Clearstream
Securities Lending Services – ASLplus

Earn additional revenue and reduce risk

Key benefits for you as a lender

Generate revenues
- incremental income from otherwise unutilised assets
- multiple distribution channels with lending rates negotiated on a case-by-case basis.

Save costs
- no custody fees on lent securities
- all administrative tasks, including loan transactions, returns and recalls as well as corporate actions, handled by Clearstream, while you retain the full benefits of the assets.

Control your risk
- Clearstream as sole, AA rated borrower
- loans are collateralised by Clearstream with bonds rated A+ and higher
- lenders obtain pledge on collateral, as guaranteed under Luxembourg statutes.

ASLplus leverages the demand for strategic lending in the wholesale fixed income and equity market to create a unique way of increasing your portfolio yields. Clearstream has optimised its distribution in this market through dedicated in-house close-to-market desks which negotiate the best possible rates on behalf of lenders.

Settlement efficiency is increasing constantly. As a result, the revenue potential from settlement fails related lending is limited and portfolios are under-utilised. Responding to these customer needs, Clearstream launched ASLplus in 2006 to complement its long-established ASL fails lending product.

These days, ASLplus is our Securities Lending flagship product that generates important income for participating lenders while providing liquidity to the market. We now have lenders from Europe, the Middle East, Africa and Asia while most of our high-quality borrowers are European or Asian.

ASLplus loan opening

1. Request for selected securities for borrowing by CBL as sole borrower.
2. Automatic identification of loan supply from ASLplus lender(s).
3. Eligible collateral identified and pledged in favour of lenders.
4. Transfer of loan securities to CBL as sole borrower.
5. Securities and collateral marked daily.
ASLplus leverages the potential of the strategic lending market by using Clearstream as a privileged partner

Key features

**Flexible portfolio management**
- lending pool managed based on specific lender profiles.
- optimised allocation of securities to ASL and ASLplus.
- securities recallable on demand.

**High level of automation and integration**
- fully integrated operational workflow and reporting for ASL and ASLplus.
- all administrative and operational functions handled by Clearstream.
- automated recalls and lender substitution.
- daily monitoring of loans and collateral.
- collateral marked-to-market on a daily basis.

ASL and ASLplus – complementary products

<table>
<thead>
<tr>
<th>Borrowers</th>
<th>ASL</th>
<th>ASLplus</th>
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</thead>
<tbody>
<tr>
<td>- operations areas of all trading houses, in particular high volume and high turnover broker/dealers</td>
<td>- central banks and supranational organisations, multinational corporations, custodian banks, asset managers</td>
<td>- Clearstream as sole borrower lending to proprietary desks, matched book repo desks and intermediaries</td>
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<thead>
<tr>
<th>Lenders</th>
<th>ASL</th>
<th>ASLplus</th>
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<tr>
<td>- short-term fails prevention lending, mainly during the night</td>
<td>- ASL acts as lender of last resort and rates are not negotiable</td>
<td>- long-term street lending opportunities during the day</td>
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<td>- loans are on an undisclosed basis</td>
<td>- a guarantor underwrites counterparty risk</td>
<td>- Clearstream acts as principal and single borrower</td>
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Contact information

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