

SPECIAL TERMS AND CONDITIONS

OF THE DEUTSCHE BUNDESBANK FOR OPEN MARKET OPERATIONS BY TENDER

**(TENDER TERMS)
(Version: January 2016)**

PART I – GENERAL PROVISIONS

No 1 SUBSTANCE AND FUNCTION

(1) The following Special Terms and Conditions govern the technical details between the Deutsche Bundesbank (hereinafter referred to as the Bundesbank) and its monetary policy counterparties pursuant to section V No 1 of the General Terms and Conditions of the Bundesbank (hereinafter referred to as AGB/BBk) regarding participation in monetary policy operations pursuant to section V No 15 of the AGB/BBk.

Monetary policy operations shall be conducted via the **Open Market Tender Operations System** (hereinafter referred to as **OMTOS**) of the Bundesbank. OMTOS is an electronic platform for conducting open market operations by tender.

(2) In addition to these Tender Terms, the General Terms and Conditions of the Bundesbank, in particular section V. Monetary policy operations, and the General Terms and Conditions for ExtraNet, shall apply as amended in each case to the conduct and settlement of tender operations.

(3) Besides these Tender Terms, the “Guideline of the European Central Bank on the implementation of the Eurosystem monetary policy framework” (ECB/2014/60) governing the conduct of monetary policy in the euro area shall be taken into consideration as amended in each case.

No 2 PARTICIPATION IN OMTOS

(1) All counterparties of the Bundesbank for Eurosystem monetary policy operations registered as eligible to bid by Tender Coordination of the Bundesbank shall be participants in OMTOS (hereinafter referred to as participants).

(2) For participants, access to OMTOS shall normally be via the internet. If internet access to OMTOS is disrupted, Part II No 4 of these terms and conditions shall apply.

(3) The Bundesbank uses business information services for providing the participants with binding information regarding the conduct of tender operations in terms of announcements, allotments, malfunctions, extensions of the bidding deadline and declarations of submitted bids as invalid. Business information services are not vicarious agents of the Bundesbank.

No 3 ACCESSING OMTOS VIA ExtraNet

(1) The Bundesbank shall carry out only those measures described in the ExtraNet General Terms and Conditions to guard against unauthorised access and to identify the participant. There is no further obligation of Bundesbank. The participant shall bear the consequences of unauthorised data transmission. Further details are set out under section 2 (ie User-related security measures) of the General Terms and Conditions for ExtraNet.

(2) Notwithstanding section 3 (3) indent 2 of the General Terms and Conditions for ExtraNet, in OMTOS the participant is not permitted to allocate the user IDs and passwords assigned to him or her pursuant to section 2 (1) of the General Terms and Conditions for ExtraNet to several authorised staff members as a group (functional user). All provisions in the General Terms and Conditions for ExtraNet relating only to functional users shall not apply.

(3) If the participant has allocated a user ID and password to a staff member and this staff member leaves or is no longer responsible for the OMTOS procedure, the participant shall, notwithstanding section 3 (6) of the General Terms and Conditions for ExtraNet, always delete that staff member's authorisation immediately as described in the ExtraNet documentation and, if required, apply for new authorisations. Section 3 (6) indent 2 of the General Terms and Conditions for ExtraNet shall not apply.

(4) Notwithstanding the specifications in chapter 3.3. of the ExtraNet documentation, the participant is not permitted to change the first and/or last name of an authorised staff member. The user ID and/or password allocated to a staff member may not be transferred to another staff member.

(5) The participant shall be held legally accountable for all legal acts which entail the use of the security features pursuant to section 2 (1) of the General Terms and Conditions for ExtraNet.

(6) The participant is liable for any loss or damages arising from non-compliance of the participant or its employees with these terms and conditions and other applicable rules.

(7) The aforementioned rules which deviate from the General Terms and Conditions for ExtraNet are integrated into the application for assignment of a user ID for ExtraNet in combination with roles for the OMTOS procedure (application for initial registration) or into the application for assignment of roles for the OMTOS procedure for staff members who already have an ExtraNet user ID (application for secondary registration) and shall be accepted by signing with legally binding effect.

(8) Each participant shall assign the OMTOS role of user manager to at least one staff member. At regular intervals, the user manager(s) are requested via e-mail to verify all OMTOS authorisations assigned to the participant's staff members.

PART II
PROVISION OF ANNOUNCEMENT, BIDDING AND
ALLOTMENT INFORMATION IN OMTOS

No 1 ANNOUNCEMENT

The announcement information for the open market operations offered by tender shall be made available by the Bundesbank to the participants in OMTOS.

No 2 BIDS

(1) The participants shall submit the bid(s) electronically via OMTOS before the bidding deadline specified in the announcement.

(2) A bid shall be valid if and when it is received on the OMTOS server. A display of the bids in green script in OMTOS shall indicate to the participants that a bid is valid (Part II, No 4 (2)).

(3) Prior to the bidding deadline, the participants may revoke their valid bids previously submitted at any time by deleting them. A total of 20 bid fields are available for the recording and potential deletion of bids.

(4) Bids submitted after the bidding deadline shall be invalid and will be automatically rejected by OMTOS. Decisive for the punctuality of the submitted bid is the receipt of the bid on the OMTOS server.

(5) If the bidding data fail to comply with the bidding rules for tenders, the participant in question will receive an error notification from the system. The individual participant shall be responsible for compliance with the bidding rules for tenders.

(6) If an extension of the bidding deadline specified in the announcement is necessary, the Bundesbank shall inform the business information services. The latter are not vicarious agents of the Bundesbank.

No 3 ALLOTMENT INFORMATION

The Bundesbank will announce the allotment results to the participants in OMTOS as soon as a decision on the allotment has been made by the European Central Bank. The business information services will be notified simultaneously. Business information services are not vicarious agents of the Bundesbank.

No 4 MALFUNCTION OF OMTOS

(1) If a participant is unable to access OMTOS or if participants experience functional disruptions to the ongoing operation of OMTOS, the participant shall notify Tender Coordination of the Bundesbank immediately by telephone (tel: +49 69 2388 1480). Depending on the respective stage of the tender, the following shall then apply.

- a) If the participant is unable to access OMTOS electronically and therefore has no access to tender information, the participant shall, upon request, receive this information from Tender Coordination of the Bundesbank by e-mail, fax or phone.
- b) If the participant is unable to access OMTOS electronically and is therefore unable to submit a bid electronically, the bids shall be submitted by fax (fax: +49 69 2388 1440).

Tender Coordination of the Bundesbank shall be notified by phone of the submission of bids by fax, which shall then be sent immediately. The deadline for submitting a written confirmation of the oral notification of bids is 15 minutes after the regular close of bidding as specified in the announcement.

If the bid submitted by fax differs from that notified by phone, only the written bid (fax bid) shall be binding. The legitimacy of the bidder shall be verified exclusively by means of a password, which must be specified on the backup form. The form enclosed with the backup guidelines shall be used for submitting the bids.

Fax bids shall be submitted to Tender Coordination of the Bundesbank in good time prior to expiry of the specified bidding deadline. Fax bids which are not notified by phone before the close of bidding and which are received after the close of bidding cannot be considered.

- c) If the participant is unable to access OMTOS electronically and therefore has no access to allotment information, the allotment information shall be transmitted to the participant by e-mail, fax or phone.

(2) If due to technical problems the Bundesbank is unable to conduct tender operations in OMTOS and if it is necessary to delete previously valid bids for operational reasons, the Bundesbank shall announce this via the business information services. Business information services are not vicarious agents of the Bundesbank.

(3) If due to technical problems the Bundesbank is unable to conduct tender operations in OMTOS, it shall reserve the right to conduct said operations pursuant to paragraphs (1) and (2), to extend the bidding deadline or to cancel the tender operation.

PART III – FINAL PROVISIONS

No 1 CHANGES TO THE TENDER TERMS

Changes to these Tender Terms shall be announced to participants in circulars. Unless other arrangements are agreed in specific cases, they shall be deemed to be agreed two weeks after the sending of the circular. The circular may also be sent electronically.

No 2 NON-COMPLIANCE WITH THE TENDER TERMS

Any detrimental consequences resulting from a participant's failure to comply with these Tender Terms shall be borne by the participant even if such failure has remained without objection.

No 3 LIABILITY

The Bundesbank's liability is determined by the General Terms and Conditions of the Deutsche Bundesbank, part I number 12 *et seq*, unless otherwise stated by these terms and conditions.

No 4 APPLICABLE LAW, PLACE OF JURISDICTION, PARTIAL INVALIDITY

These Tender Terms and the legal relationships between the Bundesbank and the participants shall be governed by German law.

The sole place of jurisdiction for disputes arising between the Bundesbank and the participants in connection with participation in OMTOS shall be Frankfurt am Main.

If a provision laid down in these Tender Terms is or becomes invalid, this shall not affect the validity of all other provisions or agreements.

DEUTSCHE BUNDESBANK

Frankfurt am Main, January 2016