

New Issues Procedures

for international bearer debt securities
issued in NGN form through the ICSDs

May 2006



International
Capital Market
Services Association



euroclear

clearstream | DEUTSCHE BÖRSE
GROUP

Table of Contents

| | | |
|-----------|--|----------|
| 1. | INTRODUCTION | 1 |
| 2. | DEFINITIONS AND ABBREVIATIONS | 3 |
| 3. | GENERAL PRINCIPLES..... | 5 |
| 3.1. | TIMING CONVENTIONS..... | 5 |
| 3.2. | COMMUNICATION | 5 |
| 3.3. | SECURITIES DOCUMENTATION | 5 |
| 4. | NEW ISSUES | 6 |
| 4.1. | BACKGROUND | 6 |
| 4.2. | SECURITIES ACCEPTANCE | 6 |
| 4.2.1. | <i>Legal opinions</i> | 6 |
| 4.2.2. | <i>Acceptance of securities in the ICSDs</i> | 6 |
| 4.2.3. | <i>ICSDs' service providers</i> | 7 |
| 4.2.4. | <i>Issuer-ICSDs Agreement</i> | 7 |
| 4.2.5. | <i>NGN certificate</i> | 7 |
| 4.2.6. | <i>Roles and responsibilities – summary</i> | 8 |
| 4.3. | NEW ISSUES DISTRIBUTION | 11 |
| 4.3.1. | <i>Syndicated issues</i> | 11 |
| 4.3.2. | <i>Non syndicated issues</i> | 13 |
| 4.3.3. | <i>Delays and escalations</i> | 15 |
| 4.3.4. | <i>Roles and responsibilities – summary</i> | 15 |
| 4.3.5. | <i>Special procedures</i> | 17 |
| 4.4. | NEW ISSUES TIMELINES (ILLUSTRATIVE) | 18 |
| 4.4.1. | <i>Syndicated DVP distribution flow for a stand-alone security</i> | 18 |
| 4.4.2. | <i>Non syndicated distribution flow of a draw-down security in pre-release</i> | 19 |

1. INTRODUCTION

These New Issues Procedures describe the process of issuing international debt securities in NGN form through the ICSDs.

These New Issues Procedures set out guidelines only and are not intended to create legal relations.

2. DEFINITIONS AND ABBREVIATIONS

- **Business Day (BD)** Any day, except Saturdays and Sundays, Christmas Day and New Year's Day
- **Classical Global Note (CGN)** Form of global certificate which requires physical annotation on the attached schedule to reflect changes in the IOA.
- **CBL** Clearstream Banking S.A.
- **Closing Date (CD)** Date on which an issue becomes outstanding
- **Common Code** A nine-digit number used to uniquely identify individual securities between the ICSDs and their participants, and allocated by either of the ICSDs
- **Common Safekeeper (CSK)** The entity appointed by the ICSDs to provide safekeeping for securities in NGN form
- **Common Service Provider (CSP)** The entity appointed by the ICSDs to provide asset servicing for securities in NGN form
- **EB** Euroclear Bank S.A./N.V.
- **Effectuation** The act of physically signing the certificate representing the security, executed on the basis of an effectuation authorisation and effectuation instruction received from the issuer or the IA.
- **EMTN** Euro Medium Term Note
- **International Securities Identification Number (ISIN)** A 12 digit alpha-numeric identifier assigned in accordance with ISO 6166 guidelines and used globally to uniquely identify a security
- **International Central Securities Depository (ICSD)** CBL or EB
- **Issuer Agent (IA)** An agent appointed by the issuer to exercise the powers and undertake the duties for securities as described in the relevant Agency Agreement
- **Issue Outstanding Amount (IOA)** For a debt security, the total remaining indebtedness (other than interest) of the issuer as determined from time to time. Where relevant, the IOA is the result of the product between the nominal amount and the pool factor of the security
- **Issuer – ICSDs Agreement** Standard form agreement between the issuer and the ICSDs in relation to the acceptance of securities in NGN form
- **Lead Manager** Entity appointed by the issuer to organize the issuance and primary distribution of syndicated securities
- **Mark-Down (MD)** A decrease in the IOA of a security
- **Mark-Up (MU)** The initial amount and any subsequent increase in the IOA of a security

-
- **New Global Note (NGN)** Form of global certificate which refers to the records of the ICSDs to determine the IOA
 - **Pool factor** Factor to be applied to the nominal amount of a security, reflecting partial redemptions, to obtain the IOA
 - **Permanent Global Note** Permanent form of a global certificate
 - **Temporary Global Note** Temporary form of a global certificate
 - **Terms & Conditions (Ts&Cs)** The governing documentation of any security or programme which may be contained in a prospectus, trust deed, offering circular, or in the form of final terms (including pricing supplement) or any other document describing or covering the securities.

3. GENERAL PRINCIPLES

3.1. Timing conventions

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

Timings and deadlines mentioned in this document assume that the payment related to the primary distribution of the NGN security, if any, will be denominated in euro.

With the exception of ICSD timings, which are to be taken as deadlines, the timings indicated in this document are for illustrative purposes, based on existing market practices. All parties are invited to contact their counterparties to check actual deadlines.

When setting deadlines in the Ts&Cs, consideration must be given to allowing timely information and other types of flows between the relevant agent and the issuer and between the ICSDs and their participants.

3.2. Communication

Wherever possible, all parties, including the issuer and its agents, will use authenticated and secure electronic communication means which allow for straight through processing and will avoid the use of physical paper forms.

3.3. Securities documentation

For securities in NGN form, the issuer, the IA and the Lead Manager, if any, as well as their legal counsel will ensure that the Ts&Cs of the security clearly specify:

- the type of debt: bond, EMTN, or other,
- the form of the security, i.e. NGN form,
- whether the security is intended to be held in a manner which would allow Eurosystem eligibility,
- all other relevant terms, such as currency, issue amount, issue and maturity dates, interest, partial redemption via pool factor (if applicable), and any other option (e.g. call, put), as well as applicability of withholding tax, any reporting scheme (e.g. a detailed description of the relevant tax regime and reporting procedures), or holding restrictions (e.g. US beneficial ownership restrictions).

Any one of the issuer, the IA or the Lead Manager will provide both ICSDs and the CSP with the final Ts&Cs (the Final Terms for EMTNs) of a security ahead of the issue date or at the latest on issue date, in order to facilitate asset servicing throughout the lifetime of the security.

Whenever changes occur to the Ts&Cs of a security or a programme before issue date or throughout the life of the security (including the issuance of an additional fungible tranche), the issuer, the IA or the Lead Manager will provide the updated Ts&Cs to both ICSDs and the CSP as soon as they are available.

In line with current market practice and in order to facilitate acceptance by the ICSDs and adequate service to investors, it remains advisable for the ICSDs to be informed of any special features affecting the structure or the asset servicing of a security or a programme.

4. NEW ISSUES

4.1. Background

International debt securities to be deposited with the ICSDs can be issued:

- as stand-alone securities, whereby they are governed by their individual set of Ts&Cs. The investment bank in charge of selling the deal is usually called a Lead Manager. In addition, the issuer will appoint one or several agents, and in particular a fiscal or principal paying agent (referred to collectively herein after as the IA), to service the securities, i.e. ensure payment of interest due, track the issue outstanding amount, provide notifications to investors, and so on, under an Agency Agreement. When applicable, the issuer will also appoint a trustee;
- under a programme, whereby all individual securities (drawdowns) issued under it are governed by the Ts&Cs of such programme, as well as the individual Final Terms for each drawdown. The issuer will appoint one or several agents, and in particular an issuing and paying agent (referred to collectively herein after as the IA), to service the securities under an Agency Agreement. When applicable, the issuer will also appoint a trustee. The securities may be sold to investors through a panel of dealers.

The following section describes the process whereby a new security is:

- to be recognised and accepted for deposit and settlement by the ICSDs,
- once issued, deposited and distributed to investors through the ICSDs.

4.2. Securities acceptance

4.2.1. Legal opinions

To accept a security in NGN form, the ICSDs need to review a copy of the standard legal opinion(s) on the validity and enforceability of the securities under the law of issuance of the securities and under the issuer local law requested by the issuer, ahead of the issue date. The legal opinion(s) may make it clear that the ICSDs may not rely upon them. A list of jurisdictions under which NGN issuance is accepted by the ICSDs from time to time (meaning those for which the ICSDs have received a copy of the standard validity and enforceability opinion) is available on their websites.

If the jurisdiction of the securities and/or the jurisdiction of the issuer has not yet been accepted, the ICSDs will request the issuer, the IA or the Lead Manager to provide a copy of such opinion via e-mail or fax, to be received by the ICSDs at the latest by issue date - 2 BD. No copy of a legal opinion will be requested by the ICSDs for jurisdictions already on the list referred to above.

4.2.2. Acceptance of securities in the ICSDs¹

4.2.2.1. Stand-alone securities

As soon as possible prior to the issue date and at the latest by issue date - 3 BD, the Lead Manager will forward to each ICSD the latest draft of the Offering Circular or Prospectus and request acceptance of the security by the ICSDs.

Each ICSD will then review the request against its own eligibility criteria, in particular with regards to settlement and asset servicing by the ICSDs and the CSP. Upon acceptance, the ICSDs will allocate and confirm to the Lead Manager an ISIN and a Common Code to identify the security. If acceptance is refused, the ICSD will revert to the Lead Manager as soon as practicable.

Once the Ts&Cs of the security have been finalised, and at the latest on issue date, the Lead Manager will provide a copy to each ICSD and to the CSP.

¹ Each ICSD reserves the right to cancel any ISIN and/or Common Code and to reject any security at any time should the Lead Manager or the IA, where applicable, fail to deliver the required Ts&Cs and/or any reasonable request for additional information on time.

4.2.2.2. Securities under programme

For new programmes, before issuing individual securities, the IA will forward to each ICSD a copy of the programme offering circular (and/or fiscal agency agreement) and request acceptance of the programme by the ICSDs by issue date of the first drawdown - 3 BD..

Each ICSD will review the request against its own eligibility criteria, in particular with regards to settlement and asset servicing by the ICSDs and the CSP. Upon acceptance, the ICSDs will allocate and confirm to the IA a unique and confidential programme number.

For existing CGN programmes, before issuing individual securities in NGN form, the IA will forward to each ICSD a copy of the updated programme offering circular (and/or fiscal agency agreement). Each ICSD will review the updated terms against its own eligibility criteria.

During the term of the programme, the IA will request acceptance of new security drawdowns from the existing programme, as soon as the dealer has finalised the terms of the deal and communicated the relevant details to the IA, and at the latest by issue date - 2 BD or as soon as possible for deals finalised on issue date - 1 BD or on issue date.

The IA will request acceptance (by phone) and will forward to each ICSD the final version of the Final Terms as soon as it is available. For some specific cases, as determined by the ICSDs, the IA will request acceptance by forwarding to each ICSD draft Final Terms or a draft term sheet as soon as it is available.

Each ICSD will then review the request against its own eligibility criteria. Upon acceptance, the ICSDs will allocate and confirm to the IA an ISIN and a Common Code to identify the security. If acceptance is refused, the ICSD will revert to the IA as soon as practicable.

Once the Ts&Cs (Final Terms for EMTNs) of the security have been finalised, and at the latest on issue date, the IA will provide a copy of the Ts&Cs to each ICSD and to the CSP.

4.2.3. ICSDs' service providers

For each new security in NGN form that is accepted in their systems, the ICSDs will appoint a CSP and a CSK, and will notify such CSP and CSK as well as the Lead Manager (for stand-alone securities) or the IA (for securities under programme) of such appointments via e-mail or SWIFT, at the latest by issue date - 2 BD, provided the ISIN has been created by then.

The Lead Manager or the IA, as applicable, will disseminate this information further to the other agents as well as to any other third party involved in the servicing of the securities.

4.2.4. Issuer-ICSDs Agreement

For securities in NGN form, the issuer is required to sign an Issuer-ICSDs Agreement (one agreement per stand-alone security or per programme - in the event of a multi issuer programme, one agreement per issuer). The Lead Manager or the IA will ensure that each ICSD has received, at the latest by issue date - 2 BD, a copy of the signed Issuer-ICSDs Agreement via e-mail or fax.

The reader can refer to the ICSDs' websites for the template of the Agreement, as well as for further information on it.

If the Issuer-ICSDs Agreement is not received by the issue date, acceptance of the security will be refused by the ICSDs.

4.2.5. NGN certificate

The issuer, its legal counsel or the IA will prepare the temporary (if applicable) and permanent NGN certificate(s) in accordance with the security Ts&Cs, attaching the Final Terms where relevant.

4.2.6. Roles and responsibilities – summary

| | Stand-alone securities | Securities under programme |
|---------------|--|--|
| Issuer | <ul style="list-style-type: none"> • appoint Lead Manager, IA(s), legal counsel (if applicable) of its choice and execute relevant agreements • agree key terms of issue (including choice of form, i.e. NGN, and indication whether it is intended to be held in a manner which would allow Eurosystem eligibility) • provide a copy of the standard legal opinion(s)² on validity and enforceability of securities to the ICSDs, if required by them • execute Issuer-ICSDs Agreement | <p>At programme level at the time of the establishment or update of the programme:</p> <ul style="list-style-type: none"> • appoint arranger, (panel of) dealer(s), IA(s), legal counsel (if applicable) and execute relevant agreements • provide a copy of the standard legal opinion(s)³ on validity and enforceability of securities issued under the programme to the ICSDs, if required by them • execute Issuer-ICSDs Agreement per issuer under the programme <p>At drawdown level:</p> <ul style="list-style-type: none"> • appoint Lead Manager (for syndicated issues) • agree key terms of the issue (including choice of form, i.e. NGN, and indication whether it is intended to be held in a manner which would allow Eurosystem eligibility) • confirm instruction to the IA(s) to carry out its duties as per the Agency Agreement |
| Legal Counsel | <ul style="list-style-type: none"> • draft, review and comment on all relevant legal documentation, including Ts&Cs and forms of NGN • provide legal opinion(s) on validity and enforceability of securities to issuer and LM, if required | <p>At programme level and to the extent involved in the issue:</p> <ul style="list-style-type: none"> • draft, review and comment on all relevant legal documentation, including Ts&Cs and forms of NGN • provide legal opinion(s) on validity and enforceability of securities to issuer and to Lead Manager (for syndicated issues) or IA, if required |
| Lead Manager | <ul style="list-style-type: none"> • appoint legal counsel (if applicable) • agree key terms of issue with issuer • send draft subscription agreement, offering circular and invitation telex to all other underwriters • request acceptance of the security by the ICSDs, based on the Ts&Cs, specifying NGN form and whether it is intended to be held in a manner which would allow Eurosystem eligibility • provide executed Issuer-ICSDs | <p>For syndicated issues, at drawdown level:</p> <ul style="list-style-type: none"> • appoint legal counsel (if applicable) • agree key terms of issue with issuer • send draft syndication agreement and Final Terms (and any relevant programme documentation) to all other underwriters • instruct IA to obtain ISIN and Common Code for the security |

² Such legal opinion will be requested only once for each issuer's and security's jurisdiction – see section 4.2.1.

³ Such legal opinion will be requested only once for each issuer's and security's jurisdiction – see section 4.2.1.

| | | |
|--------|---|--|
| | <p>Agreement to ICSDs</p> <ul style="list-style-type: none"> • provide a copy of the standard legal opinion(s)⁴ on validity and enforceability of securities to the ICSDs, if required by them • relay ISIN, Common Code, CSP and CSK information to IA(s) and any other interested party • if relevant (in case listing on a stock exchange or public offering in EEA member state) request listing and/or provide final Ts&Cs to the stock exchange and/or any other relevant authority or request relevant IA to do so • provide final Ts&Cs to both ICSDs and to the CSP | |
| Dealer | N/A | <p>For non-syndicated issues, at drawdown level:</p> <ul style="list-style-type: none"> • appoint legal counsel (if applicable) • agree the Final Terms with the issuer • send a copy of the Final Terms to the IA • instruct IA to obtain ISIN and Common Code for the security |
| IA | N/A | <p>At programme level:</p> <ul style="list-style-type: none"> • appoint legal counsel (if applicable) • request acceptance of the programme by the ICSDs, based on the Ts&Cs, specifying CGN and/or NGN form • provide executed Issuer-ICSDs Agreement for the programme to ICSDs • provide a copy of the standard legal opinion(s)⁵, obtained by the issuer on the validity and enforceability of NGN securities issued under the programme to the ICSDs, if required by them <p>At drawdown level:</p> <ul style="list-style-type: none"> • upon dealer's request, request acceptance of each drawdown by the ICSDs, specifying NGN form and, whether it is intended to be held in a manner which would allow Eurosystem eligibility; • provide final version of the Final Terms, indicating NGN form and whether it is intended to be held in a manner which would allow Eurosystem eligibility, to ICSDs and to the CSP; • relay ISIN, Common Code, CSP and CSK information to the other IA(s), the issuer and any other interested party • prepare the (temporary and) permanent |

⁴ Such legal opinion will be requested only once for each issuer's and security's jurisdiction – see section 4.2.1.

⁵ Such legal opinion will be requested only once for each issuer's and security's jurisdiction – see section 4.2.1.

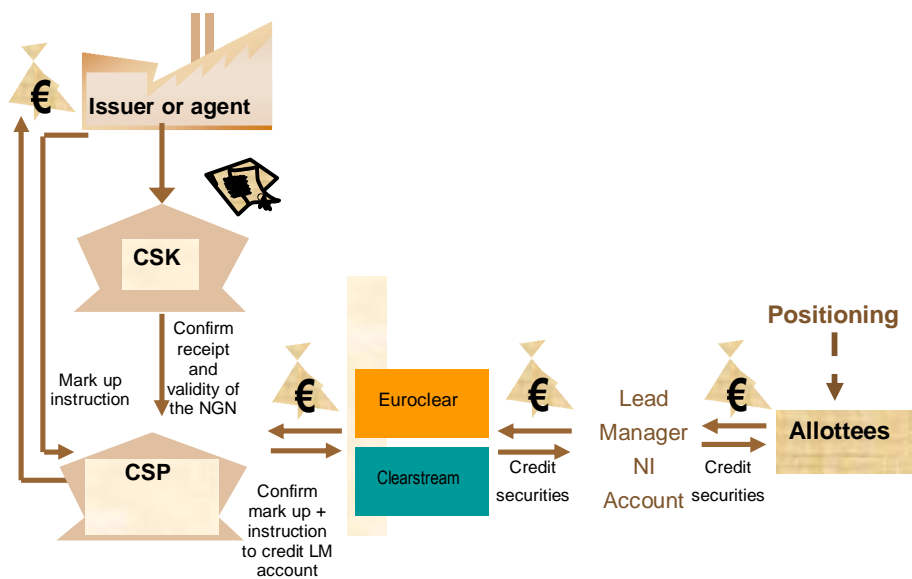
| | | |
|-------|--|---|
| | | <p>NGN, including the Final Terms</p> <ul style="list-style-type: none"> • if relevant (in case listing on a stock exchange or public offering in EEA member state) request listing and/or provide final Ts&Cs to the stock exchange and/or any other relevant authority or request relevant IA to do so. |
| ICSDs | <ul style="list-style-type: none"> • review security eligibility • provide ISIN and Common Code to Lead Manager • appoint CSP and CSK and advise Lead Manager | <p>At programme level:</p> <ul style="list-style-type: none"> • review programme eligibility • provide programme number to IA • appoint Common Depositary (if programme allows for CGN issuance), CSP and CSK <p>At drawdown level:</p> <ul style="list-style-type: none"> • review drawdown eligibility • provide ISIN and Common Code to IA • appoint CSP and CSK and advise IA |

4.3. New issues distribution

The initial distribution of the securities through the ICSDs can be processed in one of two ways:

- **Syndicated process:** this process is used mainly for the primary market settlement of stand-alone securities, although it can be used for EMTNs as well. Distribution occurs through the Lead Manager's account(s) with the ICSD(s). It is usually performed against payment, whereby the ICSDs and the CSP process the payment to the issuer, but it can also be performed free of payment.
- **Non-syndicated process:** this process is used mainly for initial settlement of securities under programme. Distribution occurs through the IA's account(s) with the ICSD(s). It is usually performed against payment whereby the IA processes the payment to the issuer, but it can also be performed free of payment.

4.3.1. Syndicated issues



4.3.1.1. Preparation of the issuance

The Lead Manager will:

- provide all allottees with the necessary information and instructions for settlement.
- provide both ICSDs with the allotment list by 10:00 on closing date - 3 BD, via SWIFT (or e-mail for CBL), including instructions for the distribution of the securities from the Lead Manager's account with the ICSDs to the allottees; the list will, if relevant, indicate if there are no securities to distribute in one ICSD.
- provide the CSP by 18:00 on closing date – 2 BD with:
 - an instruction to wire the funds to the issuer's account, via wire transfer;
 - its contact details for further follow-up and communication.
- provide the relevant ICSD(s) with the wire transfer instruction for debit of their account and payment to the CSP, by 10:00 on closing date - 1 BD, via SWIFT MT202.

Lead Managers will refer to the documentation of the ICSD(s) in which they hold their account for more operational instructions.

In the case of electronic delivery of the NGN certificates to the CSK, the IA will provide the CSK with:

- an issuer effectuation authorisation enabling the CSK to effectuate the NGN⁶. This authorisation will be provided for each stand-alone security and for each programme or, if the programme allows for multiple issuers, for each issuer under the programme.

If the programme allows for securities to be issued both in a manner that would allow Eurosystem eligibility and in a manner that would preclude eligibility, implying that more than one CSK may need to be appointed, one issuer effectuation authorisation will be provided for each CSK where effectuation is required.

The issuer effectuation authorisation should be received in its original form. If received electronically, the CSK is authorised to act upon the electronic copy, but it is the IA's responsibility to deliver the original as soon as practicable thereafter.

- an effectuation instruction. For stand-alone securities, the issuer effectuation authorisation may replace this instruction if the former is received on the day of receipt of the certificate.

In the exceptional event of physical delivery, the issuer effectuation authorisation and/or effectuation instruction are only mandatory if the NGN wording requires such effectuation to be performed by the CSK.

The IA will provide the CSP with a conditional mark-up instruction to be executed only upon confirmation that issuance has taken place (during or after the closing).

4.3.1.2. Deposit of global certificate

Upon issue date, before 13:00 for electronic delivery (12:00 for physical delivery), the IA will deliver the following documents to the CSK:

- the NGN certificates duly authenticated, i.e. if applicable, both the temporary and permanent certificates;
- the Final Terms (if securities are issued under a programme);
- the effectuation authorisation (if required), signed by the issuer; if such authorisation is delivered electronically, the IA will also send the original to the CSK as soon as possible thereafter.

If the CSK is an ICSD, the IA will deliver these documents through a secure electronic communication channel (like SWIFTNet or agreed alternative communication means) or, in exceptional circumstances, physically.

The CSK will confirm acceptance or rejection to the IA, the CSP and the ICSDs, at the latest one hour after receipt, if delivered electronically, otherwise two hours after receipt. If no feedback is received by then, the IA will contact the CSK to inquire.

In the event of rejection, the IA will take the necessary action to provide the CSK with correct documents or contact the issuer and ICSDs with further instructions.

Copies of the duly effectuated NGN will be provided by the CSK to the issuer, its counsel or the IA upon request.

For electronically delivered NGNs, upon receipt of the deposit confirmation from the CSK, the issuer or the IA will ensure that the physical authenticated NGN, if any, is destroyed (as per the terms of the Agency Agreement).

⁶ The issuer effectuation authorization contains the authorization and instruction of the issuer to the CSK to effectuate the NGN, as well as the authorization of the issuer to the CSK to dispose of the NGN at the end of the life of the security.

4.3.1.3. Closing

The Lead Manager will advise the CSP whether or not the CSP needs to attend the closing (i.e. meeting or conference call).

When the conditions for closing are fulfilled, the issuer through its agent will instruct the CSP to execute the conditional mark-up instruction (received in preparation) or will provide the CSP with a mark-up instruction. Such instruction must be received by the CSP at the latest by 15:30.

Note: the Lead Manager may have to organise a pre-closing on issue date minus one day for some currencies in order to allow payments for value issue date.

4.3.1.4. Credit of securities and payment to issuer

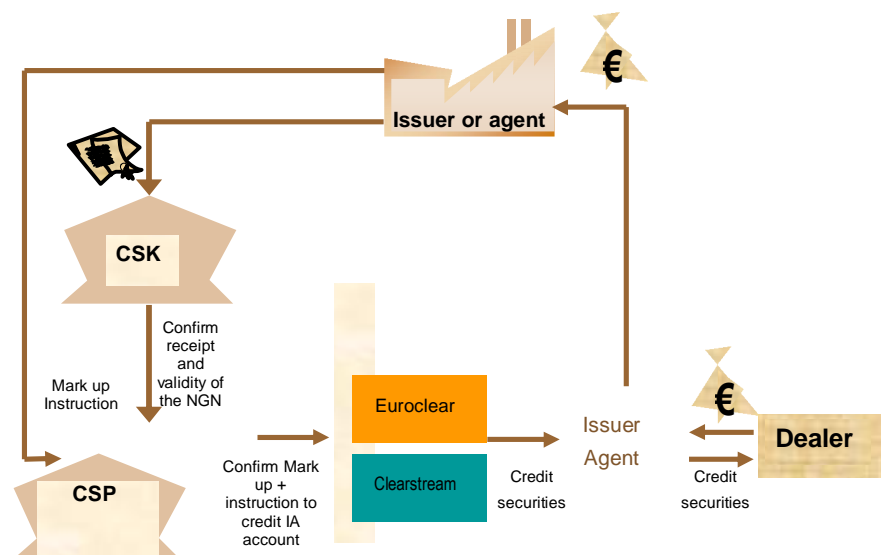
The CSP will confirm the mark-up of the securities to the ICSDs (to be received by the ICSDs at the latest by 18:00) and wire the funds to the issuer as per the Lead Manager's instruction once it has received (1) positive confirmation of deposit from the CSK and (2) confirmation of closing and instruction to mark up the securities. The CSP will confirm release of payment to the Lead Manager and the issuer.

Upon receipt of this confirmation, the ICSDs will credit the securities to the Lead Manager's account for onward settlement to the various underwriters/syndicate members as per the allotment list instructions.

Note: in the event of a free of payment closing or of closing with payment outside of the ICSDs, the same process will apply with the exception of all payment-related steps.

4.3.2. Non syndicated issues⁷

The distribution is usually done through the ICSDs in 'pre-release', i.e. the securities are delivered on issue date - 1BD for distribution in the ICSDs' overnight settlement process dated issue date. Distribution on issue date is also possible.



⁷ For this section, it has been assumed that the securities are issued under a programme.

4.3.2.1. Preparation of the issuance

In the case of electronic delivery of the NGN certificates to the CSK, the IA will provide the CSK with an issuer effectuation authorisation enabling the CSK to effectuate the NGN⁸. This authorisation will be provided for each programme (to be delivered at the creation of the programme or at the latest before issuance of the first drawdown under the programme), or if the programme allows for multiple issuers, for each issuer under the programme.

If the programme allows for securities to be issued both in a manner that would allow Eurosystem eligibility and in a manner that would preclude eligibility, implying that more than one CSK may need to be appointed, one issuer effectuation authorisation will be provided for each CSK.

The issuer effectuation authorisation should be received in original form. If received electronically, the CSK is authorised to act upon an electronic copy, but it is the IA's responsibility to deliver the original as soon as practicable afterwards.

In the exceptional event of physical delivery, the issuer effectuation authorisation and/or effectuation instruction are only mandatory if the NGN wording requires such effectuation to be performed by the CSK.

The IA will provide the CSP with its contact details for further follow-up and communication, at the latest by issue date of the first drawdown - 2 BD.

IAs will refer to the documentation of the ICSD(s) in which they hold their account for more operational instructions.

4.3.2.2. Deposit of certificate

The IA will deliver the following to the CSK by 16:00 on issue date - 1 BD⁹:

- the NGN certificates duly authenticated, i.e. if applicable both the temporary and permanent certificates;
- the Final Terms (in case of securities issued under a programme);
- an effectuation instruction.

If the CSK is an ICSD, the IA will deliver these documents through a secure electronic communication channel (like SWIFTNet or agreed alternative communication means) or, in exceptional circumstances, physically.

Within two hours, the CSK will confirm acceptance or rejection to the IA, the CSP and the ICSDs. If no feedback is received by then, the IA will contact the CSK to inquire.

In the event of rejection, the IA will take the necessary actions to provide the CSK with correct documents or contact the issuer and ICSDs with further instructions.

Copies of the duly effectuated NGN may be provided by the CSK to the issuer, its counsel or the IA upon request.

For electronically delivered NGNs, upon receipt of the deposit confirmation from the CSK, the IA will ensure that the physical authenticated NGN, if any, is destroyed (as per the terms of the Agency Agreement).

4.3.2.3. Credit of securities

When the conditions for issuance are fulfilled, the IA will provide a mark-up instruction to the CSP at the latest by 16:00 on issue date - 1 BD¹⁰. The CSP will forward such instruction to be received by the ICSDs at the latest by 20.30. The ICSDs will then credit the securities to the IA's account with them.

4.3.2.4. Cash payment

The IA will pay the issuer in accordance with the terms of the Agency Agreement.

⁸ The issuer effectuation authorization contains the authorization and instruction of the issuer to the CSK to effectuate the NGN, as well as the authorization of the issuer to the CSK to dispose of the NGN at the end of the life of the security.

⁹ The certificate can also be deposited on issue date itself; deadlines are to be checked with the relevant IA, the CSP and the ICSDs.

¹⁰ For same-day issuance, the same deadlines apply on issue date.

4.3.3. Delays and escalations

If there is a delay, the Lead Manager or the IA will inform the ICSDs as soon as it is aware that the distribution of a new issue is delayed beyond the ICSDs' standard cut-off times, explaining the reason for the delay. The ICSDs will then agree with the Lead Manager or the IA on a new timing for the distribution of the securities.

The Lead Manager or the IA will respond promptly to any inquiry from the ICSDs, the CSP or the CSK relating to the acceptance and distribution of the securities.

4.3.4. Roles and responsibilities – summary

| | Syndicated distribution | Non-syndicated distribution |
|---------------|---|--|
| Issuer | <ul style="list-style-type: none"> authorise issuance of securities execute issuer effectuation authorisation (for stand-alones and at programme level) deliver issuer effectuation authorisation to the IA deliver the NGN certificates to the IA (for stand-alones) provide mark-up instruction through the IA to the CSP agree and execute all issue documentation satisfy conditions precedent take all necessary actions (including giving payment instructions) to effect closing | <ul style="list-style-type: none"> authorise issuance of securities execute issuer effectuation authorisation (at programme level) agree and execute all issue documentation deliver issuer effectuation authorisation to the IA (at programme level) provide mark-up instruction through the IA to the CSP satisfy conditions precedent take all necessary actions (including giving payment instructions) to effect closing |
| Legal Counsel | <ul style="list-style-type: none"> ensure all legal documents, including security Ts&Cs, are in place for issuance to take place | <ul style="list-style-type: none"> ensure all legal documents, including security Ts&Cs, are in place for issuance to take place |
| Lead Manager | <ul style="list-style-type: none"> agree and execute all relevant legal documentation take all necessary actions, including sending relevant instructions (such as payment instructions) to ICSDs, CSP and CSK to effect closing confirm satisfaction of conditions precedent and closing occurrence to CSP confirm successful completion of the issuance of securities to the issuer, and, if relevant, to the stock exchange and any other relevant authority | N/A |
| Dealer | N/A | <ul style="list-style-type: none"> take all necessary action, including sending relevant instructions to ICSDs, to effect closing |
| IA | <ul style="list-style-type: none"> authenticate the NGN certificate(s) deliver NGN certificates (attaching Final Terms where relevant) and issuer effectuation authorisation (and effectuation instruction, if applicable) to CSK | <ul style="list-style-type: none"> authenticate the NGN certificate(s) deliver NGN certificates (attaching Final Terms where relevant) and issuer effectuation authorisation (and effectuation instruction, if applicable) to CSK |

| | | |
|-------|---|---|
| | <ul style="list-style-type: none"> • for electronically delivered NGNs, ensure physical authenticated NGN, if any, is destroyed (as per the terms of the Agency Agreement). • instruct mark-up to ICSDs through the CSP | <ul style="list-style-type: none"> • send relevant instructions to ICSDs • confirm issuance of securities and instruct mark-up to the ICSDs through the CSP • process cash payment to issuer • confirm successful completion of the issuance of securities to the issuer and, if relevant, to the stock exchange and any other relevant authority. • for electronically delivered NGNs, ensure physical authenticated NGN, if any, is destroyed (as per the terms of the Agency Agreement) |
| CSK | <ul style="list-style-type: none"> • confirm deposit or rejection of NGN certificate(s) to IA, ICSDs and CSP | <ul style="list-style-type: none"> • confirm deposit or rejection of NGN certificate(s) to IA, ICSDs and CSP |
| CSP | <ul style="list-style-type: none"> • confirm mark-up of securities to ICSDs • process cash payment to issuer | <ul style="list-style-type: none"> • confirm mark-up of securities to ICSDs |
| ICSDs | <ul style="list-style-type: none"> • credit securities to Lead Manager's account for onward primary distribution | <ul style="list-style-type: none"> • credit securities to IA's account for onward primary distribution |

4.3.5. Special procedures

4.3.5.1. Additional tranches

If an issuer wants to tap an existing issue and issue additional securities under an existing ISIN/Common Code, the Lead Manager or the IA will inform the ICSDs as soon as possible of the additional amount and new issue date. If new Final Terms (for EMTNs) or other type of legal documentation (for other security types) are issued, the IA will deliver the new Ts&Cs to both ICSDs and the CSK (as per the process described above).

If the new securities (tap) are not (immediately) fungible with the existing securities, the new securities will be considered as a different security with a new ISIN/Common Code represented by a new NGN certificate. The acceptance and distribution processes described above apply.

Ahead of fungibility date, the relevant agent will provide the ICSDs via the CSP, with a prior authorisation to process the fungibility with the corresponding update of the IOA on fungibility date. If applicable, such authorisation will specify that the ICSDs are authorised to process the fungibility based on appropriate certification from the noteholders.

Upon processing of the fungibility, the ICSDs via the CSP will notify the update of IOA to the relevant IA, who will be requested to confirm the change.

If applicable, noteholders' positions that have not been appropriately certified by fungibility date will be kept under the tap security code until appropriate certification is received.

4.3.5.2. Exchange of temporary certificate into permanent certificate

Where applicable, the IA will deliver the permanent global certificate to the CSK at closing (i.e. together with the temporary certificate) or post closing but in any case before the exchange date.

Prior to the exchange date, the agent will also provide the ICSDs, via the CSP, with a prior authorisation to process the exchange from temporary into permanent form with the corresponding update of the IOA on exchange date. Such authorisation will specify that the ICSDs are authorised to process the IOA exchange based on appropriate certification from the noteholders, up to an amount equal to the IOA of the security.

Upon processing of the exchange, the ICSDs via the CSP will notify the update of IOA to the agent, who will be requested to confirm the change. Meanwhile, ICSDs' certifications will be transmitted by the CSP to the agent.

Noteholders' positions that have not been appropriately certified by exchange date will be kept under the temporary certificate until appropriate certification is received.

4.4. New issues timelines (illustrative)

Assumptions:

These timelines apply to securities in NGN form:

- intended to be held in a manner allowing Eurosystem eligibility,
- delivered electronically to the CSK,
- denominated in euro and paid to the issuer in euro.

The NGN certificate delivered by the IA is correct and accepted by CSK (in case of a rejected NGN, the timings below may not apply).

4.4.1. Syndicated DVP distribution flow for a stand-alone security

The timelines below are for illustrative purposes only. The acting party will contact the relevant counterparty to obtain the actual deadlines, in particular where other currencies are concerned. The acting party should send messages sufficiently ahead of the deadline to ensure timely receipt by the addressee before the deadline.

| Day | Latest time (CET) | Acting party | Action |
|--------------|---|------------------------|--|
| Up to CD-3BD | 18:00 | Lead Manager | Obtain ISIN code from the ICSDs |
| | | | Deliver allotment list to ICSDs |
| CD – 2BD | 18:00 | Legal counsel | Ensure all legal documents are in place for issuance to take place |
| | | Issuer | Provide executed Issuer-ICSDs Agreement to both ICSDs ¹¹ |
| | | Lead Manager | Deliver contact details to CSP |
| | | | Take all necessary actions, including sending relevant instructions and wire transfer instruction to the ICSDs ¹² |
| CD | 11:00 | IA | Provide conditional mark-up instruction to the CSP |
| | 12:30 | Issuer | Execute issuer effectuation authorisation and deliver ¹³ to the IA |
| | 13:00 | IA | Authenticate and deliver NGN certificates with effectuation authorisation to the CSK |
| | 14:00 | CSK | Confirm deposit of NGN certificate(s) to IA, ICSDs and CSP |
| | 15:30 | Issuer/Lead Manager/IA | Confirm all conditions precedent have been satisfied or waived, and authorise CSP to execute the conditional mark-up instruction |
| | 16:00 | CSP | Process cash payment to issuer |
| | 18:00 ¹⁴ | CSP | Confirm mark-up of securities to ICSDs |
| | According to ICSD settlement procedures | ICSDs | Credit securities to Lead Manager's account for onward primary distribution to allottees |

¹¹ The issuer may delegate this task to the LM or to the IA

¹² The actual ICSD deadline is 10:00 on CD – 1 BD

¹³ The issuer may delegate the signature provision and delivery to the IA

¹⁴ This is the ultimate ICSD deadline.

4.4.2. Non syndicated distribution flow of a draw-down security in pre-release

Additional assumptions:

- The securities are issued under an existing programme which has already been reviewed and set up by the ICSDs.
- The Issuer-ICSDs Agreement, the issuer effectuation authorisation and the delivery of contact details are already in place for the drawdown concerned.

The timelines below are for illustrative purposes only. The acting party will contact the relevant counterparty to obtain the actual deadlines, in particular where other currencies are concerned. The acting party should send messages sufficiently ahead of the deadline to ensure timely receipt by the addressee before the deadline.

| Day | Latest time (CET) | Acting party | Action |
|----------|---|--------------|---|
| CD - 2BD | 18:00 | Dealer | Confirm deal to IA |
| | | IA | Obtain ISIN code from the ICSDs |
| | | Issuer | Deliver signed Final Terms to Dealer and IA |
| CD - 1BD | 13:00 | Dealer/IA | Send settlement instructions to relevant ICSD(s) |
| | 16:00 | IA | Authenticate and deliver NGN certificates (attaching Final Terms where relevant) with issuer effectuation instruction to the CSK |
| | | | Confirm issuance of securities and instruct mark-up to CSP |
| | 18:00 | CSK | Confirm deposit of NGN certificate(s) to IA, ICSDs and CSP |
| | | Issuer | Satisfy all conditions precedent (a.o. issuer authorisation for issuance of securities, provision of mark-up instruction to the IA, agreement and execution of all issue documentation) |
| | 20:30 ¹⁵ | CSP | Confirm mark-up of securities to ICSDs |
| | According to ICSD settlement procedures | ICSDs | Credit securities to IA's account for onward primary distribution to Dealer |
| CD | 16:00 | IA | Process cash payment to issuer |

¹⁵ This is the ultimate ICSD deadline.