

CEU issued securities - Dividend Equivalent Payment (DEP) reporting guidelines

On a monthly basis, the issuer will notify CEU indicating all withheld amount paid to the IRS per ISIN during the month.

- Notification via email to 871m@deutsche-boerse.com
- Timing, every first business day of the month to report data of the previous month
- Data to be reported via the attached Excel (in this exact format). The file will contain one line per DEP (e.g. if during a month, for a same certificate, 3 DEPs are reported, 3 lines will be added to the file).
- The reconciliation sheet in Excel should be sent by the entity issuing the Form 1042-s to CEU via the standard custody chain.

Treatment of inventory or “unsold position”

Inventory (or unsold positions) may be deemed unreportable by the issuer under its own responsibility. However, certain conditions need to be met for the effective exclusion of the inventory from the reporting chain:

- Exclusion of the inventory position needs to be instructed by the issuer via the reporting template described below.
- The issuer needs to specifically designate CEU account(s) under which the inventory position is held.
- Inventory positions may be split under a maximum of two different accounts in CEU.
- The account(s) under which inventory is held must be the issuer (or its agent) direct account(s) in CEU.
- Inventory (unsold) and sold positions must not be commingled in the same account.

Data to be reported

Issuers must use the agreed format as per the template in Attachment.

When populating the template, please note that:

- Reported DEPs should only relate to section 871(m) securities of which CEU was duly notified at acceptance or upon material modification.
- Each row should include one DEP per ISIN / Record date / Gross price.
- Quantities of securities should be expressed in units or in nominal, in line with how the section 871(m) security is recorded in CEU.
- The inventory position, if any, should be recorded in maximum of two distinct accounts (and the account numbers should be communicated to CEU).
- Record date of the DEP should be the date at which the holder of the security on record is deemed to have the benefit of the DEP. For a new issuance, where a DEP falls between trade date and settlement date, it should be the date at which securities positions are credited in CEU (i.e. closing date).