

# Technical Handbook

1 ~~October 2018~~ April 2021

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# Technical Handbook Supplementing the Special Terms and Conditions for the Provision of Certain Services for Foreign Central Banks, Monetary Authorities or International Organisations (Including EU Institutions)

## Section I

### Payments

#### Article 1

##### Account management and processing of payment orders

- (1) The Deutsche Bundesbank (hereinafter referred to as the "Bank") accepts domestic and international payment orders from customers for execution.
- (2) Unless otherwise agreed, payment orders will only be accepted if they bear the BIC11 (11-digit Business Identifier Code) applicable to the respective account.
- (3) Cut-off times<sup>1</sup> will only apply if the payment orders are STP-compatible<sup>2</sup>.
  - Customer payment orders must comply with the SWIFT rules for MT 103 (STP) subject to the following modifications.
    - Field 23B shall only contain code "CRED".
    - Only code"/TARGET/" shall be used in field 72.
  - Interbank payment orders must comply with the SWIFT rules for MT 202 / MT 202 COV subject to the following modifications.
    - Fields 56a, 57a and 58a shall only be used with letter option A.
    - Only codes "/BNF/" and "/TARGET/" shall be used in field 72.

Furthermore, for STP it is absolutely essential that the beneficiary's account number / IBAN is included in the account number line if the beneficiary holds more than one account with the respective institution. The MT 103 (STP) must include the IBAN (International Bank Account Number) of the beneficiary in the account number line of field 59a.

Account numbers must be entered in full (for Bundesbank accounts: 10 digits).

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<sup>1</sup> For cut-off times, see Product Annex Basic Services, Article 3 (2)

<sup>2</sup> STP: Straight Through Processing

(4) If the execution date set in field 32A of the SWIFT message is more than 9 payment transaction business days after the submission date, the payment order is rejected and returned to the submitter using SWIFT message MT n99.

(5) Return payments must contain the codes “/REJT/” or “/RETN/” in field 72.

(6) For the execution of customer payment orders, the following information is required:

- Name of the beneficiary
- For payments within the EU/EEA, the IBAN of the beneficiary and the BIC of the beneficiary’s payment service provider.
- For payments from/to countries outside the EU/EEA (third countries), the account number/IBAN of the beneficiary and the BIC of the beneficiary’s payment service provider. Where the beneficiary’s payment service provider is not identified by its BIC, the Bank will execute these payments at its best discretion, provided the full name and address of the beneficiary's payment service provider are specified.
- Name and account number/IBAN of the ordering customer. In the case of payments from/to countries outside the EU/EEA (third countries), it is essential to specify the full name, account number/IBAN and address of the ordering customer.

When executing customer payment orders initiated by international organisations (including EU Institutions) to countries outside the EU/EEA (third countries), the Bank will forward the name and address of the initiating international organisation (including EU Institutions) as recorded for the specified account number/IBAN.

(7) We recommend ensuring that there are sufficient funds in the account well in advance of the relevant cover-closing time for payment orders.

(8) Submitted payment orders are subject to a duplication check. The following situations are possible in this regard.

- a) The submitted payment order has a PDE (Possible Duplicate Emission) trailer which does not specify an MIR (Message Input Reference) or it has a PDM (Possible Duplicate Message) trailer which does not specify an MOR (Message Output Reference).

In this case, the submitted payment order is compared with previously received messages based on the contents of the following SWIFT fields.

- Message type
- Sender’s BIC
- Reference from field 20

- Execution date in field 32A
- Currency in field 32A
- Amount in field 32A

If a previously received message with identical specifications in all of the above-mentioned fields is identified, the submitted payment order is considered a duplicate.

- b) The submitted payment order has a PDE trailer specifying an MIR or it has a PDM trailer specifying an MOR.

In this case, the submitted payment order is compared with previously received messages, focussing on the above-mentioned MIR or MOR. If a previously received message with an identical MIR or MOR is identified, the submitted payment order is considered a duplicate. If no previously received message with an identical MIR or MOR can be identified, the submitted payment orders are checked as described under item a).

- c) The submitted payment order has no PDE or PDM trailer.

In this case, the submitted payment order is compared with previously received messages based on the contents of the SWIFT fields mentioned under item a). If a previously received message with identical specifications in all of the above-mentioned fields is identified, a check is performed to see whether the submitted message has a PDE or PDM trailer. If this is so, the submitted payment order is considered a duplicate.

Submitted payment orders that have been deemed duplicates are cancelled. If the first or second of the submitted messages has a PDE trailer, the submitter will be informed of the cancellation via SWIFT message MT n99. However, the submitter is not notified in the case of a PDM trailer.

- (9) Submitted payment orders may be cancelled by the Bank if there is an error in the message. The Bank will notify the submitter by means of an authenticated SWIFT message where this is the case and the payment order can be resubmitted in its corrected form. This is likewise governed by the rules for duplication checks described in paragraph (8).

- (10) The customer cannot cancel a payment order once it has been received by the Bank.

If the Bank and the account holder have agreed on a specific date to execute the payment order, the customer may cancel the order by close of business on the Bank working day prior to the agreed date.

Requests for cancellations must be submitted to the Bank via SWIFT message MT n92 (Request for Cancellation; MT 192 for customer payments and MT 292 for interbank payments). If submitted in any other way, the Bank is unable to guarantee the timely observance of the request for cancellation.

The Bank regards a Request for Cancellation (MT n92) as binding only if it contains the Session Number and the Input Sequence Number (ISN) of the original message. As a basic principle, the MT n92 must comply with the SWIFT standards.

In order to cancel a multiple payment message (MT 201, MT 203), a separate request must be made to cancel each individual payment.

The Bank answers the MT n92 with an MT n96 (answer).

- (11) The referencing structure "HYMMDDNNNNNNNN" in field 20 (Transaction Reference Number, TRN) applies to all payments sent by the Bank.
- (12) The account holder will receive a SWIFT message (MT 103, MT 103 (STP), MT 202, MT 202 COV or MT 910) for incoming payments via SWIFT.
- (13) The Bank charges the customer fees pursuant to the Interest Rate and Price Schedule.

The customer will be invoiced on a monthly basis for fees relating to the execution of payment orders.

The invoice is issued on the first payment transaction business day of the following month, and the fees are debited to the customer's account on the seventh payment transaction business day of the following month.

## **Article 2**

### **Processing of payment orders in TARGET2**

- (1) The Bank participates in TARGET2 via TARGET2-Bundesbank. TARGET2 is the real-time gross settlement system of the Eurosystem (composed of the respective national component systems) for domestic and international payments in euro, with settlement in central bank money and same day execution – including crediting the account of the credit institution at the receiving central bank. The Bank may be a participant in TARGET2-Bundesbank.
- (2) Any account held with the Bank can be reached via TARGET2, even if it is held outside the TARGET2 technical platform. On request, institutions from outside the EU/EEA can also be registered as addressable BIC holders in the TARGET2 directory via the Bank.
- (3) Euro payments submitted by holders of an account with the Bank and made to other payment service providers are automatically forwarded by the Bank via TARGET2-Bundesbank wherever possible. Routing occurs on the basis of the first BIC contained in field 56A or 57A (or field 58A of MT 202) according to the TARGET2 directory.
- (4) For submitted payment orders the code "//RT" in fields 56A, 57A or 58A, or alternatively, the code "/TARGET/" in field 72 is regarded as an essential instruction for settlement via

TARGET2. If it is not possible to process a payment via TARGET2, the payment will be cancelled. For processing via TARGET2, only the SWIFT formats MT 103 / MT 103 (STP) and MT 202 / MT 202 COV may be used. Furthermore,

- for MT 103 (STP), fields 52a, 56a, 57a and 58a
- for MT 103, field 56a,
- and for MT 202 / 202COV, fields 56a and 57a

may only be used with letter option "A" (BIC).

(5) Pursuant to article 7 (2) of the Special Terms and Conditions, the Bank will debit the fee which it has to bear for the registration of its customer as an addressable BIC holder to the customer's account.

### **Article 3**

#### **Additional information**

Please do not hesitate to contact us at the following address if you require any further information.

Deutsche Bundesbank  
Correspondent Banking Relations  
Wilhelm-Epstein-Strasse 14  
60431 Frankfurt am Main  
Germany  
Tel: +49 69 9566 4539  
Fax: +49 69 9566 3278  
E-mail: [account-management@bundesbank.de](mailto:account-management@bundesbank.de)

Please also refer to the information published on our website at <http://www.bundesbank.de/en/rema>.

Information published by the ECB may be found at <http://www.ecb.int>.

### **Section II**

## Overnight and fixed-term deposits

### Article 1

#### Overnight deposits

- (1) The Bank offers foreign central banks, monetary authorities and international organisations which hold a giro account with it a facility for the automatic investment of overnight funds with the Bank (tier one). A separate application for tier one investments is not required. The funds in the customer's giro account at the end of the day – up to a maximum investment amount – are placed in the tier one investment. The customer shall receive separate notification of the maximum investment amount. The customer may specify a lesser amount for the tier one investment than the maximum investment amount.
- (2) Funds in excess of the maximum investment amount will generally not be remunerated. ~~Excess balances may bear interest in exceptional circumstances only.~~ If the deposit facility rate is negative, fees in respect of such excess funds will be charged at the deposit facility rate minus 15 basis points. Pursuant to the Special Terms and Conditions, the Bank offers customers that have made the relevant selection in the Participation Agreement and set up a corresponding standing order with the Bank a facility for the uncollateralised deposit of overnight funds with selected counterparties (tier two). In accordance with the customer's instruction (individual specification of the tier two minimum and maximum limits) and subject to the Bank's reserving of the right to limit the amount invested, the balance on the customer's giro account – rounded down to the nearest €50,000 – at 16.30 (cut-off time) will be automatically included in the tier two overnight deposit. The amount to be invested is debited to the account, stating the SWIFT code (code) "CMS" and the batch ID (reference) "140". If the investment amount or parts thereof cannot be placed in the market, they are re-credited on the same day using the code "RTI" and the reference "150". If payment orders are received after the cut-off time and there is insufficient cover available because the tier two investment has already been effected, these payment orders shall not be effected until sufficient funds are once again available in the account. Retransfer, including interest, is effected on the maturity date (which will be a Bank payment transaction business day) using the code "CMI" and the reference "160".
- (3) Customers may, at any time, request changes to their selected maximum investment amount for the tier one facility provided that the requested investment amount does not exceed the individual maximum investment amount specified by the Bank's notification. The Bank shall implement requests for changes that have been submitted in due time on the first calendar day of the following month.
- (4) Tier one investments earn interest and are subject to fees as follows. ~~If the ECB interest rate on the deposit facility is equal to or above 0.00%, the remuneration rate will be the higher of: (i) the Eonia less a margin of 10 basis points; and (ii) zero. If the deposit facility rate is below 0.00%, the~~The remuneration or fee rate will be the higher of: (i) the ~~Eonia less~~



~~a margin of 10 basis points~~€STR, and (ii) the deposit facility rate. Interest and fees are settled (i.e. credited or debited as the case may be) retrospectively on the first business day of the month for the previous calendar month using the code "INT" and the reference "170".

- (5) Interest and fees on tier two investments are calculated using the actual interest rate at which the funds will be placed in the market less a margin of ~~53~~ basis points. Such an investment is made only if this rate is higher than the interest/fees applicable on excess balances. Upon maturity of the overnight deposit, the customer shall receive a credit for the invested amount plus any interest accrued and minus any fees charged. The customer shall receive a monthly interest statement with details of the end-of-day balances and, if applicable, interest/fees settled on tier one, and tier two investments and excess balances per accounting day. In the case of tier two investments, average interest rates resulting from several investments with counterparties in the market, are calculated to the 16th decimal place, but are shown rounded to 5 decimal places.

If you have any questions concerning tier one or tier two investments, please contact us at the following address.

Deutsche Bundesbank

[Account M 420 Reserve Management Service](#)

Wilhelm-Epstein-Strasse 14

60431 Frankfurt am Main

Germany

Tel: +49 69 9566 ~~6923~~[1600](#)

Fax: +49 69 9566 ~~3278~~[2718](#)

E-mail: [account-managementcbs@bundesbank.de](mailto:account-managementcbs@bundesbank.de)

## Article 2

### Fixed-term deposits

a) *“Principal time deposits”*: with the Deutsche Bundesbank

- (1) Maturities ranging from one day to twelve months are possible.
- (2) The minimum investment amount is one million euro. The Bank will inform the customer of the maximum amount separately. The Bank reserves the right to reject deposits.
- (3) Fixed-term deposits may be invested
  - a) “with the option of premature termination” for fixed-term deposits with maturities between seven days and one month. Interest rates and fees are pursuant to the Interest Rate and Price Schedule in connection with the Product Annex - Investment Services.
  - b) “without the option of premature termination” for fixed-term deposits with maturities between one day and twelve months. Interest rates and fees are pursuant to the Interest Rate and Price Schedule in connection with the Product Annex - Investment Services.
- (4) The Bank reserves the right to amend the interest rates offered if necessary based on the market situation in exceptional circumstances. In such cases, the Bank shall inform the customer in advance.
- (5) Interest rate method: simple interest rate with the day-count convention "actual/360".
- (6) All investments in a fixed-term deposit “with the option of premature termination (see paragraph 3a), may be terminated with two days notice. In the case of premature liquidation, no interest/fees will be settled for the residual maturity of the fixed-term deposit and an indemnification in the amount of 7.5 basis points will be charged for the residual maturity. Fixed-term deposits of the type specified in 3b may not be cancelled prior to maturity.
- (7) Application by the [investor/customers](#) to the Deutsche Bundesbank, M 42, [by/should be submitted before](#) 14.00 [at/through](#) the [latest/following channels](#):

SWIFT:	MARKDEFF
Fax:	+49 69 9566 2718
Tel:	+49 69 9566 1600
E-mail:	cbs@bundesbank.de

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Refinitiv EIKON

BLOOMBERG

If the customer's fixed-term deposit investment order does not contain any details regarding the ability to terminate the investment prematurely (as defined in paragraph 3), the Bank will assume that the customer wishes to invest in a fixed-term deposit without the option of premature termination.

- (8) If not otherwise agreed, the value date shall be two business days after receipt of instructions to invest or liquidate ("start date").
- (9) For the execution of transactions, the customer authorises the Bank to transfer funds in euro from the customer's euro account with the Bank on the start date to the fixed-term deposit account in accordance with the customer's instructions.
- (10) The Bank shall issue confirmation to the customer by SWIFT, or in exceptional cases by fax, of each fixed-term deposit. The confirmation shall include the amount transferred from the euro account to the relevant fixed-term deposit account, the interest rate, the start date, and the maturity date.
- (11) Upon maturity or in the event of premature liquidation, proceeds including interest accrued shall be credited to the customer's euro account with the Bank.
- (12) Interest income arising from this type of investment is not taxable in the Federal Republic of Germany.

*b) "Agency-based fixed-term deposits": the Bank as agent, placement in the market*

- (1) The Bank acts as an agent and places the fixed-term deposits in the market with highly rated counterparties. All credit risks, as well as any loss sustained, will be borne by the customer.
- (2) All maturities available in the market are possible.
- (3) The minimum ~~investment amount~~ size of a deposit will be €100,000.00; there is no maximum investment amount. increasing in multiples of EUR 50 000 thereafter.
- (4) Interest rate/fees: achieved market rate minus a charge of 5 basis points. Such an investment is made only if this rate is higher than the interest/fees on excess balances.
- (5) Interest rate method: simple interest rate with the day-count convention "actual/360".
- (6) Liquidation prior to maturity is not possible.

(7) Application by the ~~investor~~customers to the Deutsche Bundesbank, M 42, ~~by~~should be submitted before 14.00 (~~Frankfurt am Main local time~~) ~~at~~through the ~~latest~~following channels:

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SWIFT:

MARKDEFF

Fax: +49 69 9566 2718

Tel: +49 69 9566 1600

E-mail: cbs@bundesbank.de

REUTERS Chat

- (8) The value date shall be two business days after receipt of instructions to invest ("start date"). All references to a "business day" in these rules shall refer to a business day according to the Special Terms and Conditions for the Provision of Certain Services for Foreign Central Banks, Monetary Authorities or International Organisations.
- (9) For the execution of transactions, the customer authorises the Bank to transfer, on the start date, funds in euro from the customer's euro account with the Bank to the counterparty in the market.
- (10) The Bank shall issue confirmation to the customer via SWIFT, or in exceptional cases by fax, of each fixed-term deposit. The confirmation shall include the amount transferred from the euro account to the relevant fixed-term deposit account, the interest rate, the start date, and the maturity date.
- (11) Upon maturity, proceeds including interest accrued shall be credited to the customer's euro account with the Bank.
- (12) Interest income arising from this type of investment is not taxable in the Federal Republic of Germany.

### Section III

#### Purchase and sale of securities

## Article 1

### Instructions

(1) To the Deutsche Bundesbank, M 410 via

SWIFT: MARKDEFF (preferably by MT502 or MT599)

Fax: +49 69 9566 4390

Tel: +49 69 9566 1650

[Bloomberg Chat](#)

[BLOOMBERG](#)

Instructions via phone or [Bloomberg Chat](#)[BLOOMBERG](#) are not accepted between 10.30 to 14.00 (Frankfurt am Main local time).

(2) For the purpose of correct identification, the customer is obliged to provide the Bank with its Legal Entity Identifier (LEI). Prior to obtaining this LEI, the Bank will only be able to execute any conveyed transactions outside of trading venues.

(3) The customer's instructions must specify the following details for each security to be bought or sold

Safe custody account number

Giro account number

Type of security

ISIN code

Coupon rate

Maturity date

Nominal amount

Trade date

Settlement date

(4) An order must reach the Bank by no later than 16.00 (Frankfurt am Main local time) to be executed on the same business day. Orders that reach the Bank later in the day will be effected on the following business day. Depending on the securities traded, settlement usually takes place two safe custody business days after the trade date.

## **Article 2**

### **Settlement**

To execute transactions, the customer authorises the Bank to deliver securities from or to the customer's safe custody account with the Bank and to credit or debit resulting cash balances to the customer's current account with the Bank.

## **Article 3**

### **Confirmation**

- (1) The Bank shall send confirmation of each capital market transaction to the customer via SWIFT or by other means if previously agreed.
- (2) This confirmation shall include the type of security, the ISIN code, the maturity date, the nominal value, the price or, if relevant, the unit price, the trade date, the settlement date and the settlement amount.
- (3) For enquiries, or in the event of any discrepancies, please contact

Deutsche Bundesbank

Hotline Z 512/Z 513

Tel: +49 69 2388 2772

Fax: +49 69 709094 9411

E-mail: [z5.irms@bundesbank.de](mailto:z5.irms@bundesbank.de)

## **Article 4**

### **Fees**

The Bank charges fees in accordance with its Interest Rate and Price Schedule.

## **Section IV**

## **Provision of safe custody accounts**

### **Article 1**

#### **Services**

- (1) The Bank assumes the safe custody and administration of securities and all related transactions (including interest and redemption payments). In addition, the following services are provided in cooperation with Clearstream Banking Frankfurt (CBF).
  - Cash clearing and securities settlement in stock exchange and OTC transactions
  - Delivery of outright and repo transactions
  - Arrangement of securities lending transactions via CBF in accordance with the customer's prior instruction
  - Submission and delivery of securities physically held in custody
- (2) Before any business is conducted, customers are advised to arrange a trial period to carry out testing. The Bank will not accept any liability for problems resulting from the lack of prior testing.
- (3) The customer is notified of transactions by means of credit/debit advices via SWIFT. Income and/or redemption payments are credited to the customer's euro account with the Bank; third-party fees are debited to the said account.
- (4) The customer will be informed of upcoming payments:
  - for redemption payments by post one week in advance at the latest and via SWIFT (MT564) on the payment date;
  - for coupon payments via SWIFT (MT 910) on the payment date.Non-SWIFT customers will be informed by other means.
- (5) The customer will receive a monthly statement of account on the first business day of the following month via SWIFT MT 535. Bilateral arrangements to receive securities holdings statements by post, fax or other means are also possible.

### **Article 2**

#### **Instructions**

- (1) Orders are to be submitted via authenticated SWIFT.

- (2) Orders for securities which are due to be delivered to the customer's safe custody account against or free of payment should reach the Bank no later than 16.00 (Frankfurt am Main local time) on the safe custody business day prior to the day of settlement (value date). Customers must ensure that cover is provided on time on the day of settlement in accordance with the various cut-off times for the (I)CSDs and depositories involved. Information on specific cut-off times can be obtained on an individual basis.
- (3) Orders for the outward delivery of securities should likewise reach the Bank before 16.00 (Frankfurt am Main local time) on the safe custody business day prior to the settlement day and cover provided on time.
- (4) For delivery versus payment orders, the relevant amount in euro must also be stated. The customer is to make sure that the counterparty issues a matching instruction for any delivery or receipt versus payment to the central securities depository (CSD) involved. The order cannot be carried out if the relevant amounts stated in the delivery and the receipt instructions differ by more than €25 (€2 in case of trades involving less than €100,000.00 in cash). In the event of minor discrepancies not exceeding €25 (€2), the order will be settled on the basis of the amount stated in the delivery instruction.
- (5) If the Bank receives more than one order for the same type of security and with the same value date and not all orders are covered by securities, the orders will only be carried out after consultation with the counterparty.

### **Article 3**

#### **Fees**

- (1) The Bank charges transaction or custody fees according to its Interest Rate and Price Schedule.
- (2) Third-party fees will be debited to the customer's designated account. Current price lists can be obtained on request.
- (3) Fees are debited once a year on the last business day of January or upon termination of the account relationship following advance notification.

### **Article 4**

#### **Contacts**

- (1) Enquiries about the opening of safe custody accounts

Postal address: Deutsche Bundesbank



Z 500  
Postfach 11 12 32  
60047 Frankfurt  
Germany

Contact details

Fax: +49 69 2388 2491

E-mail: [z5.depotfuehrung@bundesbank.de](mailto:z5.depotfuehrung@bundesbank.de)

E-mail:

Ms Claudia Jöhl

Tel: +49 69 2388 2420

Mr Michael Albrecht

Tel: +49 211 874 1410

(2) Enquiries about the settlement of transactions

Hotline Z 512/Z 513

Tel: +49 69 2388 2772

Fax: +49 69 709094 9411

E-mail: [z5.erms@bundesbank.de](mailto:z5.erms@bundesbank.de)

**Section V**

**Securities lending**

**Article 1**

## Safe custody accounts

(1) To participate in the securities lending programme, a customer is required to maintain the following safe custody accounts with the Bank.

- Main safe custody account for securities for all business purposes
- Safe custody account for securities provided for lending (if both programmes are used, there are two options: one account each for ASL and one for ASLplus or one account for both securities lending services)

(See section V, article 3 (1) for contacts concerning applications for the opening of safe custody accounts.)

(2) Once the above-mentioned safe custody accounts have been opened, the Bank will open an additional safe custody account for the customer with Clearstream for securities which are actually provided for lending. The opening of the said safe custody account requires no further action on the part of the customer.

(3) Transactions will be booked by Clearstream as follows.

Transaction	Debit	Credit
Provision of securities for lending purposes	Main safe custody account	Safe custody account for securities provided for lending
Withdrawal of securities for lending purposes	Safe custody account for securities provided for lending	Main safe custody account
Use of securities for securities loans	Safe custody account for securities provided for lending	Safe custody account for securities actually loaned
Return of securities after lending	Safe custody account for securities actually loaned	Safe custody account for securities provided for lending
Recall of securities (Securities are actually loaned)	a) Safe custody account for securities actually loaned	a) Safe custody account for securities provided for lending
	b) Safe custody account for securities provided for lending	b) Main safe custody account

## Article 2

### Communication between the Bank and its customers

(1) Communications between the Bank and the customer are to be sent as authenticated SWIFT messages.

The following types of SWIFT messages are to be used.

- MT 526 General securities lending/borrowing message
- MT 535 Statement of holdings

SWIFT messages to the Bank should be addressed using the BIC code "MARKDEFF".

(2) For the movement of securities, the SWIFT message type MT 526 (general securities lending/borrowing message) is to be used as follows.

#### MT 526 format specifications

Field No	Field name	Contents	Example
<b>Sequence A</b>			
20	Transaction reference number	Transaction reference number	1234567890ABCDEF
21	Related reference	Transaction reference number of a prior message	ABCDEF1234567890
23	Further identification	Code, depending on the purpose of the message	TOLEND or RECALL
83c	Safekeeping account	Safe custody account at Bundesbank for securities provided for lending (ASL/ ASL+)	1234567-890
<b>Sequence B (repeatable)</b>			
<b>Article 1</b> 5B	Identification of securities	ISIN code of securities	ISIN DE0001135010
35A	Quantity of securities	Quantity of securities	FMT 100,000,000.00

30	Effective date	Intended date of securities transfer	040130
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### MT 526 field specifications

#### **Field 21 (related reference)**

This field is an optional SWIFT field, which may be used by the customer.

#### **Field 23 (further identification)**

The following two codes are to be used by the customer.

- **TOLEND** = The customer notifies the Bank that the listed securities are available for lending
- **RECALL** = The customer requests a partial or final recall of specified securities actually loaned or provided for lending.

#### **Field 83c (safekeeping account)**

Although this is an optional SWIFT field, the customer is required to inform the Bank of the Bundesbank account number provided for lending.

#### **Field 35A (quantity of securities)**

Although this is an optional SWIFT field, the customer is required to provide the Bank with information about the quantity of securities.

#### **Field 30A (effective date)**

Although this is an optional SWIFT field, the customer is required to inform the Bank of the date on which the securities are to be transferred.

#### **(3) Deadlines for the receipt of messages**

- Notification that securities are available for lending: SWIFT MT 526 must be received by the Bank by no later than 16.00 (Frankfurt am Main local time) for delivery on the same day.
- Notification of a partial or final recall of specified securities which are actually loaned or provided for lending: SWIFT MT 526 must be received by the Bank by no later than 9.30 (Frankfurt am Main local time) on the delivery day. Redelivery will occur on the next business day at the latest. If the recall request is received after 9.30 (Frankfurt am Main local time), redelivery will take place by no more than two business days after the recall request is received..

(4) The Bank will provide information about all safe custody account credits and debits relating to lending transactions. The Bank will send monthly statements using the SWIFT message type MT 535 (statement of holdings). The statements will be sent for the following safe custody accounts.

- Main safe custody account
- Safe custody account for securities provided for lending

If the customer wishes to receive statements or transaction messages via SWIFT on a more regular basis or requests additional reports, a bilateral agreement between the Bank and the customer may be reached.

(5) In the event that access to the SWIFT network becomes unavailable, messages should be exchanged by means of a duly signed fax.

### **Article 3**

#### **Contacts**

(1) Enquiries about the opening of safe custody accounts

Postal address: Deutsche Bundesbank

Z 500

Postfach 11 12 32

60047 Frankfurt

Germany

Contact details

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## Section VI

### Foreign exchange transactions ~~in the main trading currencies~~

#### Article 1

##### Requirements

##### Services

(1) The Bank offers the purchase and sale, on a spot basis, of euro against the following currencies: AUD, CAD, CHF, CZK, DKK, GBP, HKD, HUF, JPY, NOK, NZD, PLN, SEK, SGD, USD, and ZAR.

(2) The Bank acts as Principal.

~~(1)~~(3) Customers who have made the relevant selection in the Participation Agreement to sell foreign currencies to the Bank or to purchase them from the Bank, are to provide their Standard Settlement Instruction to the Bank before placing an order.

(4) The Bank shall agree with the customer the order type and the parameters of the order.

(5) The Bank shall agree with the customer the rate at which it sells or purchases the foreign currency. On request, the Bank shall provide the customer with non-binding indications in advance. The customer retains the risk of a change in the exchange rate.

#### Article 2

##### Settlement ~~EUR – USD~~

(1) Unless otherwise agreed the settlement takes place via payment after payment.

(2) Unless otherwise agreed with the customer, amounts purchased by the Bank in a foreign currency are to be remitted to the Bank on the second business day following the trade date. The Bank will credit the euro countervalue to the customer's giro account on the same day.

(3) Unless otherwise agreed with the customer, amounts sold by the Bank in a foreign currency are remitted by the Bank on the second business day following the trade date. On the same day, the Bank will debit the euro countervalue to the customer's account.

(4) To secure its advance payment risk, the Bank may exercise its rights pursuant to article 3 of the Special Terms and Conditions over the customer's assets. If no sufficient assets are

available, the Bank will withhold its performance until it has received the performance to be made by the customer.

(5) If, on the second business day following the trade date, the customer fails to remit the amount purchased in the foreign currency or if there is insufficient collateral on its account to cover the debit of the euro countervalue, default interest on the euro countervalue shall be levied until the date of remittance at the rate at which the Bank is charged by its foreign correspondent banks, however, at no less than the marginal lending rate of the Eurosystem.

~~(2)~~(6) Amounts purchased by the Bank in USD are to be remitted to the Bank by 16.00 (Frankfurt am Main local time) on the second business day following the trade date. After payment by the customer, the Bank shall pay the euro countervalue to the customer on the same day.

~~(3)~~(7) Amounts sold by the Bank in USD are remitted by the Bank on the second business day following the trade date if the customer has remitted the euro countervalue to the Bank by 16.00 (Frankfurt am Main local time).

~~(4)~~(8) If the settlement day according to ~~(26)~~ or ~~(37)~~ is not a business day in New York, N. Y., USA, the settlement day will be the next business day.

~~(2) The Bank shall agree with the customer the rate at which it sells or purchases the foreign currency up to amounts of USD 20 million. For amounts above USD 20 million, the customer shall accept the average rate of the Bank's countertrades.~~

### **Article 3**

#### **Settlement EUR – other currencies**

~~The Bank will specify the settlement details upon special request.~~



~~(3)(1) The Bank offers the purchase and sale, on a spot basis, of euro against the following currencies: AUD, CAD, CHF, CZK, DKK, GBP, HKD, HUF, JPY, NOK, NZD, PLN, SEK, SGD, USD, and ZAR.~~

## **Section VII**

### **Passive portfolio management**

#### **Article 1**

##### **Requirements**

- (1) Customers who in the Participation Agreement have opted to sign up for the Bank's passive portfolio management service are requested to make their selection from the range of eligible instruments (indices) in line with the standardised investment guidelines.
- (2) To use the Bank's portfolio management service the customer is required to maintain the following safe custody accounts with the Bank.
  - Main safe custody account for securities
  - Safe custody account for passive portfolio management (which is managed by the Bank according to the standardised investment guidelines)

(See section V article 3 (1) for contacts concerning applications for the opening of safe custody accounts.)

#### **Article 2**

##### **Contacts**

###### **General enquiries about the Bank's portfolio management service**

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