Welcome to the Depository-Information Gathering Project.

Before beginning, we suggest that you print the entire document for review on paper and review the Glossary of Terms. Each will assist you with answering the questions. For help, contact: Robin D. Truesdale, Baker & McKenzie LLP (202) 835-1664; e-mail: Robin.Truesdale@bakermckenzie.com.

Note
* When reviewing/updating your prior year’s responses in the questionnaire, please ensure that the sub-questions are reviewed/updated as well.
* Please deselect/uncheck any responses in the sub-questions where those responses are no longer applicable.
* Please note: Any text in the “other” and/or “please explain/describe” questions should be deleted before deselecting the response. In this regard, note that deselecting a response with written text does not delete the information, it only hides the information from view.
* Any responses that appear in open text boxes should be deleted if the information is no longer applicable.

SCOPE, STRUCTURE, OWNERSHIP, CAPITAL, REGULATION AND AUDIT

The purpose of this section is to understand the ownership structure and financial strength of your institution, as well as the level of regulatory and operational supervision to which it is subject.

Response Necessary/Eligibility Question

1. Rule 17f-7, by reference to Rule 17f-4, requires that, for a depository to be eligible to hold securities of U.S. registered investment companies (such depositories hereinafter referred to as “Eligible Securities Depositories”), the depository must be a “system for the central handling of securities where all securities of any particular class or series of any issuer deposited within the system are treated as fungible and may be transferred or pledged by bookkeeping entry without physical delivery of the securities.”

Are all securities of a particular class or series of any issuer that are deposited in your institution treated as fungible, and can they be transferred or pledged by bookkeeping entry without physical delivery of the securities?

☐ Yes
☐ No (please answer 1a)
☐ Other (please answer 1a)

1a. Please explain:
3. **What type of legal entity is the institution?** (Choose all that apply.)
- Public Company
- Private Company
- Central Bank (or part thereof)
- Stock Exchange (or part thereof)
- Other (please answer 3a)

4. **Is the institution operated as a "for profit" or a "not for profit" organization?**
- For profit
- Not for profit
- Other (please answer 4a)

5. **Please provide the names of the owners and their ownership interest percentages.**

CBF is wholly owned by Clearstream Participations S.A. who itself is indirectly (via Clearstream Holding) a wholly owned subsidiary of Deutsche Börse Group. A diagram of this shareholding structure is available at https://www.clearstream.com/clearstream-en/about-clearstream/company-governance/shareholding-structure.
6. Please answer the following:

6a. What is the date of establishment of the depository? 05/12/1949

6b. What is the date that the depository's operations began? 05/12/1949

7. Under what regulation or statute is the depository established and governed?

CBF is established and governed by various regulations or statutes. CBF is established and incorporated as a stock corporation (“Aktiengesellschaft”) in accordance with the German Stock Corporation Act (“SCA” or “Aktiengesetz”). Thus, the governance of CBF is performed by an executive board and a supervisory board in accordance with the SCA and the articles of association. Moreover, CBF is a licensed central securities depository (CSD) in accordance with the provisions of the Securities Deposit Act (“SDA” or “Depotgesetz”). CBF is a fully licensed credit institution according to the German Banking Act conducting the custody and administration of securities for others as a banking business in accordance with the German Banking Act.

CBF filed its application for the CSDR licence to the local regulators at the end of September 2017. Following initial feedback from the local regulators, CBF continues to remain in close dialogue with them throughout the ongoing CSDR authorisation process. Regulators have confirmed the completeness of the filing application in July 2019. For further details, please refer to the following information: https://www.clearstream.com/clearstream-en/newsroom/190722-1589140

7a. Is the regulation or statute electronically available? Yes (please answer 7b)

7b. If regulation or statute is electronically available, please supply web address(es) here or upload document(s) in question 7c.

https://portal.mvp.bafin.de/database/InstInfo/institutDetails.do?
cmd=loadInstitutAction&institutId=105564
http://www.gesetze-im-internet.de/aktg/
https://www.gesetze-im-internet.de/kredwg/BJNR008870961.html

7c. Please supply document(s) here:

7d. Please provide details of the structure and composition of your Board together with their industry experience and responsibilities in governing the depository.

What are the qualifications to become a board member?
The composition of the Executive and Supervisory Board members should reflect the knowledge, skills and experience necessary to fulfil its responsibilities. This includes that the Board collectively has an appropriate understanding of those areas for which the members are collectively accountable, and the skills to effectively manage and oversee the institution. Further detailed indications of the qualifications to become a board member of CBF are detailed the relevant policy document which is considered internal.

7e. What are the election procedures?
The members of the Supervisory Board are appointed by the general meeting of shareholder which is preceded by an internal assessment and by an assessment of the BaFin which confirms the suitability of the candidate to become a member of the Supervisory Board.

The Supervisory Board is responsible for the selection and (re-)appointment of Executive Board members and for election proposals to the Annual General Meeting regarding the election of Supervisory Board members. It therefore identifies candidates for the appointment, taking into account the suitability criteria set out in this Side letter and the underlying Policy, and drafts a job description with a candidate profile. Furthermore, BaFin needs to confirm the suitability of a candidate for an Executive Board membership prior to the appointment.

7f. What is the maximum length of time a board member can serve?
Members of the Supervisory Board shall be elected for a term of office ending at the closing of the General Shareholders' Meeting which votes on the approval for the fourth fiscal year after the commencement of the term of office, not including such fiscal year in which the term of office has commenced. A successor for a member resigning before his/her term of office shall be elected for the remaining term of office of the resigning member.

Every member is eligible for re-election.
7g. How are the voting powers distributed amongst the board members (i.e. does each board member have one vote or do certain members have additional voting power)?

Unless otherwise provided by law or the Articles of Incorporation, resolutions will be adopted by simple majority of the votes cast. The foregoing shall also apply to elections. The method of voting shall be determined by the chairman. In the event of a tie, the chairman’s vote shall be decisive.

7h. Who is responsible for regulating the board members?

Local Regulators.

Response Necessary/Eligibility Question

8. Rule 17f-7 requires that an Eligible Securities Depository “is regulated by a foreign financial regulatory authority as defined under section 2(a)(50) of the Act”, with section 2(a)(50) establishing that “foreign financial regulatory authority' means any (A) foreign securities authority, (B) other governmental body or foreign equivalent of a self-regulatory organization empowered by a foreign government to administer or enforce its laws relating to the regulation of fiduciaries, trusts, commercial lending, insurance, trading in contracts of sale of a commodity for future delivery, or other instruments traded on or subject to the rules of a contract market, board of trade or foreign equivalent, or other financial activities, or (C) membership organization a function of which is to regulate the participation of its members in activities listed above.”

Who regulates the activities of the depository? (Choose all that apply.)

☐ A governmental body or regulatory organization empowered to administer or enforce laws related to securities matters.
☐ A governmental body or self-regulatory organization empowered to administer or enforce laws related to other financial activities.
☐ A membership organization which regulates the participation of its members in securities matters or other financial activities.
☐ Other (please answer 8a)

9. Please provide the name of regulatory authority(ies) identified in question 8:


Response Necessary/Eligibility Question

10. Rule 17f-7 requires that an Eligible Securities Depository “is subject to periodic examination by regulatory authorities or independent accountants.”

Is the depository subject to periodic examination by: (Choose all that apply.)

☐ Regulatory authorities?
☐ Independent accountants?
☐ Other (please answer 10a)

11. What enforcement actions are available to the regulatory authority(ies) for breach of applicable statute or regulatory requirements? (Choose all that apply.)

Name of Authority #1 (please answer 11a):

Federal Financial Supervisory Authority (“BaFin”) in co-operation with the German Central Bank (“Deutsche Bundesbank”) according to the German Banking Act (“Kreditwesengesetz”).

11a.

☐ Fines
☐ Restrictions on depository activities.
☐ Suspension of depository activities.
☐ Termination of depository activities.
☐ Other (please answer 11b)

11c.
- Fines
- Restrictions on depository activities.
- Suspension of depository activities.
- Termination of depository activities.
- Other (please answer 11d)

11d. Please explain:
The Ministry of Economics, Transport, Energy, Urban and Regional Development can remove CBF’s status as "Wertpapiersammelbank", which would result in the termination of the depository activities for German securities kept in collective safe custody ("Girosammelverwahrung").

12. Has there been any use of such enforcement actions in the last three years?
- Yes (please answer 12a)
- No
- Other (please answer 12a)

Capital

13. Are annual financial statements publicly disclosed?
- Yes (please answer 13a)
- No (please answer 13e)
- Other (please answer 13h)

13a. If yes, the AGC requests a copy of the institution's annual report. Is the annual report available electronically?
- Yes (please answer 13b)
- No (if no, please send a copy of the annual report to the Washington office of Baker & McKenzie, 815 Connecticut Ave., NW, Washington, DC 20006, Attn: Robin Truesdale)

13b. If yes, please upload the document(s) here or insert web link(s) in question 13d:

13c. If more than one document for 13b, please upload the additional document here:

13d. Please insert web link(s) for 13b here:
DBAG’s annual Financial Report as well as CBF’s annual accounts are available at the following link:

Internal Audit

14. Is an internal audit undertaken in your depository?
- Yes (please answer 14a)
- No (please proceed to 15)

14a. If yes, what areas does the audit cover (financials, operations, etc.) and which department in your depository handles it?
The role of CBF’s internal audit department encompasses the examination and evaluation of the adequacy and effectiveness of the system of internal control and the quality of performance. The Chief Auditor and audit staff remain independent from any other group activities in order to allow them to carry out their work freely and objectively and render impartial and unbiased judgments.

In order to ensure independence of the Internal Audit functions, the Head of Internal Audit (Chief Internal Auditor) reports to the Executive Board, to the Audit Committee and the Supervisory Board with an administrative reporting line to the CEO and a functional reporting line to the Head of Internal Audit DBAG. Internal Audit is authorised to have unrestricted access to all records, personnel and physical properties.

The professional standards of the department are primarily based on those set out by the Institute of Internal Auditors, the Information Systems Audit and Control Association and the Basel Committee for Banking Supervision as well as by the German Institute for Internal Auditing.

An Audit Universe of all auditable units, processes and IT systems has been set up by Internal Audit and is reviewed annually. A three-year rotational plan is prepared, based on a risk analysis of the audit universe, from which the detailed plan for the coming year is determined. The three-year rolling plan and detailed annual plan are both approved by the Executive Board, the Supervisory Board and the Audit Committee.

14b. Please list the date of your last internal audit: 25/10/2019

Please list the period that the audit covered: 01/01/2019 to 25/10/2019

14c. How frequently does the internal audit occur? (Choose one.)
- ☑ Two or more times a year (please answer 14e)
- ☐ Annually (please answer 14e)
- ☐ Less than annually (please answer 14d)

14e. Are the results of the internal audit publicly available?
- ☐ Yes
- ☑ No

14f. Please select the statement that most accurately characterizes the results of the last internal audit: (Choose one.)
- ☑ No material exceptions found.
- ☐ Minor exceptions found. (please answer 14g)
- ☐ Material exceptions found. (please answer 14g)

15. Is a financial audit performed by an Audit Firm, Regulatory Authority, or other external party?
- ☑ Yes (please answer 15a)
- ☐ No (please proceed to 16)

15a. If yes, please state the name(s) of the entity(ies) who perform the financial audit.
CBF’s external auditor is KPMG Audit, Frankfurt.

15b. Please list the date of your last financial audit performed by an Audit Firm, Regulatory Authority, or other external party: 31/12/2018

15c. Please list the period that the audit covered: 01/12/2018 to 31/12/2018

15d. How frequently does the financial audit occur? (Choose one.)
- ☑ Two or more times a year (please answer 15f)
- ☑ Annually (please answer 15f)
- ☐ Less than annually (please answer 15e)

15f. Are the results of the financial audit publicly available?
- ☑ Yes
16. Is an operational audit performed by an Audit Firm, Regulatory Authority, or other external party?
- Yes (please answer 16a)
- No (please proceed to 17)

16a. If yes, please state the name(s) of the entity(ies) who perform the operational audit.
CBF's external auditor is KPMG Audit, Frankfurt.

16b. Please list the date of your last operational audit performed by an Audit Firm, Regulatory Authority, or other external party:
01/01/2019

16c. Please list the period that the audit covered:
01/01/2019 to 25/10/2019

16d. How frequently does the operational audit occur? (Choose one.)
- Two or more times a year (please answer 16f)
- Annually (please answer 16f)
- Less than annually (please answer 16e)

16f. Are the results of the operational audit publicly available?
- Yes
- No

16g. Please select the statement that most accurately characterizes the results of the last operational audit: (Choose one.)
- No material exceptions found.
- Minor exceptions found. (please answer 16h)
- Material exceptions found. (please answer 16h)

16h. If minor or material exceptions were found, what actions were taken? Please describe:

PARTICIPANTS AND PARTICIPATION

The purpose of this section is to understand issues relating to participation in the depository, including eligibility requirements, conditions of participation, and supervision of participants.

17. What types of entities are eligible to become participants and how many of each type are there currently? (Choose all that apply.)
- Banks (please answer 17a)
- Brokers (please answer 17e)
- Individuals (please answer 17i)
- Foreign Institutions (please answer 17m)
- Other entities (please answer 17q)
- Not applicable

17a. How many Bank participants are there currently? (then please answer 17b)
17b. Please select the features included in the eligibility requirements for Banks. (Choose all that apply.)
- Financial Thresholds (please answer 17c)
- Regulatory Oversight (please answer 17c)
- Market Experience (please answer 17c)
- Other (please answer 17d)

17c. Where can a description of the specific eligibility requirements for Bank participants be found?
Please refer to the "Becoming a Clearstream customer" page of our website https://www.clearstream.com/clearstream-en/about-clearstream/becoming-a-clearstream-customer

17e. How many Broker participants are there currently? (then please answer 17f)
The Clearstream group including the entities in Frankfurt and Luxembourg maintains relationships with around 2,500 financial institutions in over 110 countries around the world. Clearstream’s core franchise also includes brokers, investment banks, and asset and investment managers. A list of CBF customers is available to logged in premium users of the Clearstream website at https://www.clearstream.com/clearstream-en/keydocuments-1-/csd-1-/referencedata/customer-listings

17f. Please select the features included in the eligibility requirements for Brokers. (Choose all that apply.)
- Financial Thresholds (please answer 17g)
- Regulatory Oversight (please answer 17g)
- Market Experience (please answer 17g)
- Other (please answer 17h)

17g. Where can a description of the specific eligibility requirements for Broker participants be found?
Please refer to the "Becoming a Clearstream customer" page of our website https://www.clearstream.com/clearstream-en/about-clearstream/becoming-a-clearstream-customer

17m. How many Foreign Institution participants are there currently?
The Clearstream group including the entities in Frankfurt and Luxembourg maintains relationships with around 2,500 financial institutions in over 110 countries around the world. Clearstream’s core franchise also includes brokers, investment banks, and asset and investment managers. A list of CBF customers is available to logged in premium users of the Clearstream website at https://www.clearstream.com/clearstream-en/keydocuments-1-/csd-1-/referencedata/customer-listings

17n. Please select the features included in the eligibility requirements for Foreign Institution participants. (Choose all that apply.)
- Financial Thresholds (please answer 17o)
- Regulatory Oversight (please answer 17o)
- Market Experience (please answer 17o)
- Other (please answer 17p)

17o. Where can a description of the specific eligibility requirements for Foreign Institution participants be found?
Please refer to the "Becoming a Clearstream customer" page of our website https://www.clearstream.com/clearstream-en/about-clearstream/becoming-a-clearstream-customer

17q. If you have selected "Other entities" above, please explain:
CBF will accept corporates, subject to limitations.
17r. Indicate how many "Other entities" are currently participants?
The Clearstream group including the entities in Frankfurt and Luxembourg maintains relationships with around 2,500 financial institutions in over 110 countries around the world.

17s. Please select the features included in the eligibility requirements for the participants referred to above as "Other entities". (Choose all that apply.)
- Financial Thresholds (please answer 17t)
- Regulatory Oversight (please answer 17t)
- Market Experience (please answer 17t)
- Other (please answer 17u)

17t. Where can a description of the specific eligibility requirements for participants described above as "Other entities" be found?
Please refer to the "Becoming a Clearstream customer" page of our website https://www.clearstream.com/clearstream-en/about-clearstream/becoming-a-clearstream-customer

18. Are participants required to contribute capital to the depository that would result in ownership of the depository?
- Yes (please answer 18a)
- No
- Not applicable
- Other (please answer 18b)

19. Are prospective participants subject to an initial review and approval process regarding compliance with eligibility requirements?
- Yes
- No
- Not applicable
- Other (please answer 19a)

Conditions of Participation

20. What governs the relationship between the depository and the participants? (Choose all that apply.)
- Relevant law and regulation
- Standard participation contract
- Established terms and conditions of participation
- Bye-laws of the depository
- Rules of the depository
- Other (please answer 20a)

Response Necessary/Eligibility Question

21. Rule 17f-7 requires that an Eligible Securities Depository “holds assets for the custodian that participates in the system on behalf of the Fund under safekeeping conditions no less favorable that the conditions that apply to other participants.”

Please confirm that assets of foreign investors held by custodians as participants in the depository are held under safekeeping conditions no less favorable than the conditions that apply to other participants.
- Yes (please answer 21b)
- No (please answer 21a)
- Not applicable (please answer 21a)
- Other (please answer 21a)
21b. Please confirm the basis for the arrangements in place to ensure that the assets you hold for custodians receive the same level of safekeeping protection as the assets held for other categories of participants. (Choose all that apply.)

- Relevant Law and Regulation (please answer 21d)
- Standard participation contract (please answer 21d)
- Established terms and conditions of participation (please answer 21d)
- By-laws of the depository (please answer 21d)
- Rules of the depository (please answer 21d)
- Other (please answer 21c)

21d. For each item in Question 21b that you checked, please briefly supply references or citations to the law(s), regulation(s), or depository rule(s), participation condition(s), or participant contract provision(s), as applicable.

For the relevant law and regulation - please refer to our answer to question 7) above. The established terms and conditions on www.clearstream.com equals our CBF General Terms and Conditions, while the CBF Customer Handbook would be equal to the rules of the depository. The standard participation contract are the customer and account application forms. In addition, in line with CSDDR, CBF has published its Customer Access and Acceptance Policy. Please refer to the following link: https://www.clearstream.com/clearstream-en/about-clearstream/becoming-a-clearstream-customer

22. How does the depository notify participants of material changes to the conditions of participation? (Choose all that apply.)

- By e-mail
- By telephone
- By public announcement
- By press release
- Other (please answer 22a)
- Not applicable

22a. Please explain:

CBF reserves the right to modify and amend the Conditions at any time. Modifications and amendments of the Conditions shall be disclosed to the client (i) via the electronic communication channel and (ii) be published on the website of CBF (www.clearstream.com). If not provided otherwise in the Conditions, modifications and amendments of the Conditions shall be communicated at least six weeks prior to the effective date indicated in the respective notification. Please note, that it is also provided for a shorter communication period of three weeks applicable in specific circumstances. The modifications and amendments of the Conditions shall be deemed to be approved unless the customer submits a written objection to CBF via notification or via the email address conditions@clearstream.com within the respective provision for notice. CBF shall expressly draw the client’s attention to such consequence in the announcement of the amendment.

Please note that an amended version of the Conditions is effective June 2019. Please find the document at the following link https://www.clearstream.com/clearstream-en/keydocuments-1-/csd-1-/general-terms-and-conditions

Governance of Participants

23. Who enforces compliance with the depository’s conditions of participation? (Choose all that apply.)

- The depository
- The exchange
- The depository’s regulator
- Other (please answer 23a)
- Not applicable

23a. Please explain:

24. What enforcement actions are available to the enforcement authority? (Choose all that apply.)

- Fines
- Restrictions on participation
- Suspension of participation
- Termination of participation
25. Has there been any such enforcement actions in the last three years?

- Yes (please answer 25a)
- No
- Not applicable
- Other (please answer 25b)

**DEPOSITORY FUNCTIONALITY AND SERVICES: USE OF AGENTS**

Certain functionalities and services reduce risk to an investor if provided in an efficient manner. The purpose of this section is to identify those functionalities that may potentially be offered by depositories and clearing systems around the world, and ascertain whether they are offered by your institution.

26. For which of the following security types do you serve as a depository or clearing system? (Choose all that apply.)

- Government securities
- Equities
- Corporate bonds
- Corporate money market instruments
- Others (please answer 26a)
- Not applicable

26a. Please name the other security types:

The following securities are currently and unchanged after migration to T2S admitted to collective safe custody:
- Debt instruments, such as Government bonds (Bunds), mortgage bonds, money market instruments (CP), municipality bonds, corporate bonds, international bonds and convertible bonds;
- Equities, such as bearer shares and registered shares;
- Warrants and certificates;
- Other securities, for example units in collective investment undertakings, and international securities held in collective safe custody, for example German Global Bearer Certificates representing international securities.

CBF will gradually establish account links to all T2S markets. It can be assumed that nearly all T2S eligible securities of the T2S markets will be accepted for collective safe custody. This adaptation takes place in a separate launch.

27. Is the use of the depository in your market compulsory by law or compulsory by market practice for the settlement or safekeeping of all instrument types in your market (e.g. equities, government securities, corporate bonds, money market instruments, warrants, derivatives etc). (Choose all that apply.)

- Yes by law for settlement of all instrument types (please answer 27a)
- Yes by law for safekeeping of all instrument types (please answer 27a)
- Yes by market practice for settlement of all instrument types (please answer 27b)
- Yes by market practice for safekeeping of all instrument types (please answer 27b)
- Yes by law for settlement, but not for all instrument types (please answer 27a)
- Yes by law for safekeeping, but not for all instrument types (please answer 27a)
- Yes by market practice for settlement, but not for all instrument types (please answer 27b)
- Yes by market practice for safekeeping, but not for all instrument types (please answer 27b)
- Neither/other (please answer 27c)

27c. If neither/other, please explain:

For German Federal bonds, which are traditionally dematerialised, the Bundesschuldenwesengesetz (BSchWG) states that German Federal bonds are issued by entry in the Federal Debt Register led by the German Finance Agency (Deutsche Finanzagentur) and registration of a central securities depository (“Wertpapiersammelbank”) pursuant to Section 1 paragraph 3 Securities Deposit Act to create a collective registered claim (Sammelschuldbuchforderung). This collective registered claim is deemed by law as a collective holding of single bonds. However, the requirement to register a central securities depository as fiduciary holder of the Federal Bonds does not hinder – opposed to other jurisdictions - cross-border or internal settlement in settlement systems other than CBF as, currently, the only German central securities depository.
The Securities Deposit Act imposes on any person undertaking the purchase of securities in its own name and for the commission of others (commission agent) the strict obligation to procure for the principal ownership of individual securities or a respective fractional co-ownership right to a collective holding in a central securities depository except for securities transaction executed abroad. The Exchange Regulation of the main German equity exchange (Frankfurter Wertpapierbörse) requires for the admission of enterprises to the trading at the exchange that the orderly settlement of securities traded is made via a licensed central securities depository in the meaning of Section 1 (3) Securities Deposit Act. Further, Section 9 a (1) of the Securities Deposit Act requires that all securities, including equities, issued in form of global certificates to which numerous rights are attached, which might be issued in interchangeable securities of the same kind (global certificate), shall be delivered to a central securities depository in the meaning of Section 1 (3) of the Securities Deposit Act.

CBF is currently the only central securities depository in the meaning of the Securities Deposit Act. As a consequence of the aforesaid, there exists the current market practice that all Stock Exchange transactions are settled within CBF. The figures for the OTC activity are not available. Please also note that a significant part of equities issued in single certificates are held outside CBF.

CBF is currently the only central securities depository in the meaning of the Securities Deposit Act. However, corporate bonds might also be issued in form of individual certificates which are also held by custodians other than CBF. Therefore, CBF cannot provide any percentage of the total volume settled as corporate bonds are not necessarily issued via CBF, nor exclusively settled within our system.

Corporate money market instruments are not necessarily issued via CBF, nor exclusively settled within our system.

28. Settlement and Safekeeping Percentages

28a. Please list by instrument type the percentage of the total market in your jurisdiction (either volume or value) settled within your institution, exclusive of your links with third parties.

CBF cannot provide any figures as the volume of the whole market is not disclosed.

28b. Please list by instrument type the percentage of the total market in your jurisdiction (either volume or value) held in safekeeping within your institution.

CBF cannot provide any figures as the volume of the whole market is not disclosed.

29. Are there any activities performed by a third party on behalf of the depository for the depository participants (e.g., vaulting of physical securities, registration, entitlement processing, etc.)?

☐ Yes (please answer 29a)
☐ No
☐ Not applicable
☐ Other (please answer 29i)

29a. If third parties are employed, please indicate which services they supply (then please answer 29b):

CBF has outsourced some operational functions to its sister companies Clearstream Banking S.A., Clearstream Operations Prague sro and Clearstream Global Securities Services Ltd. IT development and maintenance for Clearstream’s systems are being handled by Clearstream Services S.A. and the IT department of Deutsche Börse AG in Frankfurt.

Additionally, we offer proxy voting services in co-operation with ISS. This brings a number of additional benefits to our customers throughout the life cycle of a proxy voting event. ISS is headquartered in the United States. Furthermore, Clearstream receives price feeds by the DBAG daughter Market Data + Services (MD+S).

Also, the securities settlement in central bank money of transactions in German in collective safe custody (CSC) has been outsourced to the T2S platform provided by the Eurosystem. In this context, EUR cash settlement against central bank money takes place via the T2S Dedicated Cash Account (DCA) and foreign currencies via correspondent banks.

Agents used by CBF are depositories abroad to which CBF has opened a mutual account relationship in the meaning of Section 5 paragraph 4 Securities Deposit Act. CBF will gradually establish CSD links to all markets participating in T2S.

CBF has outsourced the IT processing for transactions regarding its international securities held in non-collective safe custody (NCSC securities, so called Wertpapierrechnung) to Clearstream Services S.A., Luxembourg. In this framework settlement and custody transactions for these securities on the so called 6-series accounts is technically executed via the Creation platform, based on a service level agreement between CBF and Clearstream Services S.A., Luxembourg. However, the execution of such services and securities transfers happens under German law.
29b. If third parties are employed, does the depository assume liability for losses incurred by participants as a result of the actions/inactions of the third parties?

☐ Yes (please answer 29c)
☐ No

29c. If you acknowledge responsibility, please indicate whether your responsibility is assumed (Choose all that apply.)

☐ regardless of whether such loss was caused by any action or inaction of the agent (please answer 29d)
☐ if such loss was caused by the agent’s action or inaction and such action or inaction was deemed to be negligence on the part of the agent (please answer 29d)
☐ if such loss was caused by the agent’s action or inaction and such action or inaction was deemed to be gross negligence on the part of the agent (please answer 29d)
☐ if the loss was caused by the willful default or other willful conduct on the part of the agent (please answer 29d)
☐ Other (please answer 29e)

29d. If you acknowledge responsibility for agents, your responsibility is assumed for losses (Choose all that apply.)

☐ without limit
☐ which are not consequential losses
☐ subject to a monetary limit not based on insurance limits (please answer 29f)
☐ subject to a monetary limit based on insurance limits (please answer 29g)
☐ Other (please answer 29h)

29h. If other, please explain:

Please refer to Article VII of our General Terms and Conditions for details concerning CBF’s liability. Our GTCs are published on our website at https://www.clearstream.com/clearstream-en/keydocuments-1-/csd-1-/general-terms-and-conditions

30. Has any participant suffered any losses in the past three years due to the depository's performance?

☐ Yes (please answer 30a)
☐ No
☐ Not applicable
☐ Other (please answer 30m)

30c. Corporate Action. Please specify total loss in USD:

30e. Settlement Process - Securities. Please specify total loss in USD:

30g. Settlement Process - Cash. Please specify total loss in USD:

30i. System Outage. Please specify total loss in USD:

30k. For Other, please specify number of instances:

30l. For Other, please specify total loss in USD:
30. If other, please explain:

Other Services

31. Who accepts cash deposits (or makes payment credit accommodations) for depository transactions? (Choose all that apply.)

- Depository
- Central Bank
- Banks appointed by depository (please answer 31a)
- Neither/others (e.g. credit lines used please answer 31b)
- Not applicable

31b. If neither/others, please explain:
Payments in relation to securities transactions, income administration, fees and charges settle outside the CASCADE platform. For cash settlement, CBF uses the central banks, correspondent banks (cash agents) and payment and settlement systems where CBF’s customers keep the corresponding cash accounts.
- All EUR payments resulting from the settlement of transactions with CSC securities, interest and redemption payments for German government bonds as well as cross-border market and reverse claims for FCSC securities are settled via T2S.
- All payments resulting from other Corporate Actions with CSC securities and from the settlement of fees and charges in CASCADE are settled in EUR via TARGET2.
- Cash settlement in non-EUR currency resulting from transactions and income administration in relation to CSC and NCSC securities takes place through the Creation platform of CBF’s sister company, CBL. Furthermore payments in EUR resulting from transactions and income administration in relation to NCSC securities classes are also settled through Creation.
- A special case is the settlement of payments in CHF through the Swiss National Bank. This link is only used for cash settlement of cross-border transactions in relation to Swiss CSC securities against CHF. Payments in CHF that do not result from transactions in Swiss CSC securities classes and security transactions in Swiss CSC securities between two CBF participants are settled as payments in non-EUR currency via the Creation platform.

The updated list of cash correspondent banks in the Clearstream network is always available on our website at https://www.clearstream.com/clearstream-en/products-and-services/asset-types/cash/cash-timings-matrix-1290324

32. Who processes cash clearing (or draws on credit lines, if applicable) for depository transactions? (Choose all that apply.)

- Depository
- Central Bank
- Banks appointed by depository (please answer 32a)
- Neither/others (please answer 32b)
- Not applicable

32b. If others, please explain:
Payments in relation to securities transactions, income administration, fees and charges settle outside the CASCADE platform. For cash settlement, CBF uses the central banks, correspondent banks (cash agents) and payment and settlement systems where CBF’s customers keep the corresponding cash accounts.
- All EUR payments resulting from the settlement of transactions with CSC securities, interest and redemption payments for German government bonds as well as cross-border market and reverse claims for FCSC securities are settled via T2S.
- All payments resulting from other Corporate Actions with CSC securities and from the settlement of fees and charges in CASCADE are settled in EUR via TARGET2.
- Cash settlement in non-EUR currency resulting from transactions and income administration in relation to CSC and NCSC securities takes place through the Creation platform of CBF’s sister company, CBL. Furthermore payments in EUR resulting from transactions and income administration in relation to NCSC securities classes are also settled through Creation.
- A special case is the settlement of payments in CHF through the Swiss National Bank. This link is only used for cash settlement of cross-border transactions in relation to Swiss CSC securities against CHF. Payments in CHF that do not result from transactions in Swiss CSC securities classes and security transactions in Swiss CSC securities between two CBF participants are settled as payments in non-EUR currency via the Creation platform.

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33. Who controls the movement of cash for cash deposits (or draws on credit lines, if applicable)? (Choose all that apply.)

- Depository
- Central Bank
- Banks appointed by depository (please answer 33a)
- Neither/others (please answer 33b)
- Not applicable
34. Who controls the movement of cash for cash clearing (or for draws on credit lines, if applicable)? (Choose all that apply.)
- Depository
- Central Bank
- Banks appointed by depository. (please answer 34a)
- Neither/others (please answer 34b)
- Not applicable

34b. If others, please explain:
Payments in relation to securities transactions, income administration, fees and charges settle outside the CASCADE platform. For cash settlement, CBF uses the central banks, correspondent banks (cash agents) and payment and settlement systems where CBF’s customers keep the corresponding cash accounts.
- All EUR payments resulting from the settlement of transactions with CSC securities, interest and redemption payments for German government bonds as well as cross-border market and reverse claims for FCSC securities are settled via T2S.
- All payments resulting from other Corporate Actions with CSC securities and from the settlement of fees and charges in CASCADE are settled in EUR via TARGET2.
- Cash settlement in non-EUR currency resulting from transactions and income administration in relation to CSC and NCSC securities takes place through the Creation platform of CBF’s sister company, CBL. Furthermore payments in EUR resulting from transactions and income administration in relation to NCSC securities classes are also settled through Creation.
- A special case is the settlement of payments in CHF through the Swiss National Bank. This link is only used for cash settlement of cross-border transactions in relation to Swiss CSC securities against CHF. Payments in CHF that do not result from transactions in Swiss CSC securities classes and security transactions in Swiss CSC securities between two CBF participants are settled as payments in non-EUR currency via the Creation platform.

The updated list of cash correspondent banks in the Clearstream network is always available on our website at https://www.clearstream.com/clearstream-en/products-and-services/asset-types/cash/cash-timings-matrix-1290324

35. Please indicate services you provide. (Choose all that apply.)
- Information in advance on corporate (annual or special) meetings in order that owners can vote.
- Tax assistance where foreign holders may be entitled to tax relief at source or through a claim.
- In order to avoid fails, an automatic securities lending facility - if requested - is provided for. (please answer 35a)
- Collateral handling in support of activities including securities lending, overdraft coverage, cash management, repurchase agreements, etc. Please provide details. (please answer 35c)
- Same day turnaround settlements.
- Information on distribution of new issues (IPO, Privatization).
- Other (please answer 35d)
- Not applicable

35a. Automatic securities lending facility is provided for: (Choose all that apply.)
- Brokers
- Banks
- Other financial institutions
- Other (please answer 35b)

35c. Collateral Handling: please provide details:
XEMAC is a product that supports market participants to make the most efficient use of their collateral, reducing the amount of administrative monitoring by automating most of the processes involved. Transactions in the following areas can be secured via Xemac:
- Credit facilities with Deutsche Bundesbank;
- Open market transactions of the European Central Bank;
- Collateralisation of Deutsche Bundesbank trades on ones’ own behalf;
- Trading of GC Pooling transactions through the Eurex Repo trading platform in EUR and foreign currencies;
- Efficient provision and management of collateral on the basis of the risk-based margining for the benefit of Eurex Clearing AG as a clearing house and a CCP;
- Securities lending in the context of the various programs offered by CBF;
- Credit lines with CBF and Clearstream Banking S.A., Luxembourg;
- Bilateral provision of collateral between Xemac participants;
- Collateralised instruments that are issued via CBF and collateralised in Xemac. CBF acts here as the security trustee.

By linking Xemac to Clearstream Banking S.A.’s Collateral Management System, CmaX, Xemac participants can also use the securities they hold in Creation for the provision of collateral.
37. What procedures are in place for the processing of interest and dividends? (Choose all that apply.)
- Credited to the cash account on the day indicated below regardless of whether actually collected by the depository on the scheduled date. (please answer 37a)
- Credited to the cash account upon actual receipt by the depository.
- Income and dividend collection is handled by an entity separate from the depository. (please answer 37c)
- Not applicable
- Other (please answer 37d)

37a. Credited to the cash account: (Choose all that apply.)
- On pay date.
- On pay date +1.
- On pay date +2.
- Other (please answer 37b)

37b. If other please explain:
Cash settlement takes normally place on payment date. The crediting of funds can only be effected once CBF has received the funds from the Issuer CSD or agent and once they have been fully reconciled. The amount paid out, less tax if applicable, is debited to the paying agent and credited to customers with entitled positions.

Linkages With Other Central Securities Depositories (CSD) or International Central Securities Depositories (ICSD)

38. Please list all depositories or settlement systems to which you have an electronic link.
For foreign securities eligible for collective safe custody pursuant to the German Securities Deposit Act, CBF maintains links into central securities depositories to serve foreign securities markets, so called CSD links. In this context, EUR cash settlement against central bank money takes place via the T2S Dedicated Cash Account (DCA) and foreign currencies via correspondent banks. CBF will gradually establish CSD links to all markets participating in T2S.

For securities that are not settled via the T2S platform, CBF keeps the positions in the form of bookentry credits on a fiduciary basis, using the technical infrastructure of its sister company CBL, which uses custodians in various countries for purposes of custody.

39. Are procedures and controls (firewalls) in place to avoid systemic collapse or contamination if one of the linked entities should experience business interruptions for whatever reason?
- Yes (please answer 39a)
- No (please answer 39a)
- Other (please answer 39a)
39a. Please explain:
Data and applications within CBF are protected by coherent security architecture. This architecture has been designed to meet the specific needs of CBF and combines a number of components in order to ensure true end-to-end security and defense in depth. The major components of this architecture are as follows:

- Perimeter defence components (Multilayered Firewalls and Network Intrusion Detection Systems (NIDS));
- Cryptographic protocols on exposed network segments;
- Cryptographically enabled applications;
- A Public Key Infrastructure (PKI) system, using hardware key storage, to support cryptographic services;
- A multtiered framework for handling viruses and malicious code;
- Secure mail and SPAM filtering software;
- Access control software;
- Host-based and network-based scanning software for detecting vulnerability;
- Privilege management software for controlling and monitoring the use of powerful accounts;
- Standard secure configurations for all major native operating systems;
- Extensive use of Oracle security mechanisms, such as password protected roles, to prevent access to data from unauthorised individuals or applications;
- Centralised logging and event management: collection normalization of event data, and correlation of impact of incidents based on criticality to business operations;
- Strong authentication: Two factor authentication, biometrics, network access control (NAC);
- Managed file transfer;
- Protection of Web Interfacing Systems against Cyber Threats (e.g. DDoS, Web defacement);
- Real-time database security and monitoring.

For its online access applications, CBF provides a security subsystem that has been designed with true end-to-end security in mind and based on sound architectural principles. This subsystem is deployed as a series of components designed to work together to deliver a number of security services, such as:

- Authentication
- Protection of confidentiality
- Protection of integrity (both session and data integrity): Authentication
- Non-repudiation
- Logging and audit trail.

40. Has a business interruption recovery plan been developed in the event the linkages should become inoperable for any reason?

Yes
No (please answer 40a)
Other (please answer 40a) Not applicable

ACCOUNT STRUCTURES AND RECORDKEEPING

The purpose of this section is to identify the nature of accounts; the naming convention is employed, the level of segregation achieved, accessibility in the event of bankruptcy and the frequency of reporting generated from them.

41. Are participants permitted to maintain more than one account at the depository?

Yes (please answer 41a)
No
Not applicable
Other (please answer 41d)

41a. If yes, please indicate number: (Choose one.)

An unlimited number of accounts.
More than one account (please answer 41b and indicate how many)
Other (e.g. subaccounts) (please answer 41c)

42. Are participants required/permited to segregate assets held for their own benefit from those they hold for their clients?

Yes (please answer 42a)
No
Not applicable
42a. If yes, is segregation required or simply permitted?
- Required (please answer 42b)
- Permitted (please answer 42b)
- Other (please answer 42e)

42b. How does segregation occur? (Choose all that apply.)
- By separately designated participant accounts.
- By sub-accounts within a single participant account.
- By separately designated beneficial owner accounts.
- Other - e.g. share registration (please answer 42c)

43. Does the depository permit its participants to open accounts in the participant’s own nominee name(s)?
- Yes (please answer 43a)
- No
- Other (please answer 43b)
- Not applicable

43a. If yes, do laws exist, which define as well as protect the rights of beneficial owners with respect to securities registered in nominee name?
- Yes
- No

44. In the event a participant's single or main account is blocked for any reason (e.g., insolvency, penalties, violations, liens), would securities held in any account or accounts on behalf of the participant's clients be accessible:

44a. By the participant's clients?
- Yes (please answer 44b)
- No
- Not applicable
- Other (please answer 44c)

44d. By the intervening authorities controlling insolvency or other proceedings?
- Yes (please answer 44e)
- No
- Not applicable
- Other (please answer 44f)

44f. If other, please explain:
Pursuant to No XXXII of CBFs General Terms and Conditions, if a public authority issues a decree pursuant to sections 45 et seq. KWG [German Banking Act] or pursuant to corresponding foreign legal regulations, if the client's registered offices are situated abroad, against the client, CBF may freeze that client's securities accounts and cash accounts. This may apply to all client accounts (including accounts holding non-proprietary assets). Whereas it is likely that in case of an insolvency any access to the assets so frozen would have to be exercised through the relevant insolvency administrator, it would need to be assessed on a case by case basis if and under which conditions such access can be granted. Should the blocking occur due to other reasons, such as violation of laws, penalties or other, it would need to be analysed if the reasons for such blocking applies equally to proprietary and non-proprietary accounts and under what circumstances access can be granted.

44g. By the participant's creditors?
- Yes (please answer 44h)
- No
- Not applicable
- Other (please answer 44i)
46. Rule 17f-7 requires that an Eligible Securities Depository “provides periodic reports to its participants with respect to its safekeeping of assets, including notices of transfers to or from any participant's account.”

Does the depository make available periodic safekeeping reports to participants, including notices of transfers to or from the participant's account?
- Yes (please answer 46b)
- No (please answer 46a and then proceed to 48)
- Other (please answer 46a)

46b. If yes, please indicate the scheduled frequency: (Choose one.)
- Daily
- Weekly
- Monthly
- Quarterly
- Annually
- Upon request
- Other (please answer 46c)

46c. If other, please explain:
In order to enable customers to comply with their obligations of reconciliation of their records on a daily basis under the article 64 (3) of the Commission Delegated Regulation EU No 2017/392 (ESMA RTS), customers are provided daily with necessary following information specified for each customer account and each securities issue:
- The aggregate balance of each securities account at the beginning of a respective business day;
- The individual securities transfers in or from a securities account during the respective business day; and
- The aggregate balance of a securities account at the end of the respective business day.

Through the CASCADE communication channels, CBF offers its customers a broad selection of reports on collective safe custody. For securities transactions with NCSC securities CBF provides its customers with comprehensive reports via Creation’s various communication channels. Further information is provided in chapter 9 of the CBF Customer Handbook: https://www.clearstream.com/clearstream-en/keydocuments-1-/csd-1-/customer-handbook

47. What is your document and record retention policy for documents and records described above in this section? (Choose one.)
- 6 months or less
47a. If other, please explain:
The German law establishes a 6 years retention period for commercial letters and 10 years for company reports, booking documentation and balance sheets. This is being adhered to by CBF.

SETTLEMENTS

The purpose of this section is to identify the model of settlement employed, the relationship between cash and securities, and the basis on which participants meet their obligations.

48. The Committee on Payment and Settlement Systems of the Bank for International Settlements (BIS) has identified three common structural approaches or models for linking delivery and payment in a securities settlement system. Please indicate which model your procedures most closely resemble (Please refer to details on the models within the "Help" section located below this question): (Choose all that apply.)

- Model 1 - Gross, Simultaneous Settlements of Securities and Funds Transfers. (please answer 48a)
- Model 2 - Gross Settlements of Securities Transfers Followed by Net Settlement of Funds Transfers. (please answer 48a)
- Model 3 - Simultaneous Net Settlement of Securities and Funds Transfers. (please answer 48a)
- Not applicable
- Other (please answer 48b)

48a. Please briefly describe your settlement process, including how your settlement procedures may vary from the model chosen above (and as described below in the Help section)?

CBF has outsourced the securities settlement in central bank money of transactions in German and international securities to the T2S platform provided by the Eurosystem. Within the securities settlement, T2S takes over the entry and the processing of instructions, the validation, the matching and the settlement of the transmitted instructions, the administration of positions as well as the reporting of transactions and of positions for the securities accounts on the T2S platform (SAC - Security Accounts). Thereby, the settlement, that is, the regulation of the security and cash side, takes place directly on the T2S platform. For the cash side there are dedicated cash accounts (DCA) available. The instructions that are transmitted to T2S for settlement are delivery instructions resulting from OTC and stock exchange trading (Xetra, floor trading), clearing through Eurex Clearing AG (CCP) for trading at the Frankfurt Stock Exchange (Xetra) and Eurex Repo and the Eurex derivatives market (exercises and assignments, resp. notifications and allocations) as well as from CCP service for securities lending, and deposit transfers. The CBF CASCADE system covers the administration of positions in collective safe custody and the related services as for example corporate actions, dividend payments or services related to general meetings. In addition, a reconciliation of the T2S positions takes place. Instructions transmitted to T2S are processed in different settlement cycles in T2S. For cash and securities settlement, T2S offers a sequential night-time processing (night-time settlement - NTS) with two cycles and up to two real-time processing cycles (real-time settlement - RTS).

Cash entries which result from securities settlement or from interest and redemption payments for German government bonds as well as cross-border market and reverse claims for FCSC securities are booked on the DCA. Other cash bookings are processed separately in two processing cycles, Direct Debit 1 (DD1) and Direct Debit 2 (DD2). In addition, manually entered payments and automatically generated bookings of the subscription price for subscription rights can be carried out in Direct Debit 3 (DD3). In the settlement of securities transactions, a distinction must be made between (a) the finality of instructions to transfer securities and/or cash amounts in a clearing and settlement system in the meaning of European Directive 98/26/EC (EC Directive on Settlement Finality) and (b) the lawful settlement of securities and/or cash delivery obligations. For the finality on the T2S platform the rules determined in the General Terms and Conditions of CBF apply. From a legal point of view, the settlement of instructions takes place when the counterparties to a securities transaction have performed their entire obligations (such as the transfer of rights to a security or effecting a cash payment) so that all reciprocal claims arising from the transaction have been satisfied in full and are consequently extinguished. The instruction is settled with the binding booking in T2S, related with the associated re-registering has taken place in the custody ledger (Section 14 of the German Securities Deposit Act). Cash settlement for payments made in EUR takes place through the T2S DCA of the participant. Cash settlement for payments made in currencies other than EUR take place through Creation, the custody and settlement platform of CBF’s sister company, CBL.

Further information is provided in chapter 1.4 of the CBF Customer Handbook:

Question 48 Help:

Model 1 - Gross, Simultaneous Settlements of Securities and Funds Transfers. These systems settle transfer instructions for both securities and funds simultaneously on a trade-by-trade (gross) basis, with final (irrevocable and unconditional) transfer of securities from the seller to the buyer (delivery) occurring at the same time as final transfer of funds from the buyer to the seller (payment). The securities settlement system maintains securities accounts and funds accounts for participants. Transfer of securities and cash are made by bookentry.
Model 2 - Gross Settlements of Securities Transfers Followed by Net Settlement of Funds Transfers. These systems settle securities transfer instructions on a trade-for-trade (gross) basis, with final transfer of securities from the seller to the buyer (delivery) occurring throughout the processing cycle, but settle funds transfer instruction on a net basis, with final transfer of funds from the buyer to the seller (payment) occurring at the end of the processing cycle.

The securities settlement system maintains securities accounts for participants, but funds accounts are usually held by another entity (often a commercial bank or the central bank). Securities are transferred by book-entry, such transfer being final at the instant the entries are made on the securities settlement system's books. The corresponding funds transfers are irrevocable, but not final. During the processing cycle, the system calculates running balances of funds debits and credits, the balance being settled at the end of the processing cycle when the net debit and net credit positions are posted on the books of the commercial bank or central bank that maintains the funds accounts. Settlement of funds accounts may occur once a day or several times a day.

Model 3 - Simultaneous Net Settlement of Securities and Funds Transfers. These systems settle transfer instructions for both securities and funds on a net basis, with final transfer of both occurring at the end of the processing cycle. Settlement may occur once a day or several times a day. The securities settlement system maintains securities accounts for participants. Funds accounts may be maintained by another entity, either a commercial bank or the central bank.

During a processing cycle, running balances of debits and credits to funds and securities accounts are calculated. All funds and securities transfers are provisional until the end of the processing cycle, at which time book-entry transfer of securities take place. If and only if all participants have sufficient balances of funds and securities, final transfers of the net securities balances and net funds balances are executed.

49. Are the cash and security movements simultaneous?
   - Yes
   - No (please answer 49a)
   - Not applicable
   - Other (please answer 49c)

49c. If other, please explain:
Payments in relation to securities transactions, income administration, fees and charges settle outside the CASCADE platform. For cash settlement, CBF uses the central banks, correspondent banks (cash agents) and payment and settlement systems where CBF’s customers keep the corresponding cash accounts.
- All EUR payments resulting from the settlement of transactions with CSC securities, interest and redemption payments for German government bonds as well as cross-border market and reverse claims for FCSC securities are settled via T2S.
- All payments resulting from other Corporate Actions with CSC securities and from the settlement of fees and charges in CASCADE are settled in EUR via TARGET2.
- Cash settlement in non-EUR currency resulting from transactions and income administration in relation to CSC and NCSC securities takes place through the Creation platform of CBF’s sister company, CBL. Furthermore payments in EUR resulting from transactions and income administration in relation to NCSC securities classes are also settled through Creation.
- A special case is the settlement of payments in CHF through the Swiss National Bank. This link is only used for cash settlement of cross-border transactions in relation to Swiss CSC securities against CHF. Payments in CHF that do not result from transactions in Swiss CSC securities classes and security transactions in Swiss CSC securities between two CBF participants are settled as payments in non-EUR currency via the Creation platform.
OWNERSHIP OF SECURITIES

The purpose of this section is to determine how ownership of securities is represented, the ways the depository maintains ownership or control of securities held in the depository, and the extent to which ownership of assets held by the depository is separated from the proprietary assets of the depository.

50. How are depository eligible securities held by the depository?

- Securities in the depository are held in dematerialized form.
- Securities in the depository are held in certificated form.
- Other (please answer 50a)

50a. If other, please explain and identify amount held in this other form as a percentage of total depository holdings:

Securities can be held in custody with Clearstream under any of the following types:

Collective Safe Custody (Girosammelverwahrung, GS/CSC): Holders of securities admitted to collective safe custody have a proprietary right to those securities (a 'right in rem') being a proportional co-ownership right in a fungible pool of securities represented by a global note or a similar number of physical securities held by Clearstream in its vaults or through a cross border CSD-Link with a foreign CSD based on an account relationship qualified under § 5 clause 4 DepotG.

Individual Safe Custody (Streifbandverwahrung): Jacket custody of non-fungible certificates, where each customer is entitled to have the individual certificates with a particular serial number at his disposal.

Non-collective safe custody: For securities that are not settled via the T2S platform, Clearstream keeps the positions in the form of book-entry credits on a fiduciary basis, using the technical infrastructure of its sister company CBL, which uses custodians in various countries for purposes of custody.

In case of insolvency/bankruptcy, the depositor- as holder of a personal right in rem due to its co-fractional ownership in the securities certificate (CSC)– has a right to segregate (Aussonderungsrecht) in relation to its assets pursuant to section 47 of the German Insolvency Code, i.e. the depositor of securities may ask for the securities to be separated from the debtor’s assets.

Under section 4 of the German Securities Deposit Act, custodians have to provide for a segregation of investor assets from their own assets in relation to securities held in collective safe custody (in order to protect the investors in case of an insolvency/bankruptcy of the custodian). In case of securities deposited by a depository as intermediate custodian with Clearstream, Clearstream must assume that the securities are not owned by the depository (Fremdvermutung) unless expressly notified otherwise.

Clearstream is a member of a deposit guarantee fund – Einlagensicherungsfonds - organised by the Banking Association of Private Banks. In the case of a bankruptcy procedure against a Clearstream participant, the guarantee fund meets the obligations arising from pending settlements. Please also refer to the final provisions listed in section C of Clearstream’s CSD GTCs, available at https://www.clearstream.com/clearstream-en/keydocuments-1-/csd-1-/general-terms-and-conditions

51. If depository eligible securities are certificated, can depository eligible securities be held outside of the depository?

- All eligible securities must be held in the depository. (please answer 51b)
- Securities may move freely into and out of the depository. (please answer 51h)
- Once entered into the depository, eligible securities must remain in the depository. (please answer 51b)
- Certain designated securities may be held outside the depository. (please answer 51a)
- Not applicable
- Other (please answer 51k)

51c. Are these certificates:

- Bearer
- Registered (please answer 51d)
- Other (please answer 51g)

51g. If other, please explain:

General remarks:
- The German securities holding regime based on ownership rights (rights in rem) is different from the common law based or Anglo-American securities holding schemes. The latter are characterised by a split between legal ownership (i.e. verified by registration mostly of nominees in the share register) and beneficial ownership (usually with investor).
CASCADE-RS is an expanded function for keeping positions of registered shares in CASCADE, and enhanced settlement processes to take account of the particular requirements regarding the reporting of the shareholders for registration in the share ledger, with electronic interfaces to the issuer and the share ledger manager.

51h. If depository eligible securities may be held either in or out of the depository, are these certificates:
- **Bearer** (please answer 51i)
- **Registered** (please answer 51i)
- **Other** (please answer 51i)

51i. What are the control features for receipt of certificates to the depository (e.g., authentication procedures, re-registration)? Please describe:
The following list of actions are undertaken when receiving physical securities:
- check-up to ensure completeness (receipt vs. securities), particularly security code number, denomination, number of certificates, security serial number, control signature.
- verification of deliverability (i.e. ability of collective safe custody, terms and conditions of validity, intactness and authenticity of securities, ‘Opposition’ = list of stopped securities).
- observance of target dates (e.g. capital repayment, var. payments, increase in capital, accuracy of coupons etc.). The check-up process is completed on the next working day following the delivery.

52. If securities are dematerialized:

May dematerialized security positions be re-certificated and held outside the depository?
- **Yes** (please answer 52a)
- **No** (please answer 52a)
- **Not applicable**
- **Other** (please answer 52j)

52d. If the securities held by the depository are recorded by book entry at the registrar, are the securities registered only to the depository, with the depository providing the function of recording ownership on a centralized basis for the market? (Choose all that apply.)
- **Yes** (please answer 52e)
- **No** (please answer 52g)
- **Other** (please answer 52l)

52i. If the securities held with the depository are recorded by book-entry at the registrar, what are the control features at the registrar for transfer of registrar positions to and from the depository (e.g., authentication procedures, reconciliation, confirmation of position at registrar)? Please describe:
Matching book entry and confirmation is executed online via interface between CBF settlement system CASCADE and the system of the German Finance Agency (Deutsche Finanzagentur) or in the register of the issuer for registered shares.

52j. If other, please explain:
Dematerialised government bonds are registered on behalf of CBF, but can be (re-)registered in an individual’s name in the register of the German Finance Agency (Deutsche Finanzagentur) or in the register of the issuer for registered shares.

52l. If other, please explain:
Securities held by CBF are recorded by book-entry at the registrar German Finance Agency (Deutsche Finanzagentur) on behalf of CBF in form of collective deposit (Sammelschuldbuchverwahrung). If requested, portions of the issue can be registered by book-entry in the name of an individual person, in this case securities cannot be held with CBF but with the registrar (Einzelschuldbuchverwahrung).

**Response Necessary/Eligibility Question**
53. Rule 17f-7 requires that an Eligible Securities Depository “maintains records that identify the assets of each participant and segregate the system's own assets from the assets of participants.”

Does the depository maintain records that identify the assets of each participant and segregate the system's own assets from the assets of participants?
- Yes
- No
- Not applicable (please answer 53a)
- Other (please answer 53a)

54. Does the law protect participant assets from claims and liabilities of the depository?
- Yes
- No
- Not applicable
- Other (please answer 54a)

55. Can the depository assess a lien on participant accounts? (A lien would entitle the depository to take and hold or sell the securities of the participant in payment of a debt.)
- Yes (please answer 55a)
- No
- Not applicable
- Other (please answer 55o)

55a. If yes, for what reasons are liens or similar claims imposed? (Choose all that apply.)
- Fees and expenses
- Collateralization of overdrafts
- To secure payment for purchased securities
- Other (please answer 55b)

55c. Please indicate the limits of this lien as indicated below: (Choose one.)
- The lien is limited to securities in the participant’s proprietary account.
- The lien is limited to securities in the course of purchase and sale transactions, but does not extend to settled positions.
- The lien may extend to settled client positions. (please answer 55d)
- Other (please answer 55d)

55d. Please explain:
According to Section 5 (3) in connection with Section 3 (1) 1 Securities Deposit Act, a participant may hold his proprietary assets and non-proprietary assets in one single account at CBF. However, pursuant to Section 4 (1) Securities Deposit Act, there is a statutory presumption that all securities deposited with CBF by a participant are non-proprietary assets unless the participant has notified CBF otherwise. As a consequence, CBF cannot acquire any lien on securities except for a statutory lien of CBF under Section 4 (1) 2 German Securities Act as security for outstanding fees (e.g. custody) incurred with respect to these particular securities.

55e. If a lien is placed on a participant’s account which has been designated for its clients, will the depository select certain securities to be subject to the lien?
- Yes (please answer 55f)
- No (please answer 55h)
- Other (please answer 55n)

55i. If other, please describe:
In line with the answer given to question 55d, for outstanding fees occurring from settlement activities, CBF does not select certain securities but it is bound by law to take the securities underlying the settlement transaction. For fees resulting from custody business, CBF may select pledged securities to cover outstandings.
55. For accounts designated as client accounts, do procedures exist to restrict the placement of liens only to obligations arising from safe custody and administration of those accounts?
   - Yes (please answer 55k)
   - No
   - Other (please answer 55m)

55l. Please explain:
   Pursuant to Section 4 (1) 2 German Securities Deposit Act, the lien is restricted by law, not by a contract between the depository and the participant.

55n. If other, please explain:
   In line with the answer given to question 55d, for outstanding fees occurring from settlement activities, CBF does not select certain securities but it is bound by law to take the securities underlying the settlement transaction. For fees resulting from custody business, CBF may select pledged securities to cover outstandings.

56. Transfer of Legal Ownership

Does the depository have legal authority to transfer title to securities?
   - Yes (please answer 56a)
   - No
   - Not applicable
   - Other (please answer 56e)

56e. If other, please explain:

57. How are eligible securities lodged (that is, placed) in the depository system? (Choose all that apply.)
   - A registered certificate in the name of the depository is delivered to the depository.
   - A participant delivers the security with a valid transfer deed or stock power or other transfer document to the depository which then effects registration.
   - A registrar re-registers the security in the name of the depository.
   - Other (please answer 57a)
   - Not applicable

57a. Please describe:
   Usually, all securities are lodged either as global note or individual certificate.

58. When are securities lodged into the depository reflected in a participant’s depository account? (Choose all that apply.)
   - Securities are reflected in the participant depository account immediately upon delivery to the depository.
   - Securities are re-registered prior to being reflected in the participant’s depository account.
   - Other (please answer 58a)
58a. Please explain:
Bearer securities are immediately reflected in the participant’s depository account after having gone through an intense checking procedure. Registered securities have already been registered prior to being lodged with CBF. Therefore, they are reflected in the participants account immediately after thorough checking procedure.

59. How long does it usually take to lodge securities with the depository? (Choose one.)
- 1 to 2 days
- 3 days to 1 week
- 2 to 4 weeks
- More than 4 weeks (please answer 59a)
- Not applicable
- Other (please answer 59b)

60. During the process of lodging securities into the depository, can the securities: Be traded?
- Yes
- No (please answer 60c)
- Not applicable
- Other (please answer 60c)

60a. During the process of lodging securities into the depository, can the securities: Be settled?
- Yes
- No (please answer 60d)
- Not applicable
- Other (please answer 60d)

60b. During the process of lodging securities into the depository, can the securities: Have ownership transferred?
- Yes
- No (please answer 60e)
- Not applicable
- Other (please answer 60e)

60c. If they cannot be traded, or if you answered other, please explain:
Clearstream acts as settlement agent and therefore the trading of securities is outside its purview.

60d. If they cannot be settled, or if you answered other, please explain:
Securities are not available until confirmation has been received from CBF’s agent.

60e. If ownership cannot be transferred, or if you answered other, please explain:
Ownership can only be transferred once the process of lodging the securities has been completed.

61. Are securities immediately available for delivery upon transfer to the depository?
- Not applicable
62. Please describe briefly the arrangements/procedures/facilities you maintain to ensure that eligible securities held at the depository are handled at least as efficiently as compared to securities held outside the depository, particularly in relation to income, corporate actions and proxy services.

CBF is the CSD for Germany and accordingly the services offered in relation to income, corporate actions and proxy services for German CSC securities ("Girosammelverwahrung") are the best available. Thanks to partnerships with local agents, Clearstream delivers best-in-class asset servicing for the T2S markets covered in the Investor CSD offering. Clearstream’s Investor CSD roll-out continues on a market-by-market basis with further T2S connected markets being added over time.

CBF offers its customers custody services for NCSC securities, using the technical and functional services offered by its sister company, CBL.

63. What transfer process steps are involved when eligible securities are withdrawn from the depository for safekeeping? (Choose one.)

- Securities are re-registered into the name of the beneficial owner or a nominee.
- Securities are re-certificated and re-registered into the name of the beneficial owner or a nominee.
- Securities are re-certificated and delivered as bearer instruments.
- Securities are transferred as is any physical delivery in the market.
- Other (please answer 63a)
- Not applicable.

63a. Please specify:
Securities can be transferred by book entry to another account outside the depository. Securities can be delivered physically depending on the terms of issue and if requested by a customer.

64. How long does it usually take to remove securities from the depository? (Choose one.)

- 1 to 2 days
- 3 days to 1 week
- 2 to 4 weeks
- More than 4 weeks (please answer 64a)
- Not applicable
- Other (please answer 64b)

65. While the securities are being removed from the depository, can they:

65a. Be traded? (Choose one)

- No (please answer 65b)
- Not applicable
- Yes
- Other (please answer 65b)

65b. Please explain:
Clearstream acts as settlement agent and therefore the trading of securities is outside its purview.
65c. Be settled?
- No (please answer 65d)
- Not applicable
- Yes
- Other (please answer 65d)

65d. Please explain:
Securities have either to be available in physical form or book-entry in order to be used for settlement.

65e. Have ownership transferred?
- No (please answer 65f)
- Not applicable
- Yes
- Other (please answer 65f)

STANDARD OF CARE

The purpose of this section is to understand the responsibility and liability that the depository has in providing services to its participants/members in the settlement and clearing of securities and/or cash, and to understand what type of protections exist for participants in the event of a participant failure/default.

Depository Liability

66. Does the depository accept liability (independent of any insurance coverage) for the following:

66a. Reconciliation errors with the registrar and/or the issuer that result in direct damages or losses to participants?
- No
- Not applicable
- Yes (please answer 66b)
- Other (please answer 66d)

66b. If yes, please check all of the following that apply:
- Financial limits are imposed on the amount of liability assumed by the depository
- The depository assumes liability for direct losses
- The depository assumes liability for indirect or consequential losses
- Other (please answer 66c)

66e. Theft of securities (either physical certificate or electronically from accounts at the depository) from the depository that result in direct damages or losses to participants?
- No
- Yes (please answer 66f)
- Not applicable
- Other (please answer 66h)

66f. If yes, please check all of the following that apply:
- Financial limits are imposed on the amount of liability assumed by the depository
- The depository assumes liability for direct losses
- The depository assumes liability for indirect or consequential losses
- Other (please answer 66g)
66u. Does the depository guaranty settlement?

- No
- Yes (please answer 66v)
- Not applicable
- Other (please answer 66w)

66v. Failure of the depository’s systems that result in direct damages or losses to participants because they cannot use either securities or funds?

- No
- Yes (please answer 66j)
- Not applicable
- Other (please answer 66l)

66j. If yes, please check all of the following that apply:

- Financial limits are imposed on the amount of liability assumed by the depository
- The depository assumes liability for direct losses
- The depository assumes liability for indirect or consequential losses
- Other (please answer 66k)

66m. Any direct damages or losses to participants caused by the depository due to its errors, omissions or fraud?

- No
- Yes (please answer 66n)
- Not applicable
- Other (please answer 66p)

66n. If yes, please check all of the following that apply:

- Financial limits are imposed on the amount of liability assumed by the depository
- The depository assumes liability for direct losses
- The depository assumes liability for indirect or consequential losses
- Other (please answer 66o)

66q. Any direct damages or losses to participants caused by the depository in its capacity as a central counterparty?

- No
- Not applicable
- Yes (please answer 66r)
- Other (please answer 66t)

66t. If other, please explain:

Not applicable as CBF does not act as CCP.

66u. Does the depository guaranty settlement?

- No
- Yes (please answer 66v)
- Not applicable
- Other (please answer 66w)

66x. Any direct damages or losses to participants caused by the depository as a result of force majeure events, acts of God, or political events, etc.?

- No
- Yes (please answer 66y)
- Not applicable
- Other (please answer 66-1)
66-2. In all cases where the depository assumes responsibility for direct or indirect or consequential losses, is the depository’s liability limited by a standard of care determination?

- No
- Yes (please answer 66*)
- Not applicable
- Other (please answer 66!)

66!. If other, please explain:
To the extent permitted by law, CBF shall be liable for a client’s damage that (i) is a direct consequence of any act or failure to act by the Eurosystem that violates obligations under the Framework Agreement caused by gross or ordinary negligence and (ii) is caused in compliance with an order addressed to CBF to perform a T2S service according to Number VIII Paragraph 1 Indent 4 (securities transfer by book entry). Please refer to section VII. Liability in the General Terms and Conditions. They are available at the following link: https://www.clearstream.com/clearstream-en/keydocuments-1-/csd-1-/general-terms-and-conditions

Additionally in case of securities held in non-collective safe custody there is a limitation of liability to the careful selection and instruction of the sub-custodian.

67. Do the depository’s written contracts, rules, or established practices and procedures provide protection against risk of loss of participant assets by the depository in the form of?

67a. Indemnification

- Yes (please answer 67b)
- No
- Other (please answer 67b)
- Not applicable

67b. Please explain (then please answer 67c):
In performance of its obligations and in accordance with its GTCs in its most current form, CBF shall be liable for any fault of its employees and of persons CBF uses for performing its obligations. Should the Special Conditions for certain kinds of services or other agreements specify otherwise, such special regulations shall prevail. The liability of CBF pursuant to sect. 5 paragraph 4 sentence 2 and sect. 3 paragraph 2 sentence 1 DepotG [German Securities Deposit Act] shall remain not affected. If negligence of the client leads to the occurrence of a damage or loss (e.g. by violating its cooperation duties as set forth in no. V of these Terms and Conditions), such damage/loss shall be borne by CBF and the client shall be determined according to the principle of contributory negligence.

Further details are described in article VII. of CBF’s GTCs.

CBF shall not be liable for damage/loss caused by force majeure, uproar, war or natural disasters or by other circumstances CBF is not responsible for (for instance strike, lock-out, traffic disruptions or order of higher authority in its home country or abroad).

67c. Please provide details of the relevant sections of the contracts, rules or practices where this information is found.
This information can be found in Section 5 paragraph (4), sentence 2 in conjunction with § 3 paragraph (2), sentence 1 of the Securities Deposit Act.

67d. Insurance

- Yes (please answer 67e)
- No
- Other (please answer 67e)
- Not applicable

67e. Please explain (then please answer 67f):
CBF has concluded a “Comprehensive Crime and Professional Liability Insurance” policy against claims made by clients for financial losses that include infidelity of employees, civil liability and electronic crime. In addition, there is an “All Risks of Physical Loss or Damage of Shipment of Securities and at the Premises of DBAG” which covers all risk of physical loss or damage of securities held on our premises and during transport.

67f. Please provide details of the relevant sections of the contracts, rules or practices where this information is found.
Please refer to the copies of the insurance certificates provided as an attachment.
67g. Acknowledgement of liability for losses caused by depository's own actions.

- Yes (please answer 67h)
- No
- Other (please answer 67h)
- Not applicable

67h. Please explain (then please answer 67i):

In performance of its obligations and in accordance with its GTCs in its most current form, CBF shall be liable for any fault of its employees and of persons CBF uses for performing its obligations. Should the Special Conditions for certain kinds of services or other agreements specify otherwise, such special regulations shall prevail. The liability of CBF pursuant to sect. 5 paragraph 4 sentence 2 and sect. 3 paragraph 2 sentence 1 DepotG [German Securities Deposit Act] shall remain not affected. If negligence of the client leads to the occurrence of a damage or loss (e.g. by violating its cooperation duties as set forth in no. V of these Terms and Conditions), such damage/loss shall be borne by CBF and the client shall be determined according to the principle of contributory negligence. Further details are described in article VII. of CBF’s GTCs.

CBF shall not be liable for damage/loss caused by force majeure, uproar, war or natural disasters or by other circumstances CBF is not responsible for (for instance strike, lock-out, traffic disruptions or order of higher authority in its home country or abroad).

67i. Please provide details of the relevant sections of the contracts, rules or practices where this information is found.

The liability of CBF is governed by Section VII. of the General Terms and Conditions of CBF.

67j. Other

- Yes (please answer 67k)
- No

68. Is the depository immune from legal action in its own jurisdiction?

- Yes
- No
- Other (please answer 68a)

Security Control

69. How do participants receive information (view actual settlement of trades, movement of securities on their accounts, etc.) and see the status of their accounts? (Choose all that apply.)

- By direct electronic link
- By receipt of physical account holding statements
- Other (please answer 69a)
- Not applicable

69a. Please explain:

SWIFT, file transfer, CASCADE-Host, CASCADE-PC and MQ file transfer. Customers can choose from a wide range of reports. Reporting profiles can be tailored to meet specific client business requirements. Customers can choose to receive/retrieve reports by more than one communication media, and can select versions of reports to receive/retrieve according to the frequency with which updated information on transaction status and positions are needed. A key component in our communications strategy is a commitment to support all SWIFT and ISO message standards that are applicable to our particular business environment and to use them in industry-standard ways. To this end, we work closely with both SWIFT and ISO, making active contributions to message development, to ensure that your needs are met.

For the non-collective safe custody business, the ClearstreamXact channels provided by Clearstream Banking S.A., Luxembourg, may be used by the customer. These connectivity channels are also available to those CBF customers that have chosen or will choose to use the OneClearstream service.
70. Do participants have access to affect their holdings, including confirming and affirming trades, movement of securities on their accounts, etc.?
- Yes (please answer 70a)
- No
- Other (please answer 70d)
- Not applicable

70a. How is access given to participants? (Choose all that apply.)
- By direct electronic link (please answer 70b)
- Other (please answer 70c)

70b. Please select type of electronic link:
- Dial-up modem
- Secured, leased, dedicated telephone line
- Internet
- Fax

71. Regarding data security:

71a. Are passwords used by participants to access their accounts?
- Yes
- No
- Not applicable
- Other (please answer 71b)

71c. Does each user have a unique user ID?
- Yes
- No
- Not applicable
- Other (please answer 71d)

71e. Are passwords regularly changed?
- Yes (please answer 71f)
- No
- Not applicable
- Other (please answer 71g)

71f. How often?
Passwords have to be changed every 90 days on CASCADE. For Xact Web Portal, CreationOnline and Xact File Transfer, a set of passwords will be communicated to the customer upon set-up. Thereafter access rights and password protocols will be defined and managed by the administrator at the customer institution.

71h. Is there a user lock-out after a pre-set number of unsuccessful User ID attempts?
- Yes (please answer 71i)
- No
- Not applicable
71i. How many? For CASCADE this is unlimited, although logon attempts are tracked. For the Xact Web Portal, user accounts are locked after 10 failed logon attempts. The account is suspended until a local administrator resets the user's password. For CreationOnline after 3 failed logon attempts due to wrong password the session is temporarily locked. After a couple of minutes the user can login again. In case the OU is secured with an additional PIN after 3 failed logon attempts due to wrong PIN the user is suspended and the local administrator must recreate the user's certificate and password. In case the OU is secured with smartcard, after 15 failed logon attempts due to wrong smartcard password the smartcard is locked and the local administrator must recreate the user's certificate and password.

72. Does the depository communicate with other market entities such as stock exchanges, payment systems, clearing houses, etc., by secured linkages?
- Yes (please answer 72a)
- No (please proceed to 74)
- Not applicable (please proceed to 74)
- Other (please answer 72a)

72a. Please explain:
Communication with other market entities is done via SWIFT and secure, leased and dedicated lines.

73. How does the depository communicate with other market entities?

73a. Stock Exchanges (Choose all that apply.)
- Dial-up modem
- Secured, leased, dedicated telephone line
- Internet
- Fax
- Paper/other
- Not applicable

73b. Payment Systems (Choose all that apply.)
- Dial-up modem
- Secured, leased, dedicated telephone line
- Internet
- Fax
- Paper/other
- Not applicable

73c. Clearing Houses (Choose all that apply.)
- Dial-up modem
- Secured, leased, dedicated telephone line
- Internet
- Fax
- Paper/other
- Not applicable

73d. Registrars (Choose all that apply.)
- Dial-up modem
- Secured, leased, dedicated telephone line
- Internet
- Fax
74. How is access to the physical building controlled? (Choose all that apply.)
- By guards
- By electronic keys/personal ID card
- By alarm system
- Other (please answer 74a)

74a. Please explain:
An access control system is in place for all premises and respective logs are kept. In addition, a CCTV system is in place and access is monitored 24 hours a day. A Security Management System (SMS) is connected to the fire central and its fire detectors. Furthermore, the SMS is connected to an intrusion alert system. A surveillance of technical installations (temperature etc.) is also installed. 6 security guards are on duty during the day and 3 during the night. Visitors are required to sign in at reception providing valid proof of identity. The building is therefore restricted to authorised personnel and accompanied visitors.
All staff are issued with picture ID cards that must be used to gain entrance. Approximately 100 cameras are installed in and outside the building. Access for technicians and visitors is only granted after written authorisation from the person, responsible for his/her area. Access to the Data Center is controlled with card readers and biometric reader.

75. What are the vault security procedures for the safekeeping of physical paper? (Choose all that apply.)
- Not applicable no vault is maintained
- Electronic keys/combinations
- Dual access control
- Visitor logs
- Vault counts (please answer 75a)
- Intrusion alarms
- Fire alarms
- Guards
- Other (please answer 75b)

75a. Please indicate frequency of vault counts:
- a vault reconciliation is performed by Clearstream, including the following:
  1) On a daily basis, the Controls Safekeeping unit, controls the receipts and delivery of securities. The controls are processed by Cascade settlement platform (system driven control). Any differences are reported to the impacted business units for further investigation and resolution.
  2) On a daily basis, the Controls Safekeeping unit controls that the positions booked end of day in the CASCADE application following settlement of securities instructions are corresponding as well. By loading the balances from Cascade (book balances) and from Carad (the Vaults positions system) in an application DNL (Digital Number Ledger), sub-function RCC (Reconciliation Carad-Cascade), discrepancies will be analysed and investigated by Controls safekeeping unit and allocated to business units for follow-up and corrective actions.
  3) As per the frequency defined in the Clearstream deposit control plan, Controls Safekeeping unit performs a manual, physical check of the securities deposited in the Vaults.
    - Physical Securities are counted on a three year basis
    - Global Notes are counted on a two year basis
    - Deposits of in the insourced vaults and precious metal are counted on an annual basis.
  4) Additionally there are internal and external audit checks being done on a regular basis or by unannounced spot checks.
Furthermore, there are procedures for the acceptance, reconciliation and destruction of physical securities.

75b. Please explain:
- Pre-advice by CBF Vaults staff for all visitors (other CBF units and third parties).
- ID-card check and admittance badge issuance by our security service.
- Escort of visitors by CBF vaults staff at all times.
- Camera surveillance of all visitors and all rooms where securities can be found.
- Monthly check of access admittance for all CBF vaults staff

Participant Default Protections Resulting from a Participant Failure

76. If a participant defaults, how is the loss covered? (Choose all that apply?)
- Depository insurance covers the loss (please answer 76a)
- The depository guaranty fund covers the loss
76. Please explain:
Clearstream has the status of a payment and securities settlement system ('SSS') for the settlement of credit operations of the European System of Central Banks, and as such Clearstream has to comply with the strictest standards for managing and mitigating custody risk.

The counterparty risk is addressed by:
- Legal provisions on finality (once a transaction is final, bankruptcy of counterpart does not impact transaction).
- The DVP model, where securities and cash are effectively exchanged between the counterparties, minimising the settlement risk.
- To reduce settlement failure, Clearstream offers securities lending, enhancing settlement efficiency through automated loans to prevent failures.

The assessment of the credit risk depends on the underlying agreement between participants and is addressed by the securities being pledged as collateral.

Clearstream meets all standards to use the 'Advanced Measurement Approach' of BASEL II for the regulatory capital charge for operational risk.

Please also refer to the final provisions listed in section C.XXXIII of Clearstream’s CSD GTCs, available at https://www.clearstream.com/clearstream-en/keydocuments-1-/csd-1-/general-terms-and-conditions

Furthermore, please refer to the description of our default management processes which is published at the following link: http://www.clearstream.com/clearstream-en/strategy-and-initiatives/asset-safety/clearstream-default-management

77. During the past three years, has there been a situation where a participant defaulted which resulted in a significant loss?

☑ Yes (please answer 77a)
☐ No
☐ Not applicable
☐ Other (please answer 77a)

78. Does the depository have a guaranty fund independent of stock exchange or other market guarantees?

☑ Yes (please answer 78a)
☐ No (please proceed to 79)
☐ Not applicable (please proceed to 79)
☐ Other (please answer 78l)

78a. If yes, please respond to the following questions:

What is the size of the fund (then please answer 78b)?

Please refer to the final provisions listed in section C.XXXIII of Clearstream’s CSD GTCs, available at https://www.clearstream.com/clearstream-en/keydocuments-1-/csd-1-/general-terms-and-conditions

78b. How is the size of the fund determined? (Choose one.)

☑ By participant volume
☐ By asset value
☐ A fixed amount
☐ Other (please answer 78c)

78c. If other, please explain:

Please refer to the final provisions listed in section C.XXXIII of Clearstream's CSD GTCs, available at https://www.clearstream.com/clearstream-en/keydocuments-1-/csd-1-/general-terms-and-conditions
78. How is the fund financed? (Choose one.)
- Contributions from owner (please answer 78e)
- Contributions from participants (please answer 78f)
- Funding from retained earnings
- Other (please answer 78g)

78g. If other, please explain:
Please refer to the final provisions listed in section C.XXXIII of Clearstream’s CSD GTCs, available at https://www.clearstream.com/clearstream-en/keydocuments-1-/csd-1-/general-terms-and-conditions

78h. Who is covered by the fund? (Choose all that apply.)
- Direct depository participants only
- The beneficial owner also
- Other (please answer 78i)

78i. If other, please explain:
Please refer to the final provisions listed in section C.XXXIII of Clearstream’s CSD GTCs, available at https://www.clearstream.com/clearstream-en/keydocuments-1-/csd-1-/general-terms-and-conditions

78j. When is the guaranty fund used? (Choose all that apply.)
- When a broker defaults
- When a direct participant defaults
- Other (please answer 78k)

78k. If other, please explain:
Please refer to the final provisions listed in section C.XXXIII of Clearstream’s CSD GTCs, available at https://www.clearstream.com/clearstream-en/keydocuments-1-/csd-1-/general-terms-and-conditions

79. Does the depository have forms of oversight management for assessing and monitoring of the following? (Choose all that apply.)
- Participant eligibility requirements
- Participant volumes
- Participant financial strength
- Other loss or default protections the depository maintains (please answer 79a)
- Collateral requirements for participants (please answer 79b)
- Debit caps for participants (please answer 79c)
- Settlement controls that minimize or eliminate the risk of default by a participant (please answer 79d)
- Blocking of securities movement before receipt of payment
- Blocking payment until securities are moved
- Other forms of risk management used for assessing and monitoring participant exposures (please answer 79i)
- Not applicable

79a. Please explain other loss or default protections:
In order to protect from losses and prepare for potential participant default, CBF has implemented a default management process. The default management of CBF includes preliminary measures (such as monitoring of defined early warning indicators in order to detect potential participant default at an early stage) and corrective measures, which are related to liquidation of pledged securities in order to cover the outstanding exposures, if any.
79b. Please explain the requirements:
CBF may grant credit limits that serve to facilitate the settlement of securities transactions as well as to support the securities financing business. Credit is primarily granted on a collateralised basis. Borrowers in Clearstream are central banks, banks and financial institutions. Furthermore, credit limits are set for the placement of funds with counterparties. The credit processing is arranged in guidelines and work instructions. Credit limits are set in accordance with the customer’s financial standing, as indicated by factors such as the customer’s credit rating and net worth, as well as having regard for the level of activity on the customer’s accounts and the level of collateralisation.

Credit lines must be collateralised to the maximum extent possible. The monitoring of recoverability of collateral is also operated by the Credit section.

Further information is provided in our Pillar III report which can be found at the following link: https://www.clearstream.com/clearstream-en/about-clearstream/regulation-1-/pillar-iii-disclosure-report/pillar-iii-disclosure-report-1278114

79d. What type or types of settlement controls (Choose all that apply.)
- Blocking or freezing of securities positions (please answer 79e)
- Controlling DVP settlement (please answer 79f)
- Simultaneous DVP (please answer 79g)
- Other (please answer 79h)

79e. Please explain:
According to its GTCs CBF may freeze a customer’s securities accounts and cash accounts, if a public authority issues a decree pursuant to sections 45 et seq. KWG [German Banking Act] or pursuant to corresponding foreign legal regulations, if the customer’s registered offices are situated abroad, against the customer. The performance by CBF of irrevocable orders of the client for the transfer of securities, fractions of collective holdings, claims to surrender of securities or rights shall remain unaffected.

79f. Please explain:
The cash settlement of securities transactions and certain Corporate Actions generally involves the following instruction types:
- Transfer of securities against payment in EUR: Delivery versus Payment (DvP), Receive versus Payment (RvP)
- Transfer of securities with payment in EUR: Delivery with Payment (DwP), Receive with Payment (RwP)
- Payment in EUR without transfer of securities: Payment Free of Delivery Debit (PFoD-DBIT), Payment Free of Delivery Credit (PFoD-CRDT)

These transactions can settle in T2S during night-time settlement (NTS) as well as during real-time settlement (RTS), until 16:00. In both cases, the cash is settled directly via a DCA linked to the respective Securities Account (SAC). The DCA can either be stated in the instruction or be set up as a default DCA at CBF. Customers participating in settlement of RvP, DwP or PFoD-DBIT instructions in T2S must generally ensure that there is sufficient cash or credit line available on the DCA. The liquidity is transferred from an RTGS main account and such a liquidity transfer can be instructed – depending on the technical connectivity of the customer – either in T2S, TARGET2 or CASCADE Online.

79g. Please explain:
CBF is a Model 1 DvP system, ensuring simultaneous settlement of securities and funds transfers on a gross (trade-by-trade) basis for batch processing; only the technically netted funding requirements are reserved on a Bundesbank account.

79i. Please explain briefly how these work:
We monitor customers throughout our relationship with them to ensure they continue to fulfil the customer acceptance criteria.

Transactions are monitored by an automated tool in order to assess account activity and in order to identify unusual and potentially suspicious activity.

80. Does the stock exchange have default protections that extend to the depository, such as the following? (Choose all that apply.)
- Margin requirements for stock exchange members
- Guaranty fund for stock exchange members
- Financial requirements for stock exchange membership
- Other (please answer 80a)
- No
**BUSINESS RECOVERY PLAN**

This section is intended to identify key aspects of the depository’s Business Recovery Plan (BRP), including testing requirements and past results, expected recovery time periods, and the independent review and validation (if any) of the BRP.

81. Do you have a formal business recovery plan?
- [ ] Yes (please answer 81a)
- [ ] No
- [ ] Other (please 81g)

81a. Does your Business Recovery Plan include: (Choose all that apply.)
- [ ] Back-up of all computer files
- [ ] Off-site data storage
- [ ] Back-up files stored and locked
- [ ] Off-site operations facility
- [ ] Other (please answer 81h)

81b. Please identify both the frequency and the last date of testing for the following third party:

**Depository participants/members**
Customers participate automatically and transparently in the periodic switch of production between the primary and secondary data centres and testing of other aspects of the plan which may be conducted during business hours.

The most recent tests were conducted on the following dates:
- Workspace unavailability (relocation exercise of staff in combination with all mission critical activities performed out of secondary location for several business days; unannounced): August 2019
- Staff unavailability (mission critical activities performed by dispersed operations staff and via business transfer to remote units for several business days; unannounced): August 2019
- Systems unavailability (simulating the loss of one data centre including production processing on remaining site): October 2019

81c. Please identify both the frequency and the last date of testing for the following third party:

**Stock exchange**
Contingency tests involving the trading platforms within Deutsche Börse Group are typically performed on an bi-annual basis in March and November every year.

81d. Please identify both the frequency and the last date of testing for the following third party:

**Central bank**
Test of contingency procedures with the German Central Bank are performed from time to time.

81e. Please identify both the frequency and the last date of testing for the following third party:

**Local brokers**
N/A

81f. Please identify both the frequency and the last date of testing for the following third party:

**Any other third party**
Clearstream invites customers to participate in its annual systems unavailability tests, when customers can submit instructions which are processed in production and receive reports.
BCM arrangements implemented at CBF address not only the unavailability of systems, workspace and suppliers, but also the loss of significant numbers of staff in order to ensure the continuity of the most critical operations even in cases of catastrophe scenarios.

82. How quickly can the main system be reactivated in the event of an outage? (Choose one.)
- 1 - 4 hours
- 4 - 8 hours
- 8 - 24 hours
- Longer than 24 hours
- Not applicable
- Other (please answer 82a)

82a. If other, please explain:
CBF’s overall business continuity plan Recovery Time Objective (RTO) is set to two hours. Within the RTO, CBF has included decision, travel and systems/ business resumption time. However, depending on the nature of the incident, actual recovery can be achieved more quickly. However, IT production is distributed over two remote data centres that provide online and full redundancy to allow data processing and communications with clients to be sustained should any primary equipment experience a failure. The two centres are interconnected with high-speed lines to provide real-time data mirroring. This ensures the online availability and integrity of all transactions at the time of a disruption. In addition to this real-time data duplication, data is also kept offline on backup copies in a secure location.

83. If a back-up system exists, how quickly can the back-up system be activated in the event of the main system failing? (Choose one.)
- 1 - 4 hours
- 4 - 8 hours
- 8 - 24 hours
- Longer than 24 hours
- Not applicable
- Other (please answer 83a)

84. Will the depository publicly announce any system interruption?
- Yes (please answer 84a)
- No (please proceed to 85)
- Not applicable
- Other (please answer 84g)

84a. To whom will the depository disclose any system interruptions? (Choose all that apply.)
- To the depository regulators
- To all direct participants
- To direct and indirect participants
- To the public via the internet (please answer 84b)
- In the press (please answer 84c)
- Other (please answer 84d)

84b. If so, please list webpage address:
www.clearstream.com
84e. How will the depository disclose any system interruptions? (Choose all that apply.)
- By e-mail
- By telephone
- Public announcement
- Press release
- Other (please answer 84f)

84f. Please explain:
Information on incidents/crises and related actions taken by Clearstream is made available to customers via the regular communication channels: direct contact with Client Services and the relationship management teams, website and email, as well as via the online tool. Such communication will happen as soon as the incident/crisis is known and once related actions are defined.

84. In the past three years, has there been any material loss by the depository during the past three years?
- Yes (please answer 86a)
- No
- Not applicable
- Other (please answer 86b)

PERFORMANCE, INSURANCE, AND LOSS

This section is intended to identify the level of insurance maintained by the depository, and the extent to which coverage would extend to financial loss incurred by participants and their clients, including but not limited to losses resulting from operating performance, security breaches, and employee negligence or misconduct.

86. Has there been any material loss by the depository during the past three years?
- Yes (please answer 86a)
- No
- Not applicable
- Other (please answer 86b)

87. Has the depository been subject to any litigation involving a participant during the past three years?
- Yes (please answer 87a)
- No
- Other (please answer 87b)
- Not applicable

88. Has the depository realized revenues sufficient to cover expenses during the past three years? (Choose one.)
- Yes for all three years
- Yes for two of the last three years
- Yes for one of the last three years
- None of the last three years
- Not applicable
- Other (please answer 88a)

89. Does the depository maintain a reserve for operating losses?
- Yes (please answer 89a)
- No
89a. Please describe and indicate reserve amount:
For a detailed description of the Clearstream segment within Deutsche Börse Group please refer to the Annual Financial Report of DBAG. The report as well as Clearstream’s annual accounts are available at the following link: https://www.clearstream.com/clearstream-en/about-clearstream/reports-and-ratings/annual-reports

90. Has the regulatory body with oversight responsibility for the depository issued public notice that the depository is not in current compliance with any capital, solvency, insurance or similar financial strength requirements imposed by such regulatory body?
- Yes (please answer 90a)
- No
- Not applicable
- Other (please answer 90f)

90b. In the case of such a notice having been issued, has such notice been withdrawn, or, has the remedy of such noncompliance been publicly announced by the depository?
- Yes (please answer 90c)
- No (please answer 90d)
- Other (please answer 90e)

90e. If other, please explain:
Not applicable.

91. Does the depository have insurance to cover losses in the event of Default on settlement commitments by the depository or a participant?
- Yes (please answer 91a)
- No
- Not applicable
- Other (please answer 91c)

91b. What is the amount of the deductible?
N/A

92. Does the depository have Fidelity insurance (that is, insurance to cover loss of securities or money resulting, for example, from acts such as forgery, theft, fraud and/or employee dishonesty)?
- Yes (please answer 92a)
- No
- Not applicable
- Other (please answer 92c)

92a. What is the amount of the coverage?
Comprehensive Crime and Professional Liability Insurance (CCPL), which is a policy that covers Clearstream against claims made by customers for financial losses that include infidelity of employees, civil liability and electronic crime. Coverage includes a comprehensive crime and professional liability limit of EUR 20 million any one loss/claim and in the aggregate.
92b. What is the amount of the deductible?
The amount of the deductible is EUR 5 million.

93. Does the depository have insurance for Operational Errors?
   - Yes (please answer 93a)
   - No
   - Not applicable
   - Other (please answer 93c)

93a. What is the amount of the coverage?
Comprehensive Crime and Professional Liability Insurance (CCPL), which is a policy that covers Clearstream against claims made by customers for financial losses that include infidelity of employees, civil liability and electronic crime. Coverage includes a comprehensive crime and professional liability limit of EUR 20 million any one loss/claim and in the aggregate.

93b. What is the amount of the deductible?
The deductible of EUR 5 million.

94. Does the depository have Errors and Omissions insurance?
   - Yes (please answer 94a)
   - No
   - Not applicable
   - Other (please answer 94c)

94a. What is the amount of the coverage?
Comprehensive Crime and Professional Liability Insurance (CCPL), which is a policy that covers Clearstream against claims made by customers for financial losses that include infidelity of employees, civil liability and electronic crime. Coverage includes a comprehensive crime and professional liability limit of EUR 20 million any one loss/claim and in the aggregate.

94b. What is the amount of the deductible?
The deductible of EUR 5 million.

95. Does the depository have insurance for the Premises?
   - Yes (please answer 95a)
   - No
   - Not applicable
   - Other (please answer 95c)

95a. What is the amount of the coverage?

The deductible of EUR 5 million on the Professional Liability Insurance.
The amount of coverage is up to EUR 75 million.

95b. What is the amount of the deductible?
The level of the deductible depends on category of risk.

96. Does the depository have any other insurance?
☐ Yes (please answer 96a)
☐ No
☐ Not applicable
☐ Other (please answer 96d)

96a. If so, what is it for?
CBF has a Directors and Officers’ Liability insurance in place.

96b. What is the amount of the coverage?
We consider this information as internal.

96c. What is the amount of the deductible?
There is no deductible.

97. Who is the insurance carrier? If more than one insurance carrier, please list each carrier here and provide your responses to questions 97a and 97b in corresponding order.
Comprehensive Crime and Professional Liability Insurance: The lead insurer is Zurich Insurance
All Risks of Physical Loss or Damage of Shipment of Securities and at the Premises, which is an "All Risk" policy: The carrier is Liberty
Directors’ and Officers’ Liability: The lead insurer is Zurich Insurance.

97a. Who is the insurance carrier’s parent company, if applicable? (If inapplicable, simply type n/a.)
n/a

97b. What is the term of the policy?
Annual. Please refer to the insurance certificates attached to this questionnaire.
97c. Who does the insurance cover? (Choose all that apply.)
- Depository
- Direct depository participants
- Final investors
- Other (please answer 97d)
- Not applicable

98. If you feel that you would like to provide additional details on any of the given answers, feel free to provide any additional comments here (maximum of 5,000 characters) or prepare an additional document identifying the question(s) you are commenting on and upload the document under 98a:
Please note that the answers contained in the Questionnaire of the Association of Global Custodians are provided for information purposes only. Information in this document is subject to change and does not represent a commitment on the part of Clearstream Banking AG, or any other entity in the Clearstream group of companies. Clearstream Banking AG, its subsidiaries and affiliates expressly disclaim liability for errors or omissions in the information contained in this document.

98a. Upload document here:

- DBAG combined insurance certificates.pdf

PUBLIC AVAILABILITY

99. The AGC encourages respondents/depositories to make their answers to this questionnaire publicly available. Will you be making your response publicly available? (For additional guidance, please review the help feature to this question.)
- Yes (please answer 99a)
- No

99a. If yes, how will you be making it publicly available: (Choose all that apply.)
- Web site (please answer 99b)
- By individual request with depository (please answer 99c)
- Other (please answer 99i)

99b. Please provide web site address of publicly available questionnaire:
www.clearstream.com

99c. Please provide name of contact at depository who has been designated to receive such requests (then please answer 99d).
Andrea Polenta

99d. How would they prefer to be contacted? (Choose all that apply.)
- Telephone (please answer 99e)
- Facsimile (please answer 99f)
- By mail/air courier (please answer 99g)
- By e-mail (please answer 99h)

99e. Please provide telephone number: +352 2 43-3 65 81
100. Association members from time to time receive requests from their direct investor-clients for an informational copy of a depository's completed questionnaire. Such requests typically lead to interactions between personnel at the depository in question and member personnel or client personnel, or both. Those interactions take time and impose costs on both members and depositories.

Do you approve of Association members delivering a copy of your completed questionnaire to the member's direct client in response to the client's request?

☐ Yes
☐ No

Please provide any comments you have regarding the questionnaire.

You have reached the end of the questionnaire. Please be sure your contact details are updated. Your contact information is located in the first section of Part One of the questionnaire.