

LuxCSD Operational Arrangements for Issuers and Agents

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1. Introduction

1.1 Purpose of the Operational Arrangements

The purpose of the Operational Arrangements is to provide Issuers and their appointed Agents with LuxCSD contractual and operational requirements for an issue to become and remain eligible for LuxCSD services. They are an integral part of the contractual agreement between LuxCSD and the agents. All agents of LuxCSD eligible equity and debt securities shall comply with the requirements set forth in the Operational Arrangements.

The Operational Arrangements focuses on common processing flows and should be used as a framework for other processing flows that may be required. By following the recommendations and standards contained within these Operational Arrangements, Issuers and their Agents shall, to a large extent, ensure an efficient and effective end-to-end service to investors.

The content of the LuxCSD Operational Arrangements does not apply to investment funds (bearer, register or dematerialised form) under the CFF structure.

Additional publications relating to the operational aspects of LuxCSD are available on the LuxCSD website (www.luxcsd.com).

1.2 Timing conventions

Unless otherwise stated, all deadlines and timings throughout this document are expressed in a HH:MM 24-hour-per-day format and in Central European Time (CET).

1.3 Communication means and formats

All communication between Agents and LuxCSD, including, without limitation, any type of notification, pre-advice, instruction, or confirmation, shall be performed using the communication means defined in the LuxCSD Swift Guide for Agents.

1.4 Amendments to the Operational Arrangements

The Operational Arrangements may be amended at the discretion of LuxCSD in accordance with the provisions of the Agent-LuxCSD Agreement.

1.5 Governance

The issuer community shall have access to the Issuer Advisory Group that meets regularly with LuxCSD to discuss the market needs and to align these needs against the services LuxCSD provides.

1. Introduction

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2. General information

2.1 Issuers and agents

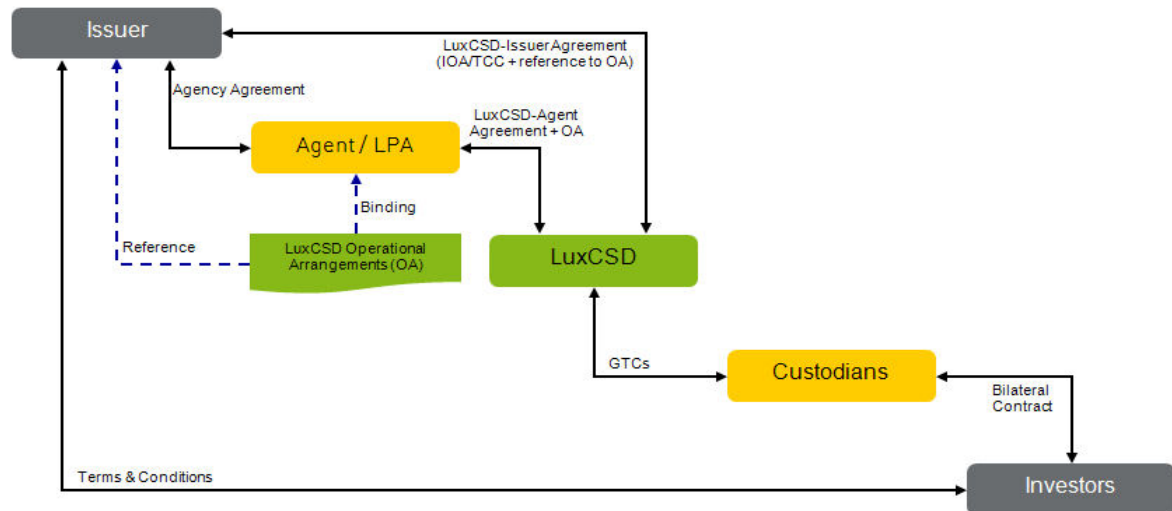


Figure 2-1. Contractual framework

Agents shall be required to comply with the Operational Arrangements and any additional requirements depending on their role. An overview of the contractual framework is provided above in "[Contractual framework](#)".

- Issuer

The Issuer is required to sign the LuxCSD-Issuer Agreement for its securities to be eligible for issuance and settlement in LuxCSD. This Agreement will govern the relationship between the two parties regarding the maintenance and reconciliation of the issued outstanding amount (IOA) for Qualifying Securities of the Issuer and will also serve to appoint LuxCSD as Organisme de Liquidation (OL), where applicable.

The Issuer may assign Agents to perform the day to day activities for issuance, and asset servicing of the Qualifying Securities.

- LuxCSD Principal Agent (LPA)

The LPA is appointed by the Issuer to ensure compliance with the LuxCSD operational requirements, as described in this document. The appointment of an LPA is required for eligibility of a security in LuxCSD. The primary responsibilities of the LPA are to provide standard communications (ISO/SMPG standards) and assistance to LuxCSD ensuring timely and accurate processing of LuxCSD securities. The LPA is also responsible for the verification of issuer's signatures in case of security documentation bearing the issuer's signature. Institutions are required to sign the LuxCSD-Agent Agreement to be recognised by LuxCSD as qualified LPA. The list of qualified LPAs shall be made available by LuxCSD on its website.

The name of the appointed LPA shall be mentioned in the Terms and Conditions of the Qualifying Securities. Any change of LPA during the life of a Qualifying Security shall be communicated by the new LPA at least five business days before the effective change date.

2. General information

LuxCSD shall inform the relevant LPA and Issuers if and when an institution is removed from the list of eligible LPAs.

- Other Agents (Issuing and Paying Agent, Principal Paying Agent, Conversion Agent, Calculation Agent, Determination Agent, Fiscal Agent etc.).

LuxCSD may, wherever described in this document or at their discretion, interact directly with the relevant Agent(s) for the purpose of improving the investors' market deadlines (for example delivering investor choices for a corporate action event).

2.2 Qualifying Securities

All documentation and information requirements of Qualifying Securities shall be provided to LuxCSD in English. Qualifying Securities and the security denomination shall be in one of the LuxCSD eligible denomination currencies. A list of eligible denomination currencies can be found on the LuxCSD website. Registered securities must be recorded under the name of LuxCSD.

Forms of securities

Qualifying Securities are securities which may be represented by any of the following forms:

- Materialised form (immobilised for settlement in book entry)
 - Bearer instruments: represented by a global certificate that refers to the records of the LuxCSD for evidence of the total IOA of the issuer.
 - Registered instruments: represented by a global certificate that shall be registered in the name of LuxCSD in the books of the registrar.

Qualifying Securities in materialised form can be represented by the following types of global certificates:

- Temporary global (GT): global certificate issued for the period between the closing and the effective exchange for either a permanent global certificate or for definitive certificates in the denominations foreseen in the Terms and Conditions of such issue. The exchange of securities from global form into definitive form is total and irreversible.
- Permanent global (GP): global certificate representing the security until it is matured or terminated (for example early reimbursement). A permanent global certificate is normally not exchanged into securities in definitive form unless under limited circumstances as described in the Terms and Conditions of such issue.

Securities in semi-permanent global form or in definitive form are not accepted by LuxCSD.

- Dematerialised form
 - Dematerialised instruments: represented by book entries in LuxCSD and recorded as such in the issuance account in the books of LuxCSD where LuxCSD has been appointed as Organisme de Liquidation (OL) by the Issuer.

Types of securities

Bearer and Registered Qualifying Securities:

- Debt instruments: money market instruments (for example CP, CD, MTNs), bonds, convertibles, asset-backed securities etc.;
- Equity instruments: warrants, ordinary shares, preferred shares etc.;
- Structured products.

Dematerialised Qualifying Securities:

- Equity securities (for example shares, founders' shares, subscription rights or units of UCI) issued by Luxembourg public companies; and
- Debt securities governed by Luxembourg law, as well as by any other law for which LuxCSD has received regulatory authorisation in accordance with Article 23 CSDR.

The content of the Operational Arrangements does not apply to investment funds under the CFF structure.

2.3 Security documentation

LuxCSD requires that the security documentation is provided in English and in a timely manner allowing LuxCSD to assess the securities eligibility, and asset servicing requirements. The type of documentation required depends on the security¹:

- For under programme: Base Prospectus, Final Terms. These are normally provided by the Issuer Agent.
- For Stand-alone: Prospectus, Terms & Conditions. These are normally provided by the Lead Manager.

Draft documentation

Draft documentation is used in advance of the final documentation to provide an ISIN code and LuxCSD eligibility assessment. Draft documentation should include the minimum requirements as per ISMAG Stand Alone security acceptance and eligibility checklist or Programme Acceptance checklist to ensure the use of standard terms and formats to allow accurate and easy evaluation and understanding of securities information².

Draft documentation shall be provided as soon as available, and at least five business days before closing date. Draft documentation must be sent to newissuesluxcsd@luxcsd.com.

Final documentation

The final eligibility acceptance shall only be given on the basis of the final documentation.

Final documentation shall be provided at the latest on closing date. Final security documentation provided to LuxCSD should follow the Naming Convention as defined by the ISMAG New Issues Working Group (www.clearstream.com/ismag)³. LuxCSD recommends that final documentation is provided via SwiftNet FileAct to ensure the issuance of the securities without undue delay.

1. List is not exhaustive. The final documentation requirement depends on the type of security being issued.

2. Security issuance checklists cover programme and stand-alone issuance and are available from www.luxcsd.com.

3. The International Securities Market Advisory Group (ISMAG) is a major efficiency programme created to harmonise issuance and asset servicing processes of international securities primarily deposited in the International Central Securities Depositories (ICSDs).

2. General information

Documentation required for Luxembourg law dematerialised securities

For the purpose of the draft documentation, should include the minimum requirements as per ISMAG Stand Alone security acceptance and eligibility checklist or Programme Acceptance checklist to ensure the use of standard terms and formats to allow accurate and easy evaluation and understanding of securities information. Security issuance checklists cover programme and stand-alone issuance, and are available from www.luxcsd.com. Issuance of dematerialised securities in accordance with the law of 6 April 2013 on the dematerialised securities (the “**Dematerialisation Law**”), LuxCSD requires that the following documentation shall be provided at least 10 business days prior to the issuance date allowing LuxCSD to review and assess the securities eligibility and perform its obligations under the Dematerialisation Law:

For the purpose of the present section of the Operational Arrangements, the terms securities shall be understood within the meaning of the article 1 (11) of the Dematerialisation Law and shall cover equities and debt instruments.

For the creation of securities

For **newly incorporated issuer**:

- Articles of association or the management regulation of the Issuer (as the case may be) certified by the notary providing for the issuance of securities in dematerialised form;
- Issuer’s agreement or any decision of the competent corporate body of the Issuer appointing LuxCSD as the sole settlement organisation (*Organisme de liquidation*);
- Disclose in a national newspaper and on its website, if available, the name and address of LuxCSD as the appointed settlement organisation.
- If available, an updated excerpt of the trade and companies register disclosing the name and address of LuxCSD as the appointed settlement organisation

For **existing issuer and issuance of new shares under dematerialised form**:

- The updated version of the articles of association certified by the notary, or the management regulation of the Issuer (as the case may be) providing expressly for (1) the Issuer’s ability to issue dematerialised securities; (2) the types of securities issued in dematerialised securities.
- For the capital increase within the limit of the authorised share capital, LuxCSD may require the decision of the competent corporate body certified by the notary or a copy of the notarial deed related to such capital increase;
- Issuer’s agreement or any decision of the competent corporate body of the Issuer appointing LuxCSD as the sole settlement organisation (*Organisme de liquidation*);
- An updated excerpt of the trade and companies register disclosing the name and address of LuxCSD as the appointed settlement organisation;
- Disclose in a national newspaper and on its website, if available, the name and address of LuxCSD as the appointed settlement organisation.

In the case of issuance of shares under the authorised capital (for example, option exercise, warrant exercise), the following documents are required:

- In a timely manner (latest on issuance date -1):
 - Board resolution (indicating whether or not all conditions for the issuance of the shares have been fulfilled);
 - MU instruction with authorised signatures.
- Notarial deed: Latest within one month from the end of the subscription period or within three months from the day on which that period commenced (Article 420-23 Law of 10 August 1915).

If the board resolution states that not all conditions for the issuance of the shares have been fulfilled, the notarial deed is required latest early morning on issuance date.

For capital increase of Luxembourg law *société anonymes* and issuance of securities within the limit of the authorised share capital, the disclosure in a national newspaper and on its website, if available, the name and address of LuxCSD as the appointed settlement organisation is not required.

For the conversion of securities

- The updated version of the articles of association certified by the notary or the management regulation of the Issuer (as the case may be) providing expressly for (1) the Issuer's ability to issue dematerialised securities; (2) the securities to be converted in dematerialised securities; (3) the mandatory or optional characteristic of the conversion; (4) the conversion procedure; (5) if the conversion is mandatory, the time limit for the conversion and the sanctions in case the securities are not presented for dematerialisation within this time limit. The time limit for the conversion shall be at least 2 years;
- Issuer's agreement or any decision of the competent management corporate body of the Issuer appointing LuxCSD as the sole settlement organisation (Organisme de liquidation);
- disclose in a national newspaper and on its website, if available, the name and address of LuxCSD as the appointed settlement organisation;
if available, an updated excerpt of the trade and companies register disclosing the name and address of LuxCSD as the appointed settlement organisation.

Final documentation updates

When final security documentation has been updated (for example, due to a manifest error), LuxCSD requires the new security documentation on the day of the update.

Electronic Signatures

LuxCSD accepts SES (Simple Electronic Signature) as a minimum electronic signature level usage for issuer documents, notably the following documents:

- Effectuation Instruction (if applicable)
- Effectuation Authorisation and Disposal Instruction (if applicable)
- Global Note (LBN/LRN);
- Mark-Up Instruction;
- Mark-Down Instruction;
- Articles of Association (for Equities);
- Final Pricing Supplement (for Debt Instruments under programme);
- Legal opinion (if applicable).

The acceptable forms of SES include:

- A scanned PDF copy of the signed signature page being provided;
- An image of a person's signature being electronically pasted into an electronic version of the contract in the appropriate place; or
- A web-based electronic signing platform (such as DocuSign) being used through which the person's name in typed or handwritten font is automatically inserted into the contract in the appropriate place.

For documents signed in wet-ink, it is required to retain supporting documentation or evidence in relation to the signing of such documents using electronic signatures and have it readily available to provide to LuxCSD upon request. LuxCSD does not require such supporting documentation or evidence in relation to the signing on a structural/pro-active basis.

2.4 Preannouncement date and confidential information

Information to holders of securities (communications, upcoming corporate event details, notices, resolutions made etc.) shall be provided to LuxCSD on a confidential basis as early as possible and before being provided to the holders to ensure sufficient time between the availability of information to LuxCSD and its dissemination to the holders. The Agent shall send the communication, including the official announcement date to investors, to LuxCSD.

LuxCSD shall release the information to clients on the official announcement date. If requested to do so, LuxCSD shall sign a confidentiality or a non-disclosure agreement.

2.5 Specific security characteristics

The purpose of this section is to define the expectations related to some security characteristics required for the efficient processing of Qualifying Securities. This section covers the following items:

- Non-standard structures;
- Day Count convention;
- Paperless instructions;
- Units/Nominal;
- Record date.

Non-standard structures

Any non-standard structure shall be notified to LuxCSD New Issues for eligibility review before requesting an ISIN or Programme number.

Day count convention

LuxCSD recommends the use of the day count conventions as published in the ISMAG Market Practice Book (www.clearstream.com/ismag). Where justification exists for use of an alternative day count convention, the documentation shall refer to the relevant day count standard being used.

Paperless instructions

To facilitate a paperless processing environment, LuxCSD Qualifying Securities require use of standard wording in the issue's Terms and Conditions to support the use of electronic forms and communication means.

Where local jurisdiction requires paper instructions, this information must be highlighted to LuxCSD for eligibility assessment.

Units/Nominal

The Terms and Conditions shall clearly indicate whether Units or Nominal is being used, and identified in the related fields in the Security issuance checklists.

Record date

For LuxCSD Qualifying Securities the Record date shall be defined as "close of the business day prior to the Entitlement Date"¹.

2.6 Investigations

Whenever queries are raised by LuxCSD the following priorities and timing shall be expected from the Issuer and Agents:

- High: resolution expected within four hours;
- Medium: resolution expected within one business day;
- Low: resolution expected within two business days.

2.7 Messaging

See the LuxCSD Swift Guide for Agents for the format and content of information to be provided.

1. ICMSA Recommendation on Record Dates

- **DO NOT**, as issuer of bearer securities,
 - include definitions referring to a record date, or
 - create provisions within the governing documentation referring to a snap shot date different from Payment Date -1 Business Day;
- **DO**, for all instruments in global registered form with Closing Dates after 1 January 2010 word legal documentation with a record date as at the "close of the Business Day prior to the **Entitlement Date**".

3. Accounting - Marking UP/DOWN Securities

The need for marking up or down the Issue Outstanding Amount (IOA) of Qualifying Securities may result from various events during the securities term. LuxCSD shall differentiate between a CA instruction and a MD request as described in Appendix 1.

The processes that shall apply to fungibilities, exchanges from GT form to GP form, as described in Section 5.5.

MD request sent to the LPA with CA instruction to the Agent

LuxCSD shall transmit a CA instruction to the relevant agent and the corresponding MD request to the LPA. LuxCSD shall quote a unique reference number which shall be the same on both messages.

Upon receipt of the MD request, the LPA shall immediately:

- Set the corresponding position in "suspense" in the relevant LuxCSD's account;
- Log the unique reference number of the MD request.

No other LuxCSD's instruction can be processed by the LPA on a position which is in suspense unless specifically instructed by LuxCSD to do so.

Upon confirmation of execution of the CA instruction, the relevant Agent shall update its records and shall transmit the MD confirmation to the LPA quoting LuxCSD's unique reference number, ISIN and/or Common Code and movement amount.

Upon receipt of the MD confirmation from the relevant Agent, the LPA shall ensure that the MD confirmation is sent by the relevant Agent and matches with the MD request received from LuxCSD on the following information:

- LuxCSD's unique reference number;
- ISIN and/or Common Code;
- Nominal amount.

Note: In the case of a conditional event, e.g. an offer with a pro-rata, the amount on the MD confirmation may be less than the amount quoted in the MD request; under no circumstances can the amount of MD confirmation be greater than the amount in the MD request. Should it be so, the LPA should immediately contact LuxCSD to investigate.

Should any of the above information be missing so that it would prevent a proper booking and reconciliation with the relevant agent, the LPA shall reject the MD confirmation and shall immediately request a new confirmation from the Agent with all the information necessary for proper booking and reconciliation.

If the MD confirmation matches the MD request, the LPA shall:

- Remove the position in suspense and debit the account of LuxCSD;
- Transmit the MD confirmation to LuxCSD quoting the unique reference number.

Any MD confirmation received by the LPA before 16:00 shall be forwarded to LuxCSD by 17:00 on the same BD. Any MD confirmation received by the LPA after 16:00 shall be treated by the LPA on a best effort basis. In this case, the LPA shall advise LuxCSD that it has received a late confirmation and shall advise LuxCSD if it has been able to process it on the same day or if it shall process it on the next day.

If the MD confirmation does not match with the MD request, the LPA shall:

- Report and investigate immediately the discrepancy with the Issuer/relevant Agent as further described in this Section;
- Report the discrepancy to LuxCSD on the same day.

3. Accounting - Marking UP/DOWN Securities

Upon booking of the MD confirmation, the LPA shall report the booking in the statement of transactions quoting the unique reference number and shall confirm LuxCSD's account balance in the statement of holding before 20:30 of the same BD.

The LPA shall chase any missing MD confirmation from the Issuer / relevant Agent as further described in this Section.

Should the Issuer / relevant Agent reject LuxCSD's CA instruction, the Issuer / relevant Agent shall advise the rejection to the LPA and LuxCSD. Following the rejection of the CA instruction, LuxCSD shall send a cancellation of the MD request to the LPA. The LPA shall move the position back from suspense to available position upon receipt of the cancellation of the MD request from LuxCSD.

CA instruction sent to the LPA

LuxCSD shall transmit a CA instruction and a corresponding MD request to the LPA. The LPA shall process the CA instruction and the MD request as follows:

- upon receipt of the MD request from LuxCSD, the LPA shall set the corresponding position in "suspense" in the LuxCSD's account;
- log the unique reference number of the MD request.

Upon receipt of the CA instruction from LuxCSD, the LPA shall transmit the CA instruction to the Issuer / relevant Agent as soon as reasonably practicable after receipt of the CA instruction and before the Issuer/Agent's deadline. The LPA shall request the Issuer / Agent to execute accordingly the instruction and to send related MD confirmation to the LPA.

Note: No other LuxCSD's instruction can be processed by the LPA on a position which is in suspense unless specifically instructed by LuxCSD to do so.

Upon confirmation of execution of the CA instruction, the issuer / relevant Agent shall update its records and shall transmit the MD confirmation to the LPA quoting the LuxCSD's unique reference number, ISIN and/or Common Code and movement amount.

The LPA shall chase any missing MD confirmation from the Issuer / relevant Agent as further described in this Section.

Should the Issuer / relevant Agent reject LuxCSD's CA instruction, the Issuer / relevant Agent shall advise the rejection to the LPA and LPA shall accordingly advise LuxCSD. Following the rejection of the CA instruction, LuxCSD shall send a cancellation of the CA instruction and of the MD request to the LPA. The LPA shall move the position back from suspense to available position upon receipt of the cancellation of the the CA instruction or MD request from LuxCSD.

CA events for which no instruction is sent by the LuxCSD to the LPA

Upon (confirmation of) execution of a mandatory CA event, a mandatory CA event with options or a redemption event, the Issuer /relevant Agent shall update its records and shall transmit the MD confirmation to the LPA. The LPA shall ensure that the MD confirmation has been received from the Issuer / relevant Agent.

Upon receipt of a MD confirmation from the Issuer / relevant Agent, as no matching with a CA instruction or a MD request is possible, the LPA shall book the MD on the LuxCSD's account without prior matching and send the corresponding MD confirmation to LuxCSD.

The LPA shall ensure that any MD booked on the LuxCSD's account is reported in the statement of transactions for value that day sent by 20:30 of the same BD.

Any MD confirmation received by the LPA before shall be forwarded to LPA is not the same entity as the Agent: pro-actively as from the BD following the event date if the LPA has been made aware of the event or otherwise upon request by LuxCSD;

The LPA shall take all the necessary actions with the relevant Issuer / Agents to obtain the missing MD/MU confirmation at the latest by the close of business on the day the LPA is required to start chasing the missing MD/MU confirmation.

3.1 Rejection of MD/MU by LuxCSD

Upon rejection of a MD/MU confirmation by LuxCSD, the LPA shall:

- Reverse the MD/MU confirmation on LuxCSD's account on the same BD or at the latest on the next BD,
- Report the reversal booking to LuxCD in the statement of transactions,
- Report the rejection to the Issuer / relevant Agent on the same BD and perform further investigation with the Issuer / relevant agent and LuxCSD.

3.2 Investigation of MD/MU discrepancies

Upon detection by the LPA of a discrepancy between a MD/MU confirmation and LuxCSD's MD/MU request or CA instruction or upon MD/MU rejection message received from LuxCSD, the LPA shall investigate the discrepancy with the Issuer / relevant Agent and LuxCSD.

The LPA shall, on a best effort basis, resolve the discrepancy with the Issuer / Agent on the same BD as detected and at the latest on the next BD. For unmatched/rejected MD/MU confirmation received on a BD on which an income claim has to be made, on a CA deadline date, on a CA record date, on the BD preceding a CA event date or on the BD preceding a coupon or redemption payment date, all efforts have to be deployed by the LPA to resolve the discrepancy on that BD.

If the discrepancy remains unresolved at the end of the day and the LPA has properly reversed the MD/MU confirmation in its books, the LPA shall report the discrepancy until resolution as per Section 9.

Upon resolution of the discrepancy, the LPA shall:

- If the error was on the Issuer / relevant Agent's side:
 - Request the Issuer /relevant Agent to correct its records;
 - Request the Issuer / relevant Agent to provide immediately a new correct MD/MU confirmation to the LPA;
 - Update its own records based on the new MD/MU confirmation received from the Issuer / relevant Agent;
 - Transmit the new MD/MU confirmation and the related statement of transactions to LuxCSD;
 - Reconcile its records with the relevant Agent's records, if applicable.
- If the error was on the LPA or LuxCSD's side:
 - Book (or re-book) the MD/MU and send (re-send) the original MD/MU confirmation and related statement of transactions to LuxCSD. The LPA shall (re-)book the original MD/MU confirmation, (re-)transmit it to LuxCSD on the resolution date.

3.3 For Qualifying Securities in bearer form (LBN)

LuxCSD shall maintain the IOA in its books and records on behalf of the issuers and shall therefore mark this amount up and down in accordance with instructions received from the issuer via the LuxCSD Principal Agent (LPA) in line with events occurring throughout the security term.

LuxCSD shall not make any physical annotation to the global certificate.

3.4 For Qualifying Securities in registered form (LRN)

The IOA shall be maintained by an Agent (the registrar) appointed by the Issuer. The amount of securities issued in LuxCSD shall be recorded in the register under the name of LuxCSD and evidenced as such on the corresponding global certificate.

In the case of a change in the IOA, the Issuer shall arrange for delivery of the new global certificate to LuxCSD and the LPA shall provide LuxCSD with the MD/MU confirmation received from the registrar (see "[Issuance](#)" on page 17).

LuxCSD shall not update its records before having received (1) an updated global certificate and (2) the LPA confirmation, with the exception of the processing of fungibility.

3.5 For Qualifying Securities in dematerialised form (LDN)

In the case where LuxCSD is appointed as the OL by the issuer, LuxCSD shall maintain the compte d'émission on behalf of the Issuers and the mark up/down process shall reflect the procedure described in "[For Qualifying Securities in bearer form \(LBN\)](#)".

3. Accounting - Marking UP/DOWN Securities

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4. Issuance

LuxCSD offers a range of issuance services both as Issuer CSD and as Investor CSD. These services include customised support to the issuing community to assist the market in becoming more efficient and in reducing risk.



Figure 4-1. Issuance

4.1 Issuance models

Syndicated



Non-Syndicated



Figure 4-2. Issuance Models

LuxCSD as Issuer CSD allows three issuance models:

- Model 1 - A syndication model where the issuance takes place in LuxCSD between the Issuer (Agent) and Lead Manager accounts with subsequent distribution between Lead Manager and Allottees. The initial credit of securities is made on the Issuer (Agent) issuance account.
- Model 2 - The traditional syndication model used in the international markets, where the Lead Manager settles against allottees and manage payment to issuers outside LuxCSD. The initial credit of securities is made on the Lead Manager issuance account.
- Model 3 - The traditional non-syndicated model used in the international markets, where the Issuer (Agent) settles against the dealer or investor. The initial distribution is performed directly with the dealer. The initial credit of securities is made on the Issuer (Agent) issuance account.

4. Issuance

4.2 Security identification

For Qualifying Securities, Issuers and Agents shall first approach the competent national numbering agency (NNA), to obtain the ISIN in accordance with ISO 6166. LU ISIN requests may be submitted to LuxCSD who then obtains the ISIN from Clearstream Banking S.A., acting as the Luxembourg NNA.

4.3 LuxCSD eligibility assessment

Issuers and Agents shall request security eligibility at LuxCSD by submitting the official issuance/ programme documentation and the appropriate contractual agreements¹. LuxCSD shall review the terms of the issuance against its own eligibility criteria.

Issuers and Agents shall ensure that the Final Terms or similar official issuance documentation is provided to LuxCSD at the latest on Closing Date of the security or execution date of the programme. Draft documents however may be used to support eligibility requests.

For Qualifying LBN Securities, the legend on the certificate shall bear the following text:

“The nominal amount of Notes represented by this Global Note shall be the total amount from time to time entered in the records of LuxCSD. The records of LuxCSD shall be conclusive evidence of the nominal amount of Notes represented by this Global Note and, for these purposes, a statement issued by LuxCSD (which statement shall be made available to the bearer upon request) stating the nominal amount of Notes represented by this Global Note at any time shall be conclusive evidence of the records of LuxCSD at that time.”

LuxCSD reserves the right to remove eligibility status from securities for which no final issuance documentation has been timely received. Likewise, any modification to the terms of a Qualifying Security or eligible programme must be immediately notified to LuxCSD by the issuer or its agents, and updated documentation must be provided as soon as it becomes available.

Under programme

LuxCSD processes the acceptance of a new qualifying programme after receipt of the official issuance documentation.

Upon acceptance of a programme, LuxCSD shall:

- Allocate a confidential programme number to the issuing agent to facilitate the drawdown issuance process; and
- Confirm the eligibility of the programme to the issuing agent.

The issuing Agent shall request acceptance of the individual drawdowns to LuxCSD by referring to this confidential programme number. Upon acceptance of a new drawdown, LuxCSD confirms eligibility to the issuing Agent and the LPA.

Stand-alone

LuxCSD processes the acceptance of a new stand-alone Qualifying Security after receipt of the official issuance documentation.

Upon acceptance of a new stand-alone Qualifying Security, LuxCSD confirms the eligibility to the issuing Agent and the LPA.

1. Available from www.luxcsd.com.

Eligible jurisdiction

LuxCSD qualifying securities may require a legal opinion where both the governing law of the security and the country of incorporation of the issuer is not Luxembourg. The list of eligible jurisdictions is available on the LuxCSD website.

4.4 Closing activities

Distribution instructions

Depending on the model of issuance ("[Issuance models](#)"), instructions for the distribution of the security are required to be entered by the relevant seller and buyer(s). Counterparty settlement instructions shall match before becoming eligible for settlement on closing date.

FOP instructions are available if the cash leg of the distribution is executed externally.

Deposit of security

For LBN and LRN, the Issuer (Agent) shall arrange for deposit of the authenticated global certificate and accompanying legal documentation with the LuxCSD vault operator (LVO) by 12:30 on Closing Date.

Legal security documents shall be transmitted to LuxCSD via SwiftNet FileAct or any other agreed and authenticated communication method, ensuring the issuance of the securities without undue delay. Alternatively, delivery of the legal documents must be achieved by physical deposit at the LVO.

Legal security documents include:

- Issuer Effectuation and Disposal Authorisation (if applicable), and/or Effectuation Instruction. When the Effectuation and Disposal Authorisation is not required (for example, for physical deposit where effectuation language is not present on the certificate), LuxCSD recommends the delivery of the disposal instruction at the same time as the official security issuance documentation;
- Official security issuance documentation;
- GT certificate (to which final terms are attached where applicable) if the Terms and Conditions of the Qualifying Security provide that it first be issued in GT form;
- GP certificate (to which final terms are attached where applicable) if the Terms and Conditions of the Qualifying Security provide that it be issued in GP form.

For Qualifying Securities issued first in GT form, the Issuer or Agent may deliver both the GT and the GP certificates before or at the latest on closing date, or may decide to deliver the GP certificate at a later stage.

For LDN, the Issuer or Agent shall arrange for electronic transmission of the official Terms and Conditions to the LVO by 12:30 on Closing Date.

Note: Issuer Effectuation and Disposal Authorisation is not applicable for LDN.

Effectuation

For LBN and LRN, the LVO shall, upon verification of the received documents and where applicable, effectuate and send to LuxCSD and the LPA a confirmation of effectuation and of deposit. Such a confirmation can also be delivered by the LVO to the Issuer or its Agent upon request.

For LDN, the LVO shall, upon verification of the received documents, send the confirmation of receipt to the Issuer or its Agent upon request.

4. Issuance

Markup instruction

When all conditions precedent have been met and that closing (and registration where applicable) is effective, the LPA shall send the mark-up (MU) confirmation to LuxCSD. The MU confirmation must be received by LuxCSD at the latest by 14:00 on Closing Date to enable timely settlement and primary market distribution.

LuxCSD shall match the MU confirmation received from the LPA with the confirmation received from the LVO. In case of matching, LuxCSD shall mark up the issuance records in its books and will credit the Issuer (Agent) or the Lead Manager account, or any other beneficiary account indicated in the LPA MU confirmation, with the full issuance amount.

4.5 Primary market distribution

LuxCSD recommends Issuers, Agents and Lead Managers make use of segregated issuance accounts (also known as syndication accounts) to process primary market distributions. For distribution against payment, LuxCSD also recommends that the initial credit be made on an Issuer or Agent issuance account (Issuance model 1).

Upon credit of the securities on the Issuance account, distribution will take place against central bank money (CeBM) payment in the LuxCSD's daylight real-time processing environment, provided all counterparties have input appropriate LuxCSD settlement instructions and have ensured appropriate funding of their account in TARGET2 (T2S (DCA)).

Settlement of secondary market activity shall take place immediately thereafter.

Pre-closing

If the distribution is to be done through LuxCSD in "pre-closing", that is for settlement in the LuxCSD's night-time securities settlement processing cycle, the Qualifying Security and the accompanying documents or the Terms and Conditions (for LDN) shall be delivered to the LVO at the latest by 16:00 on closing date minus one business day, and the LPA's MU confirmation shall be received by LuxCSD by 18:00 on closing date minus one business day.

Free of payment

The Issuer or Agent shall deliver the certificate or Terms and Conditions (for LDN) to the LVO ahead of or at the latest by 16:00 on Closing Date. The LPA MU confirmation shall be received by LuxCSD by 17:00 on Closing Date. The lead manager (for syndicated issues) or the Issuer or issuing Agent controls the collection of subscription amounts separately from the distribution process.

LuxCSD shall match the MU confirmation received from the LPA and the confirmation received from the LVO. Upon successful matching, LuxCSD shall mark up its records and credit the Qualifying Securities on the beneficiary account.

4.6 Payment

Depending on the issuance model, subscribers (lead managers, allottees, dealers, custodians etc.) shall ensure that their T2S (DCA) sub-account is properly funded to ensure settlement in LuxCSD.

Upon settlement of the distribution leg, the issuance proceeds are credited to the Issuer or Agent account in T2S (DCA).

The distribution flows of cash and securities for a model 1 DVP syndication issuance flow is represented in “DVP Syndication Issuance (Model 1) Flow” and described below.

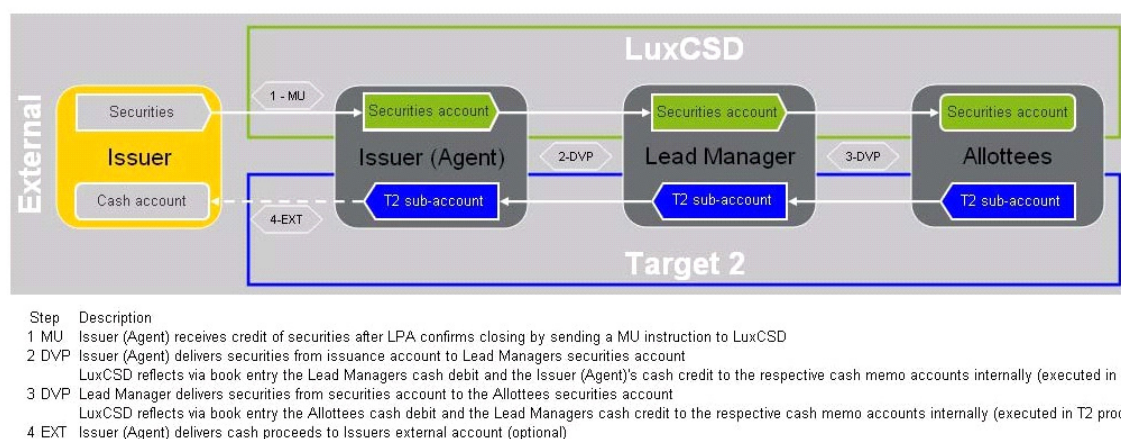


Figure 4-3. DVP Syndication Issuance (Model 1) Flow

4.7 Fungibility of tranches

Further tranches of existing Qualifying Securities may be issued which are or may become fungible with the initial offering of Qualifying Securities.

If all criteria for immediate fungibility are met, LuxCSD shall accept the new Qualifying Securities under the previously allocated ISIN for the initial offering. The new Qualifying Securities become automatically fungible with the initial Qualifying Securities as from the closing date of the new tranche.

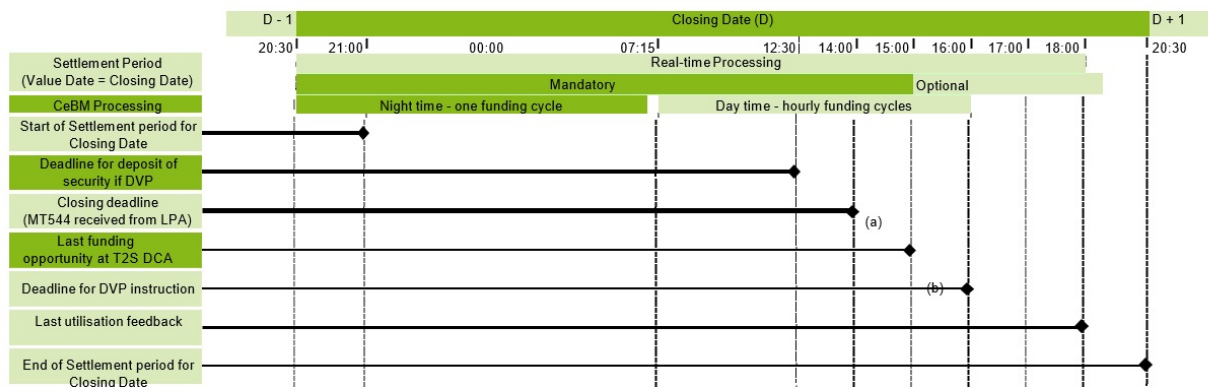
LuxCSD Security Form	Delivery of a New Certificate	Delivery of new Terms and Conditions / Final Terms
LBN	Required	Required
LRN	Required	Required
LDN	Not required	Required

The distribution of such issue is the same as any standard issuance procedure, described here above.

If the criteria for immediate fungibility are not met, the NNA assigns a separate ISIN to the new tranche. In this case, a new certificate shall be delivered to LuxCSD (until the fungibility can be achieved). The distribution of such issue is the same as any standard issuance procedure, described here above.

4.8 Summary of issuance timings

LuxCSD Issuance on Closing Date



Deadline for NTP instructions

- Notes: (a) The LuxCSD closing deadline assumes counterparties are using the Creation settlement platform. LuxCSD recommends that the deadline be adjusted based on the location of the counterparties.
- (b) LuxCSD recommends that the Optional Settlement Flag be set to allow for settlement after the end of the Mandatory Period.

Figure 4-4. Summary of DVP issuance timings

5. Asset servicing

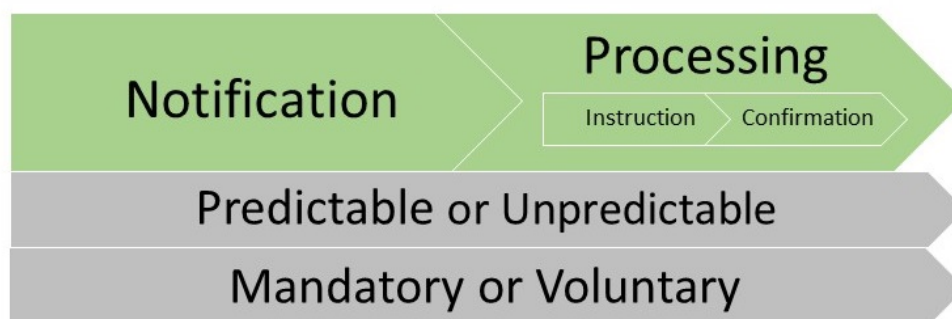


Figure 5-1. Asset Servicing events

5.1 Corporate action events

Corporate action events are those events covering income and non-income events.

LuxCSD implements the Market Standards on Corporate Actions produced by the Corporate Actions Joint Working Group (CAJWG). The market standards cover:

- Categories of Corporate Events:
 - Distributions (Cash, Security, including with options), and
 - Reorganisations (Mandatory, Mandatory with Options, and Voluntary).
- Information flow throughout the chain of relevant parties:
 - Key dates and their sequence, and
 - The operational processing of Corporate Actions.

LuxCSD implements the Market Standards for Transaction Management produced by Corporate Actions Sub-Group (CASG). The market standards cover:

- Market claims (reverse market claims)
- Transformations
- Buyer protection

The LPA shall provide a high quality of service in notifying and processing CA events, and in particular shall ensure a timely, complete, accurate, secure and automated information and communication to LuxCSD. See the LuxCSD Swift Guide for Agents for format and content of the information to be provided.

The LPA shall deliver the corporate event information based on timings defined in the Final and endorsed version of the Market Standards.

LuxCSD recommends the use of the ISMAG asset servicing checklists¹ for notification of Asset Servicing events.

The LPA shall use the following set of Swift messages to process CA events (excluding Meeting events and Shareholders Disclosure Requests) on Qualifying Securities in line with ISO 15022 standards, SMPG

1. Available at www.clearstream.com/ismag

5. Asset servicing

and in accordance with a set of harmonised business processes, workflows and key data elements as defined by SCoRE standards.

CA Message name	Message type and function ISO 15022
CA Notification	MT564/MT568 NEWM/REPL/RMDR
CA Instruction	MT565 NEWM (as incoming)
CA Instruction Status Advice	MT567 INST
CA Movement Preliminary Advice	MT564 REPE
CA Movement Confirmation	MT566 NEWM
CA Movement Reversal Advice	MT566 REVR
CA Cancellation Advice	MT564 CANC/WITH
CA Instruction Cancellation Request	MT565 CANC (as incoming)
CA Instruction Cancellation Request Status Advice	MT567 CAST
CA Movement Preliminary Advice Cancellation Advice	MT564 CANC

CA Notification (Notification, Update and Cancellation)

The LPA shall proactively notify LuxCSD of all the details of any predictable and unpredictable event affecting Qualifying Securities which is subject of an official announcement by the issuer:

- Whether such event or detail is published in the international financial press or any other publication, as specified and in accordance with the T&C; or
- Whether is notified directly to the LPA by the issuer; or
- Whether official information is available to the investors at the LPA.

The LPA shall inform LuxCSD of any restrictions related to the CA as included in the T&C or as advised by the issuer.

The LPA shall specify in its CA notifications if certification requirements exist, but shall not pro-actively describe the certifications details.

LuxCSD shall verify from the T&C or directly with the LPA the certifications details.

The LPA shall use the SCoRE compliant combination of event type/participation type/option to notify LuxCSD of an CA event.

The key data elements of CA events to be sent to LuxCSD and shall include relevant event details, such as record date for all mandatory events with an outturn, a default option in all CA events that have more than one option, change allowed indicator, blocking of securities indicator, maximum quantity to instruct, the necessary data elements required to calculate the cash and/or securities proceeds as specified in the SCoRE standards Rule book part 4 and in the SMPG and Agent contact details where relevant. The earliest payment date should only be populated when the (issuer-announced) payment date falls on a non-business day.

The LPA's CA Instruction deadline:

- In its CA notification to LuxCSD, the LPA shall mention the following deadlines:
 - LPA deadline (shall be by default to be the same as the market deadline);
 - the market deadline (i.e., the deadline mentioned in the T&C);

- Should the CA Notification not confirm the LPA's deadline, the market deadline prevails.
- For predictable CA events, the LPA shall send the first notification to LuxCSD:
 - As specified in T&C;
 - For Income events: The LPA shall notify LuxCSD for any variable details of an income event and whenever the terms/details of an income event change when announced to the market and at the latest by 12:00 on the BD following the receipt or procuring of this information from the Issuer / relevant Agent;
 - For elective events: 20BD and the latest 10BD prior to the exercise period start or upon request if start of exercise period equals to the closing date, else 20BD and the latest 10BD prior to start of exercise period;
 - Special requirements for few event combinations are described in the sub-chapter "CA events specifics".

For unpredictable CA events, the LPA shall send the notification on the same date as announced by the issuer.

The LPA shall send a basic or a full event notification on the relevant notification date depending on the Corporate Action (CA) event type as defined in the Market Standards and the LuxCSD Swift Guide for Agents. Where complete information of the event is not available for the first notice (for example for conditional events), the LPA event notification shall contain the available information indicating that the information is definitive but incomplete.

The LPA shall chase the missing information as follows:

- For predictable events, the LPA shall procure the T&C of each Qualifying Security in time to notify LuxCSD with all event details as specified and in accordance with the T&C.
- For unpredictable events, the LPA shall take all necessary actions to obtain all event details information from the Issuer on announcement date.

When some variable or fixed elements of the event (such as REDM into shares, EXWA, INTR floater) are not yet fixed or are unknown at the moment, the LPA sends its first notification to LuxCSD, and the LPA shall perform the following actions:

- When the fixing date for these missing elements is determined, the LPA shall proactively chase the missing information on the fixing date.
- When no fixing date for these missing elements exists, the LPA shall request the relevant Agent to proactively provide it with such information on the day they are fixed.
- When fixed elements are not yet confirmed by the relevant Agent to the LPA, the LPA shall proactively chase the missing information from the relevant Agent.

The LPA shall further notify LuxCSD when:

- Complete definitive information is officially announced in the market or is obtained by the LPA on the day the information is announced, indicating the information is complete;
- Any amendments are announced the same day the amendment is announced in the market. The LPA shall advise LuxCSD whenever the terms of an income event change, via the same channel as used for the sending of notification;
- Proceed details are made available (that is details of the proceeds fixed before or at the execution of the CA instruction or event).

Conditional events

The LPA shall notify LuxCSD only when the triggering event has occurred and the occurrence of the event (for example, conditional MCAL) is confirmed.

5. Asset servicing

Authorised notification period to investors

For events for which an authorised notification period to investors is defined in the Terms and Conditions of the Qualifying Security or the event, the LPA shall apply the following rules when sending event notifications to the LuxCSD:

- For call options/early redemptions the LPA shall send the event notification to LuxCSD within the exercise period indicated in the Terms and Conditions in the case the issuer has decided to exercise its option.
- For other CA events the LPA shall send the event notification, including the “official announcement date to investors”, to LuxCSD as soon as announced ahead of such official announcement date.

LuxCSD shall release the information to clients after such official announcement date.

CA Cancellation

If a previously announced CA event has to be cancelled, the LPA shall send a cancellation advice message to advice of the cancellation/withdrawal. The event type (CAEV), e.g., BONU, the event participation type (CAMV), that is, MAND/VOLU/CHOS and the financial instrument identifier, for example, ISIN are critical to the processing of an event. If one or more of them changes, the LPA shall cancel the old event and notify a new one.

CA Instruction (Instruction, Status and Cancellation)

Where voluntary or mandatory options from investors are available, LuxCSD may instruct the LPA or the event agent directly. If the instruction transits via the LPA, the LPA shall forward it immediately to the event agent. LuxCSD instructions can be sent in two different modes, individually or summed, that is several CA instructions to LuxCSD can be summed into one CA instruction to the LPA/agent.

There are three possible timings for sending the CA instruction: continuously, once at the deadline or daily. The event agent's and the LPA's deadlines shall by default be the same date as the market deadline.

Where applicable, LuxCSD shall send a MD and/or a MU request to the LPA to advise it of a forthcoming MD confirmation and/or of a MU confirmation in order to facilitate IOA reconciliation.

CA Instruction Status Advice

When LuxCSD chooses to send CA Instruction to the LPA, the LPA shall upon receipt of a CA Instruction message from LuxCSD send a CA Instruction Status Advice message to acknowledge or reject a CA instruction.

The LPA shall send CA Instruction Status Advice message also for CA events with no cash or securities movement.

If a CA instruction sent by LuxCSD to the LPA is unclear or incomplete, or in case any problem arises with regard to its execution, such as but not limited to insufficient available securities in LuxCSD's account, the LPA shall immediately:

- Inform LuxCSD via e-mail and/or telephone;
- Send an instruction status report;
- Investigate the problem with LuxCSD and/or the Agent, and deploy all efforts to resolve the problem on the same BD.

The LPA shall take the same actions whenever the Agent informs the LPA of any problems linked to a CA instruction sent either directly to the Agent or via the LPA.

For CA instructions sent by LuxCSD to the LPA, the LPA shall follow up with the Agent to ensure timely execution of the instruction.

CA Instruction Cancellation Request of CA instruction and MD request and Status Advice

Upon receipt from LuxCSD of a cancellation/withdrawal request on a CA instruction via CA Instruction Cancellation Request, the LPA shall:

- Verify with the Issuer / Agent if the CA instruction can be cancelled/withdrawn;
- Confirm to LuxCSD if the instruction has been cancelled/withdrawn or not via CA Instruction Cancellation Request Status Advice;
- If the instruction has been cancelled/withdrawn: move the securities position back from suspense to available position.

Upon receipt from LuxCSD of a cancellation/withdrawal request on a MD request, the LPA shall:

- Move the securities position back from suspense to available position.

Payment (Claim, Payment Advise, Processing, Confirmation, Reconciliation)

Payment claim

As LuxCSD holds 100% of the Qualifying Security, the Issuer or the paying Agent shall process the incoming payments without the receipt of a formal payment claim from LuxCSD. LuxCSD T2S DCA for payments in EUR, and the details with regard to CBL's CCB for payments in other eligible currencies are available via the LuxCSD website. LuxCSD Cash Correspondent Bank (CCB) details will be made available to Issuers and Agents via the LuxCSD website. Any change of CCB details will be advised by LuxCSD to the LPA community at least five business days before the effective date.

Payment Advise (Entitlement and Cancellation)

For each event with fund proceeds, the LPA shall validate the payment details with the relevant Agent to ensure proper payment of the funds to LuxCSD for good value. After validation, the LPA shall send to LuxCSD a confirmation that the relevant Agent has been instructed to pay and of the cash amount expected to be received ("pre-advise of funds"). A pre-advise shall be sent on payment date minus two business days. The LPA shall follow rounding rules as defined in the SCoRE standards, i.e. for securities payments rounding down to the nearest full unit.

In case of a change to the payment details occurring after the transmission of the original pre-advise of funds, the LPA shall immediately provide LuxCSD with an amended pre-advise of funds.

If a previously announced CA event has to be cancelled, the LPA shall send a cancellation advice message.

Payment Deadline

Euro currency payments must be received before 12:00 on payment date to allow onward distribution to beneficiaries under good value. Euro payments received after 12:00 shall be distributed under good value on a best effort basis. Non euro currency payments should be received by LuxCSD as early as possible to allow for timely distribution to beneficiaries.

In case of a delay in payment processing, the LPA shall notify LuxCSD about a reason for such delay in line with the SCoRE standards.

Payment confirmation

For each event with fund proceeds, the paying agent and/or LPA shall send a payment confirmation to LuxCSD after the payment has been executed. The payment confirmation allows for the faster onward distribution of funds due to improved reconciliation processing, especially in the case where the payment confirmation amount is different from the previously communicated payment amount (that is the pre-advise).

5. Asset servicing

MD/MU confirmation

When the execution of an event implies a MD/MU, the issuer and its agents, including the LPA, shall ensure that all their obligations linked to the MD/MU for voluntary events and mandatory events with or without option(s) are performed. If proceeds of an event are a new Qualifying Security, the issuer or its agent shall arrange for the deposit of the appropriate documents with LVO and the LPA shall send the MU confirmation to the LuxCSD, in accordance with the new issues procedure.

Upon receipt of funds

LuxCSD shall process payments to its participants upon reconciliation of fund proceeds.

The LPA shall assist LuxCSD in resolving any difference between the payment that has been pre-advised and the funds that have effectively been received, or between the pre-advised and/or paid amount versus the LuxCSD expected amount. The LPA shall seek the assistance of the Agent whenever it is required.

In order to ensure timely reconciliation of amounts due and payment to LuxCSD's client, pre-advices of funds and payment claims must always be separated and must never aggregate expected payments in respect of different income events and/or issues.

CA Reversal (Advise, Payment and Confirmation)

Issuers and Agents agree to abide by the LuxCSD Return of Funds policy to request the return of funds for payments made in error to LuxCSD.

CA Reversal Advise

Upon detection of an error or a problem with a payment which requires the return of funds, the LPA shall inform LuxCSD accordingly.

The LPA will never debit LuxCSD's account or net the amount due with another amount unless authorised to do so by LuxCSD.

The LPA shall send to LuxCSD movement reversal advice message (ADDB//REVR) in advance of the reversal to pre-announce the need for the proceeds of the CA event to be returned. This will allow sufficient time to arrange the return of cash proceeds paid out as part of the original corporate action.

The reversal shall take place on the Payment Date specified in the movement reversal advice message.

Movements reported within the movement reversal advice message shall be the opposite of those reported in the movement preliminary advice message, i.e., any credit of cash and/or securities will become a debit of cash and/or securities.

The LPA shall specify a reason of the reversal in the movement reversal advice message:

- Day Count Basis Difference;
- Incorrect Value Date;
- Incorrect Entitlement Date;
- Incorrect Price;
- Undue Payment;
- Incorrect Payment Currency;
- Incorrect Event Level Tax Rate.

Alternatively, the LPA may contact LuxCSD as soon as possible via MT564 adding the additional information in tag ADTX or MT568.

The MT564 or MT568 shall contain sufficient and clear information to identify the payment made in error and shall include:

- Payment details (ISIN code, amount paid, currency, value date etc.);

- The originator of the reversal (who): for example, Paying Agent Name;
- The root cause (why): for example, Manual/Typing error;
- The error (what): for example, pool factor.

Note: No particular format is required. For further details about the Who, Why and What content refer to the LuxCSD Swift Guide for Agents - ISMAG Reversals root cause analysis.

Upon receipt of such notice, LuxCSD shall notify its clients in accordance with its General Terms and Conditions to return the funds as per the Agent's instruction and upon receipt of the returned funds LuxCSD shall instruct payment to the Agent.

The LPA shall refer to ISMAG MPB - Annex 18.

LuxCSD reserves the right to delay the return of funds until the complete root cause analysis is received from the LPA via the amended preliminary advice of funds. To avoid delaying the return of funds, the LPA must immediately inform the relevant Agent/Issuer of any incomplete return of funds request. In case the return of funds is linked to a final or an early redemption the LPA shall, in advance of sending the amended pre-advice of funds, inform LuxCSD by phone.

CA Reversal - Payment and Confirmation

The LPA shall send a (security) movement reversal advice to LuxCSD when a movement has been made by the LPA. In case where such movements were paid/processed by an Agent, no movement reversal advice message shall be sent.

The LPA shall process reversal movement and send movement reversal advice on the reversal date. Movements reported within the movement reversal advice message (MT566 REVR) shall be identical to those reported in the linked movement confirmation message.

5.2 CA events specifics

Redemption

Early, final or partial redemption (with or without decrease of nominal amount or via lottery), leading to a decrease of the IOA, the LPA shall transmit the mark-down (MD) confirmation to LuxCSD as soon as it is received from the Agent.

Partial redemption without reduction of nominal amount, LuxCSD shall not change the nominal amount of the notes but shall reflect the partial redemption by adapting the value of the pool factor. LuxCSD and the LPA shall continue to communicate on the basis of the original nominal amount of the notes. Upon receipt of the new pool factor from the Agent, the LPA shall send to LuxCSD a MD confirmation containing the new pool factor to LuxCSD.

LuxCSD recommends the use of partial redemption via pool factor rather than via the reduction of the nominal amount.

Partial redemption with reduction of nominal amount which results in **new denominations without decimals**, LuxCSD shall process the reduction of the nominal amount and communicate with the LPA on the basis of the new nominal amount.

Partial redemption with reduction of nominal amount which would result in a **new denomination with decimals**, LuxCSD shall process the partial redemption without reduction of nominal through the use of a pool factor as specified in the Terms and Conditions of the issue. Upon receipt of the new pool factor from the Agent, the LPA shall send to LuxCSD a MD confirmation containing the new pool factor to LuxCSD.

5. Asset servicing

Put Redemption

Special requirement is linked to a number of notifications. For monthly and quarterly exercise, notice shall be sent for each exercise period taking the holiday schedule into account. As a general rule, one notification per event shall be sent (whatever the frequency of the event is), with a specific deadline for each.

For put options that can be exercised at any time, one notice is sufficient but specifying which calendar needs to be used to determine the non-business days.

Lottery, the denominations do not change but the nominal amount is decreased.

Conversion Option

The LPA shall send the first CA Notification to LuxCSD on announcement date, before the suspension period, i.e., before the conversion is effectively suspended.

For the notification of a close/suspension period:

- If such periods are defined in the T&C, the information shall be provided in the same notice as the details of the event.
- If such period is not defined in the T&C, a separate notice shall be sent on the date the suspension/close period is announced.

The LPA shall inform LuxCSD of the deadline to convert before the suspension period.

In case a MCAL is announced on a convertible bond, the LPA shall immediately send new or updated CONV notification including the deadline to convert before the early redemption.

Interest Payment

The securities with fixed negative interest rates are not eligible in LuxCSD.

For the securities with a floating interest rate resulting in the negative coupon amount, the LPA shall notify LuxCSD using the Interest Payment (INTR) event, interest rate :92a::INTR with a sign "N" and process payment at zero using the NILP qualifier for the :92aINTR or :90a::OFFR fields.

Non-appropriate certification

LuxCSD's holdings that remain non-appropriately certified and therefore in GT form after the end of the seasoning period will not be entitled to any income proceeds until they are certified and exchanged into holdings in GP form or in physical certificates. Similarly, for Qualifying Securities for which certification is required upon each or a specific income payment, non-appropriately certified holdings are not entitled to the income proceeds. Any past income payment related to such non-appropriately certified holdings, once adequately certified, shall be claimed to the LPA on a case-by-case basis.

Changes to T&C

The LPA shall send an event notification to LuxCSD when a change to the T&C on a Qualifying Security shall be made without the need for a meeting or a consent request from the noteholders. The LPA shall specify in the CA notification if a new global certificate is to be issued and sent to the LPA, and a new security code attributed. The LPA shall send the new version of the T&C to the LuxCSD

Notification for default, bankruptcy and liquidation

The LPA shall send a notification to LuxCSD when an event of default of an issuer of a Qualifying Security, including the resultant bankruptcy or liquidation proceedings, is announced in the market, and when a payment is announced on a security issued by an issuer in default, bankruptcy or liquidation

The LPA shall assist LuxCSD in getting and providing information/documents from/to trustee, liquidators and any other agents dealing with default, bankruptcy and liquidation situation.

5.3 Meeting notifications and proxy voting

The LPA shall provide the service for general meetings of all Qualifying Securities

The LPA shall send a full event notification to the LuxCSD of a forthcoming meeting on the Qualifying Securities on the announcement date of the meeting and in line timings defined in the final and endorsed version of the Market Standards.

For all meeting types the LPA shall use the following set of Swift messages on Qualifying Securities in line with ISO 20022 standards, SMPG and in accordance with a set of harmonised business processes, workflow and key data elements as defined in the SCoRE standards and Shareholder Rights Directive II (when applicable)¹.

GM Message name	GM Message type and function ISO 20022
Meeting Notification	Seev.001
Meeting Cancellation	Seev.002
Meeting Instruction	Seev.004
Meeting Instruction Cancellation Request	Seev.005
Meeting Instruction Status	Seev.006
Meeting Vote Execution Confirmation	Seev.007
Meeting Result Dissemination	Seev.008

The notification shall contain sufficient and clear information related to the meeting and shall include:

- Security details and meeting type;
- Meeting date and time,
- Voting option number and voting option type,
- Indication whether instruction on beneficial owner level is required,
- Indication if an event has a record date or if blocking is applicable,
- LPA's and market's deadline for receipt of LuxCSD's voting instructions,
- Indication of any special requirement of the issuer.

Any additional information received by the LPA from the issuer or relevant Agent, shall be validated and mapped in the structured fields of seev.001. Alternatively, URL link to the issuer' / or relevant Agent's website shall be provided within seev.001 for further details and public announcements. If the issuer does not have a URL address, the Agent may need to offer it.

Upon request of LuxCSD, The LPA shall also send meeting agenda/notice in English.

Proxy voting instructions and status

LuxCSD's instructions may consist of:

- Security details and meeting type;
- Voting option number and voting option type;

1. LuxCSD's Swift templates can be accessed in MyStandards: https://www2.swift.com/mystandards/#/mp/mx/_zj6TAJBDEe6_x5Tz0zof6Q!usage_guidelines

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- Instructed amount;
- Beneficial owner's details, if applicable;
- Attendees' details, if applicable.

Result dissemination

The LPA shall notify LuxCSD of the results of all the meetings where a LuxCSD client was represented at the latest on the day following receipt of the results from the issuer or the Agent but no later than 5 BD after the meeting date.

When the conclusion of such a meeting leads to the triggering of an unpredictable event, the LPA shall send a basic event notification to LuxCSD describing the resulting events.

5.4 Shareholder Rights Directive (SRD) II specific provisions

Shareholder disclosure under the SRD II (SID)

For shareholder disclosure requests for which the LPA has been delegated by the issuer to send a request and / or to receive responses and other actions, the LPA will promptly notify LuxCSD of such request using following Swift message on Qualifying Securities in line with ISO 20022 standards, SMPG and in accordance with Shareholder Rights Directive II:

SID Message name	SID Message type and function ISO 20022
Notification of mandatory shareholder disclosure request	Seev.045
Cancellation of mandatory shareholder disclosure request	Seev.046

Meeting notifications and proxy voting under the SRD II

For meeting notifications for which the LPA has been notified by the issuer that the meeting falls under the Shareholder Rights Directive, the LPA will promptly notify LuxCSD accordingly, as per the agreed templates ("SRDII flag" will be used) in Appendix 4 "Communication formats for Corporate Actions under the Shareholder Rights Directive II".

In addition, the LPA will provide the acknowledgement of receipt by the issuer of the voting instruction as well as the vote execution confirmation, when such a confirmation has been requested in the voting instruction of LuxCSD and when such confirmation has been received from the issuer.

5.5 Exchange GT to GP and fungibility

LuxCSD offers a fully automated procedure for processing TEFRA D securities only within the certification period.

Where a security becomes fungible post issuance, LuxCSD shall process the fungibility in a similar manner to the Exchange GT to GP. The relevant instructions are available in the LuxCSD Swift Guide for Agents, with the primary difference being the need to identify the old (mother) and new (daughter) tranche ISIN's.

Authorisation

LuxCSD shall request an authorisation from the Issuer (via the LPA) to process all exchanges from GT to GP with the corresponding updates of the IOA as of exchange date and thereafter.

Certification

Where LuxCSD require client certifications and the appropriate Qualified Investor Certification is not provided by the certification due date, the uncertified or non-qualified investor position in the relevant security will be automatically blocked.

Exchange

At exchange date and after receiving the authorisation, LuxCSD shall exchange from GT to GP. Blocked positions shall not be exchanged and shall not be eligible for any entitlement.

Blocked positions can be exchanged later upon delivery of appropriate certification and validation with the Issuer or Agent.

5.6 Disposal process

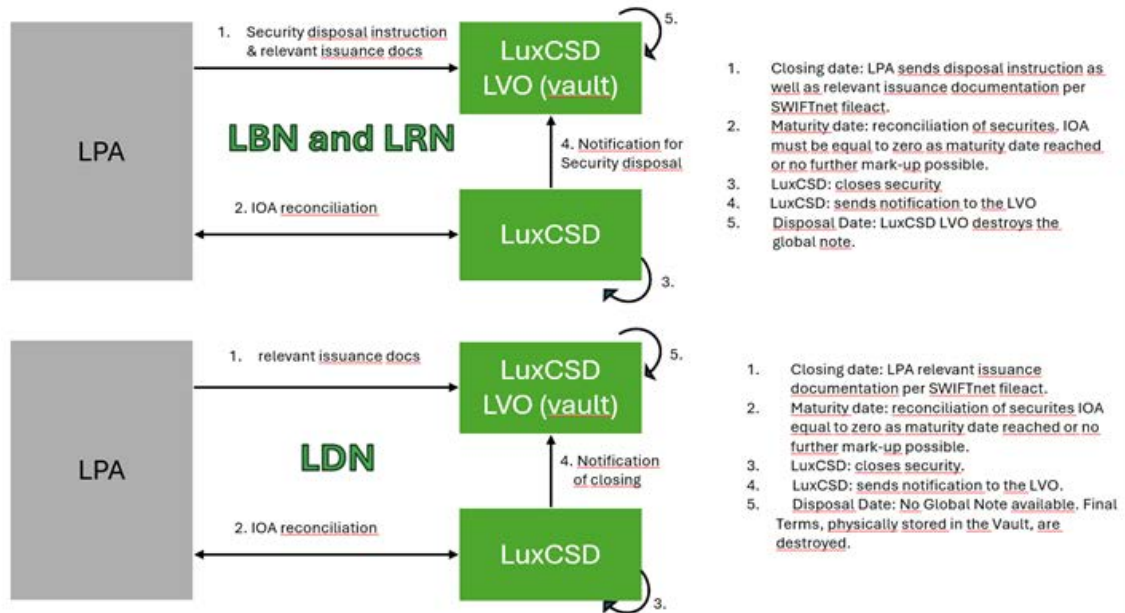


Figure 5-2. Securities End of Life

For LBN and LRN securities, the LPA shall initiate the reconciliation to LuxCSD at the securities end of life. After successful reconciliation, LuxCSD shall close the LBN and/or LRN security or cancel the LDN security records and reduce the Issuance account ("compte d'émission") to zero, ensuring no further transactions take place.

For LBN and LRN securities, the Agent disposal authorisation is sent to the LVO to confirm the disposal process at the same time as the official security issuance documents (see "[Closing activities](#)").

On LBN and LRN disposal date or LDN cancellation date, and after reconciliation has been completed, LuxCSD shall send a notification to the LVO for the security disposal.

The LVO shall dispose of the LBN and/or LRN security only upon receipt of both the Agent disposal authorisation and the LuxCSD disposal instruction.

For LDN securities, the LPA shall initiate the reconciliation to LuxCSD at the securities end of life. After successful reconciliation, LuxCSD shall cancel the security records and reduce the Issuance account ("compte d'émission") to zero, ensuring no further transactions take place.

The Agent cancellation authorisation is sent to the LVO to confirm the cancellation of such security's position in the Issuance account from the LuxCSD's book as OL (see "[Closing activities](#)").

On cancellation date, upon receipt of the LPA notification and after reconciliation has been completed, LuxCSD shall cancel the security's position in the Issuance account.

5.7 Tax information and processing

The LPA shall assist LuxCSD to:

- Determine the tax treatment of Qualifying Securities; and
- Identify any amendment to such rules, treaties or practices and notify LuxCSD immediately;
- Arrange for withholding tax relief to be applied through Relief At Source and Standard/Quick Refund Tax Procedures, whenever possible.

In the context of withholding tax relief, the LPA shall:

- Provide information to LuxCSD on the tax treatment of Qualifying Securities;
- Apply LuxCSD tax relief procedures as published from time to time on its website. Any new procedure or change to existing procedures will be made available to the LPAs at least five business days before effective date; and
- Take all necessary actions to process and follow-up on withholding tax relief claims.

5.8 Record keeping

The LPA shall at all times maintain records and data on all the services and activities as set forth in these operational arrangements. All records maintained pursuant to this Section shall be retained by the LPA for such period as shall be required by law, but in no event for less than ten years, where after retention of such records shall be at the LPA's discretion.

Records of static information (as described in this document) shall be retained by the LPA for a period of ten (10) years as from the termination of this Agreement. Records of dynamic information (for example, securities transactions details, balances, movements) shall be retained by the LPA for a period of ten (10) years as from the creation of such information.

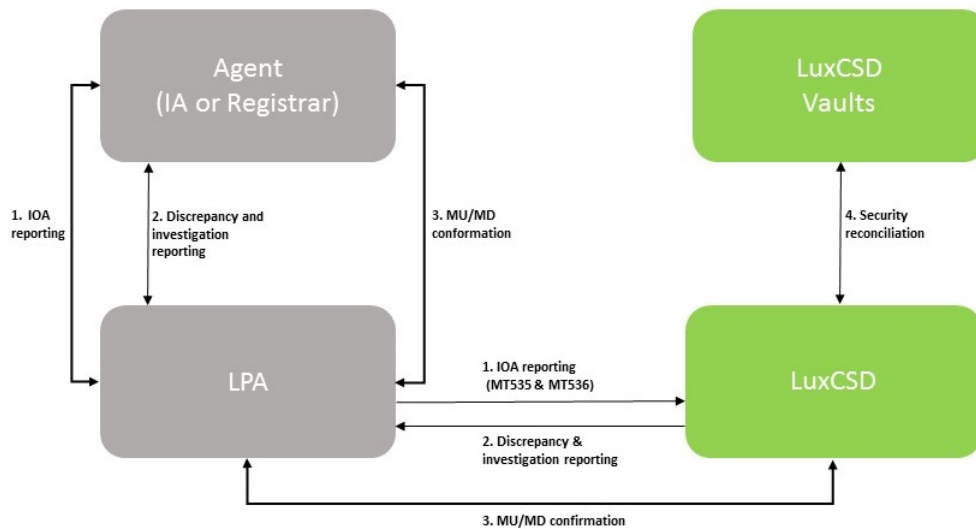
The LPA shall make such records available, upon request, to LuxCSD competent or other relevant authority that has a power to request access to such records for the purpose of fulfilling their mandate and to LuxCSD if it has been required by such authority to make records and data available.

5.9 Reconciliation

Reconciliation of the IOA shall take place between LuxCSD and the Issuer or Agent via the LPA and LuxCSD.

The Agent or the LPA shall implement adequate reconciliation procedures to enable LuxCSD to perform its reconciliation duties in compliance with the applicable laws and regulations and ensure the overall integrity of the issue.

Note: Step 4 is not applicable to LDN.



1	SD	Provide IOA reporting MT535 & MT536
2	SD by 19:35	Report on discrepancies (unmatched MU/MD and/or IOA differences)
3	SD +1 BD	Reconstruct IOA and issue correct MU/MD (if required)
4	Monthly	Reconcile securities between LuxCSD books and vaults

SD= Settlement Date

Figure 5-3. Reconciliation

Daily reconciliation

The LPA and LuxCSD shall undertake a complete (that is for all Qualifying Securities) daily IOA reconciliation exercise (and the pool factor when relevant).

- LuxCSD has received on that day a MD/MU confirmation from the Agent, or delivered a CA instruction or a MD/MU request to the Agent; or
- There is an income event with payment date (PD) = current date + five business days or with record date = current date + two business days (whichever is the earlier) or a CA event with an event date = current date + five business days or with record date = current date + two business days (whichever is the earlier); or
- A discrepancy in the IOA has been detected in a previous reconciliation process and the discrepancy is not yet solved or has been solved on the day the report is being produced; or

- The Agent has reversed a MD/MU confirmation following the receipt of a MD/MU rejection message from the LuxCSD.

This shall include:

- at least a daily reconciliation of the total balance recorded on the securities accounts maintained by LuxCSD with the corresponding records of the Securities maintained by the Issuer or any agent appointed by the Issuer with respect to the Securities, as the case may be;
- where the Securities have been transferred during a given business day and to the extent it is possible given the nature of the Securities, an end of day reconciliation of the balance of each securities account maintained by LuxCSD with the balance of the corresponding record of the Securities maintained by Issuer or any agent appointed by the Issuer with respect to the Securities, as the case may be.

Reconciliation between the LPA and third parties

If a third party such as the issuer, registrars, issuance agents, transfer agents or other entities maintain records of a Qualifying Security which are also recorded in the LPA, the LPA shall involve these third parties to perform the daily reconciliation process of that Qualifying Security to maintain its integrity.

In case a Qualifying Security is an investment fund, the LPA shall reconcile as often as the NAV is calculated, the total balance of all Qualifying Securities recorded on the securities accounts maintained by the LPA with the corresponding records of securities maintained by the third party, that is, the Transfer Agent, fund manager or other similar entity.

For all other Qualifying Securities, the LPA shall reconcile daily (applying the pool factor when relevant) the total balance of all Qualifying Securities recorded on the securities accounts maintained by the LPA with the corresponding records of securities maintained by the third party if:

- the securities have been transferred during a given business day; and/or
- the LPA has received on that day a MD/MU confirmation from the Agent, a CA instruction or a MD/MU request from LuxCSD; and/or
- there is an income event with $PD = \text{current date} + 5 \text{ business days}$ or with $\text{record date} = \text{current date} + 2 \text{ business days}$ (whichever is the earlier) or a CA event with an event date = current date + 5 business days or with $\text{record date} = \text{current date} + 2 \text{ business days}$ (whichever is the earlier); and/or
- a discrepancy has been detected in a previous reconciliation process and the discrepancy is not yet solved or has been solved on the day the report is being produced; and/or
- the LPA has reversed a MD/MU confirmation following the receipt of a MD/MU rejection message from LuxCSD.

Additionally, the LPA shall:

- on a daily basis, reconcile any notification received through the information exchange measures put in place on the day of its receipt, sent by the third party with regard to the total balance of all Qualifying Securities maintained by that third party; and
- at least every two weeks, perform a full reconciliation of all balances in a securities issue with all balances on the corresponding record of securities maintained by the relevant entity.

5. Asset servicing

Reconciliation between the LPA and LuxCSD

The LPA shall provide:

- LuxCSD with a daily statement of transactions by 20:30, listing all the movements booked on the LuxCSD account (including booking of MD/MU, reversals of rejected MD/MU);
- LuxCSD with a daily statement of holdings by 20:30, listing the closing balance at end of the current business day (in line with all the movements reported in the above statement of transactions) for all Qualifying Securities.

Reconciliation by LuxCSD

LuxCSD shall reconcile, on a daily basis, the statement of transactions and the statement of holding listing the own LuxCSD's positions as received from the LPA, with its internal records and shall report any discrepancy detected to the LPA for further investigation by the LPA.

LuxCSD shall also report to the LPA any missing MD confirmations, for example, the positions for which a MD confirmation is expected from the Agent and has not yet been received because a CA or repurchase instruction has been sent or because the event date has been reached.

Investigation of discrepancies between the LPA and third parties

The LPA shall take all the necessary actions to resolve any discrepancy between the records maintained by the Agent and LuxCSD's positions maintained by the LPA on the same day as reported by the Agent and at the latest on the next business day.

The LPA shall regularly provide a status update of the investigation related to the identified discrepancy to LuxCSD via email

For any discrepancy reported by the Agent on a business day on which an income claim has to be made, on a CA deadline date, on a CA record date, on the business day preceding a CA event date or on the business day preceding a coupon or redemption payment date, all efforts shall be deployed by the LPA to resolve the discrepancy on that day.

Should the above described discrepancy remain unresolved on that day, the LPA shall:

- inform directly LuxCSD of such difference, keep any MD confirmations received in suspense and investigate directly with the Agent to resolve the discrepancy;
- request instruction from LuxCSD on how to proceed with the MD confirmation received and with the position in suspense. This is an escalation procedure whereby the LPA is required to telephone the escalation person within the relevant operational department as per Appendix 2 dealing with the event and send the details via email or Swift according to the situation. The LPA shall keep in regular contact with the relevant operational department until such time as LuxCSD has provided the LPA with instructions on how to proceed with the confirmation received.

Investigation of discrepancies between the LPA and LuxCSD

Once the reconciliation process is completed (described in "[Daily reconciliation](#)", "[Reconciliation between the LPA and third parties](#)", "[Reconciliation between the LPA and third parties](#)", "[Reconciliation by LuxCSD](#)") and if the LPA or LuxCSD identify any discrepancy it shall:

- start the investigation of any discrepancy, without undue delay; and
- take all the necessary actions externally and internally; and
- endeavour to resolve the discrepancy as soon as possible.

The LPA shall also start the chasing of missing MD/MU confirmations and shall provide a daily update of the status.

For any discrepancy reported by LuxCSD on a business day on which an income claim has to be made, on a CA deadline date, on a CA record date, on the business day preceding a CA event date or on the business day preceding a coupon or redemption payment date, all efforts have to be deployed to resolve the discrepancy on that day.

The LPA shall regularly provide a status update of the investigation related to the identified discrepancy to LuxCSD via email as per the contact list.

5.10 Reconciliation reporting

Reporting by the LPA

Unresolved discrepancies between the LPA and any third party will be reported by the LPA to LuxCSD by a daily report listing the discrepancies. This report (Appendix 3) shall contain the above mentioned number of limited Qualifying Securities:

- all the discrepancies reported by the third party on that given date;
- all the discrepancies previously reported by the third party but not yet solved;
- all the discrepancies previously reported by the third party and solved on that given date.

The LPA shall send the report via email to the address specified in Appendix 2.

The report (even if empty) shall be sent on a daily basis.

Reporting by LuxCSD

On a daily basis, after their own reconciliation process, LuxCSD will follow up and start an investigation with the LPA on:

- all discrepancies resulting from the reconciliation process that could potentially result in the creation or deletion of securities;
- missing MD/MU confirmations.

LuxCSD will send above mentioned investigation in the form of a consolidated report. The LPA shall verify the consolidated report and confirm/update the status of the investigation at the latest, close of business on the next business day.

Identification of undue creation or deletion of securities and suspension of settlement

LuxCSD and the LPA shall analyse any mismatches and inconsistencies resulting from the reconciliation process and take all relevant measures to resolve them. Once the results of the investigation confirm that the discrepancy is the result of an undue creation or deletion of securities, LuxCSD or the relevant LPA shall:

- inform of their findings to the relevant party(ies), via email to the advised email address; and
- endeavour to resolve the undue creation or deletion of securities before 17:00 on the business day immediately following the final conclusion that the break resulting from the reconciliation process is a consequence of an undue creation or deletion of securities took place;
- If the discrepancy due to an undue creation or deletion of securities is still not resolved by 17:00 CET (on the next BD following the day of conclusion of an undue creation or deletion of securities), LuxCSD shall decide to suspend all settlement in the relevant security until resolution of the undue debit or credit of securities.

If LuxCSD decides to suspend all settlement, they shall communicate such decision to the LPA by 17:00 via MT599 and via email to the relevant email address.

5. Asset servicing

Resolution of undue creation or deletion of securities

Once the discrepancy is resolved, LuxCSD will inform the LPA accordingly.

In the case suspension of settlement has been applied, LuxCSD will also confirm to the LPA the decision to lift the settlement suspension after the undue creation or deletion of securities has been resolved.

The resolution of the undue creation or deletion of securities and lifting of any suspension is to be communicated by 17:00 and via MT599 and via email to the relevant email address.

Undue creation or deletion of securities reporting data

Communication means to be used by LuxCSD and/or LPA to inform each other and the relevant parties of the identification of an undue creation/deletion of securities or for LuxCSD to inform LPA of a suspension/to lift suspension of settlement.

Action	Media	Content
Undue creation/ deletion of securities	Email	<ul style="list-style-type: none">• ISIN + issue name• Date of identification of undue creation or deletion• Context: CSDR - mismatch with undue creation/ deletion
Suspension/to lift suspension of settlement	MT599 and Email	<ul style="list-style-type: none">• ISIN + issue name• Date of suspension date/ lifting date• Context: CSDR - suspension date/lifting date

Qualifying Securities with pool factor

Upon receipt of the confirmation of the new pool factor from the Agent, the LPA shall quote the new pool factor value on the statement of holdings as from actual payment date plus one business day (dated actual payment date) for IOA reconciliation purposes.

Before that actual payment by the Issuer, the pool factor reported in the statement of holding shall be the pool factor that applied before the payment.

The Agent, via the LPA, and LuxCSD shall reconcile the pool factor value as reported on the statement of holdings.

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6. Performance monitoring

The objective of LuxCSD is to provide an efficient environment for securities issuance, settlement and servicing. To this effect, LuxCSD shall monitor and report on market performance to assess the level of achievement in respecting market best practices. This continual monitoring shall enable the market participants and LuxCSD to assess areas where further efficiency improvements may be achieved.

6. Performance monitoring

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7. Business continuity and disaster recovery

The LPA shall implement adequate business continuity and disaster recovery arrangements. The LPA shall make such arrangements available to LuxCSD upon request.

The LPA shall participate in the design and conduct of any such testing upon request from LuxCSD.

7. Business continuity and disaster recovery

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Appendix 1. Swift messages summary

MTnnn	Section	Sub Section	Description of the message	Sender	Receiver
MT535	Statement of Holdings				
	Reconciliation		Daily statement of IOA	LPA	LuxCSD
MT536	Statement of Transactions				
	Reconciliation		Daily statement of transactions	LPA	LuxCSD
MT542	Deliver Free				
	Accounting	MU/MD of securities	Cancellation of repurchase instruction	LuxCSD	LPA
		MU/MD of securities and Repurchase	Repurchase instructions / (Re-registration/Cancellation of clearing positions)	LPA	LuxCSD
MT544	Receive Free Confirmation				
	New Issues		MU confirmation for a New Issue distribution.	LPA	LuxCSD
	Accounting	MU/MD rejection processing	Reversal message and corrected message in case a new issue is rejected by the LuxCSD	LPA	LuxCSD
MT546	Deliver Free Confirmation				
	Accounting	MU/MD rejection processing	Reversal message and corrected message in case a MU/MD confirmation related to repurchase	LPA	LuxCSD
		MU/MD of securities and Repurchase	MD confirmation of repurchases	LPA	LuxCSD
MT548	Settlement Status and Processing Advice				
	New Issues (LVO)		Deposit confirmation/rejection	LuxCSD	LPA
	Repurchase		Status report on repurchase instruction sent only in case of problem (including unmatching feedback) or rejection	LPA	LuxCSD

MTnnn	Section	Sub Section	Description of the message	Sender	Receiver
MT564	Corporate Action Notification				
	Corporate Actions	Information provision	Notification of CA events	LPA	LuxCSD
			Notification of proceed details	LPA	LuxCSD
		Exchange GT/GP	Prior authorisation confirming that the LuxCSD can process a fungibility or a GT/GP exchange	LPA	LuxCSD
		Exchange GT to definitive notes	Notification confirming that the agent is ready to process the exchange into definitive notes	LPA	LuxCSD
	Income		Notifications of any variable details of income and redemption events	LPA	LuxCSD
			Pre-advice of funds	LPA	LuxCSD
			Pre-advice of taxable funds with instruction	LPA	LuxCSD
			Amended pre-advice of funds	LPA	LuxCSD
MT564 (plus MT568 for more details, if applicable)	Tax		Notification including certification request	LPA	LuxCSD

MTnnn	Section	Sub Section	Description of the message	Sender	Receiver
MT565	Corporate Action Instruction				
	Accounting	MU/MD of securities and Corporate Actions	MD request for CA events	LuxCSD	LPA
			CA instruction	LuxCSD	LPA
		MU/MD of securities	Cancellation of MD request	LuxCSD	LPA
			Cancellation of CA instruction	LuxCSD	LPA
	Corporate Actions	Certification	Certificate instruction from LuxCSD	LuxCSD	LPA
		Exchange GT/GP	Request to update the position for the processing of a fungibility or an exchange from GT to GP form	LuxCSD	LPA
		Exchange GT to definitive notes	Advice to update the position for the processing of an exchange from GT form into definitive notes	LuxCSD	LPA
		Consent	Consent instruction	LuxCSD	LPA
	Tax		Tax certification instruction	LuxCSD	LPA

MTnnn	Section	Sub Section	Description of the message	Sender	Receiver
MT566	Corporate Action Confirmation				
	Accounting	MU/MD of securities and Corporate Action	Confirmation of CA events (including MU/MD confirmation for CA events and including credit of newly issued securities resulting from a CA event)	LPA	LuxCSD
		MU/MD of securities and Income	MD confirmation for redemptions	LPA	LuxCSD
		MU/MD of securities - pool factor redemption - and Income	MD confirmation for pool factor after actual payment by issuer	LPA	LuxCSD
		MU/MD rejection processing	Reversal message and corrected message in case a MU/MD confirmation related to CA events is rejected by the LuxCSD	LPA	LuxCSD
	Corporate Actions	Exchange GT/GP	Confirmation of processing of a fungibility or for an exchange from GT to GP	LPA	LuxCSD
		Exchange GT to definitive notes	Confirmation of mark-down of the GT form	LPA	LuxCSD
		Consent	Consent results notification (for cash proceeds if any)	LPA	LuxCSD
		Income	Confirmation of payment	LPA	LuxCSD
MT567	Corporate Action Status and Processing Advice				
	Corporate Actions	Instruction status report	Status report on CA instructions and MD requests related to CA event	LPA	LuxCSD
	Accounting	MU/MD of securities	Reporting of matching discrepancy between:	LPA	LuxCSD
			- MD confirmation from the Agent, and	LPA	LuxCSD
			- MD request or CA instruction from the LuxCSD	LPA	LuxCSD

MTnnn	Section	Sub Section	Description of the message	Sender	Receiver
MT568	Corporate Action Narrative				
	Accounting	MU/MD of securities	Instruction from LuxCSD to LPA to reject a MU/MD confirmation	LuxCSD	LPA
	Corporate Actions	Exchange GT/GP	Request for prior authorisation for the processing of a fungibility or a GT/GP exchange	LuxCSD	LPA
		Consent	Consent results notification (with no cash proceeds) and reporting of an extension of consent deadline	LPA	LuxCSD
MT599	Free Format Message				
	Accounting	Chasing and investigation	Escalation for status update on missing MU/MD confirmation	LuxCSD	LPA
	New Issues		Notification by LuxCSD that the code or the program is opened, and of the LPA and the issue details	LuxCSD	LPA IA/LM
				Notification by LPA to LuxCSD in case of delay of closing date	LPA
	Reconciliation		Cancellation Notification of the security's position in the Issuance account by the LPA to the LVO for LDN	LPA	LuxCSD
XLS file via Email					
	Reconciliation		Reporting of reconciliation discrepancies between the IOA maintained by Agent and LPA	LPA	LuxCSD
				Reporting on reconciliation discrepancies detected by the LuxCSD, including missing MD confirmation	LuxCSD

Seev	Section	Sub Section	Description of the message	Sender	Receiver
seev.045 Shareholders Identification Disclosure Request					

Corporate Actions	Request	Notification of mandatory shareholder disclosure request	LPA	LuxCSD
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seev.046 Shareholders Identification Disclosure Request Cancellation Advice

Corporate Actions	Cancellation Advice	Cancellation of mandatory shareholder disclosure request	LPA	LuxCSD
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seev.047 Shareholders Identification Disclosure Response

Corporate Actions	Response	Response of mandatory shareholder disclosure request	LuxCSD	LPA
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seev.048 Shareholders Identification Disclosure Response Cancellation Advice

Corporate Actions	Cancellation Advice	Response Cancellation of mandatory shareholder disclosure request	LuxCSD	LPA
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seev.049 Shareholders Identification Disclosure Response Status Advice

Corporate Actions	Status Advice	Status advice of mandatory shareholder disclosure request	LPA	LuxCSD
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Appendix 2. Contact list

To be provided separately and to be updated from time to time and when deemed necessary.

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Appendix 3. Reconciliation discrepancy template

Reconciliation date	Agent ID	Agent name	First failed attempt	Common Code	ISIN	Reported code	Security name

Position type	Adjusted Basis balance	Adjusted Comparison balance	Transmitted	Remaining difference	Status	Settlement difference amount	Notes

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Appendix 4. Communications formats for Corporate Actions under the Shareholder Rights Directive II

1. For SID requests under SDRII: SMPG compliant ISO 20022 Swift templates (SMPG CA on MyStandards site¹).
2. Templates SRDII Swift ISO 15022 General meetings messages.docx

1. https://www2.swift.com/mystandards/#/group/SMPG_CA!usage_guidelines.

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Appendix 5. Signature Page

Note: This Document may be executed by electronic signature and the Parties agree that the execution by electronic signature shall be as valid and as conclusive of their intention to be bound by this Document as if this Document was signed by the Parties' manuscript signatures.

Each Party hereby expressly acknowledges and agrees that the execution of this Document by their authorised representative via the abovementioned electronic process is made in full knowledge of the technology implemented, any related terms of use and in compliance with the applicable electronic signature laws and regulations, and accordingly, to the extent permitted by law, hereby irrevocably and unconditionally waives any right such Party may have to initiate any claim and/or legal action, directly or indirectly arising out of or relating to the reliability of said electronic signature process and/or the evidence of its intention to enter into this Document.

For and on behalf of the Agent (_____) acting as:

- Principal Agent
- Transfer Agent
- Fund Settlement Agent

Authorised Signature

Authorised Signature

Name

Name

Title

Title

For and on behalf of LuxCSD S.A.

Authorised Signature

Authorised Signature

Name

Name

Title

Title

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Glossary

This Glossary is intended for information purposes only and is designed to help clients to understand the terminology used by LuxCSD in this Handbook. In some cases, the way in which the terms are used in LuxCSD may differ from how the terms may be applied in another context. The descriptions given are not to be considered as legally binding definitions of the terminology used.

LuxCSD gratefully acknowledges that some definitions given here are based on those used by the Group of Thirty, the International Society of Securities Administrators (ISSA), and in other market publications.

A

Agent

A generic term describing a legal person that acts in the name and on behalf, and upon request, of the Issuer. The term "Agent" includes any LuxCSD Principal Agent, Paying Agent, Issuing and Paying Agent, Fiscal Agent, Registrar, Determination Agent, Calculation Agent, Withholding Agent (if appointed by the Issuer), Corporate Action Agent, Conversion Agent, Exchange Agent or any other Agent appointed by the Issuer.

B

Business Day

A day on which LuxCSD is open for business.

C

CA

Corporate Action.

CBL

Clearstream Banking Luxembourg.

CCB

Cash Correspondant Bank

CD

Certificate of Deposit.

CeBM

Central Bank Money.

CoBM

Commercial Bank Money.

Closing Date

The date on which the issue proceeds are paid to the Issuer and the securities are created and distributed to investors.

CP

Commercial Paper.

E

Entitlement Date

Any distribution of cash or securities, being the payment due date, as determined by the terms and conditions, for cash or the settlement date for securities.

G

GP

Permanent Global Note.

GT

Temporary Global Note.

I

IA

Issuer Agent.

IOA

Issued Outstanding Amount.

For a debt security: the total remaining indebtedness of the Issuer as determined from time to time.

For an equity instrument: the total remaining amount of units in existence. Where relevant, the IOA is the result of the product between the nominal amount and the pool factor of the security.

ISIN

International Securities Identification Number.

ISMAG

International Securities Market Advisory Group (www.clearstream.com/ismag)

Issuer

An entity issuing securities.

Issuance Account

Issuance Account ("Compte d'émission"), the account in LuxCSD that holds the total indebtedness of the Issuer for LDN.

Issuance Memorandum Account

The account in LuxCSD that holds the total indebtedness of the Issuer (that is Issue Outstanding Amount for LBN/LRN and compte d'émission for LDN).

L

LBN

LuxCSD Bearer Global Note.

LDN

LuxCSD Dematerialised Note.

LM

Lead Manager. An entity appointed by the Issuer to structure and lead the placement of a Syndicated Issue.

LPA

LuxCSD Principal Agent. An Agent appointed by the Issuer providing a central point of communication to LuxCSD.

LRN

LuxCSD Registered Global Note.

LuxCSD

LuxCSD, société anonyme, acting as a Central Securities Depository located in Luxembourg.

LVO

LuxCSD acting in its role as Vault Operator.

M

MD

Mark-Down. A decrease in the IOA of a Qualifying Security.

MTN

Medium Term Note.

MU

Mark-up. An increase in the IOA of a Qualifying Security.

N**NNA**

National Numbering Agency.

O**OL**

Organisme de liquidation. Securities settlement system as defined by the Luxembourg law dated 10 November 2009 on payment services, designated as such by the Banque Centrale du Luxembourg, notified to the European Commission by the Ministry in charge of the Commission de Surveillance du Secteur Financier, and whose operator is based in Luxembourg.

P**PD**

Payment Date.

PPA

Principal Paying Agent. An Agent appointed by the Issuer to process the cash payments to be made by the Issuer (collection of coupon, redemption or other monies) related to a security.

Q**Qualifying Security**

A Qualifying Security is a security that LuxCSD has assessed the security against eligibility criteria and determines that timely and accurate asset servicing can be performed during the life of the security.

T**Terms and Conditions**

The contractual provisions governing the relevant securities set out in (or incorporated into) the global certificate or in the articles of association. Published in a Prospectus for Stand-Alone issues or a Base Prospectus supplemented by Final Terms for issuance under Programme.

T2S (DCA)

TARGET2 payment system operated by the European Central Bank.

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