will amount to a manual signature for all purposes related to such FundSettle Instruction.

Your delivery of such FundSettle Instruction constitutes affirmation of the completeness, truth and accuracy of the certification with reference to all documentation of the issue or as determined by the Fund.

Upon our request, you must promptly execute (or have executed by a beneficial owner) a paper form certification as required by the governing documentation of the Fund.

(e) You are responsible for providing any additional information or documentation from yourself or from the underlying beneficial owner if required by us or the Fund. We are not responsible for any delay in processing your Instructions caused by the need for additional documentation. Acceptance of FundSettle Instructions is always at the discretion of a Fund.

5.6.4.5. Application of local market rules

For the purposes of Section 5.2, in relation to Funds local market rules include:

- the rules of the country in which the Fund or any relevant agent is established
- the rules applicable to Fund Shares under their governing documentation
- any practice imposed by the Fund.

5.6.4.6. Application of the Net Asset Value and reversals

(a) We will place your Instructions for the next available dealing date provided your FundSettle Instructions are valid and received by the relevant FundSettle Input Deadline and in accordance with the provisions of this Section 5.6.

(b) You must verify whether the correct 'Net Asset Value' and dealing date have been applied to your Instructions. You must advise us promptly upon discovery of any error or omission related to the application of the Net Asset Value.

(c) Where we make an error which causes a delay in the processing of your FundSettle Instruction and which results in a different Net Asset Value and dealing date, upon your request, we will adjust entries to your Accounts in order to apply your initially instructed Net Asset Value, provided that your FundSettle Instructions were valid and received by the relevant FundSettle Input Deadline.

(d) We can reverse any credit or debit made to your Accounts following:

- any error of the Fund, which resulted in application of an incorrect Net Asset Value
- any erroneous order confirmation we receive from the Fund
- the reversal by the Fund of a transfer of Fund Shares at a later date.
- a rejection of the RTS transfer Instruction by the Fund.

5.6.4.7. Blocking of Fund Shares and settlement restrictions

Securities can be blocked in your Account in accordance with Section 3.3. In particular, Fund Shares will be unavailable:

- if required for any circumstances affecting the Fund
- if Fund Shares are to be debited following a redemption or re-credited following our cancellation
- if we deem it necessary for Custody Operations
- between the date we credit Fund Shares into your Account and the settlement and related cash payment for such Fund Shares to the Fund
- if we deem it necessary in connection with your Instructions.

5.6.4.8. Limitations of liability

We accept no liability for:

- any loss suffered as a consequence of a cancellation of a subscription or of a redemption of Fund Shares in accordance with Section 5.6.4.1(b) or Section 5.6.6.6.4
- being unable to process your FundSettle Instructions – see Section 5.6.6.5(c)
- any delay caused by manual intervention of your FundSettle Instruction – see Section 5.6.6.5(d)
- the failed execution of your Instruction due to incorrectly completed application forms – see Section 5.6.6.5(g)
- any delay or failure in the processing of a cancellation or amendment request – see Section 5.6.6.2.

5.6.5 Connectivity

5.6.5.1. Means of sending FundSettle Instructions to us

You can communicate with us in the ways shown below in accordance with provisions described throughout these Operating Procedures (in particular Part IV – Connectivity), in the 'FundSettle International – service description' and in the service documents listed throughout this Section 5.6.5.

General connectivity	FundSettle Instructions
FundSettle Browser	FundSettle Browser
SWIFT	SWIFT
Fax	Fax*
H2H (file transfer)	H2H (file transfer)
EUCLID	Secure e-mail
Mail	
Email	

Courier
Internet
Telephone

*in contingency situations and/or where specifically agreed with us.

5.6.5.1.1. FundSettle Browser

5.6.5.1.1.1 FundSettle Instructions through the FundSettle Browser

Information on how to subscribe and communicate with us via the FundSettle Browser is contained in the following documents, available on our website:

- User Access Management – Guide
- Upload guide for Participants
- How to connect to FundSettle – Browser access
- FundSettle testing guide for Participants

5.6.5.1.1.2 Access to the FundSettle Browser

(a) Your access to the FundSettle Browser is controlled by the use of a user number and password.

(b) We can discontinue your access to the FundSettle Browser:

- immediately, if we have reason to believe that you have misused your access or your use could damage the Euroclear System;
- with reasonable notice to you, if we have reason to believe that you have not ensured compliance with Section 5.6.5.1.1.3. below or you no longer use your access to the FundSettle Browser.

5.6.5.1.1.3 User hierarchies for the FundSettle Browser

(a) You must specify one or more Company Administrators who will each manage a user hierarchy. Company Administrator access rights may only be allocated to:

(i) employees pertaining to your institution,
(ii) employees pertaining to a third party entity that is acting on your behalf, provided that such third party entity has been disclosed to us and that we have agreed to grant authorisation to access the FundSettle Browser on your behalf.

(b) A Company Administrator may create one or more users, each of whom will have a user number allocated by the Company Administrator. Access rights can only be allocated to:

(i) employees pertaining to your institution,
(ii) employees pertaining to a third party entity that is acting on your behalf, provided that such third party entity has been disclosed to us and that we have agreed to grant authorisation to access the FundSettle Browser on your behalf.

(c) The Company Administrator(s) and user(s) form a user hierarchy.

The Company Administrator can assign the following to any user:

- any FundSettle Browser service
- access type
- Securities Account
- Cash Account
- any function to which it has access (other than the creation of other Users).

This enables the Company Administrator to manage the FundSettle Browser security by such segregation. They can also lock and unlock the access facility for a user. A locked Company Administrator can only be unlocked by a Euroclear Bank data security administrator.

(d) We may require you to confirm that Instructions received through the FundSettle Browser have been issued by users whose access rights have been duly allocated by your administrators in accordance with the present Section.

(e) In order to prevent any misuse of the facilities, we reserve the right not to process Instructions received through the FundSettle Browser which in our opinion have been issued by unknown individuals that have not been granted access rights in accordance with the present Section.

(f) You are responsible to ensure that you manage your Company Administrator rights in accordance with the present Section.

5.6.5.1.2. FundSettle Instructions through SWIFT

FundSettle Instructions sent via SWIFT must conform to the rules and procedures described in Section 4.1.2.1.1.

5.6.5.1.3. FundSettle Instructions by fax or secure e-mail

(a) You may use fax or secure e-mail to communicate with us for FundSettle services only in contingency situations and/or where specifically agreed with us. We will process FundSettle Instructions sent by fax and secure e-mail in accordance with Section (b) below.

(b) A FundSettle Instruction sent by fax or secure e-mail must:

- be sent to the correct address, as confirmed via telephone with our FundSettle client services team
- be on the standard format, as confirmed via telephone with our FundSettle client services team, and have all fields completed
- be signed by authorised signatories (see below) and clearly indicate the name of such authorised signatories
- be preceded by you informing us, via telephone, of your intention to use fax or secure e-mail as a means of communicating FundSettle Instructions (not applicable for Corporate Action Instructions).

(c) Sending FundSettle Instructions via fax or secure e-mail will result in a delay in our processing.

(d) We are not liable for acting upon your Instruction received via fax or secure e-mail after subsequently receiving contradictory Instructions sent by you via the FundSettle Browser or by SWIFT or H2H.

Authorised signatories

(e) Upon registering for FundSettle you must provide us with a list of signatories authorised to send FundSettle Instructions. This is in addition to the signatory list you must send in accordance with Section 4.1.1.3.

(f) It is your responsibility to ensure such FundSettle Instructions have been signed by your authorised signatories.

Deemed receipt

(g) FundSettle Instructions sent by fax are deemed to be received when we receive the fax at our address marked to the attention of the 'FundSettle Operations Team' and you receive the appropriate transmission report. FundSettle Instructions sent by secure e-mail are deemed to be received when we receive the e-mail at the agreed e-mail address. Reproductions of e-mail Instructions from our internal site records will act as valid evidence of such Instructions. In both cases you must inform us via telephone after having sent your Instruction via fax or secure e-mail.

5.6.5.1.4. Contingency procedures

(a) You must have in place appropriate back up to transmit FundSettle Instructions in contingency situations as follows:

Primary means of communication	Back up
SWIFT or H2H (file transfer)	FundSettle Browser
FundSettle Browser	Fax and secure e-mail (you must request authorisation to use these channels*)

* Should you be unable to use the FundSettle Browser you must inform us via telephone of your intention to use fax or secure e-mail as a means of communicating FundSettle Instructions.

(b) In contingency situations, we will process your FundSettle Instructions on a reasonable effort basis and may not be able to process all FundSettle Instructions through a back-up channel from all Participants in due time even if they were sent before the relevant FundSettle Input Deadline.

5.6.5.2. FundSettle reporting

(a) Information on reporting for FundSettle services is provided in the 'FundSettle International – service description'.

(b) We will send DACE notices for Fund Shares accepted for FundSettle services standing to the credit of your Account(s). You should continue to consult DACE notices sent through EUCLID or SWIFT even if you input some FundSettle Instructions through the FundSettle Browser.

5.6.6 Operational information

5.6.6.1. Input of FundSettle Instructions

(a) We only process valid FundSettle Instructions received in accordance with Part IV and Part V – Section 6 of these Operating Procedures and the 'FundSettle International – service description'.

(b) You cannot input a FundSettle Instruction for a future Execution Date.

(c) We accept no liability for delay in the processing of FundSettle Instructions if your placement of an order with a Fund requires the opening of a new account with such Fund.

(d) For cleared Funds, you must ensure that:

- the cash Settlement Date indicated in your FundSettle Instruction, if any, is in accordance with the requirements of the Fund
- you have sufficient cash in your Cash Account (or provision of cash) to meet the FundSettle Instruction or you receive a credit line from us (as determined by us in our banking capacity) to allow for timely execution.

(e) Input Deadlines for FundSettle Instructions are available on the FundSettle funds database and in DACE notices we provide.

(f) A FundSettle Instruction shall be deemed to be entered into the Euroclear System when it is deemed to be received by us as set forth in Section 4.1.1.2 – Deemed receipt.

5.6.6.2. Irrevocability, cancellation and amendment of FundSettle Instructions

(a) A FundSettle Instruction is irrevocable when it can no longer be cancelled by you in accordance with Section 4.1.5 – Cancellation and modification of Instructions.

(b) Should you wish to cancel or amend a FundSettle Instruction and your cancellation request or amendment arrives after we have passed on the FundSettle Instruction to the Fund, we will, on a reasonable effort basis, forward it on to the Fund but accept no liability for:

- our delay in the processing of the cancellation/amendment request
- the request not being processed by the Fund.

5.6.6.3. Notification of invalid and rejected FundSettle Instructions

We will notify you if a FundSettle Instruction is found to be invalid or is rejected by the Fund, provided we have been duly notified of the rejection by the Fund.
We are not responsible for any delay in relaying rejections from the Fund or for any erroneous rejection by the Fund.

5.6.6.4. Transfers

(a) For a transfer of Fund Shares, we will reflect your re-registered FundSettle portfolio through a record in your Securities Clearance Account or Non-Deposit Account depending on the type of registration.

- for Real-time Settlement (RTS) eligible Funds, when we have successfully positioned and matched the Instructions in FundSettle
- for non-RTS eligible Funds, when we receive confirmation from the Fund that re-registration is completed.

(b) During the processing of a transfer you will be unable to instruct on the affected Fund Shares.

5.6.6.5. Processing

(a) With the exception of maintenance periods, FundSettle Instructions input through FundSettle are generally processed on an STP basis (not applicable for Corporate Action Instructions or account opening Instructions).

Our obligation in respect of processing FundSettle Instructions is limited to our relaying such Instructions (provided they are valid) to the relevant Fund and making or receiving payments in accordance with this Section 5.6.6.

We are not liable for:

- the refusal by a Fund to (timely) process a FundSettle Instruction due to inactivity of the relevant account or account designation in the books of the Transfer Agent or Fund; and
- the non-receipt by a Fund of a FundSettle Instruction sent via unsecure means (fax, mail, etc) provided that we can evidence our proper relay of the Instruction to such Fund. Such evidence can be fax confirmations or courier delivery confirmations and recordings of any telephone conversation with the transfer agent confirming the receipt of the Instruction.
- the acceptance and execution by the Fund of instructions not originating from us which would lead to a debit, credit or amendment of the account opened with the Fund.

(b) You bear the risk of loss or delay in the process of transfer of Fund Shares under your FundSettle Instruction from the moment it has been communicated by us to the Fund or any Depository or Other CSD. The Fund is responsible for arranging re-registration in the name you designate and for confirming the amendment of the shareholder's register of the Fund.

The timing of re-registration of Fund Shares is dependent on the Fund. In general, forms must be completed by the transferor and transferee. Delays can occur for the re-registration of Fund Shares that only allow updates to the register on dealing dates.

As the case may be, the agents acting as Depository, the Depository or any Other CSD are responsible for arranging and confirming delivery or transfer of Fund Shares to or from the persons or accounts you designate.

(c) We accept no liability for being unable to process your FundSettle Instruction for any reason, including but not limited to:

- any holding, registration, voting or any other restriction established in the Fund Shares governing documentation, subscription agreement or any other agreement or form
- any relevant law, decree or judgement of any government, court or other governmental agency or body of competent jurisdiction
- the refusal of any Fund or intermediary to process a FundSettle Instruction.

(d) Some FundSettle Instructions will require manual intervention if information necessary for execution is missing.

If manual intervention is required, there may be a delay in processing. This will depend on the type of intervention required and on factors such as whether information is directly accessible or if we are dependent on input from you or external parties such as the Fund.

You can check the status of your FundSettle Instructions by consulting:

- the FundSettle Browser
- H2H (file transfer)
- SWIFT reporting
- other means we deem appropriate.

You are kept informed of the expected delay for execution, depending on the missing type of information or other requirements.

(e) We do not validate the field 'Narrative to transfer agent' when validating and processing your FundSettle Instructions. We are not responsible for a Transfer Agent failing to read, process, comply with or take the requested action contained within this field to your satisfaction.

(f) We will, on a reasonable effort basis, complete application forms and other Fund documents on your behalf. The acceptance of a FundSettle Instruction is at all times at the discretion of the Fund.

(g) We are not responsible if the Fund refuses to accept an Instruction due to a wrongly filled out application form or any other forms. It is your responsibility to keep us informed with up to date information to fill out application forms.

5.6.6.5.1. Positioning conditions, matching and dumps

(a) Positioning for securities and cash is subject to the same Positioning Conditions as set out in Section 5.2.1 – Processing rules.

(b) Instructions for transfers are deemed to match if any discrepancy between Fund Share amounts is not greater than one Fund Share. In the case of a discrepancy of one Fund Share or less, the Fund Share amount indicated by the Transfer Agent will be used for execution.In the case of discrepancy of more than one Fund Share, the Instructions will not be processed.

(c) Dumps can occur when a Fund books a transfer to an Account without a matching FundSettle Instruction from the Account holder. We will notify you if we process dumps relating to incoming transfers for your Account. If you receive any erroneous dumps, you should instruct an outgoing transfer to return the Fund Shares to the counterparty.

5.6.6.5.2. Execution

(a) We will execute your FundSettle Instruction once positioning is successful and the Processing Conditions are met.

(b) Execution of a FundSettle Instruction entails effecting any required credit, debit or blocking and generating any required transmission of Instructions to the Fund or appropriate Cash Correspondent.

(c) Some Funds confirm FundSettle Instructions via fax, mail or (unsecured) email. We accept no liability for the absence of, delays or errors in confirmations and in the execution of reporting. As a result of such reporting, we may be required to effect reversals or corrections to your Account.

(d) A Fund can elect to process a FundSettle Instruction by instalments. Should they do so, we are authorised to send further FundSettle Instructions on your behalf to fully effect your initial FundSettle Instruction.

5.6.6.6. Settlement

5.6.6.6.1. Use of code numbers for distributor identification

(a) We do not validate code numbers or other forms of identification you input to identify the distributor of the Fund. We will however make this information available to the relevant Fund.

(b) We accept no liability if the code number you input is incomplete or incorrect, and this results in rejection of the Instruction by the Fund or incorrect or undue payment of commissions or fees or any other consequences.

5.6.6.6.2. Trading limit

You may set a trading limit for your FundSettle Account in order to monitor and manage your exposure from trade date to cash Settlement Date. You can set this limit for individual Accounts or link multiple Accounts. We accept no liability for delay or failure in the processing or settlement of Instructions due to the application of your trading limit.

5.6.6.6.3. Cash redemptions

(a) You may instruct a redemption expressed as a cash amount provided:

- such Instruction type is accepted by the Fund for such Fund Shares
- you have sufficient Fund Shares available in your Account and held in your name/on your behalf with the Fund.

(b) We will position your cash redemption Instruction by determining the relevant number of Fund Shares required for the instructed cash amount.

We can, in our sole discretion, add a margin for a cash redemption Instruction to avoid the possibility that you attempt redemption for a greater number of Fund Shares than you have in your Account. This may cause positioning to be unsuccessful and we accept no liability for the consequences of this action.

(c) The value of Fund Shares will be determined by us, based on information contained in the FundSettle funds database. We accept no liability for such information being incorrect and causing your cash redemption Instruction to fail to be positioned.

(d) We are authorised to initiate in your name and on your behalf a subscription at any time to cover Fund Shares that have been redeemed in excess of the available balance in your Account and held in your name/on your behalf with the Fund. You must cover the cost and expense of this subscription.

(e) A cash redemption Instruction, processed on behalf of any other Participant, can cause Fund Shares standing to the credit of your Account to be blocked. We accept no liability for the loss of use of such Fund Shares.

(f) Delays and/or discrepancies in the payment of proceeds can occur due to, without limitation:

- Fund Shares with specific requirements
- the way payments are processed by the Fund.

(g) Specific features regarding partial redemption are provided in the FundSettle International – service description. When a Fund confirms a redemption order for part of an instructed amount, we will credit you with the relevant percentage of the redemption proceeds received. Your FundSettle Instruction will remain pending in the Euroclear System. We will settle such FundSettle Instruction once we receive confirmation from the Fund of the redemption for the total remaining amount of Fund Shares and of the remaining redemption proceeds.

(h) We accept no liability for delay or failure in the settlement of FundSettle Instructions due to the delay or failure of the Fund to confirm the remaining part of the order and/or to credit the outstanding redemption proceeds.

5.6.6.6.4. Subscription proceeds

If you give a subscription order, credits of Fund Shares to your Account are provisional and the Fund Shares are blocked in your Account in accordance with Section 3.3 and 5.6.4.7 until we have made the related payment to the Fund and such payment is final and irrevocable. You should be aware that your positions with the Fund may only become available, once the Fund has successfully reconciled such payment.

The provisional character of the credit of Fund Shares to your Account entails the right for us to cancel a subscription order (where possible) or to redeem newly subscribed or newly issued Fund Shares without any prior request, authorisation or notice in the event that:

(a) for whichever reason, there is no or insufficient cash available on (or, if we have extended credit to you in our banking capacity, there is insufficient credit linked to) your Cash Account on Settlement Date;

(b) you have entered into liquidation, bankruptcy or any other insolvency proceedings or have applied for a composition with your creditors or for deferment of your debts, whether in or out of court, prior to the final and irrevocable settlement of the subscription order, including final and irrevocable payment of the cash due for the relevant Fund Shares.

5.6.6.6.5. Order and transfer confirmations

(a) Order confirmations are provided to us by the Fund. Contract notes are usually sent to us electronically but may sometimes be sent by unsecured means. The availability of such contract notes is dependent on the Fund and can cause delays in settlement.

(b) It is your responsibility to verify the order confirmation and details of orders/transfer are correct and to advise us in the case of any error.

5.6.6.6.6. Settlement and finality

Settlement and finality occur in the local market in accordance with local market rules and practices.

5.6.6.7. Custody

5.6.6.7.1. Corporate Actions

We will handle Corporate Actions affecting Fund Shares provided we have been duly notified by the Fund.

5.6.6.7.2. Custody Distributions

(a) For the purposes of FundSettle, a Custody Distribution includes any distribution of Fund Shares or other securities/cash payments made by a Fund.

(b) The Record Date for Fund Shares is specified by the Fund. Fund Share balances used to determine entitlements for Custody Distributions are those at 24:00 on Record Date.

(c) You are entitled to the product of Custody Distributions for Fund Shares recorded on a Non-Deposit Account if on the Record Date they are registered in your name or the name of your designee. We will credit you with Custody Distributions for such Fund Shares unless we receive contrary Instructions from the Fund.

(d) We should receive Custody Distributions for Fund Shares recorded on a Non-Deposit Account if upon registration, you or your designee provided the relevant documentation and details in respect of the FundSettle service. We are not liable should a Custody Distribution not be made by the Fund.

(e) The credit of Custody Distributions to your Account(s) is made as shown below:

Custody Cash Distributions	Custody Non-Cash Distributions
Upon receipt and reconciliation of cash for our account at the relevant Cash Correspondent	Upon receipt of the relevant confirmation from the Fund

Annex I: Definitions

In these definitions, where appropriate and unless the context implies otherwise, references to the singular will include the plural.

In these definitions, a reference to a piece of legislation is a reference to that piece of legislation as amended, supplemented or re-enacted from time to time.

Within the Operating Procedures we may define a term for a specific section. These definitions will be capitalised and placed in inverted commas.

Capitalised terms which are not included in the list of defined terms below have the meaning given to them in the Terms and Conditions or the Supplementary Terms and Conditions.

List of defined terms

Application(s) – Euclid, EasyWay and/or ESSC

Auto-Collateralisation Client – a Participant which has subscribed to our Auto-Collateralisation Service.

Auto-Collateralisation Instructions – external settlement Instructions generated and entered into the Euroclear System by us on behalf of Auto-Collateralisation Clients in connection with the Auto-Collateralisation Service in accordance with Section 5.2.5.2 of these Operating Procedures.

Auto-Collateralisation Service – the auto-collateralisation service offered by us to Auto-Collateralisation Clients in relation to certain securities held in a T2S-linked CSD.

Auto-Collateralisation Terms and Conditions – the auto-collateralisation terms and conditions (as amended and supplemented from time to time) governing our Auto-Collateralisation Service.

Back Value / backvalue – the use of a Value Date for the cash side of an against-payment securities transaction involving Newly-Issued Securities corresponding to an earlier contractual Settlement Date rather than the date on which actual settlement occurs.

Blocking – the moment on which we prevent new Instructions from the Insolvent Participant from entering the Euroclear System pursuant to Section 3.8.2.1(a).

Board – our board of directors.

Bridge – the name used for the processes established between Euroclear Bank and Clearstream that permit cross-systems settlement of a trade between a Participant and a customer of Clearstream.

Bridge Agreement – the Amended and Restated Bridge Agreement concluded by us and Clearstream as amended from time to time.

Bridge Currency – a Settlement Currency which has been accepted by both Euroclear Bank and Clearstream for Bridge settlement.

Bridge Instruction – an Instruction in relation to the Bridge.

Cash Correspondent – a correspondent bank which holds cash on our behalf for the Euroclear System.

Cash Distribution – any interest, dividend or other payment distributed by any issuer, or any agent on behalf of an issuer, on any issue of securities, other than a payment in full or a retirement of securities.

Certification Event – an event which requires a certification in connection with the governing documentation or laws and regulations applicable to certain issues of securities.

Clearstream – Clearstream Banking S.A. (Luxembourg).

Clearstream Delivery Transmission – a transmission from Clearstream to Euroclear Bank (i) proposing Bridge deliveries and (ii) indicating if the deliveries that were provisionally accepted in the previous Euroclear Feedback Transmission are either accepted or rejected.

Clearstream Feedback Transmission – a transmission from Clearstream to Euroclear Bank indicating which proposed deliveries in the previous Euroclear Delivery Transmission are accepted, provisionally accepted or rejected.

Closed Window – a period of the RTP during which the standard processing rules of RTP are suspended for the purposes of settling on a simultaneous basis all Instructions subject to such Closed Window which have been entered into the Euroclear System before the opening of the Closed Window and which satisfy the Positioning Conditions and Settlement Conditions

Closing Date / Issuance Date – in relation to any distribution of Newly-Issued Securities, the date set by the issuer, lead manager or agent as the date when a security or new tranche of securities is issued on the market and as of which settlement in that security can become effective.

Collateral SAC – each account opened in the name of Euroclear Bank in the books of Euroclear France to hold collateral received in connection with the Auto-Collateralisation Service.

Collateral Securities Account – each Securities Clearance Account on which we receive collateral securities provided by an Auto-Collateralisation Client in connection with the Auto-Collateralisation Service.

Common Code – a nine-digit number allocated jointly by Euroclear Bank and Clearstream to identify each issue of securities accepted for deposit in the Euroclear System and/or Clearstream.

Common Depository – an entity appointed by Euroclear Bank and Clearstream to provide safekeeping and asset servicing for certain securities.

Common Safekeeper – an entity appointed by Euroclear Bank and Clearstream to provide safekeeping for certain securities in NGN form.

Common Service Provider – an entity appointed by Euroclear Bank and Clearstream to provide asset servicing for certain securities in NGN form.

Company Administrator – Appointed person who manages the user hierarchy for Euclid, EasyWay and ESSC

Controller – shall have the meanings given in the Data Protection Law.

Corporate Action – an event which may occur during the lifespan of a security. Some take place on fixed dates whereas others occur on an ad hoc basis. For purposes of the SWIFT ISO 15022 standard it means:

'an event affecting holders of an issue of securities which Euroclear Bank considers to be a corporate action event'.

Custody Cash Distribution – any redemption amount, interest, dividend or other cash payment distributed by an issuer, or any agent on behalf of an issuer, in respect of an issue of securities held in the Euroclear System or in respect of which we provide services.

Custody Distribution – a Custody Cash Distribution or a Custody Non-cash Distribution.

Custody Non-cash Distribution – any bonus securities, rights or other entitlements in the form of securities, distributed by an issuer, or any agent on behalf of an issuer, in respect of an issue of securities held in the Euroclear System or in respect of which we provide services.

Custody Operation – an action we take on your behalf in respect of, or resulting from, a Corporate Action, which includes a market claim. For the purposes of the SWIFT ISO 15022 standard this is a 'Corporate Action'.

Custody Operation Conditions – conditions that must be met (according to the type of Custody Operation) in order for a Custody Operation to be executed.

DACE – Deadlines and Corporate Events. For the purposes of the SWIFT ISO 15022 standard this is a 'Corporate Action Notification'.

Daily Cash Statement – The official statement of balance for cash you hold in the Euroclear System.

Data Protection Law – Regulation 2016/679 of the European Parliament and of the Council on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (the General Data Protection Regulation), together with any replacement legislation or any equivalent legislation of any other applicable jurisdiction and all other applicable laws and regulations in any relevant jurisdiction relating to the processing of personal data and privacy.

Data Subject – shall have the meaning given in the Data Protection Law.

Daylight Indicator – SETD and, for purposes of the SWIFT ISO 15022 standard, means the override indicator =/RTGS/. This indicator cannot be added to an Instruction that is already input. You should cancel and replace the Instruction with a new Instruction including the Daylight Indicator.

Delivery Transmission – a transmission by a delivering settlement system to a receiving settlement system (i) proposing Bridge deliveries and (ii) indicating if the deliveries that were provisionally accepted by the receiving settlement system in its previous Feedback Transmission are either accepted or rejected.

Domestic Exchange-traded Fund – an Exchange-traded Fund where the issuance of Fund Shares occurs otherwise than through the international structure using a Common Depository.

EBA Regulation – Regulation (EU) No 1093/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Banking Authority).

EIOPA Regulation – Regulation (EU) No 1094/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Insurance and Occupational Pensions Authority).

EMIR – Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories.

(EPIM) European Pre-Issuance Messaging System – a central messaging system for facilitating the allocation of ISIN and Common Codes and for the exchange of issuance information between issuers' agents, securities dealers, Euroclear Bank and Clearstream.

EPIM Documentation – the EPIM Getting Started Pack and any other EPIM-related documents published by Euroclear Bank.

EPIM Message – a message sent or received using EPIM.

ESMA Regulation – Regulation (EU) No 1095/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Securities and Markets Authority).

ESSC – Euroclear Self Service Centre, a web based interface that you may use, subject to prior agreement with us, to receive reports and exchange files with us. ESSC is available over the internet and secured via user access management either via smart card or soft certificate.

EUCLID – a data transport network and processing system that you may use, subject to prior agreement with us,

- to input certain Instructions and requests
- to access information and receive reports.

It uses the GEIS (General Electric Information Services) Mark III time-sharing network for data transport and the EUCLID gateway computer for processing. Instructions are validated by us and reports are prepared on the EUCLID gateway computer for your retrieval.

EUCLID PC – a computer software application which provides access to EUCLID.

EUCLID Server – a computer software application which provides access to EUCLID.

EUCLID User – a person, or application running on a computer, identified by the correct combination of network user number, network password, EUCLID user number and EUCLID password.

Euroclear Delivery Transmission – a transmission from Euroclear Bank to Clearstream of (i) proposing Bridge deliveries and (ii) indicating if the deliveries that were provisionally accepted in the previous Clearstream Feedback Transmission are either accepted or rejected.

Euroclear Documentation – all documentation we publish and/or make available on the secured part of the Euroclear Bank website (my.euroclear.com) and/or to which these Operating Procedures refer, as may be amended or supplemented from time to time. The Euroclear Documentation includes among others the Online Market Guides or the individual service guides.

Euroclear Feedback Transmission – a transmission from Euroclear Bank to Clearstream indicating which proposed deliveries in the previous Clearstream Delivery Transmission are accepted, provisionally accepted or rejected.

Exchange-traded Fund or ETF – a Fund of which at least one class of Fund Shares is traded throughout the day on at least one trading venue and has at least one authorised participant, who is appointed by such Fund, to provide the primary market activity.

Ex-distribution Date – the first day of owing (underlying) securities upon which there is a Non-cash Distribution without the right to such Non-cash Distribution.

Execution – the successful implementation within the Euroclear System of an Instruction or operation. For internal Instructions or operations, execution coincides with settlement.

Execution Date – the Business Day when an Instruction is submitted for execution, with reference to the date you set out in your Instruction, or a number of days before such date, depending on the type of Instruction or operation.

For Custody Operation Instructions, the Execution Date is the date you specify, or in the absence of such specification, the date that we attribute to the Instruction or operation depending on the type of Custody Operation.

Feedback Transmission – a transmission from a receiving settlement system to a delivering settlement system indicating which proposed deliveries in the previous Delivery Transmission of the delivering settlement system are accepted, provisionally accepted or rejected.

Free of Payment Delivery Without Matching Instruction – an internal or Bridge delivery Instruction which does not require matching.

Fund – an investment company which has issued shares or a management company, trustee or similar entity representing or acting in respect of a pool of assets represented by Units. References to a Fund also refer to such Fund's agent(s) and Transfer Agent(s). A Fund is referred to as an issuer of securities in all sections other than the FundSettle Section of these Operating Procedures.

FundSettle Browser – a computer software application providing browser access to FundSettle.

FundSettle Instruction – an Instruction from a Participant to Euroclear Bank in respect of FundSettle services. FundSettle Instructions include, but are not limited to, all account opening forms, orders and Instructions set out in the FundSettle International - service description.

FundSettle Order Routing Service – the service described in the FundSettle Section of these Operating Procedures.

FundSettle Nominee – a Euroclear nominee that is used to register Fund Shares that are held in the Euroclear System.

Fund Shares – securities representing the rights of investors in a Fund company or in a pool of assets managed by a Fund management company. Fund Shares include both shares and Units issued by a Fund.

H2H (file transfer) – A connectivity tool which allows you to send all your Instructions in a single file directly to the FundSettle platform through an automated interface with your own system. For more information, please consult our website.

Home Market – the market where the issuer of a security has deposited such security for settlement in that market's Other CSD.

Home Market Security – a Multi-listed Security eligible for settlement in the Home Market's Other CSD.

Input Deadline – the time on a Business Day by which we must have received your Instructions.

Insolvency Proceedings – any of the following events:

- a bankruptcy (faillite/faillissement) within the meaning of the Law of 8 August 1997 on bankruptcies,
- a judicial reorganisation by collective agreement (reorganisation judiciaire par accord collectif/ gerechtelijke reorganisatie door een collectief akkoord) within the meaning of the Law of 31 January 2009 on the continuity of businesses,
- a judicial reorganisation by transfer under authority of law (reorganisation judiciaire par transfert sous autorité de justice/ gerechtelijke reorganisatie door overdracht onder gerechtelijk gezag) within the meaning of the Law of 31 January 2009 on the continuity of businesses,
- a voluntary winding up (liquidation volontaire/ vrijwillige vereffening) within the meaning of section 181 of the Companies Code,
- a judicial winding up (liquidation judiciaire/ gerechtelijke vereffening) within the meaning of section 182 of the Companies Code,
- a temporary deferral (dessaisissement provisoire/ voorlopige ontneming van beheer) as set forth in article 8 of the Law of 8 August 1997 on bankruptcies,
- (vii)the acts of disposal as set forth in section 36/27, §1 of the Law of 22 February 1998 establishing the organic status of the NBB, or
- (viii)any measure equivalent to the measures listed in (i) to (vii) above provided for in the law of an EU Member State or a third country, or any other collective measure provided for in such law either to wind up the person or to reorganise it, where such measure involves the suspending of or imposing of limitations on transfers or payments.

Insolvent Participant – a Participant affected by an Insolvency Event.

Instructions – all instructions as set out in the Euroclear Documentation including cancellation instructions.

International Exchange-traded Fund – an Exchange-traded Fund where the issuance of Fund Shares occurs through the international structure using a Common Depository.

Issued Outstanding Amount (IOA) – with respect to each debt security issued in NGN form the total remaining indebtedness (other than interest) of the issuer as determined from time to time by the records of Euroclear Bank and Clearstream; where relevant, the IOA is the result of the product between the nominal amount and the pool factor of the security.

Issuer ICSD Agreement – The agreement that must be entered into before any NGNs can be accepted by the ICSDs.

KIID – the Key Investor Information Document introduced by UCITS IV.

The KIID provides the following information:

- identification of the Collective Investment Scheme
- short description of the investment objectives and policy
- historical performance or, if applicable, profitability scenarios
- costs and expenses associated
- risk/reward profile of the investment.

Law of 22 February 1998 – the law of 22 February 1998 on the organic statute of the National Bank of Belgium.

Law of 28 April 1999 – the law of 28 April 1999 implementing the Settlement Finality Directive.

Law of 2 August 2002 – the law of 2 August 2002 on the supervision of the financial sector and on financial services.

Law of 25 April 2014 – the law of 25 April 2014 on the status and the supervision of credit institutions.

Law of 18 September 2017 – the law of 18 September 2017 on the prevention of money laundering and terrorism financing and on the restriction of the use of cash.

Management Committee – our management committee which has received authority from the Board in order to manage our affairs.

Market Value – the market value of securities as determined by us on a given Business Day for the purposes of the SLB Program. Such determinations will be conclusive and binding on each Lender and Borrower. This value is determined on the basis of information obtained from independent sources including, but not limited to:

- the offered price obtained from the lead manager of the issue
- the offered prices obtained from recognised market participants in the issue traded for settlement in the Euroclear System
- the cost of a buy-in (passed on to the Lender) under the rules of any relevant regulated securities market
- other outstanding issues with a similar credit rating, maturity and characteristics.

MiFID – Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments.

MiFID II – Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments.

Multi-listed Securities – securities listed on, or traded in, more than one stock exchange and therefore eligible for settlement in more than one Other CSD.

Net Asset Value – the net price of a Fund Share. This is calculated by dividing the total value of the Fund by the total number of outstanding Fund Shares.

Newly-Issued Securities – securities, including a new tranche of an existing issuance, during the period from the Closing Date up to the second Business Day after the Closing Date.

Non-cash Distribution – any additional securities, rights or other entitlements accepted for deposit in the Euroclear System, distributed by an issuer, or any agent on behalf of an issuer, on any issue of securities.

Odd Lot(s) – quantities of securities other than the minimum number of securities usually traded in a local market.

Online Market Guides – a web based resource providing specific legal and operational information for individual domestic markets. This resource can be found on our website www.euroclear.com

Optional Bridge Settlement Processing – the Processing on each Business Day as agreed by Euroclear and Clearstream for Bridge Settlements of securities transactions where you have included the Daylight Indicator in your Instructions and the Clearstream customer has included an equivalent flag in its Instructions to Clearstream.

Overnight Securities Settlement Processing ('OSSP') – a Processing for securities transactions or operations with related cash movements and confirmations from Depositories and Other CSDs, where the execution of transactions or operations is simulated, but such transactions or operations are executed only when we decide to complete such Processing.

Participant-linked settlement Instructions – instructions for which you have completed a specific linking reference (see Section 5.2.1.7 of these Operating Procedures).

Payment Date – The date on which the Custody Distribution is to take place (cash and/or securities).

Pending Delivery Period – a number of Business Days preceding the Settlement Date during which we can recall an outstanding Borrowing.

Positioning Conditions – conditions which must be met in order for an Instruction or operation to be positioned in accordance with the relevant services sections.

Pre-Released / Pre-release – Newly-Issued Securities held at a Common Safekeeper, Common Depository or at an entity appointed as Common Depository acting as Specialised Depository that are made available in the Euroclear System (either directly or via the Bridge) by the issuer during the OSSP normally beginning on the Business Day preceding the Closing Date for such Newly-Issued Securities.

Processing – the Overnight Securities Settlement Processing and/or the Real-time Processing.

Processor – shall have the meaning given in the Data Protection Law.

Quick Refund – a tax relief process, handled by the withholding agent before withholding tax for a particular Custody Cash Distribution has been paid to the tax authorities. This process generally results in the excess withholding tax being refunded within a shorter period of time as compared to refunds received via the standard refund process.

Real-time Processing ('RTP') – a Processing for securities transactions or operations with related cash movements, cash transactions or operations and confirmations from Depositories, Other CSDs and Cash Correspondents, where the execution of transactions or operations takes place as soon as the applicable Positioning Conditions and Settlement Conditions have been met. The standard processing rules of the RTP will however not apply during a Closed Window.

The Real-time Processing may be referred to as the 'real-time process' in Euroclear Documentation other than these Operating Procedures.

Real-time Settlement ('RTS') – internal settlement in FundSettle of transfers between Participants, in accordance with the rules set out in the 'FundSettle International – service description'. Funds eligible for RTS are identified as such in the FundSettle funds database.

Record Date – the Business Day upon which the relevant amount of securities credited to your Securities Clearance Account is taken into account in the Euroclear System in order to determine entitlements to the product of Custody Distributions.

Record-keeping Account – an account we open to record Borrowings and Loans in the name of each Borrower and each Lender on our books. A Record-keeping Account may be divided into different sub-accounts to record different types of Borrowings or Loans. Each such sub-account may be named a Record-keeping Account but will be considered for all purposes, except as otherwise set forth in the Operating Procedures, as being part of one single and indivisible Record-keeping Account.

When referred to, the Record-keeping Account of a Lender means the Record-keeping Account associated with the Securities Clearance Account to which loaned securities were debited, and the Record-keeping Account of a Borrower means the Record-keeping Account associated with the Securities Clearance Account to which Borrowed Securities were credited.

Relief at Source – a tax relief process by which there is a reduction of, or exemption from, withholding tax applied at the time when a Custody Cash Distribution is paid.

Remote Market – a market other than the Home Market where Multi-listed Securities are settled in an Other CSD.

Remote Market Security – a Multi-listed Security eligible for settlement in a Remote Market's Other CSD.

Securities Lending and Borrowing (SLB) Process – a process during which your Instructions for Lending and Borrowing are considered and in which the Lendable Position of each Lender and the Borrowing needs of each Borrower are calculated and, where relevant, related Instructions are generated.

Security Code – either the Common Code or ISIN used to identify an issue of securities.

Segregated SAC – each securities account opened in the name of Euroclear Bank in the books of a T2S-linked CSD for the purpose of our Auto-Collateralisation Service.

Settlement Conditions – the conditions that must be met in order for a settlement Instruction to be executed.

Settlement Date – the date of settlement set forth in the contract between the parties to such transaction.

Special Categories of Personal Data – shall have the meaning given in the Data Protection Law.

Start Date – the date recorded in a Borrowing request indicating the Business Day on which the Borrowing should begin.

Settlement Finality Directive – Directive 98/26/EC of the European Parliament and of the Council of 19 May 1998 on settlement finality in payment and securities settlement systems.

Statement of Transactions – The official statement of balance for securities you hold in the Euroclear System.

Supplementary Terms and Conditions – the Supplementary Terms and Conditions Governing the Lending and Borrowing of Securities through Euroclear, as amended or supplemented from time to time.

SWIFT Specification – the technical specifications for securities clearance and settlement and custody SWIFT ISO 150222 compliant messages that we publish in the relevant Euroclear Documentation.

T2S – the platform operated by the EuroSystem that provides book-entry securities settlement services to the CSDs that are connected thereto.

T2S-linked CSD – a CSD which is connected to T2S and for which we offer the Auto-Collateralisation Service to Auto-Collateralisation Clients.

Transfer Agent – an agent appointed by the Fund to perform certain functions, such as order processing.

Triparty Notices – all notices as set out in the applicable Triparty Service Agreement and cancellations thereof.

Triparty Service Agreement– an agreement between us, acting as triparty agent, you and a Participant, governed by either:

- Repurchase Service Agreement Terms and Conditions and Repurchase Service Agreement Operating Procedures
- Collateral Service Agreement Terms and Conditions and Collateral Service Agreement Operating Procedures
- Securities Lending Service Agreement Terms and Conditions and Securities Lending Service Agreement Operating Procedures
- Loan Service Agreement Terms and Conditions and Loan Service Agreement Operating Procedures
- Derivative Service Agreement Terms and Conditions and Derivative Service Agreement Operating Procedures
- Collateral Allocation Interface Service Agreement Terms and Conditions and Collateral Allocation Interface Service Agreement Operating Procedures.

UCITS IV – Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (recast).

Value Date – the date used for the calculation of interest or fees.

Verification Communication – a transmission sent to us by Clearstream indicating whether its risk management procedures have been complied with.

List of terms defined in Sections of the Operating Procedures

Each of the following terms when used in these Operating Procedures has the meaning specified in the Section as set out below.

Term	Section
Aggregate Cash Account	2.2.3.
Authorized Person	3.9.3.
CBF Eligible Securities	5.5.1.2.1.
Certification Instruction	5.3.2.8.
CO (Coupons only)	5.3.2.5.
Controller	3.9.1.
Cross-market Realignment	5.2.4.
Data	3.9.3.
Data Subject	3.9.1.
Derivative Data	2.5.3.
EEA	3.9.3.
Effectuation Authorisation	5.1.2.
End-of-Day SLB Process	5.5.1.2.1.
EUCLID Administrator	4.1.2.1.2.
Failed Return Fee	5.5.7.1.
Family	5.5.8.2.
Fund Provider	5.6.3.3.
Initial Data	2.5.3.
Issuer Memorandum Account	2.2.6.
Lending Level Monitored Amount	5.5.2.1.
Linked Reimbursement	5.2.2.1.5.
Loan Securities	5.5.1.1.
Lowest Priority	5.2.1.5.
New Issues Cash Account	5.1.4.1.1.
New Issues Non-Syndicated Distribution Cash Account	5.1.4.3.1.
New Issues Non-Syndicated Distribution Securities Clearance Account	5.1.4.3.1.
New Issues Securities Clearance Account	5.1.4.1.1.
Permitted Purpose	3.9.3.
Personal Data	2.5.1.
Pivot Securities Clearance Account	5.2.2.1.5.
PO (Principal only)	5.3.2.5.
Priority	5.2.1.5.
Real-time Securities Lending and Borrowing Processes	5.5.1.2.1.
Recall Period	5.5.4.2.
Regular	5.2.1.5.
Security Incident	3.9.3.

SLB Eligible Securities ..... 5.5.1.5.
SLB Process ..... 5.5.1.2.1.
Special Categories of Personal Data ..... 3.9.1.
Specific Participant 2.1.2
Specific Regulated Participant 2.1.2
Standard Long Form Certification ..... 5.3.2.8.
Standard Participant 2.1.2
System-linked Instructions ..... 5.2.2.1.5.
Top Priority ..... 5.2.1.5.
Unit ..... 5.6.3.3.

Abbreviations

The following abbreviations are used in the Operating Procedures.

A.I.B.D. – Association of International Bond Dealers, now ISMA.

BIC – Bank Identifier Code as defined by I.S.O.

ISIN – International Security Identification Number, a code which identifies a specific issue of securities, designed by ISO (Standard 6166) to be a single global standard identity for each issue. In ISINs allocated by Euroclear Bank and Clearstream after September 1989, the prefix is "XS" and for any issue accepted in either or both clearing systems the basic number repeats the Common Code.

ISMA – International Securities Market Association.

ISO – International Organisation for Standardisation.

OSSP – Overnight Securities Settlement Process

RTP – Real-time Processing

© 2020 Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, 1210 Brussels, Belgium – Tel: +32 (0)2 326 1211 – RPM Brussels number 0429 875 591. Euroclear is the marketing name for the Euroclear System, Euroclear Holding SA/NV, Euroclear SA/NV and their affiliates. All rights reserved. The information and materials contained in this document are protected by intellectual property or other proprietary rights. All information contained herein is provided for information purposes only and does not constitute any recommendation, offer or invitation to engage in any investment, financial or other activity. We exclude to the fullest extent permitted by law all conditions, guarantees, warranties and/or representations of any kind with regard to your use of any information contained in this document. You may not use, publish, transmit, or otherwise reproduce this document or any information contained herein in whole or in part unless we have given our prior written consent. Your use of any products or services described herein shall be subject to our acceptance in accordance with the eligibility criteria determined by us.