

## Guidance Notice External Bail-in Execution

Status: 22.07.22

To all

- ~~Institutions~~Entities within the meaning of ~~section Article 2 (1)~~ of the ~~SAGSRMR~~  
and
- Entities within the meaning of section 1 (1) no. 1 to 3 of the SAG  
with a registered office in the Federal Republic of Germany.

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## List of abbreviations

### A

#### AG

Aktiengesellschaft (German stock corporation).

#### AktG

Aktengesetz (German Stock Corporation Act) of 6 September 1965 (Federal Law Gazette (BGBl.) I p. 1089), as last amended by Article ~~1561~~ of the [German Act to Modernise the Law on Partnerships \(Gesetz zur Modernisierung des Personengesellschaftsrechts – MoPeG\)](#) of ~~22 December 2020~~ [10 August 2021](#) (BGBl. I, p. ~~32563436~~).

#### AöR

Anstalt des öffentlichen Rechts (public-law institution).

#### AT1

Additional Tier 1 capital in accordance with Article 51 of the Capital Requirements Regulation (CRR).

### B

#### BaFin

Bundesanstalt für Finanzdienstleistungsaufsicht (Federal Financial Supervisory Authority).

#### BB

[Bearer bond.](#)

#### BGB

Bürgerliches Gesetzbuch (German Civil Code) in the wording of the announcement as published on 2 January 2002 (BGBl. I p. 42, ~~corrected by p. 2909; and~~ 2003 I p. 738), as last amended by Article ~~135~~ of the [German Act on the implementation of 22 December 2020](#) ~~(BGBl. the EU regulations on cross-border service and cross-border taking of evidence in civil or commercial matters and on amending other regulations of 24 June 2022 (BGBl. I p. 3256959).~~

#### BörsZulV

Börsenzulassungs-Verordnung (German Stock Exchange Admission Regulation) – [Regulation on the Admission of Securities to the Regulated Market on a Stock Exchange](#) in the wording of the announcement as published on 9 September 1998 (~~BGBI~~ BGBl. I p. 2832), which was last amended by Article ~~8 (5) 2~~ of the [German Act of 8 July 2019 \(BGBl. on the Introduction of Electronic Securities of 3 June 2021 \(BGBl. I p. 40021423\).](#)

#### BRRD

Bank Recovery and Resolution Directive – Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Directive 82/891/EEC, Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU and Regulations (EU) No. 1093/2010 and (EU) No 648/2012 of the European Parliament and of the Council (OJ L 173, ~~12 June 2014~~, p. 190), as last amended by [Directive Article 93 of Regulation \(EU\) 2019/2162 of the EP and the Council 2021/23 of the European Union of 27 November 2019 16 December 2020 \(OJ L 328 2021 L22, p. 291\).](#)

### C

#### CBF

Clearstream Banking AG, Frankfurt.

#### CBL

[Clearstream Banking Luxembourg S.A., Luxembourg.](#)

#### CD

[Common Depository \(CD of the ICSDs in the case of the Classical Global Note\).](#)

#### CET1

Common Equity Tier 1 capital in accordance with Articles 26 and 27 of the Capital Requirements Regulation (CRR).

<b>CGN</b>	<a href="#">Classical Global Note.</a>
<b>CRR</b>	Capital Requirements Regulation – Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and <del>investment firms and</del> amending Regulation (EU) No 648/2012 (OJ L 176, <del>27 June 2013</del> , p. 1, <del>corrected by L 208 p. 68, L 321 p. 6, 2015 L 193 p. 166, 2017 L 20 p. 3</del> ), as last amended by Article 1 of Regulation (EU) <del>2020/873</del> <a href="#">2021/558</a> of <del>24 June 2020</del> <a href="#">31 March 2021</a> (OJ L <del>204</del> , <a href="#">116</a> p. <del>425</del> ).
<b>CSD</b>	Central Securities Depository within the meaning of Article 2(1) no. 1 of the CSDR.
<b>CSDR</b>	Central Securities Depository Regulation (Zentralverwahrerordnung) – Regulation (EU) No. 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012 (OJ L 257 <del>of 28 August 2014</del> , p. 1; corrected by OJ <a href="#">2016 L 349</a> <del>of 21 December 2019</del> , p. 5), as last amended by Article <del>317</del> of Regulation (EU) <del>2016/1033</del> <a href="#">2022/858</a> of <del>23 June 2016</del> <a href="#">30 May 2022</a> (OJ L <del>175</del> , <a href="#">151</a> p. 1).
<b>CSSF</b>	<a href="#">Commission de Surveillance du Secteur Financier (Financial Sector Supervisory Commission of the State of Luxembourg).</a>
<b>CSK</b>	<a href="#">Common Safekeeper (CSK of the ICSDs in the case of the New Global Note).</a>
<b>CSP</b>	<a href="#">Common Service Provider (CSP of the ICSDs in the case of the New Global Note).</a>
<b>D</b>	
<b>DBG</b>	Deutsche Börse Group AG, Frankfurt.
<b>DepotG</b>	<a href="#">Depotgesetz (Safe Custody Act) – Act on the safe custody and acquisition of securities in the wording of the announcement of 11 January 1995 (BGBl. I p. 34), last amended by Article 4 of the Act on the Introduction of Electronic Securities of 3 June 2021 (BGBl. I p. 1423).</a>
<b>DM</b>	Deutsche Mark (German mark).
<b>GDPR</b>	General Data Protection Regulation – Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive <del>95/46/EC</del> (OJ L 119, <del>4 May 2016</del> , p. 1; corrected by OJ L 314, <del>22 November 2016</del> , p. 72 and OJ L 127, <del>23 May 2018</del> , p. 2 and <a href="#">2021 L 74 p. 35</a> ).
<b>DTC</b>	<a href="#">The Depository Trust Company, New York.</a>
<b>E</b>	
<b>EB</b>	<a href="#">Euroclear Bank SA/NV, Brussels.</a>
<b>eG</b>	Eingetragene Genossenschaft (registered cooperative society).
<b>EUR</b>	Euro.
<b>F</b>	
<b>FMI</b>	Financial Market Infrastructure.

<b>FWB</b>	Frankfurter Wertpapierbörse (Frankfurt Stock Exchange).
<b>G</b>	
<b>GmbH</b>	Gesellschaft mit beschränkter Haftung (limited liability company).
<b>I</b>	
<b><u>ICSD</u></b>	<a href="#">International Central Securities Depository.</a>
<b>ISIN</b>	International Securities Identification Number according to ISO standard 6166.
<b>ISV</b>	Inhaberschuldverschreibung (bearer bond).
<b>IT</b>	Information Technology.
<b>K</b>	
<b><u>KWG</u></b>	<a href="#">Kreditwesengesetz (German Banking Act) – Banking Act in the wording of the announcement of 9 September 1998 (BGBl. I p. 2776), as last amended by Article 3 of the Sanctions Enforcement Act I of 23 May 2022 (BGBl. I p. 754).</a>
<b>L</b>	
<b><u>LEI</u></b>	<a href="#">Legal Entity Identifier according to ISO standard 17442.</a>
<b>M</b>	
<b>MiFID</b>	Markets in Financial Instruments Directive – Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, (revised) (OJ L 173 p. 349, corrected by OJ 2015 L 74 p. 38, OJ 2016 L 188 p. 28, OJ L 273 p. 35, OJ 2017 L 64 p. 116, OJ L 278 p. 56), as last amended by Article 18 of the Directive Regulation (EU) 2020/1504 of 7 October 2020 (OJ L 347/151 p. 501).
<b><u>MTF</u></b>	<a href="#">Multilateral Trading Facility within the meaning of Article 4(1) no. 22 of the MiFID.</a>
<b>N</b>	
<b>n.a.</b>	Not applicable.
<b><u>NBB</u></b>	<a href="#">Nationale Bank van België (Belgian national bank).</a>
<b><u>NGN</u></b>	<a href="#">New Global Note.</a>
<b>NNA</b>	National Numbering Agency.
<b>NSV</b>	Namensschuldverschreibung (registered bond).
<b><u>NSS</u></b>	<a href="#">New Safekeeping Structure.</a>
<b>NV (NW)</b>	Nominal Value (Nennwert).
<b>O</b>	
<b><u>OTF</u></b>	<a href="#">Organised Trading Facility within the meaning of Article 4(1) no. 23 of the MiFID.</a>

**P****p.a.**

per annum.

**PF**

Pool factor (Poolfaktor).

**Prospekt-VO**

Prospektverordnung (Prospectus Regulation) – Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (OJ L 168 p.12), last amended by Article 1 of Regulation (EU) 2021/337 of 16 February 2021 (OJ L 68 p.1).

**S****SAG**

Sanierungs- und Abwicklungsgesetz (German Recovery and Resolution Act (Sanierungs- und Abwicklungsgesetz) of 10 December 2014 (BGBl. I p. 2091), last amended by Article 516 of the Risk Reduction Act accompanying implementation of 9 December Regulation (EU) 2020/1503 and the transposition of Directive (EU) 2020/1504 of 3 June 2021 (BGBl. I p. 27731568).

**SI**

Systematic Internaliser within the meaning of Article 4(1) no. 20 of the MiFID.

**SRMR**

Single Resolution Mechanism Regulation – Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the ~~re-~~resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 (OJ L 225, 30 July 2014, p. 1, corrected by OJ 2015 L101 p. 62), as last amended by Article 94 of Regulation (EU) 2021/23 of 16 December 2020 (OJ 2021 L 22; p.-1).

**SSD**

Schuldscheindarlehen (borrower's note loan).

**T****T**

Day of publication of the resolution order.

**T2**

Tier 2 capital in accordance with Article 62 of the CRR.

**V****VAT-ID**

Value added tax identification number.

**W****WDCCI**

Write-Down and Conversion of Capital Instruments.

**WKN**

Wertpapierkennnummer (securities identification number).

**WM**

Herausbergemeinschaft (joint publishers) Wertpapier-Mitteilungen, Kepler, Lehmann GmbH &amp; Co. KG (WM Group).

**WpHG**

German Securities Trading Act (Wertpapierhandelsgesetz) in the wording of the announcement as published on 9 September 1998 (BGBl. I p. 2708), last amended by Article 8 of the Risk Reduction Act of 9 December 2020 (BGBl. I p. 2773).



**WSS**

Wertpapiersystem der Deutschen Börse (Securities Service System of the Deutsche Börse).

## Terms and definitions in the Guidance Notice

Term	Definition
<b>Resolution authority</b>	Federal Financial Supervisory Authority (BaFin) as resolution authority pursuant to section 3 (1) of the SAG.
<b>Resolution entity</b>	A resolution entity is, in accordance with point (24a) of Article 3(1) of the SRMR, a legal person established in a participating Member State which has been identified under Article 8 of the SRMR as an entity for which resolution action is <b>envisaged</b> in the resolution plan.
<b>Effective date of resolution</b>	Date on which the measures ordered by the resolution authority become effective. The effective date is stated in the resolution order.
<b>Share type</b>	Pursuant to section 10 (1) of the AktG, a distinction is made between bearer shares and registered shares (with restricted transferability, where applicable) according to the type of securitisation. The type of shares to be issued must be specified in the articles of association in accordance with section 23 (3) no. 5 of the AktG.
<b>Secured liability</b>	<b>Secured liability within the meaning of Article 27(3)(b) of the SRMR or section 91(2)(2) of the SAG.</b>
<b>Class of shares</b>	In accordance with section 11 of the AktG, all shares that grant the same rights form a class. Accordingly, bearer shares and registered shares, for example, form the same class. Preferred shares and ordinary shares, on the other hand, belong to different classes.
<b>Existing shareholders</b>	In this document, the term <b>“existing shareholders”</b> refers to those shareholders who held instruments of ownership (e.g. of an AG, GmbH or cooperative society) prior to the resolution measure.
<b>Request date</b>	The request date is the reference date for the provision of bail-in information by the relevant entity. The request date is the close of business of the relevant entity on the business day determined by the resolution authority and notified to the relevant entity in the request. The close of business on that business day shall be determined by the relevant entity itself. If the resolution authority issues the request to provide the data before the request date, the timeframe for providing the data shall commence with the close of business on the request date.
<b>Accrued interest</b>	Pro rata interest accrued but not yet paid as at the request date, irrespective of whether and to what extent the due date has already been reached as at the request date.
<b>Outstanding principal amount</b>	Outstanding principal amount of liabilities. Liability in this sense means the obligation of the resolution entity towards a third party. The outstanding principal amount may be lower than the original issue amount, e.g. due to redemptions, or higher, e.g. due to credit restructuring measures. Premiums/discounts are not part of the outstanding principal amount.
<b>Outstanding amount</b>	The amount is the aggregate of the outstanding principal amount, plus, if applicable, interest accrued up to the request date and any fees and charges, irrespective of whether and to what extent the relevant principal, interest or fees and charges were already due at the request date and whether they are required to be recognised as items of liabilities in the balance sheet of the resolution entity prepared in accordance with the applicable accounting principles.
<b>Bail-in</b>	The WDCI power and the bail-in tool are, for the purposes of this document and because of their similar technical processes, referred to together as bail-in.

Term	Definition
<b>Bail-in tool</b>	Bail-in tool within the meaning of Article 27 of the SRMR and/or section 90 of the SAG.
<b>Bail-in sequence</b>	<p>The sequence pursuant to Article 21(10) in conjunction with Article 17(1) of the SRMR and/or section 97 (1) of the SAG in which CET1 instruments, relevant capital instruments and bail-inable liabilities are used for the WDCCI power and the bail-in tool. The following sequence applies:</p> <ol style="list-style-type: none"> <li>1. shares and other CET1 instruments;</li> <li>2. additional Tier 1 instruments;</li> <li>3. Tier 2 instruments;</li> <li>4. bail-inable liabilities corresponding to their ranking as insolvency claims in accordance with national insolvency law.</li> <li>5. <del>4.</del> <u>The bail-in sequence including further examples for the respective classes is available on the BaFin website: <a href="https://www.bafin.de/SharedDocs/Veroeffentlichungen/EN/Merkblatt/BA/mb_haftungskaskade_bankenabwicklung_en.html">https://www.bafin.de/SharedDocs/Veroeffentlichungen/EN/Merkblatt/BA/mb_haftungskaskade_bankenabwicklung_en.html</a></u></li> </ol>
<b>Bail-inable liabilities</b>	In accordance with point (49) of Article 3(1) of the SRMR or section 2 (3) no. <del>10a10b</del> of the SAG, bail-inable liabilities are liabilities and capital instruments other than those of CET1 capital, Additional Tier 1 capital or Tier 2 capital which are not excluded from the scope of application of the bail-in tool on the basis of Article 27(3) of the SRMR or section 91 (2) of the SAG.
<b>Clearing</b>	Offsetting and settlement of mutual claims and liabilities from securities and forward transactions.
<b>Common Depository</b>	<u>An entity, generally a credit institution, that acts as a common depository of International Central Securities Depositories (ICSDs) and provides safekeeping and asset servicing for securities issued in the form of Classical Global Note.</u> <sup>1</sup>
<b>Common Service Provider</b>	<u>An entity, generally a credit institution, that, as a common service provider of International Central Securities Depositories (ICSDs), performs asset servicing of securities issued in the form of a New Global Note.</u> <sup>1</sup>
<b>Common Safekeeper</b>	<u>An entity, generally an (international) central securities depository or the common service provider that, as a common depository of International Central Securities Depositories (ICSDs), performs the safe custody of securities issued in the form of a New Global Note. See also New Safekeeping Structure (NSS).</u> <sup>1</sup>
<b>Dematerialisation</b>	Conversion of securities in physical form into electronic securities (book entries) held at a CSD.
<b>Foreign currency</b>	Any currency other than the euro.
<b>Global noteNote/Global certificateCertificate</b>	Pursuant to section 9a of the DepotG, a global certificate is a security evidencing several rights, each of which could be evidenced in fungible securities of one and the same kind. The global certificate is generally held in custody and administered at a central institution, the securities clearing and deposit bank (see under Central Securities Depository).
<b>Immobilisation</b>	The placement of physical securities with a CSD.

<sup>1</sup> See also SRB document "Reflecting bail-in in the books of the International Central Securities Depositories (ICSDs)" under: <https://www.srb.europa.eu/en/content/srb-issues-new-guidance-bail-international-debt-securities>.

Term	Definition
<b>Bearer share (Inhaberk- tie)</b>	Class of <u>shares</u> that allows the owner to exercise the rights evidenced by the share. Bearer shares are transferred informally by delivery and agreement, without any adjustment being made on the document. The owner of the bearer share is not named and usually does not have to provide proof of legal ownership of the share. <u>The right in the document follows the right to the document.</u>
<b>Bearer bond (Inhaber- schuldverschreibung (ISV)BB)</b>	A security according to section 793 of the BGB entitling the owner to all rights of ownership, such as repayment of the outstanding principal amount and agreed interest payment. The bondholder is entitled to all rights of ownership from the property of the security. The holder of the security is deemed to be the owner.
<b>Instrument</b>	For the purposes of this document, and unless otherwise specified in the text, the term instrument comprises relevant capital instruments and bail-inable liabilities issued by the institution under resolution.
<b>International bearer bond</b>	<u>Within the meaning of this Guidance Notice, international bearer bond means a bearer bond issued through the two International Central Securities Depositories (ICSDs) Euroclear Bank and Clearstream Banking Luxembourg. These instruments are issued in the form of a Classical Global Note (CGN) or New Global Note (NGN). The ISIN of the instruments has the abbreviation "XS" at the beginning, hence they are also referred to as "XS-ISINs" or "XS bonds".</u>
<b>International Central Securities Depository</b>	<u>A central securities depository active in the settlement of internationally traded securities from different national markets, generally between different currency areas (see also Article 2 no. 43 of the Guideline (EU) 2015/510 of the European Central Bank of 19 December 2014 on the implementation of the Eurosystem monetary policy framework (ECB/2014/60)). Within the meaning of this Guidance Notice, this is understood to mean CBL or EB.</u>
<b>Classical Global Note – CGN</b>	<u>The issue of international bearer bonds can be evidenced in the form of a Classical Global Note or a New Global Note. In the case of the Classical Global Note, changes to the outstanding issue amount are made physically in the global certificate. Thus, the Classical Global Note has a documentary function with regard to the outstanding issue amount.<sup>2</sup></u>
<b>Market maker</b>	Also called designated sponsor, specialist or exchange broker, who provides binding buying and selling prices (quotes) for the securities and trades the requested quantities at these prices. The market maker always ensures supply and demand or higher liquidity (tradability at all times). There can be one or more market makers per security.
<b>Relevant amount</b>	The outstanding amount of the liability less existing components subject to statutory exemption pursuant to Article 27(3) of the SRMR and/or section 91 (2) of the SAG.
<b>Minimum amount (minimum number of units) of securities</b>	In accordance with section 2 of the BörsZuV, the expected market value of the shares to be admitted or, if its estimation is not possible, the equity capital of the company must amount to at least EUR 1.250.000 <sup>3</sup> . This does not apply if shares of the same class are already admitted to the regulated market on that exchange. For the admission of securities not denominated in a monetary amount, the minimum number of securities must be at least ten thousand. Furthermore, the management of the relevant exchange may admit lesser amounts than the said amounts if it is confident that a sufficient market will develop for the securities to be admitted.

<sup>2</sup> See also SRB document "Reflecting bail-in in the books of the International Central Securities Depositories (ICSDs)" under: <https://www.srb.europa.eu/en/content/srb-issues-new-guidance-bail-international-debt-securities>.

<sup>3</sup> For the purposes of this document the numbers are represented with a point as thousand separator and a comma as decimal separator.

Term	Definition
<b>Minimum free float of securities</b>	This refers to the minimum distribution of the capital among the public in <del>accordance</del> <u>accordance</u> with section 9 of the BörsZulV. Accordingly, the shares to be admitted must be sufficiently distributed among the public. They are deemed to be sufficiently distributed if at least 25% of the total nominal amount, in the case of shares without par values of the number, of shares admitted have been acquired by the public or if, due to the large number of shares of the same class and their broad distribution among the public, orderly exchange trading is also ensured with a lower percentage.
<b>Registered share (with restricted transferability, if applicable)</b>	Class of shares in which the share is registered in the name of the owner and the owner is entered in the company's share register. A registered share with restricted transferability is a special form of registered share and requires the consent of the issuing stock corporation in order to be transferred (section 68 (2) of the AktG).
<b>Registered bond (Namensschuldverschreibung (NSV))</b>	For the purposes of this Guidance Notice a bond for which the ownership can be transferred only via written assignment of the bondholder and an amendment of the entry in the register by the responsible registrar. The new holder is entitled to all rights of ownership from the property only if he is entered in the register.
<b>Par-value share (Nennbetragsaktie)</b>	Pursuant to section 8 of the AktG, shares may be issued either as par-value shares or as no-par-value shares. The par-value shares must be denominated in at least one euro. The proportion of the share capital held by par-value shares is determined by the ratio of their par-value to the share capital.
<b><u>New Global Note – NGN</u></b>	<u>The issue of international bearer bonds can be evidenced in the form of a Classical Global Note or a New Global Note. In accordance with the terms of the New Global Note, the International Central Securities Depositories' bookkeeping provides the legally relevant documentation for the issuer's obligations.<sup>4</sup></u>
<b><u>New Safekeeping Structure – NSS</u></b>	<u>As of 1 January 2007, international debt instruments that were or are issued through the International Central Securities Depositories (ICSDs) will only be recognised as eligible collateral for Eurosystem credit operations if they were or are issued within the scope of the New Safekeeping Structure. In doing so, the issue must be evidenced by the New Global Note, and the global certificate must be deposited with a securities custodian (Common Safekeeper) that is an International Central Securities Depository or, where applicable, a central securities depository that fulfils the standards described in the Eurosystem User Assessment Framework. See also Guideline (EU) 2015/510 of the European Central Bank of 19 December 2014 on the implementation of the Eurosystem monetary policy framework (ECB/2014/10).</u>
<b>Original currency</b>	Currency in which the financial instrument was issued. This may be a foreign currency or the euro.
<b>Pool factor</b>	The pool factor is the term for a measure of partial redemptions of bonds without reducing the nominal value. By means of a pool factor, the reduction of the nominal value (through partial redemption or write-down) of a bond can be represented mathematically. At issuance, the pool factor is always equal to 1. In accordance with the redemption conditions, the factor is reduced during the term and is 0 at the end of the term.
<b>Pool factor bond</b>	In accordance with market practice, a pool factor bond is a bond for which the nominal value is not reduced after a partial redemption or partial repayment. The nominal value is adjusted by means of a pool factor.

<sup>4</sup> See also SRB document "Reflecting bail-in in the books of the International Central Securities Depositories (ICSDs)" under <https://www.srb.europa.eu/en/content/srb-issues-new-guidance-bail-international-debt-securities>.

Term	Definition
<b>Price quotation</b>	Exchange rate at which the price of a foreign currency unit is expressed in units of the domestic currency (DM 1 = EUR 0,5 or EUR/DM 0,5).
<b>Relevant capital instruments</b>	Relevant capital instruments within the meaning of <del>point (54) of</del> Article 3(1) <del>no. 51</del> of the SRMR and/or section 2 (2)- of the SAG.
<b>Change of legal form</b>	The resolution authority may order a change of legal form into a stock corporation in the resolution order (section 77 of the SAG). The ordered change of legal form becomes effective with the publication of the resolution order (section 149 of the SAG).
<b>No-par-value share (Stückaktie)</b>	<del>Pursuant to section 8 of the AktG, shares may be issued either as par-value shares or as no-par-value shares. In contrast to par-value shares, no-par-value shares are not denominated in a nominal value and participate in the share capital to the same extent. The share in the share capital is determined by the ratio of the total number of no-par-value shares to the share capital.</del>
<b>Borrower's note loan (Schuldscheindarlehen (SSD))</b>	Assignable loan agreement according to <del>Section-section</del> 488 (1)- of the BGB. The agreement is recorded in a document serving as evidence for the existence of the loan agreement and the claims resulting thereof. Holders of the borrower's note loan can transfer their claims only via written assignment and notification of the issuer. The issuer can request the return of the agreement document after repayment of the loan.
<b>Settlement</b>	Completion of a transaction by delivery of funds and/or securities.
<b>Structured bearer bond</b>	<u>Structured bearer bond within the meaning of section 46f (7) of the KWG.</u>
<b>No-par-value share (Stückaktie)</b>	<u>Pursuant to section 8 of the AktG, shares may be issued either as par-value shares or as no-par-value shares. In contrast to par-value shares, no-par-value shares are not denominated in a nominal value and participate in the share capital to the same extent. The share in the share capital is determined by the ratio of the total number of no-par-value shares to the share capital.</u>
<b>Technical conversion ratio</b>	Transition of the conversion percentage and the effective conversion rate as stated in the resolution order into a technical format to be processed automatically by the CSD and the NNA. The technical conversion ratio is <del>as follows:</del> <del>nominal value (old) in original currency : x,xxx new shares</del> <del>The technical conversion ratio is described explained</del> in more detail in <del>Chapterthe</del> <u>Chapters IV.4.1.1.3 and IV.4.1.1.4.</u>
<b>Preferred share</b>	Shares that carry preferential rights in the distribution of profits. The voting right can be excluded (preferred shares without voting rights). The preferential right may consist in particular of a share in the profits attributable to the share in advance (advance dividend) or an increased share in the profits (additional dividend) (section 139 of the AktG).
<b>WDCCI power</b>	Power to write down and convert relevant capital instruments in accordance with Article 21 of the SRMR and section 89 of the SAG.

Term	Definition
<b>Central Securities Depository (CSD)</b>	<p>Central depository for securities that holds and manages securities for credit institutions. In accordance with section 1-(3) of the DepotG, central depositories for securities are credit institutions which are recognised as central depositories for securities <del>by a competent authority of their country of domicile according to the law of the home country, pursuant to Article 16(1) of the CSDR, and that provide core services in Germany referred to in Section A point (2) of the Annex to the CSDR. Pursuant to Article 2(1) point (1) of the CSDR, a central depository is a legal person that operates a securities settlement system pursuant to Section A point (3) of the Annex and that provides at least one other core service pursuant to Section A of the Annex.</del></p> <p>In Germany, only Clearstream Banking AG currently holds the position of a domestic central securities depository within the meaning of section 1-(3) of the DepotG.</p>

# I. Introduction and objectives of this document

The SRMR and the German SAG provide resolution authorities with the WDCCI power (in accordance with Article 21 of the SRMR and Section 89 of the SAG) and the bail-in tool (in accordance with Article 27 of the SRMR and Section 90 of the SAG) in order to absorb losses and/or to recapitalise ~~an institution~~ institutions under resolution. Those instruments comprise the write-down of relevant capital instruments and bail-inable liabilities and/or their conversion into equity or other CET1 instruments ~~if necessary~~. Due to similar technical processes, for the purposes of this document the WDCCI power and the bail-in tool are both referred to as "bail-in".

In general, the bail-in provides the resolution authority with the following three powers:

- participation of holders of shares or other CET1 instruments;
- write-down and conversion of relevant capital instruments;
- creditor participation (bail-inable liabilities).

The bail-in mechanic comprises the powers in accordance with section 101 of the SAG. It can be divided into the following three steps:

- (1) the cancellation of shares or other CET1 instruments;
- (2) the write-down of the nominal value or the outstanding amount of relevant capital instruments and bail-inable liabilities; and
- (3) the conversion of relevant capital instruments and bail-inable liabilities into shares or other CET1 instruments.

The institution under resolution must on the one hand reflect the aforementioned steps to ~~execute~~ implement the bail-in in its internal IT-systems (**internal bail-in implementation**). On the other, the involved Financial Market Infrastructures must also reflect the bail-in in their systems. The bail-in thereby becomes visible for all market participants (**external bail-in implementation**). The external bail-in implementation is based on the ~~information statements~~ contained in the resolution order, complemented by further information from the institution under resolution and/or its agent (e.g. appointed paying agent).

This Guidance Notice describes the overall process of the external bail-in implementation in the Federal Republic of Germany as considered most efficient by BaFin and the actors, which were involved in the drafting of this document: ~~with the framework of European and national requirements~~. It complements the Circular regarding the Minimum Requirements for Implementing a Bail-in (MaBail-in) by putting into concrete terms the external bail-in implementation.<sup>5</sup> The Guidance Notice neither describes preparatory measures in conjunction with the drafting and publication of the resolution order nor the further necessary activities resulting from the bail-in, such as the internal implementation by the institution under resolution. ~~In the previous version, the Guidance Notice only contained a default case scenario.~~ In this version of the Guidance Notice the ~~original default case scenario is~~ extended ~~case scenario of the previous version is widened~~ by (i) considering further levels of complexity, ~~especially in connection with the safe custody and servicing of instruments by International Central Securities Depositories ("ICSD Add-On")~~, and (ii) including additional actors (see information box). In ~~a~~ future ~~version, versions, additional~~ cross-border aspects will also be taken into account.

The Guidance Notice is addressed to all ~~resolution entities~~ institutions in the Federal Republic of Germany, whose resolution planning envisages the application of the WDCCI power/the bail-in tool. It does not mat-

<sup>5</sup> See point 4.3.3.1. of the MaBail-in.



ter here whether the institutions or groups are under the direct responsibility of the national resolution authority or under the direct responsibility of the Single Resolution Board (SRB).<sup>6</sup> However, institutions or groups that are resolvable because, in the view of the resolution authority, it is possible to open insolvency proceedings over the assets of the institution or group pursuant to Article 10 of the SRMR or Sections 57 or 58 of the SAG, are excluded.

Chapter II of the Guidance Notice provides an overview of the actors involved in the process and outlines their responsibilities in the external bail-in execution. In Chapter III the relevant contact details of the FMI and BaFin for the implementation can be found. Chapter IV provides an overview of the overall process of the external bail-in execution according to the resolution order ~~and~~. In doing so, a distinction is made between process tasks of the domestic bail-in implementation, which technically primarily involves CBF and WM Datenservice; and the ICSD bail-in execution, which primarily involves CBL and EB. The Chapter describes the operational steps of the external bail-in implementation to be performed by the actors involved as well as their concrete tasks, whereby country-specific requirements as regards to the capital markets law of third countries are excluded. In addition, it includes requirements and sample templates regarding the information, which must be provided by the institution under resolution and/or its agent to the FMIs.

<sup>6</sup> Reference is made in the following to MaBail-in for Less Significant Institutions; the DE-IRT Bail-in Guidance applies for Significant Institutions.

Please note:

### Underlying assumptions: Extended case scenario

While the previous version of the Guidance Notice initially described the default case scenario of external bail-in implementation, the extended case scenario, building on the default case scenario, now takes up further elements, including change of legal form and the pool factor. The following assumptions apply to the extended case scenario:

- The institution under resolution can have any legal form prior to resolution (e.g. AöR, GmbH, eG, AG).
- The resolution authority may order a change of legal form into a stock corporation if this is necessary for the application of the resolution measures.
- The instruments previously issued by the institution under resolution may comprise, inter alia, various instruments of ownership, plain vanilla bearer bonds (Inhaberschuldverschreibungen referred to as ISV hereinafter) as well as borrower's note loans (Schuldscheindarlehen referred to as SSD hereinafter) and registered bonds (Namenschuldverschreibungen referred to as NSV hereinafter).
- For all instruments issued by the institution under resolution, the reduction of the nominal value or the outstanding amount will take place either by adjusting the nominal value or, in the case of pool factor instruments, by adjusting the corresponding pool factor. A change in the reduction type is not envisaged as part of the resolution measure.
- Clearstream Banking Frankfurt (CBF) is the CSD for all instruments issued by the institution under resolution.
- Shares and ISV are cleared, settled, and traded in Germany only.
- Cross-border related activities, or the involvement of actors from other jurisdictions, are not considered.
- The resolution authority has the power to suspend or discontinue trading in financial instruments that are traded on a trading venue within the meaning of section 2 (22) of the German Securities Trading Act or by a systematic internaliser (please note: the process of discontinuation/suspension of trading has currently only been agreed with the actors mentioned in Chapter II).

In the extended case scenario, the resolution authority applies the following powers in the resolution order, for example:

- cancellation of shares or other CET1 instruments (section 101 (2) no. 1 of the SAG);
- write-down of the outstanding amount of the ISV, SSD and NSV (section 101 (2) nos. 3 and 4 of the SAG);
- conversion of the ISV, SSD and NSV into new shares (section 101 nos. 5 and 6 of the SAG);
- where applicable, discontinuation/suspension of trading (section 79 (3) of the SAG);
- where applicable, change of legal form (section 77 (3) of the SAG);
- where applicable, suspension of payments (section 78 (1) no. 3 of the SAG and section 82 (1) of the SAG);

**Note:** For the targeted application of the relevant chapters of the guidance notice, institutions should first conduct an analysis of the instruments, exchanges as well as central securities depositories affected by the bail-in (see [MaBail-in](#) or [DE-IRT-Bail-in-Guidance](#)).

Please note:

### **Underlying assumptions: Extended case scenario – “ICSD Add-On”**

This version of the Guidance Notice takes up the extended case scenario of the previous version and widens it by additional elements. The extension is mainly a so-called “ICSD Add-On”. In doing so, the new version takes into account cross-border aspects in connection with the safe custody and servicing of international bearer bonds by the International Central Securities Depositories CBL and EB. In the case of instruments issued by an institution under resolution, the focus is broadened to include structured bearer bonds. The following assumptions apply:

- The institution under resolution can have any legal form prior to resolution (e.g. AöR, GmbH, eG, AG).
- The resolution authority may order a change of legal form into a stock corporation if this is necessary for the application of the resolution measures.
- Clearstream Banking Frankfurt (CBF), Clearstream Banking Luxembourg S.A. (CBL) and Euroclear Bank SA/NV (EB) are the CSDs for instruments issued by the institution under resolution. The safe custody of securities via foreign CSDs (e.g. Iberclear, DTC) is not yet considered.
- The instruments previously issued by the institution under resolution may comprise, among others, the following:
  - (i) Instruments issued through and centrally deposited in Germany by CBF:*
    - Bearer and registered shares (with restricted transferability, where applicable);
    - unstructured bearer bonds, issued in any currency, with and without pool factor, percentage-quoted and unit-quoted;
    - structured bearer bonds, issued in euros, with and without pool factor, percentage-quoted. The unit-quoted structured bearer bonds will be considered in the next extension stage of the Guidance Notice.
  - (ii) Instruments issued and not held by central securities depositories in Germany:*
    - diverse instruments of ownership (e.g. of a limited liability company or cooperative society);
    - unstructured borrower's note loans and registered bonds, issued in any currency;
    - structured borrower's note loans and registered bonds, issued in any currency.
  - (iii) Instruments issued and centrally deposited abroad via CBL and EB:*
    - unstructured international bearer bonds, issued in any currency, with or without pool factor, percentage-quoted and unit-quoted. International bearer bonds may have been issued by the institution under resolution in the form of a Classical (CGN) or New Global Note (NGN).
- For all instruments issued by the institution under resolution, the reduction of the nominal value or the outstanding amount will take place either by adjusting the nominal value or, in the case of pool factor instruments, by adjusting the corresponding pool factor. A change in the reduction type is not envisaged as part of the resolution measure.
- In this Guidance Notice, the process of discontinuation/suspension of trading on German stock exchanges within the meaning of section 2 of the BörsG and the Multilateral Trading Facilities and Organised Trading Facilities operated by them is considered.

- The suspension and termination of trading by Systematic Internalisers and Multilateral and Organised Trading Facilities that are not operated by an exchange within the meaning of section 2 of the BörsG is not subject of this Guidance Notice (note: for information on this please refer to the Guidance Notice on trade suspension on non-exchanges in the context of bank resolution).

In the extended case scenario – “ICSD Add-On”, the resolution authority applies the following powers in the resolution order, for example:

- cancellation of shares or other CET1 instruments (section 101 sentence 2 no. 1 of the SAG);
- write-down of the outstanding amount of the bearer bonds, SSD and NSV (section 101 sentence 2 nos. 3 and 4 of the SAG);
- conversion of the bearer bonds, SSD and NSV into new shares (section 101 nos. 5 and 6 of the SAG);
- where applicable, change of legal form (section 77 (3) of the SAG);
- where applicable, discontinuation/suspension of trading (section 79 (3) of the SAG);
- where applicable, suspension of payments (section 78 (1) no. 3 of the SAG and section 82 (1) of the SAG);

## II. Actors and their responsibilities

Table 1 provides an overview of the actors who are involved in the external bail-in implementation and their respective responsibilities.

Actor	Organisation	Responsibility
<b>Resolution authority</b>	BaFin	<ul style="list-style-type: none"> <li>Drafting and publication of the resolution order and communication to the FMIs involved;</li> <li>informing the exchange(s) about the features of the new shares;</li> <li>where necessary, ordering the suspension/re-suspension of trading of the instruments issued by the bank.</li> </ul>
<b>Supervisory authorities of the ICSDs</b>	CSSF NBB	<ul style="list-style-type: none"> <li><u>Acknowledgement of resolution order;</u></li> <li><u>acknowledgement of instruction letter of the resolution authority.</u></li> </ul>
<b>Agent<sup>7</sup></b>	Agent of the institution under resolution, responsible among other things for the execution of payments to investors (e.g. dividends or interest)	<p>Depending on service agreement with bank:</p> <ul style="list-style-type: none"> <li><u>generationPreparation</u> of the instruction letter and supporting documents and transmission to the FMIs involved;</li> <li>creation of the global certificate for the new shares, submission to the Central Securities Depository and notification of the stock exchange(s) concerned;</li> <li>provision of bank/securities account details of holders of <u>SSDs/NSVsSSD/NSV</u> and, where applicable, the existing shareholders affected by the bail-in.</li> </ul>
<b>Bank</b>	Institution under resolution (resolution entity)	<ul style="list-style-type: none"> <li>Preparation of the instruction letter and supporting documents and <u>submissiontransmission</u> to the FMIs involved;</li> <li><u>where applicable, appointment of the ICSDs with settlement blocking for international bearer bonds affected by the bail-in;</u></li> <li>where applicable, drafting of the "simplified listing application" for new shares and submission to the relevant stock exchange(s);</li> <li>creation of the global certificate for the new shares <u>and</u>, submission to the Central Securities Depository and notification of the stock exchange(s) concerned;</li> <li>provision of bank/securities account details of holders of <u>SSDs/NSVsSSD/NSV</u> and, where applicable, the existing shareholders affected by the bail-in;</li> <li>preparation of the information on the handling of suspended interest and principal payments and submission to the <u>NNA and the Central Securities Depository, the central securities depository, where applicable, to the ICSDs and the CDs/CSPs.</u></li> </ul>

<sup>7</sup> Please note: The reference to the agent is only applicable if the institution under resolution does not perform the duties of the agent, but instead commissions an external service provider.

Actor	Organisation	Responsibility
<b>Exchange(s)</b> <u>Exchange(s) as well as multilateral trading facilities (MTFs) and organised trading facilities (OTFs) operated by exchanges</u>	Frankfurt Stock Exchange, Stuttgart Stock Exchange, Munich Stock Exchange, Berlin Stock Exchange, Dusseldorf Stock Exchange, <u>Eurex Germany</u> , <u>Eurex Repo</u> , Hamburg Stock Exchange, Hannover Stock Exchange, <u>Tradegate Exchange</u>	<ul style="list-style-type: none"> <li>Suspension and, where applicable, the discontinuation and/or suspension/resumption of trading of the instruments issued by the bank;</li> <li>where applicable, listing of new shares.</li> </ul>
<b>Exchange Supervisory Authority(ies)</b>	The highest state authority responsible for the supervision of the respective stock exchange	<ul style="list-style-type: none"> <li>Acknowledgement of discontinuation/suspension of trading;</li> <li>acknowledgement of the resumption of <del>trading</del> trading.</li> </ul>
<b>Common Depository</b>	<u>Common Depository of ICSDs for securities issued in the form of a Classical Global Note, generally a credit institution</u>	<ul style="list-style-type: none"> <li><u>where applicable, interruption of operations (e.g., transfer of funds to ICSDs) in connection with payments (interest and principle) for international bearer bonds;</u></li> <li><u>adjustment of the Classical Global Note in the course of the write-down and/or conversion of international bearer bonds;</u></li> <li><u>provision of the mark-down instructions (write-down and/or conversion) to the ICSDs.</u></li> </ul>
<b>Common Service Provider</b>	<u>Common Service Provider of the ICSDs for securities issued in the form of a New Global Note, generally a credit institution</u>	<ul style="list-style-type: none"> <li><u>where applicable, interruption of operations (e.g., transfer of funds to ICSDs) in connection with payments (interest and principle) for international bearer bonds;</u></li> <li><u>provision of the mark-down instructions (write-down and/or conversion) to the ICSDs.</u></li> </ul>
<b>Common Safekeeper</b>	<u>Common Depository of the ICSDs for securities issued in the form of a New Global Note, generally a (international) CSD or the Common Service Provider</u>	<ul style="list-style-type: none"> <li><u>Adjustment of the New Global Note in the course of the write-down and/or conversion of international bearer bonds.</u></li> </ul>
<b>Custodian bank</b>	Any custodian bank that is a participant of the involved CSD, where shareholders or creditors have a securities account	<ul style="list-style-type: none"> <li>Reflection of bail-in in the securities accounts of the creditors affected and notification of the customers.</li> </ul>
<b>NNA</b>	WM Datenservice	<ul style="list-style-type: none"> <li>Reflection of the discontinuation/suspension of trading and, where applicable, the suspension of payments (interest and principal) in the data stock;</li> <li>set-up of <del>the</del> data stock for the bail-in implementation. This includes the creation/assignment of ISINs for new shares as well as the adjustment of master data (static and event data) of the affected instruments (e.g. change of nominal value or adjustment of the pool factor, adjustment of interest and redemption data, <u>reflection of the reduction of percentage-quoted structured bearer bonds in the system</u>);</li> <li>provision of the data stock to the bank, CSD, the exchange(s) and other market participants.</li> </ul>

Actor	Organisation	Responsibility
<b>Administrator of the interim account</b>	Institution under resolution or any other CSD participant appointed by the institution under resolution as administrator of the interim account	<ul style="list-style-type: none"> <li>Administration of the interim account for new shares;</li> <li>allocation of the new shares to the securities accounts of the holders of <u>SSDs/NSVsSSD/NSV</u> as well as existing shareholders affected by the bail-in, at their respective custodian banks.</li> </ul>
<b>Central Securities Depository (CSD)</b>	Clearstream Banking Frankfurt	<ul style="list-style-type: none"> <li><u>Where applicable, settlement blocking;</u></li> <li><u>where applicable, suspension of interest and principal payments;</u></li> <li><u>technical bail-in implementation in the systems;</u></li> <li><u>delivery of new shares resulting from the conversion of international bearer bonds to the ICSDs;</u></li> <li>reflection of bail-in in participants' accounts.</li> </ul>
<b>International Central Securities Depository</b>	Clearstream Banking Luxembourg S.A., Euroclear Bank SA/NV	<ul style="list-style-type: none"> <li><u>Where applicable, settlement blocking for international bearer bonds;</u></li> <li><u>where applicable, suspension of interest and principal payments for international bearer bonds;</u></li> <li><u>technical bail-in implementation in the systems;</u></li> <li><u>receipt of new shares from CBF resulting from the conversion of the affected international bearer bonds;</u></li> <li><u>reflection of bail-in in participants' accounts.</u></li> </ul>

Table 1: Overview of the actors involved in the bail-in

### III. Contact details and contact persons

#### 1. General contacts

##### 1. After-Disclaimer and important comments

**Disclaimer:** The information on contact details and contact persons has been recorded by BaFin to the best of its knowledge and belief. BaFin accepts no liability for the correctness and completeness of the information or for the functionality of the e-mail addresses and telephone numbers.

**Important note for the entities involved:** The entities involved are requested to notify BaFin (Division AM 2) without delay of any inaccuracies or planned changes to the contact details and other information.

**Important note about the times:** It should be noted that the Central European Time (CET) applies to all time data listed in the following table, in order to prepare the external bail-in implementation process. In the first step after the publication of the resolution order, it is not necessary to contact BaFin. Nevertheless, with Guidance Notice. In addition, it should also be noted that summer and winter time must be taken into account in accordance with legal regulations in the Federal Republic of Germany.

##### 2. BaFin contacts

With regard to further communication with BaFin, all e-mails must be sent to the e-mail addresses listed specified in the table:<sup>8</sup> below are to be used:

Organisation	Contact person or organisational unit	E-mail address	E-mail address Phone number
BaFin	Division Resolution Tools	<a href="mailto:resolutiontools.AM2@bafin.de">resolutiontools.AM2@bafin.de</a>	<a href="mailto:resolutiontools.AM2@bafin.de">resolutiontools.AM2@bafin.de</a>
	Division Crisis Management	<a href="mailto:resolution.AM3@bafin.de">resolution.AM3@bafin.de</a>	<a href="mailto:resolution.AM3@bafin.de">resolution.AM3@bafin.de</a>
CBF	Business Duty Manager available 24/7	<a href="mailto:bail-in@clearstream.com">bail-in@clearstream.com</a>	+352 (0) 243-344-99
WM Datenservice	Corporate Actions	<a href="mailto:WM-BRRD-BAIL-IN@wmdaten.com">WM-BRRD-BAIL-IN@wmdaten.com</a>	+49 (0) 69-2732-480

Table 2: Contacts to be informed by the bank – BaFin’s contact data

<sup>8</sup> Important disclaimer: The information has been recorded by BaFin to the best of its knowledge and belief. BaFin accepts no liability for the correctness and completeness of the information or for the functionality of the e-mail addresses and telephone numbers.

Important note for the entities involved: The entities involved are requested to notify BaFin (Division AM 2) without delay of any inaccuracies or planned changes to the contact details and other information.



### 2.3. Contact data of CBF, WM Datenservice, BaFin, and the ICSDs

With regard to communication with the Financial Market Infrastructures, the contact data specified in the table below are to be used:

<b>Organisation</b>	<b>Organisational unit</b>	<b>E-mail address</b>	<b>Phone number</b>
<b>CBF</b>	Business Duty Manager available 24/7	<a href="mailto:bail-in@clearstream.com">bail-in@clearstream.com</a> <a href="mailto:CAGermany@clearstream.com">CAGermany@clearstream.com</a>	+352 (0) 243-344-99
<b>WM Datenservice</b>	Corporate Actions	<a href="mailto:WM-BRRD-BAIL-IN@wmdaten.com">WM-BRRD-BAIL-IN@wmdaten.com</a>	+49 (0) 69-2732-480
<b>CBL</b>	Corporate Actions Luxembourg	<a href="mailto:CA_mandatory.events@clearstream.com">CA_mandatory.events@clearstream.com</a>	
<b>EB</b>	Corporate Actions	<a href="mailto:CA.OMK@euroclear.com">CA.OMK@euroclear.com</a> <a href="mailto:ASO.OMK@euroclear.com">ASO.OMK@euroclear.com</a>	

**Table 3: Contact data of CBF, WM Datenservice and the ICSDs**

### 3.4. Contact details and times of the exchanges for suspension of trading

If trading in certain instruments is to be suspended as part of the resolution measure, the exchange times listed in the table below must be considered:

Exchange	Organisational unit	E-mail address	24h fax availability	Times for trading suspension
<b>Frankfurt Stock Exchange</b>	Cash Trading	frankfurt.trading@deutsche-boerse.com	+49 (0) 69-2111-3991	by 8:00 a.m.
<b>Stuttgart Stock Exchange</b>	Listing & membership	listing@boerse-stuttgart.de	+49 (0) 711-222-985-497	by 7:30 a.m.
<b>Munich Stock Exchange</b>	Management	feiler@boerse-muenchen.de, marktsteuerung@boerse-muenchen.de, handelsueberwachung@boerse-muenchen.de	+49 (0) 89-5490-4532 (trading hours)	by 7:30 a.m.
<b>Berlin Stock Exchange</b>	Trade surveillance	bail-in@boerse-berlin.de	+49 (0) 30-311-091-78	by 7:30 a.m.
<b>Dusseldorf Stock Exchange</b>	Management	aussetzungen@boersenag.de, huest@boersenag.de	+49 (0) 40-361-302-23	by 7:00 a.m.
<b>Eurex Germany</b>	Derivatives Trading	<a href="mailto:eurextrading@eurex.com">eurextrading@eurex.com</a>	<del>+49 (0) 69-211-143-45</del>	<a href="#">by 9:00 a.m.</a>
<b>Eurex Repo</b>	Repo Trading Operations	<a href="mailto:ExR-Handelsaussetzungen@eurex.com">ExR-Handelsaussetzungen@eurex.com</a>	<del>+41 (0) 43-430-72-75</del>	<a href="#">by 7:00 a.m.</a>
<b>Hamburg Stock Exchange</b>	Management	aussetzungen@boersenag.de, huest@boersenag.de	+49 (0) 40-361-302-23	by 7:00 a.m.
<b>Hannover Stock Exchange</b>	Management	aussetzungen@boersenag.de, huest@boersenag.de	+49 (0) 40-361-302-23	by 7:00 a.m.
<b>Tradegate Exchange</b>	Trade surveillance	<a href="mailto:huest@tradegate-exchange.de">huest@tradegate-exchange.de</a>	<del>+49 (0) 30-896-065-25</del>	<a href="#">by 7:30 a.m.</a>

Table 4: Contact details and times of the exchanges for suspension of trading

### 4.5. Contact details for the submission of the “simplified listing application”

If a “simplified listing application” is to be submitted by the bank/agent to the exchange(s) (see Chapter IV.2.9), it is to be sent to the following addresses:<sup>9</sup>

Exchange	Organisational unit	E-mail address	24h fax availability
<b>Frankfurt Stock Exchange</b>	Listing Services	listing@deutsche-boerse.com	+49 (0) 69-2111-3991
<b>Stuttgart Stock Exchange</b>	Listing & membership	listing@boerse-stuttgart.de	+49 (0) 711-222-985-497
<b>Munich Stock Exchange</b>	Management	feiler@boerse-muenchen.de, zulassung@boerse-muenchen.de	+49 (0) 89-5490-4555
<b>Berlin Stock Exchange</b>	Listing	bail-in@boerse-berlin.de	+49 (0) 30-311-091-78
<b>Dusseldorf Stock Exchange</b>	Management	zulassung-dus@boersenag.de	+49 (0) 40-361-302-23

<sup>9</sup> [The trading venue Eurex Germany is not listed here because its product portfolio exclusively comprises derivatives. The Eurex Repo trading venue is also not included in the table because, as a general rule, only securities already in circulation are traded.](#)

Exchange	Organisational unit	E-mail address	24h fax availability
<b>Hamburg Stock Exchange</b>	Listing	zulassung-hh@boersenag.de, s.marxsen@boersenag.de	+49 (0) 40 -361-302-23
<b>Hannover Stock Exchange</b>	Listing	zulassung-han@boersenag.de, s.marxsen@boersenag.de	+49 (0) 40-361-302-23
<b>Tradegate Exchange</b>	Trade surveillance	<a href="mailto:huest@tradegate-exchange.de">huest@tradegate-exchange.de</a>	<a href="tel:+493089606525">+49 (0) 30-896-065-25</a>

Table 5: Contact details for the submission of the “simplified listing application” by the bank

## 5.6. Contact details for informing the exchanges about the global certificate

The bank/agent must inform the following organisational units at the exchange(s) on which the new shares are to be listed about the submission of the global certificate for the new shares to the CSD (see Chapter IV.2.11):<sup>10</sup>

Organisation	Organisational unit	E-mail address	24h fax availability
<b>Frankfurt Stock Exchange</b>	Listing Services	<a href="mailto:listing@deutsche-boerse.com">listing@deutsche-boerse.com</a>	+49 (0) 69-2111-3991
<b>Stuttgart Stock Exchange</b>	Listing & membership	<a href="mailto:listing@boerse-stuttgart.de">listing@boerse-stuttgart.de</a>	+49 (0) 711-222-985-497
<b>Munich Stock Exchange</b>	Management	<a href="mailto:feiler@boerse-muenchen.de">feiler@boerse-muenchen.de</a> , <a href="mailto:zulassung@boerse-muenchen.de">zulassung@boerse-muenchen.de</a>	+49 (0) 89-5490-4555 (trading hours)
<b>Berlin Stock Exchange</b>	Listing	<a href="mailto:bail-in@boerse-berlin.de">bail-in@boerse-berlin.de</a>	+49 (0) 30-311-091-78
<b>Dusseldorf Stock Exchange</b>	Management	<a href="mailto:aussetzungen@boersenag.de">aussetzungen@boersenag.de</a> , <a href="mailto:zulassung-dus@boersenag.de">zulassung-dus@boersenag.de</a> , <a href="mailto:huest@boersenag.de">huest@boersenag.de</a>	+49 (0) 40-361-302-23 (trading hours)
<b>Hamburg Stock Exchange</b>	Management	<a href="mailto:aussetzungen@boersenag.de">aussetzungen@boersenag.de</a> , <a href="mailto:zulassung-hh@boersenag.de">zulassung-hh@boersenag.de</a> , <a href="mailto:huest@boersenag.de">huest@boersenag.de</a>	+49 (0) 40-361-302-23 (trading hours)
<b>Hannover Stock Exchange</b>	Management	<a href="mailto:aussetzungen@boersenag.de">aussetzungen@boersenag.de</a> , <a href="mailto:zulassung-han@boersenag.de">zulassung-han@boersenag.de</a> , <a href="mailto:huest@boersenag.de">huest@boersenag.de</a>	+49 (0) 40-361-302-23 (trading hours)
<b>Tradegate Exchange</b>	Trade surveillance	<a href="mailto:huest@tradegate-exchange.de">huest@tradegate-exchange.de</a>	<a href="tel:+493089606525">+49 (0) 30-896-065-25</a>

Table 6: Contact details for informing the exchanges about the global certificate by the bank

<sup>10</sup> [The trading venue Eurex Germany is not listed here because its product portfolio exclusively comprises derivatives. The Eurex Repo trading venue is also not included in the table because, as a general rule, only securities already in circulation are traded.](#)

## IV. Bail-in implementation

### 1. Overview of the overall process

This chapter is dedicated to the different steps of

This Chapter will first provide an overview of the overall process of the external bail-in implementation. Then a distinction will be made between domestic and ICSD bail-in implementation. In particular, it must be taken into account that the participation of ICSDs is always considered as an extension ("ICSD Add-On") to the domestic process of the external bail-in implementation.<sup>11</sup> This will be explained in the following on the basis of the possible roles of ICSDs.

The ICSDs can participate in the process of the external bail-in implementation, on the one hand, as "issuer CSDs" and, on the other hand, as "investor CSDs" or participants of the domestic central securities depository. If instruments have been issued by the institution under resolution via the international central securities depository, then the ICSDs are involved as "issuer CSDs" in the reduction of these instruments as a consequence of a write down and/or conversion. They implement the reduction on the basis of information provided by domestic actors. In doing so, additional activities, in particular of the tasks 5, 10, 12 and 20 of the domestic bail-in implementation, must be considered by the domestic actors (see Chapter IV.3).

If the instruments issued via the ICSDs, as part of the resolution measure, are converted into new shares, the ICSDs assume the role of the "investor CSDs". The technical generation and safe custody of the new shares is performed by the domestic central securities depository (CBF). CBF books the new shares into the accounts of its participants, which include, among others, the ICSDs. The ICSDs, in turn, distribute the new shares to their participants.

Thus, the ICSD process always builds on the domestic process of the external bail-in implementation. The following figure is intended to clarify the relationships described herein:

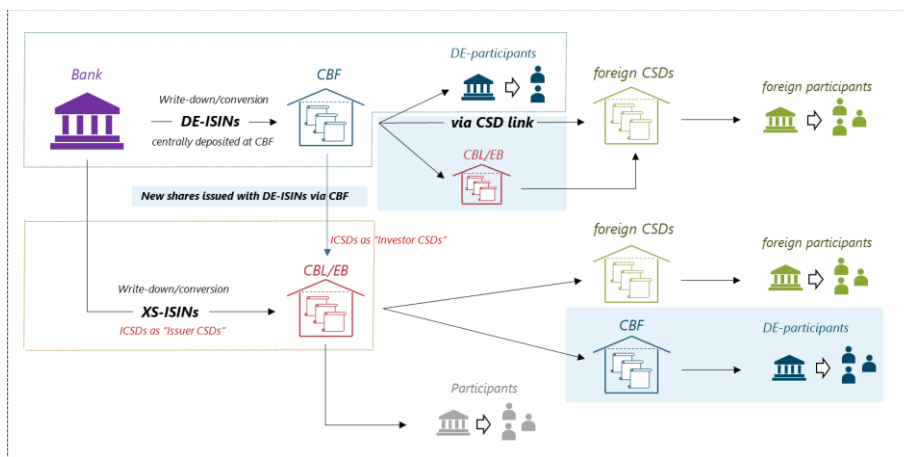


Figure 1: The role of the (I)CSDs in the process of the external bail-in implementation

<sup>11</sup> See, in the following, the SRB document "Reflecting bail-in in the books of the International Central Securities Depositories (ICSDs)" at: <https://www.srb.europa.eu/en/content/srb-issues-new-guidance-bail-international-debt-securities>.

The following Chapters IV.2 and IV.3 are dedicated to the different steps in the external bail-in implementation, i.e.:

- (1) cancellation of existing ownership rights;
- (2) write-down of ~~ISV~~instruments; and
- (3) conversion of ~~ISV, SSD and NSV~~instruments into new shares.

Figure 1 includes a process diagram for 2 provides an overview of the overall process, i.e. including the actors involved and the timeframe temporal sequence of the external bail-in implementation. The overall process is divided into several process tasks. Each process task is summarised below in a task table. ~~The~~In addition, the documents that must be drafted by the institution under resolution or, if applicable, its agent, are described and explained in detail in Chapter III.3. Where necessary, information boxes highlighted in blue provide detailed background information with a description of the respective process task.

The timetable for the process of the external bail-in implementation, as described in this document, presupposes that the institution under resolution or, if applicable, its agent provides all necessary information to the involved FMIs in a timely manner and in the correct format. This Guidance Notice describes the process of the external bail-in implementation as it is considered to be most effective and efficient and describes a target to be achieved. This also applies to the timeframe envisaged for the overall process. However, it is important to note that, in the event of a crisis, there may be deviations and changes in both, the temporal sequence and the sequence of steps.

**Please note:**

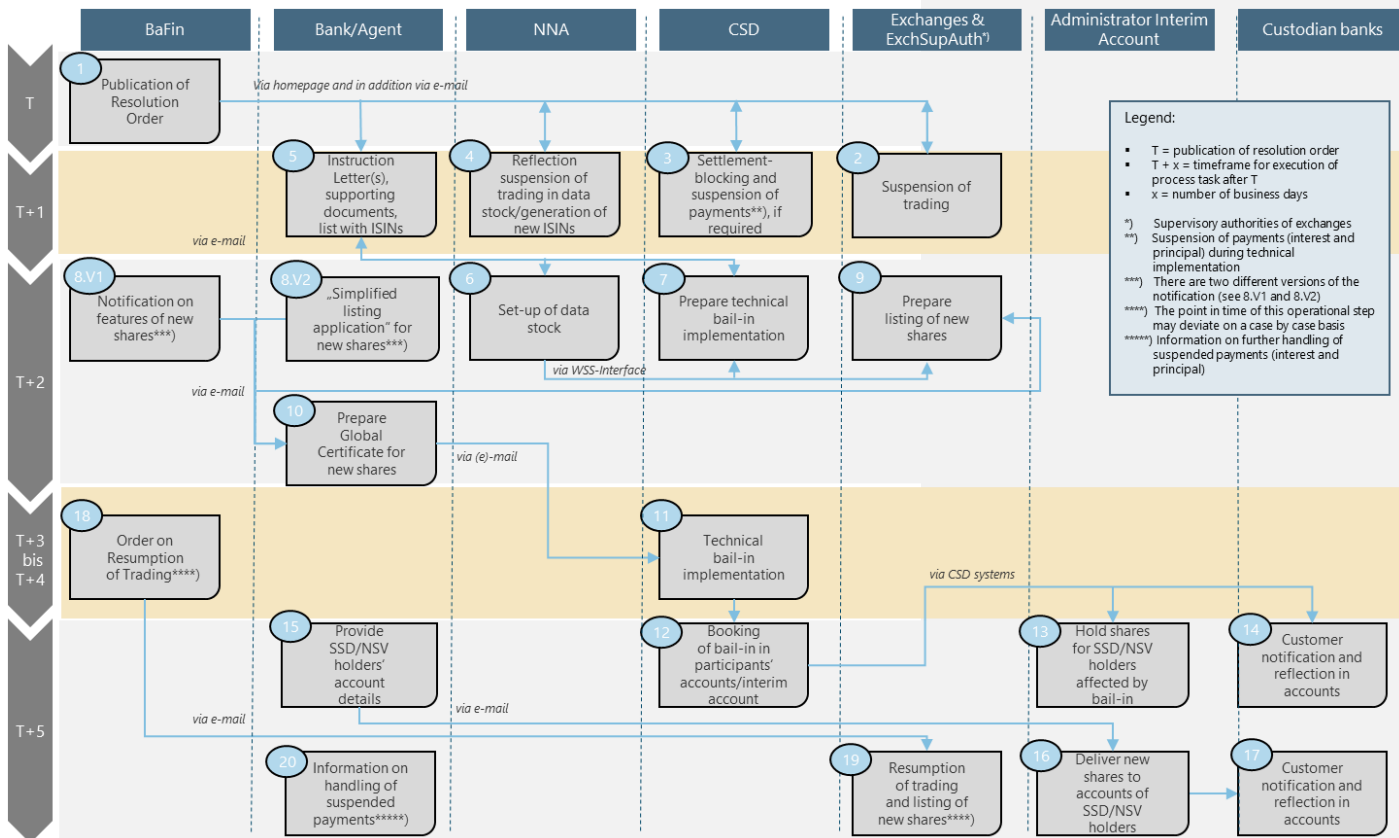
~~The process task descriptions assume that e-mails are used for the exchange of information. However, this Guidance Notice does not prescribe the communication channels to be used for the exchange of information between the actors involved. The actors involved can choose communication channels that deviate from the Guidance Notice.~~

~~However, for the exchange of information with BaFin, it must be ensured that the information exchanged is transmitted in an encrypted form and via secure channels according to BaFin's current technical requirements. Corresponding data protection regulations, in particular the requirements of the GDPR, must be observed. In addition, the aspects of information security, protection against fraud and sabotage, etc. must be taken into account when exchanging information.~~

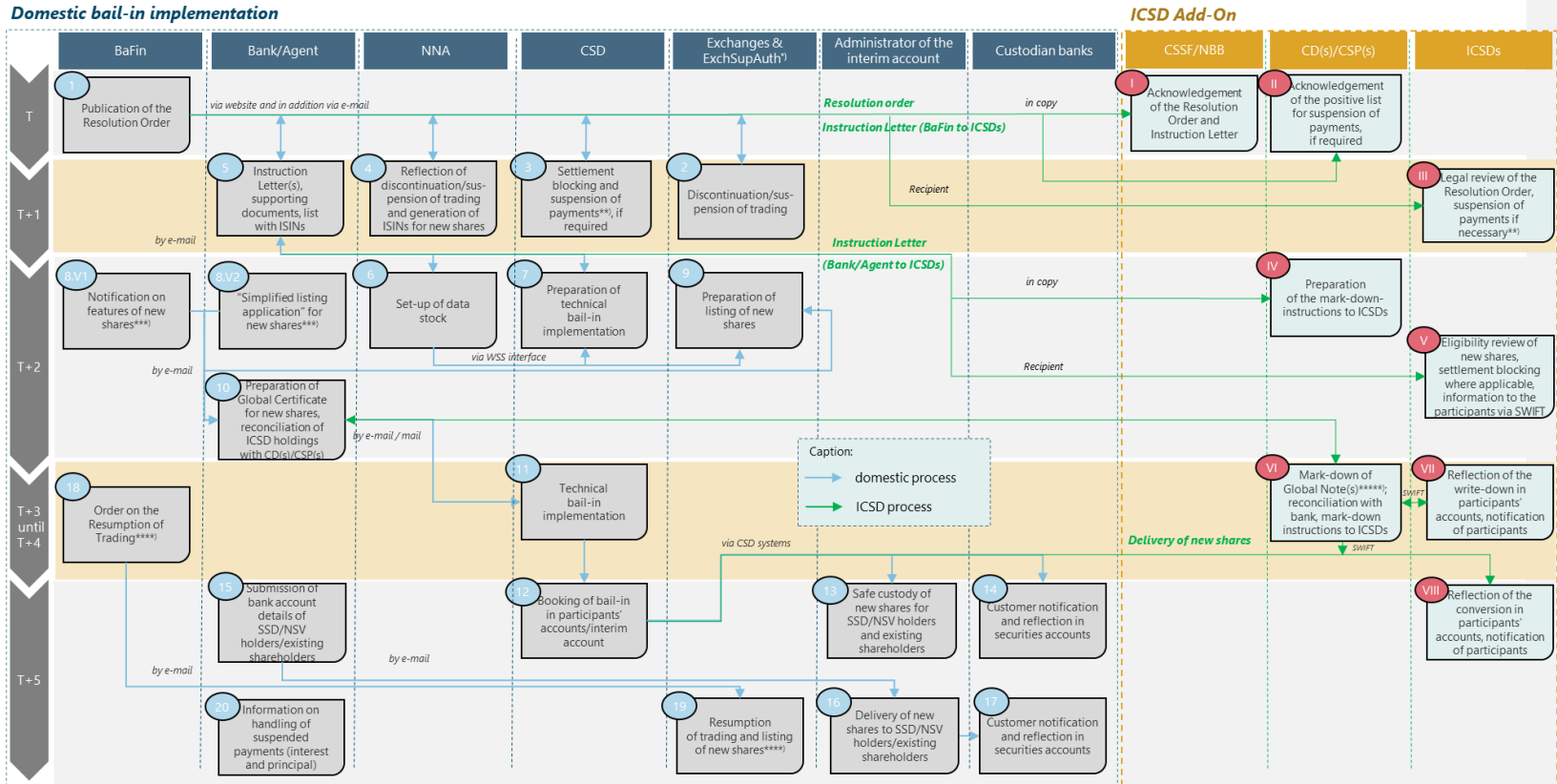
**Please note:**

The process task descriptions assume that e-mails are used for the exchange of information. However, this Guidance Notice does not prescribe the communication channels to be used for the exchange of information between the actors involved. The actors involved can choose communication channels that deviate from the Guidance Notice.

However, for the exchange of information with BaFin, it must be ensured that the information exchanged is transmitted in an encrypted form and via secure channels according to BaFin's current technical requirements. Corresponding data protection regulations, in particular the requirements of the GDPR, must be observed. In addition, the aspects of information security, protection against fraud and sabotage, etc. must be taken into account when exchanging information.



**Domestic bail-in implementation**



**Figure 2: Overview of the overall: Overall process of the external bail-in implementation**

T = date of announcement of the resolution order by the resolution authority, T + x = time frame for the task implementation after T, x = number of business days  
 (\*) Supervisory authorities of exchanges, (\*\*) Suspension of payments (interest and principal) during technical bail-in implementation, (\*\*\*) There are two different versions of the notification to the exchanges (see 8.V1 and 8.V2), (\*\*\*\*) The time of the task implementation can differ from the one specified in this overview, (\*\*\*\*\*) The adjustment of the Global Certificate(s)/Global Note(s) takes place via the Common Depositories (CGN) and the Common Safekeepers (NGN).

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## 2. Description of the process tasks: Domestic bail-in implementation

2.1 This chapter describes the different tasks of the overall process of an external Task table: Domestic bail-in implementation. The overviews describe for each

This chapter includes an overview of the domestic bail-in implementation process and the overview of the individual process tasks. Each process task describes the actors responsible for the execution of the task actor, the necessary information basis base, the time of implementation execution, the activities to be performed, carried out for the execution and the information and communication channels after conclusion.

Figure 3 provides an overview of the German bail-in implementation process, also the involved actors and the temporal sequence of the external bail-in implementation.



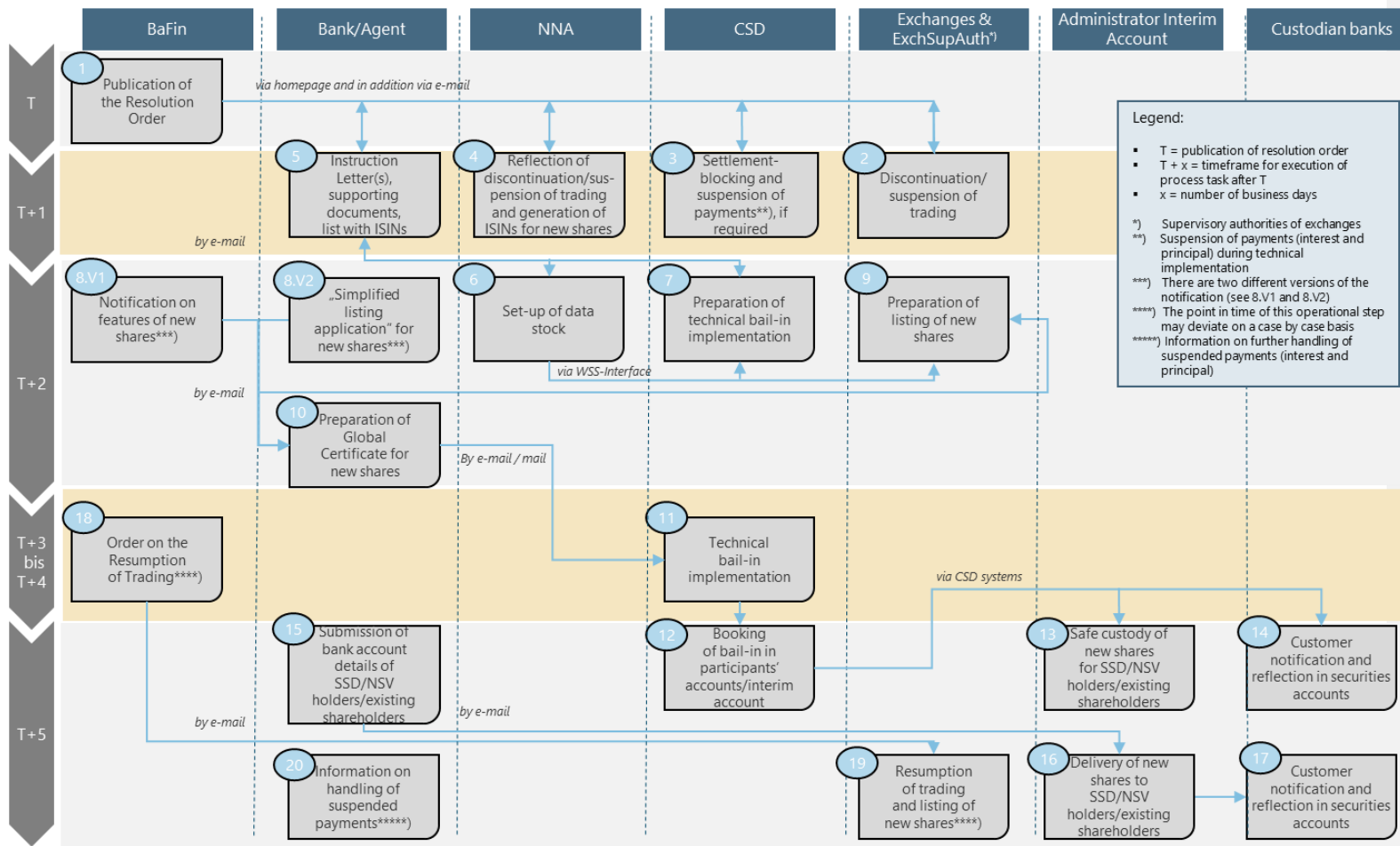


Figure 3: Overall process of the process task.

**domestic bail-in implementation**

2.12.2 Task 1: Publication of the resolution order

<b>Task owner</b>	Resolution authority
<b>Source of information</b>	n.a.
<b>Time of implementation</b>	T
<b>Task implementation</b>	<p>The resolution authority:</p> <ul style="list-style-type: none"> <li>• calculates the bail-in;</li> <li>• elaborates the <b>resolution order</b> with <b>appendices/positive lists</b><sup>12</sup>;</li> <li>• and in addition prepares the <b>positive lists</b> as MS Excel files:<sup>13</sup> <ul style="list-style-type: none"> <li>○ of the <b>instrumentinstruments affected by the bail-in</b>;</li> <li>○ <u>with discretionary exclusions</u> in accordance with section 92 of the SAG;</li> <li>○ with instruments for which <b>discontinuation/suspension of trading</b> is to be applied;</li> <li>○ with instruments affected by the bail-in for which <b>payments are to be suspended</b>.</li> </ul> </li> </ul> <p>The resolution order may include a <b>discontinuation/suspension of trading</b>. If the suspension of trading is ordered only for the instruments affected by the bail-in, then the resolution authority makes available to the exchange(s) the <b>positive list</b> in Excel format with the instruments for which trading is to be discontinued/suspended. The positive list is provided to the exchange(s) before the start of trading (e.g. in the case of the Frankfurt Stock Exchange before 8:00 a.m.) on the date on which the discontinuation/suspension of trading is to become effective.</p> <p>If <b>payments</b> are incurred during the technical implementation of the bail-in, they should be <b>suspended</b>: <u>(see background information in Chapter IV.2.4)</u>. The information necessary for this (e.g. ISIN, the regular payment date for interest and/or redemption, the period of suspension) will be provided to the NNA and the CSD in a <b>positive list</b> in Excel format (before 8:30 a.m.).</p> <p>All positive lists are to be checked by the bank/agent and corrected or supplemented if necessary (see task 5).</p>
<b>Forwarded information</b>	<ul style="list-style-type: none"> <li>• Publication of the <b>resolution order</b> on the resolution authority's <b>website, together</b> with indication of the date and time of the publication<sup>14, 74</sup>.</li> </ul>

<sup>12</sup> See the background information on the resolution order.

<sup>13</sup> See AnnexAppendix III.

<sup>14</sup> The resolution authority also informs the entities specified in section 140 (2) of the SAG that a resolution action is being taken.

- sending of the **resolution order** via **e-mail** directly to **bank, NNA, CSD,** and **exchange(s)**, their respective **supervisory authority(ies)**, and where applicable information via **phone**;
- sending of the **positive list** with **the instruments affected by the bail-in** (as MS Excel file) to the **bank** by **e-mail**;
- sending of the **positive list** with **discretionary exclusions** (as MS Excel file) to the **bank** by **e-mail**;
- sending of the **positive list** with the ISINs of the instruments affected by the **discontinuation/suspension of trading** (MS Excel file) via **e-mail** to the **exchange(s)**, the **central securities depository** and the **bank**;
- sending of the **positive list** with the **instruments** affected by the bail-in for which **payments** are **to be suspended** (as MS Excel file) by **e-mail** to the **bank/agent** and in copy to the **NNA** and the **CSD**.

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**Task table 1: Publication of the resolution order**

Background information:

## Resolution order

Pursuant to Section 136 of the SAG the resolution order comprises, inter alia, at least the following information:

- information regarding the **institution under resolution**;
- details of **resolution tools** used;
- **effective date of the resolution**;
- **write-down percentages**;
- **conversion percentages**; and
- **effective conversion rates**.

Furthermore, the resolution order may contain other information, including:

- information on **change of legal form**, where applicable;
- details of **discontinuation/suspension of trading**, where applicable;
- details of the **suspension of payments**, where applicable.

Pursuant to Section 140 (4) of the SAG, the resolution authority publishes the resolution order on its website immediately after its decree and informs other authorities and further stakeholders (pursuant to Section 140 (2) of the SAG) as well as the institution under resolution.

The write-down percentages, conversion percentages and effective conversion rates of the resolution order apply to all instruments affected by the bail-in unless they are discretionarily excluded. The above percentages and effective conversion rates are determined per rank.

The capital instruments and liabilities affected by the bail-in are in principle indicated by a description of their respective liability rank of the bail-in sequence in the resolution order.

### Appendices to the resolution order:

The resolution order includes the following appendices:

- A positive list of **instruments affected** (e.g. SSD, NSV and ISV) by the bail-in within each rank (including the respective applicable write-down percentage, conversion percentage and effective conversion rate). The statutory exclusions in accordance with section 91 of the SAG and the discretionary exclusions under section 92 of the SAG are not included in this appendix.
- A positive list with **discretionary exclusions**. If there are no discretionary exclusions, they will not be listed in the resolution order. In the corresponding Excel positive list (see process task 1 and Annex III), it will be explicitly confirmed to the bank if there are no discretionary exclusions.
- A positive list of instruments affected (e.g. SSD, NSV and ISV) by the **suspension of payments**. The list only includes instruments that have not been reduced by 100%. If they were reduced by 100%, they are deemed to have been fulfilled, so that no suspension of payments can be ordered. It is important to note: irrespective of this, the institution and the CSD must ensure that no payment outflows occur from these instruments, as they no longer legally exist.

Background information:

## **Resolution order**

Pursuant to Section 136 of the SAG the resolution order comprises, inter alia, at least the following information:

- information regarding the **institution under resolution**;
- details of **resolution tools** used;
- **effective date of the resolution**;
- **write-down percentages** (with 7 decimal places, e.g. 70,1234567%);
- **conversion percentages** (with 7 decimal places, e.g. 30,1234567%); and
- **effective conversion rates** (with 9 decimal places, e.g. 0,720000000).

Furthermore, the resolution order may contain other information, including:

- information on **change of legal form**, where applicable;
- details of **discontinuation/suspension of trading**, where applicable;
- details of the **suspension of payments**, where applicable.

Pursuant to Section 140 (4) of the SAG, the resolution authority publishes the resolution order on its website immediately after its decree and informs other authorities and further entities (pursuant to Section 140 (2) of the SAG) as well as the institution under resolution.

The write-down percentages, conversion percentages and effective conversion rates of the resolution order apply to all instruments affected by the bail-in unless they are discretionarily excluded. The above percentages and effective conversion rates are determined per rank.

The capital instruments and liabilities affected by the bail-in are in principle indicated by a description of their respective liability rank of the bail-in sequence in the resolution order.

### **Appendices to the resolution order:**

The resolution order includes the following appendices:

- A positive list of **instruments affected** (e.g. SSD, NSV and bearer bonds) by the bail-in within each rank (including the respective applicable write-down percentage, conversion percentage and effective conversion rate). The statutory exclusions in accordance with section 91 of the SAG and the discretionary exclusions under section 92 of the SAG are not included in this appendix.
- A positive list with **discretionary exclusions**. If there are no discretionary exclusions, they will not be listed in the resolution order. In the corresponding Excel positive list (see task 1 and Appendix III), it will be explicitly confirmed to the bank if there are no discretionary exclusions.
- A positive list of instruments affected (e.g. SSD, NSV and bearer bonds) by the **suspension of payments**. The list only includes instruments that have not been reduced by 100%. If instruments were reduced by 100%, they are deemed to have been fulfilled in accordance with section 99 (1) of the SAG, which results in the redemption of any obligations or claims arising from them, so that no suspension of payments can be ordered. It is important to note: irrespective of this, the institution and the CSD should ensure that no payment outflows occur from these instruments, as they no longer legally exist.

- A positive list of instruments affected by the **suspension of trading**, provided that a trading suspension has not been ordered for all instruments of the institution.

**Additional lists:**

Furthermore, the above appendices/positive lists to the resolution order are provided to the bank and the market participants involved as MS Excel files for review and technical processing (see [process-task 1](#) and [AnnexAppendix III](#)).

All positive lists must be checked by the bank for completeness and correctness. The positive lists with additions and other corrections must be sent by the bank to the resolution authority without delay. The resolution authority then submits the ~~supplemented~~[supplementary](#) or corrected positive lists to the relevant market participants (see [process-task 5](#)).

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### 2.2.3 Task 2: Discontinuation/suspension of trading

<b>Task owner</b>	Exchange(s)
<b>Source of information</b>	<b>Resolution order</b> received from resolution authority including the <u>(supplementary or corrected) positive list</u> with ISINs of instruments (drafted in <u>tasks 1 and 5</u> ) for which a <u>discontinuation/suspension</u> of trading will be implemented.
<b>Time of implementation</b>	T + 1 (before start of trading)
<b>Task implementation</b>	<p>The exchange(s) implement(s) the suspension of trading immediately after receiving the resolution order (and where applicable the positive list with the ISINs of the affected instruments).</p> <p>For those instruments for which a discontinuation of trading has been ordered, the trade will be discontinued. After this, trading of the affected instruments is no longer possible.</p>
<b>Forwarded information</b>	<ul style="list-style-type: none"> <li>Information to the <b>market</b> of the discontinuation/suspension of trading via <b>trading information stream</b>, (e.g. via information provider);</li> <li>information to the <b>NNA</b> about the discontinuation/suspension of trading via the <b>interface (automated process)</b>;</li> <li>information to the <b>resolution authority(ies)</b> via <b>e-mail</b> of the discontinuation/suspension of trading;</li> <li>information to the <b>competent Exchange Supervisory Authority(ies)</b> via <b>e-mail</b> of the discontinuation/suspension of trading;</li> <li>information to the <b>bank on the discontinuation/suspension of trading via e-mail</b> (necessary for the generation of the instruction letter and supporting documents in preparation for task 5).</li> </ul> <p><b>Please note:</b> <u>If the instruments listed in the resolution order and in the positive list affected by suspension of trading are not traded on the respective exchange, the bank and the resolution authority must also be informed (by e-mail).</u></p>

Task table 2: Discontinuation/suspension of trading

Background information:

## Discontinuation/suspension of trading

For the implementation of the bail-in, a discontinuation/suspension of trading is not mandatory for the instruments affected by the bail-in. In accordance with section 79 (3) of the SAG, the resolution authority may, however, require a discontinuation/suspension of trading to the extent necessary for the performance of its tasks in the resolution order. For example, a waiver of the trading of financial instruments may be considered for those instruments that no longer exist after the resolution action. This would apply, for example, to cancelled shares. For bearer bonds affected by the bail-in, a discontinuation of trading could be ordered. A resumption of trading concerns only those instruments which still exist after the bail-in has been implemented. The process described in this document is based on the assumption that the resumption of trading will take place at T+5. However, this may be conducted at a later point in time (depending on the order to resume trading).

The resolution authority has the power to suspend or terminate trading in financial instruments traded on a trading venue within the meaning of section 2 (22) of the Securities Trading Act or by a systematic internaliser. Without prejudice to this power, the respective management of an exchange can also order (on its own initiative) the discontinuation/suspension of trading of instruments issued by the institution under resolution on the basis of applicable rules (such as stock exchange rules and regulations).

The suspension of trading may comprise the following **two dimensions**:

**a. — only instruments affected by the bail-in:**

In this case, the positive list of the affected instruments has to be sent to the exchange(s) by the resolution authority on the day the suspension of trading becomes effective before the start of trading (e.g. for the Frankfurt Stock Exchange, this is 8:00 a.m.). The exchange(s) suspend(s) trading for all affected instruments, by order of the resolution authority. During the compilation of the information required by the bank for the implementation (task 5), the bank must check the non-conclusive list for correctness and completeness. The bank must send the corrected positive list to the resolution authority without delay. The resolution authority then submits the corrected list to the exchange(s) (see process task 5).

**b. — all instruments issued by the bank:**

The exchange(s) suspend(s) trading for all instruments issued by the bank, by order of the resolution authority. In this case, the resolution authority does not submit a separate list to the exchange(s). The bank has to check the notification of the exchange(s) (see task 2) on the suspension of trading, to ensure that all instruments issued by it have been taken into account for the suspension of trading, and if necessary, without undue delay send a correcting notification to the resolution authority for submission to the exchange(s).

For the transmission of the additional list of securities or a correcting notification on the part of the bank to the resolution authority, the opening times of the exchange(s) listed in Chapter III.2 must be considered.



Background information:

## **Discontinuation/suspension of trading**

For the implementation of the bail-in, a discontinuation/suspension of trading is not mandatory for the instruments affected by the bail-in. In accordance with section 79 (3) of the SAG, the resolution authority may, however, require a discontinuation/suspension of trading to the extent necessary for the performance of its tasks in the resolution order. For example, a waiver of the trading of financial instruments may be considered for those instruments that no longer exist after the resolution action. This would apply, for example, to cancelled shares. For bearer bonds affected by the bail-in, a discontinuation of trading could be ordered. A resumption of trading concerns only those instruments which still exist after the bail-in has been implemented. The process described in this document is based on the assumption that the resumption of trading will take place at T+5. However, this may be conducted at a later point in time (depending on the order to resume trading).

The resolution authority has the power to suspend or terminate trading in financial instruments traded on a trading venue within the meaning of section 2 (22) of the Securities Trading Act or by a systematic internaliser. Without prejudice to this power, the respective management of an exchange can also order (on its own initiative) the discontinuation/suspension of trading of instruments issued by the institution under resolution on the basis of applicable rules (such as stock exchange rules and regulations).

The suspension of trading may comprise the following **two dimensions**:

### **a. only instruments affected by the bail-in:**

In this case, the positive list of the affected instruments has to be sent to the exchange(s) by the resolution authority on the day the suspension of trading becomes effective before the start of trading (e.g. for the Frankfurt Stock Exchange, this is 8:00 a.m.). The exchange(s) suspend(s) trading for all affected instruments, by order of the resolution authority. During the compilation of the information required by the bank for the implementation (task 5), the bank must check the non-conclusive list for correctness and completeness. The bank must send the corrected positive list to the resolution authority without delay. The resolution authority then submits the corrected list to the exchange(s) (see task 5).

### **b. all instruments issued by the bank:**

The exchange(s) suspend(s) trading for all instruments issued by the bank, by order of the resolution authority. In this case, the resolution authority does not submit a separate list to the exchange(s). The bank has to check the notification of the exchange(s) (see task 2) on the suspension of trading, to ensure that all instruments issued by it have been taken into account for the suspension of trading, and if necessary, without undue delay send a correcting notification to the resolution authority for submission to the exchange(s).

For the transmission of the supplementary list of securities or a correcting notification on the part of the bank to the resolution authority, the opening times of the exchange(s) listed in Chapter III.4 must be considered.

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### 2.3.2.4 Task 3: Settlement blocking and suspension of payments, if necessary

<b>Task owner</b>	Central Securities Depository (CSD)
<b>Source of information</b>	<ul style="list-style-type: none"> <li>• <b>Resolution order</b> received from resolution authority (see task 1);</li> <li>• <del>the</del> <b>(supplementary or corrected) positive list</b> received from the resolution authority with the instruments for <b>discontinuation/suspension of trading</b> affected by the bail-in (<del>tasks</del> <b>1 and 5</b>);</li> <li>• <del>the</del> <b>(supplementary or corrected) positive list</b> with the instruments for <b>suspension of payments</b> received from the resolution authority (<del>tasks</del> <b>1, and 5</b>);</li> </ul>
<b>Time of implementation</b>	T+1
<b>Task implementation</b>	<ul style="list-style-type: none"> <li>• Based on the <b>(supplementary or corrected)</b> positive list with instruments for the discontinuation/suspension of trading, the CSD may, if necessary, decide to initiate settlement blocking for instruments affected by the bail-in.</li> <li>• The CSD, if directed to do so in the resolution order, <b>and/or</b>, if instruments no longer exist, suspends all interest and principal payments (in accordance with the MS Excel list) which accrue during the technical implementation of the bail-in.</li> </ul>
<b>Forwarded information</b>	<ul style="list-style-type: none"> <li>• Information to <b>resolution authority</b> regarding the settlement blocking and the suspension of payments via <b>e-mail</b>, if applicable;</li> <li>• information to <b>bank</b> regarding settlement blocking and the suspension of payments via <b>e-mail</b> (needed for the generation of the instruction letter and supporting documents in task 5), if applicable.</li> </ul>

Task table 3: Settlement blocking and suspension of payments

#### Background information:

#### **Suspension of payments (interest and principal)**

The resolution authority may, if necessary, order the suspension of interest and principal payments in the resolution order, provided that the instruments were only partially reduced. This is because, for technical reasons, in principle no interest or (partial) principal payments should be made for the instruments affected by the bail-in during the period of the technical implementation of the bail-in. If payments are due during this period, they should in principle be made – adjusted – within two weeks after conclusion of the technical implementation of the bail-in. It should also be noted that: If instruments are reduced in full by conversion and/or write-down with the resolution order coming into effect, no suspension of payments can be ordered by the resolution authority, as these instruments are deemed to have been fulfilled. Consequently, payment obligations of these instruments cease to exist without a decree in the resolution order.

Information on how to deal with suspended payments is communicated by the bank or its agent to the relevant market participants after the technical implementation of the bail-in (see process task 20).

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Background information:

### **Suspension of payments (interest and principal)**

The resolution authority may, if necessary, order the suspension of interest and principal payments in the resolution order, provided that the instruments were only partially reduced. This is because, for technical reasons, in general no interest or (partial) principal payments should be made for the instruments affected by the bail-in during the period of the technical implementation of the bail-in. If payments are due during this period, they should in principle be made – adjusted – within two weeks after conclusion of the technical implementation of the bail-in. It should also be noted that: If instruments, upon the resolution order becoming effective, have been reduced in full or in part through conversion and/or write down, no suspension of payment can be ordered by the resolution authority for the reduced portion of the instruments, as this is deemed to be fulfilled in full pursuant to section 99 of the SAG. Consequently, payment obligations of these instruments cease to exist without a decree in the resolution order.

If instruments have been reduced in full or in part, the institution and the central securities depository should ensure that no cash outflows occur from these instruments during the period of the technical bail-in implementation.

Information on how to deal with suspended payments is communicated by the bank or its agent to the relevant market participants after the technical implementation of the bail-in (see task 20).

#### 2.4.2.5 Task 4: Reflection of discontinuation/suspension of trading and ISIN-generation of ISINs

<b>Task owner</b>	National Numbering Agency (NNA)
<b>Source of information</b>	<ul style="list-style-type: none"><li>• <b>Resolution order</b> received from resolution authority (see task 1);</li><li>• <del>the</del> <b>(supplementary or corrected) positive list</b> sent by the resolution authority with the instruments <b>affected by the bail-in for suspension of payments</b> (tasks 1 and 5);<sup>15</sup></li><li>• <b>information</b> regarding the <b>discontinuation/suspension of trading</b> received from exchange(s) (task 2).</li></ul>
<b>Time of implementation</b>	T+1
<b>Task implementation</b>	<ul style="list-style-type: none"><li>• The NNA reflects the <b>discontinuation/suspension of trading</b> in its <b>data stock</b> by adjusting the status of the affected <b>ISINs</b> accordingly.</li><li>• The NNA also generates the <b>ISIN(s)</b> for the new shares resulting from the conversion of the instruments into shares.</li></ul>

<sup>15</sup> It should be noted that the suspension of payments is reflected in master data (static and event data) by WM Datenservice in task 6.

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**Forwarded information**

- Notification to **resolution authority** regarding the update in data stock by **e-mail**;
- provision of the **ISIN(s)** of the new shares to **bank**/the agent via **e-mail**;
- provision of the **ISIN(s)** of the new shares to **resolution authority** via **e-mail**;
- information to the **market** regarding the discontinuation/suspension of trading (**via IT interfaces**).

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**Task table 4: Reflection of discontinuation/suspension of trading and ISIN generation**

## 2.5.2.6 Task 5: Instruction letter, supporting documents, list with ISINs

<b>Task owner</b>	Bank/agent
<b>Source of information</b>	<ul style="list-style-type: none"> <li>• <b>Resolution order</b> received from resolution authority and its <b>appendices/positive lists</b> (see task 1);</li> <li>• the <b>positive lists</b> sent by the resolution authority in <b>Excel format</b> (see task 1 and <a href="#">AnnexAppendix III</a>);</li> <li>• <b>information</b> on <b>discontinuation/suspension of trading</b> sent by the exchange(s) (task 2);</li> <li>• where applicable, <b>information</b> regarding the <b>settlement blocking/blocking</b> as well as <b>the suspension of suspended payments</b> received from the CSD (see task 3);</li> <li>• <b>ISIN</b> for new shares provided by NNA (task 4).</li> </ul>
<b>Time of implementation</b>	T+1
<b>Task implementation</b>	<ol style="list-style-type: none"> <li>1.) The bank checks the <b>positive lists</b> from the resolution authority (see task 1 and <a href="#">AnnexAppendix III</a>) for correctness and completeness. If necessary, the bank sends a <b>correcting notification</b> to the <b>resolution authority</b> for submission to the exchange(s), the central securities depository and the NNA: <ul style="list-style-type: none"> <li>• the positive list of <b>the instruments affected by the bail-in</b>;</li> <li>• the positive list with <b>discretionary exclusions</b> in accordance with section 92 of the SAG;</li> <li>• the positive list with instruments for which <b>discontinuation/suspension of trading</b> is to be applied. In addition, the bank compares this list with the <b>notification from the exchange(s)</b> (see task 2);</li> <li>• the positive list with instruments affected by the bail-in for which <b>payments are to be suspended</b>.</li> </ul> </li> <li>2.) Based on the <b>positive list</b> of the resolution authority for the suspension of <b>paymentspayment</b>, the bank/agent <b>suspends the payments for (structured) SSD/NSV</b>.</li> <li>3.) Based on the resolution order and the positive lists, the bank/agent prepares the <b>following documents</b>: <ul style="list-style-type: none"> <li>– <b>instruction letter</b> (see also Chapter IV.4.1.1): it includes a short instruction to implement the bail-in as described in the resolution order and a reference to the supporting documents (operational guidelines and detailed list of instruments);</li> <li>– <b>operational guidelines</b> (see Chapter IV.4.1.1.2) that are prepared in consultation with the CSD and, where applicable, the exchange(s), and that contain detailed technical information on the implementation of the bail-in; as well as a</li> <li>– <b>detailed list of instruments</b> (see Chapter IV.4.1.1.3 <a href="#">and</a> IV.4.1.1.4) delivering, for each instrument affected by the bail-</li> </ul> </li> </ol>

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in, specific information needed by the NNA and the CSD in their systems for the technical implementation of the bail-in.

In order to be able to enter the ISIN for the new shares in the operational guidelines and the detailed list of the instruments the bank/its agent has to approach the NNA immediately after the publication of the resolution order and before 12.00 noon on the day of publication (if possible) in order to obtain the new ~~ISINs~~ISIN from the NNA and incorporate ~~them~~it in the above documents.

- 4.) For the conversion of SSD/NSV and instruments of ownership not held by central securities depositories into new shares, the bank/the agent has to:
- determine the **number of new shares** resulting from the conversion of ~~(structured)~~SSD/NSV and instruments of ownership not held by central securities depositories. These shares are booked into a dedicated interim account. The CSD must be informed;
  - determine an **administrator** of the **interim account** for the new shares resulting from the conversion of ~~(structured)~~SSD/NSV and instruments of ownership not held by central securities depositories. The CSD must be informed.

5.) If, at the time of the bail-in, a **supplementary obligation** exists with regard to a securities prospectus that is still valid, the **requirements of the Prospectus Regulation (Prospekt-VO)** must be complied with (see also the background information below).

5-)6.) In addition, the bank must ensure that the **listing documentation** deposited with the **central securities depository** for the securities affected by the bail-in (e.g. terms of issue, global certificate, articles of association of the issuer) is **updated**. This can also take place subsequent to the technical bail-in implementation.

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#### Forwarded information

- Sending of the **supplementary positive lists** or correcting notifications to the **resolution authority** for submission to the exchange(s), the central securities depository and the NNA by **e-mail**;
- submission of **instruction letter/and the supporting documents** directly to the **CSD** and **NNA** via **e-mail** and by **mail** for the purpose of implementation of a bail-in;
- submission of **instruction letter/and the supporting documents** for information to the **exchange(s)** via **e-mail**;
- submission of the **number of new shares** resulting from the conversion of ~~(structured)~~SSD/NSV to **CDSCSD** by **e-mail**;<sup>16</sup>
- submission of **information** regarding the **administrator of the interim account** for the new shares resulting from the conversion of ~~(structured)~~SSD/NSV to the CSD by **e-mail**;

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<sup>16</sup> If existing shareholders who previously owned instruments of ownership not held by central securities depositories (e.g. existing limited liability company shareholders) are entitled to receive new shares, their number of new shares must also be submitted to the CSD.

- submission of the **instruction letter/supporting documents** and the **number of new shares** resulting from the conversion of **(structured) SSD/NSV** to the **resolution authority** by **e-mail**;
- **publication** of the **operational guidelines** on the **website** of the bank for the **information of market participants** on the bail-in implementation and the implications on the affected instruments;
- submission of the **updated listing documentation** (terms of issue, global certificate, articles of association of the issuer, etc.) of securities affected by the bail-in to the **central securities depository** via established **communication channels** (e.g. electronically via the eMission Service, as a PDF per e-mail, by mail/bicycle courier, etc.) and to the **resolution authority** via **e-mail**. This can also take place subsequent to the technical bail-in implementation.

Task table 5: Instruction letter, supporting documents, supplementary positive lists

Background information:

### **Supplementary obligation of the issuer during the public offering of the securities**

In accordance with Article 23(1) of the Prospectus Regulation, any significant new factor, material incorrectness or any material inaccuracy with regard to the information included in a prospectus which arises or is discovered between the approval of the prospectus and the expiry of the offer period or, if later, the opening of trading on a regulated market, must be specified in a supplement to the prospectus. The bail-in constitutes an important new circumstance. Therefore, a supplement to the prospectus must be made by the issuer without delay after receiving the resolution order.

Background information:

## **Special features of the write-down and conversion of SSDs and NSVs as well as instruments of ownership not held by central securities depositories**

SSDs and NSVs do not constitute fungible securities according to German law. Hence, they are neither traded on exchanges nor centrally cleared and settled. Those instruments do not have a global certificate that is held in custody and administrated by the CSD. The physical documents serving as evidence of the SSD and NSV are usually held in custody by the issuer, the investors or, where relevant, an administrator. Information on the instruments and the investors is kept in a register maintained by the issuer itself or by an appointed registrar.

### **Write-down**

The implementation of the reduction (write-down) of SSDs and NSVs is executed internally by the issuer and/or its agents. No involvement of the CSD is necessary in this internal process. The implementation comprises the amendment of the documents related to the SSDs and NSVs (i.e. changing the outstanding amount) and of the register where those instruments are maintained. The issuer takes the write-down into account in its internal systems as well. The issuer or, if necessary, its agent also notifies the creditor affected about the reduction (write-down).

### **Conversion into new shares**

A **conversion into new shares** cannot be implemented by the issuer (bank), the involved agents and/or the registrar alone. The technical creation of the new shares, the booking in the interim account as well as the allocation to the SSD and NSV holders that are affected by the bail-in requires the involvement of the NNA and the CSD.

The **NNA** is responsible for the **creation and assignment** of the **ISIN** for the new shares.

The **CSD technically creates** the **new shares** after receiving the resolution order from the resolution authority and the global certificate from the bank/agent.

For the conversion into new shares, in a first step the bank/agents perform the reduction of the outstanding amount of the SSD and NSV in accordance with the conversion percentage mentioned in the resolution order in its internal systems (**internal execution**). This also includes the amendment of the related documents (documentary evidence, etc.).

For the technical creation of new shares, the bank/agent has to inform the CSD about the **number of new shares** resulting from the conversion of SSDs and NSVs. After the technical creation of the new shares, the CSD books this number of new shares into an interim account managed by an administrator nominated specifically for that purpose by the bank. The bank can also act as administrator for this account. Either the main account set up with the CSD or an existing sub-account can be used as interim account. The creation of a specific interim account with the CSD must be avoided.

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The administrator of the interim account allocates the new shares to the SSD/NSV holders affected by the bail-in. The administrator will require the following information:

- the **number of shares** resulting from the conversion that each SSD/NSV holder affected by the bail-in is entitled to receive (in accordance with conversion percentage and effective conversion rate defined in the resolution order); and
- the **securities account/bank details** of the SSD/NSV holders affected by the bail-in to which the new shares must be transferred.

**Please note:** It is possible that one rank in the liability cascade is affected by both the write-down and the conversion. This means that part of the outstanding amount of the affected instruments is reduced by write-down and part of the outstanding amount by conversion into new shares.

If existing shareholders who previously owned instruments of ownership not held by central securities depositories (e.g. existing limited liability company shareholders) are entitled to receive new shares, the safe-keeping of the new shares for the affected existing shareholders will be handled in the same way as the safe-keeping of the new shares for the SSD/NSV holders.

Background information:

### **Special aspects of the write-down and conversion of (structured) SSD and NSV as well as instruments of ownership not held by central securities depositories**

SSD and NSV do not constitute fungible securities according to German law. Hence, they are neither traded on exchanges nor centrally cleared and settled. Those instruments do not have a global certificate that is held in custody and administrated by the CSD. The physical documents serving as evidence of the SSD and NSV are usually held in custody by the issuer, the investors or, where relevant, an administrator. Information on the instruments and the investors is kept in a register maintained by the issuer itself or by an appointed registrar.

#### **Write-down**

The implementation of the reduction (write-down) of SSD and NSV is executed internally by the issuer and/or its agents. No involvement of the CSD is necessary in this internal process. The implementation comprises the amendment of the documents related to the SSD and NSV (i.e. changing the outstanding amount) and of the register where those instruments are maintained. The issuer takes the write-down into account in its internal systems as well. The issuer or, if necessary, its agent also notifies the creditor affected about the reduction (write-down).

#### **Conversion into new shares**

A **conversion into new shares** cannot be implemented by the issuer (bank), the involved agents and/or the registrar alone. The technical creation of the new shares, the booking in the interim account as well as the allocation to the SSD and NSV holders that are affected by the bail-in requires the involvement of the NNA and the CSD. The conversion of SSD/NSV into new shares is thus divided into two parts.

On the one hand, the **bank** or its agents must perform the reduction of the outstanding amount of the SSD and NSV in accordance with the conversion percentage mentioned in the resolution order in its internal systems (**internal execution**). This also includes the amendment of the related documents (documentary evidence, etc.).

On the other hand, the **NNA** and the **CSD** are also involved. Here, the **NNA** is responsible for the **creation and assignment** of the **ISIN** for the new shares. The **CSD technically creates the new shares** after receiving the resolution order from the resolution authority and the global certificate from the bank/agent.

For the technical creation of new shares, the bank/agent has to inform the CSD about the **number of new shares** resulting from the conversion of SSD and NSV. After the technical creation of the new shares, the CSD books this number of new shares into an interim account managed by an administrator nominated specifically for that purpose by the bank. The bank can also act as administrator for this account. Either the main account set up with the CSD or an existing sub-account can be used as interim account. The creation of a specific interim account with the CSD must be avoided.

The administrator of the interim account allocates the new shares to the SSD/NSV holders affected by the bail-in. The administrator will require the following information:

- the **number of shares** resulting from the conversion that each SSD/NSV holder affected by the bail-in is entitled to receive (in accordance with conversion percentage and effective conversion rate defined in the resolution order); and
- the **securities account/bank details** of the SSD/NSV holders affected by the bail-in to which the new shares must be transferred.

**Please note:** It is possible that one rank in the liability cascade is affected by both the write-down and the conversion. This means that part of the outstanding amount of the affected instruments is reduced by write-down and part of the outstanding amount by conversion into new shares.

If existing shareholders who previously owned instruments of ownership not held by central securities depositories (e.g. existing limited liability company shareholders) are entitled to receive new shares, the safe-keeping of the new shares for the affected existing shareholders will be handled in the same way as the safe-keeping of the new shares for the SSD/NSV holders.

The following table illustrates the derivation of the number of new shares for **unstructured SSD and NSV**:<sup>17</sup>

**Derivation of the number of new shares for unstructured SSD<sup>18</sup> and NSV based on the resolution order**

**Outstanding aggregate principal amount of the SSD/NSV in original currency:** EUR 1.000.000,(...)

**Accrued interest of the SSD/NSV in original currency:** EUR 50.000,(...)

**Current fees and charges of the SSD/NSV in original currency:** n.a.

**Relevant amount of the SSD/NSV in EUR:** EUR 1.050.000,(...)

**Conversion percentage (as provided in the resolution order):** 70,0000000%

**Effective conversion rate (as provided in the resolution order):** 0,720000000

<sup>17</sup> The brackets "(...)" after the decimal separator in the amounts mean that the respective amounts are to be applied in the calculations with the maximum possible number of decimal places.

<sup>18</sup> Please note: Borrower's note loans may be divided into tranches. The number of new shares resulting from the conversion must be calculated individually for each tranche. The outstanding aggregate principal amount is thus understood to be the outstanding principal amount per tranche of the SSD. See also Appendix III no. 7 of MaBail-in.

**Derivation of the number of new shares for unstructured SSD<sup>18</sup> and NSV based on the resolution order**

**Issue amount per share in EUR**  
**(as provided in the resolution order):** 1

$$\text{Number of new shares per SSD/NSV} = \frac{(\text{relevant amount in EUR} * \text{conversion percentage} * \text{conversion rate})}{\text{Issue amount per share in EUR}}$$

$$529.200.0000000 = \frac{\text{EUR } 1.050.000(\dots) * 70,0000000\% * 0,720000000}{\text{EUR } 1}$$

**To be taken into account for foreign currency registered bonds and promissory note loans:**

$$\text{Relevant amount per unit in EUR} = \text{relevant amount in original currency} * \text{exchange rate}^{19}$$

**Number of new shares for SSD/NSV: 1 SSD/NSV : 529.200.0000000 new shares**

**Table 7: Derivation of the number of new shares for unstructured SSD and NSV**

The following table illustrates the derivation of the number of new shares for **structured SSD and NSV**.<sup>20</sup>

**Derivation of the number of new shares for structured SSD and NSV based on the resolution order**

**Current market value/fair value<sup>21</sup> of the structured SSD/NSV in original currency EUR:** EUR 1.000.000,(...)

**Relevant amount of the SSD/NSV in EUR:** EUR 1.000.000,(...)

**Conversion percentage**  
**(as provided in the resolution order):** 70,0000000%

**Effective conversion rate**  
**(as provided in the resolution order):** 0,720000000

**Issue amount per share in EUR**  
**(as provided in the resolution order):** 1

<sup>19</sup> The exchange rate to be used is the one stated in the resolution order. As a rule, this is the exchange rate that was also used when the liability list was filled (e.g. according to MaBail-in).

<sup>20</sup> The brackets "(...)" after the decimal separator in the amounts mean that the respective amounts are to be applied in the calculations with the maximum possible number of decimal places.

<sup>21</sup> In accordance with data point 2.51 of the MaBail-in.

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**Derivation of the number of new shares for structured SSD and NSV based on the resolution order**

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$$\text{Number of new shares per SSD/NSV} = \frac{(\text{relevant amount in EUR} + \text{conversion percentage} + \text{conversion rate})}{\text{Issue amount per share in EUR}}$$

$$504.000,000000 = \frac{\text{EUR } 1.000.000, (...) + 70,000000\% + 0,72000000}{\text{EUR } 1}$$

**To be taken into account for foreign currency registered bonds and promissory note loans:**

$$\text{Relevant amount per unit in EUR} = \text{relevant amount in original currency} + \text{exchange rate}^{22}$$

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**Number of new shares for SSD/NSV: 1 SSD/NSV : 504.000,000000 new shares**

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**Table 8: Derivation of the number of new shares for structured SSD and NSV**

<sup>22</sup> The exchange rate to be used is the one stated in the resolution order. As a rule, this is the exchange rate that was also used when the liability list was filled (e.g. according to MaBail-in).

## 2.6.2.7 Task 6: Set-up of data stock

<b>Task owner</b>	National Numbering Agency (NNA)
<b>Source of information</b>	<ul style="list-style-type: none"> <li>• <b>Resolution order</b> received from resolution authority (see task 1);</li> <li>• <del>the</del> <b>(supplementary or corrected) positive list</b> sent by the resolution authority with the instruments for <b>suspension of payments</b> (see <del>tasks</del> <b>tasks</b> 1 and <b>Annex 5 and Appendix III</b>);</li> <li>• <b>instruction letter</b> and <b>supporting documents</b> received from bank/agent (task 5).</li> </ul>
<b>Time of implementation</b>	T+2
<b>Task implementation</b>	<ul style="list-style-type: none"> <li>• Where applicable, the NNA reflects the <b>suspension of payments</b> (interest and principal) in its data stock.</li> <li>• The NNA updates its data stock for the instruments affected by the bail-in taking into account the information provided by the bank/agent and the resolution authority. This comprises the <b>adjustment of master data</b> (static and event data) of the affected instruments (e.g. amendment of nominal values according to write-down percentage or adjustment of the pool factors); <b>of the bearer bonds, reflection of the reduction of percentage-quoted structured bearer bonds in the data stock</b>.</li> </ul>
<b>Forwarded information</b>	<ul style="list-style-type: none"> <li>• Upload of <b>updated data stock</b> and <b>ISINs</b> (created in task 4) via <b>IT-interface</b> to the data stock of the <b>CSD</b> (in case of the DBG, the Securities Service System WSS);</li> <li>• communication of the <b>updated data set</b> on the instruments affected by the bail-in to the <b>bank</b> via the corresponding <b>IT-interface</b>;</li> <li>• communication of the <b>updated information</b> on the instruments affected by the bail-in to the <b>exchange(s)</b> via <b>IT-interface</b> into WSS and to other <b>market participants</b>;</li> <li>• information to the <b>resolution authority</b> that data stock has been updated by <b>e-mail</b>.</li> </ul>

Task table 6: Set-up of data stock

Background information:

## Pool factor

The pool factor mathematically reflects the reduction of the nominal value of a bond. If the issuer specifies that the reduction is to be made by means of a pool factor, this is always equal to 1 at the time of issue. According to the redemption terms, the factor is reduced during the term and is equal to 0 at maturity. The nominal value of the bond remains unchanged and is, for example, EUR 1.000 throughout. To calculate the outstanding principal amount, the pool factor is multiplied by the issued nominal value.

### Example:

A bank issues a bearer bond as a pool factor bond with a nominal value of EUR 1.000 and a coupon (interest rate) of 5% p.a. on 1 January 2020. The term of the pool factor bond is 2 years. Interest and principal payments are made semi-annually.

During the term of the bond, the pool factor changes as follows: 1 (at the time of issue), 0,75 (after the first partial redemption), 0,5 (after the second partial redemption), 0,25 (after the third partial redemption), 0 (at final maturity). This means that the pool factor is reduced by 0,25 in each case.

The nominal value of the bond remains unchanged and is always EUR 1.000 during the term. It should be noted that the interest for the respective next interest period after a partial redemption has taken place is to be determined on the basis of the nominal value adjusted by the pool factor:

#### Time of issue:

Nominal value = EUR 1.000; pool factor = 1;

#### 1. Payment date:

Outstanding principal amount (old) = EUR 1.000; pool factor (old) = 1;

Redemption = EUR 250; interest = 5% p.a. \* 1/2 \* EUR 1.000 \* 1;

Outstanding principal amount (new) = EUR 1.000; pool factor (new) = 0,75;

#### 2. Payment date:

Outstanding principal amount (old) = EUR 1.000; pool factor (old) = 0,75;

Redemption = EUR 250; interest = 5% p.a. \* 1/2 \* EUR 1.000 \* 0,75;

Outstanding principal amount (new) = EUR 1.000; pool factor (new) = 0,5;

### 3. Payment date:

Outstanding principal amount (old) = EUR 1.000; pool factor (old) = 0,5;

Redemption = EUR 250; interest = 5% p.a. \* 1/2 \* EUR 1.000 \* 0,5;

Outstanding principal amount (new) = EUR 1.000; pool factor (new) = 0,25;

### Final maturity date:

Outstanding principal amount (old) = EUR 1.000; pool factor (old) = 0,25;

Redemption = EUR 250; interest = 5% p.a. \* 1/2 \* EUR 1.000 \* 0,25;

Outstanding principal amount (new) = EUR 1.000; Pool factor (new) = 0.

### Background information:

#### Unit quotation and percentage quotation of bearer bonds

Most ISVs in Germany are listed on stock exchanges as a **percentage of** their nominal value. For example, a market price of 105% for a bond with a nominal value of EUR 1.000 means that an investor pays EUR 1.050 (excluding accrued interest) when purchasing this bond. The bond buyer does not purchase a certain number of units of the bond, but only a certain nominal value in the corresponding currency at the current market price (in %).

The percentage-quoted bonds are reduced in the CSD's systems in the course of the bail-in on the basis of the outstanding principal amount per unit. The NNA adjusts the master data by reducing the nominal value or the pool factor of a bond (see Chapter IV.2.11 and Chapter IV.3.1.3).

Another form of listing on the stock exchange is the **unit quotation**. In this case, the stock exchange price is given in, for example, euros per unit of the security (no reference to the nominal value). At a price of, e.g. EUR 900, the bond buyer purchases one unit of the bond at that price.

The reduction in the CSD's systems from these ISVs is undertaken on a per-unit basis. In the case of the NNA, the nominal values or the pool factors are adjusted in the master data. The interaction of the two systems thus results in a reduction of the outstanding principal amount/pool factor per unit.

**Example:** A **unit-quoted bond** with a **pool factor** is **reduced in full by conversion**. The CSD debits all bonds from its system and credits new shares. For each unit of the bond, new shares are credited in accordance with the technical conversion ratio (see Chapter IV.3.1.3):

**1 unit = x,xxx new shares.** WM-Datenservice sets the pool factor to zero.

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Background information:

### **Special information “Presentation of the external bail-in implementation in the WM Data” by WM Datenservice**

The description of the adjustment of master data (static and event data) as well as the specification of the corresponding WM data fields is provided in the special information “Presentation of the external bail-in implementation in the WM data” by WM Datenservice.

For each technical scenario 1-6 (cf. Chapter IV.2.12 and IV.4), the special information contains the WM data fields and explanations on the respective data deliveries in the master data (static and event data) for instruments of ownership, unstructured bearer bonds (unit- and percentage-quoted, with and without pool factor) and percentage-quoted structured bearer bonds (with and without pool factor).

The special information “Presentation of the external bail-in implementation in the WM data” is published on the WM Datenservice website.

Background information:

### **Pool factor**

The pool factor mathematically reflects the reduction of the nominal value of a bond. If the issuer specifies that the reduction is to be made by means of a pool factor, this is always equal to 1 at the time of issue. According to the redemption terms, the factor is reduced during the term and is equal to 0 at maturity. The nominal value of the bond remains unchanged and is, for example, EUR 1.000 throughout. To calculate the outstanding principal amount, the pool factor is multiplied by the issued nominal value.

#### **Example:**

A bank issues a bearer bond as a pool factor bond with a nominal value of EUR 1.000 and a coupon (interest rate) of 5% p.a. on 1 January 2020. The term of the pool factor bond is 2 years. Interest and principal payments are made semi-annually.

During the term of the bond, the pool factor changes as follows: 1 (at the time of issue), 0,75 (after the first partial redemption), 0,5 (after the second partial redemption), 0,25 (after the third partial redemption), 0 (at final maturity). This means that the pool factor is reduced by 0,25 in each case.

The nominal value of the bond remains unchanged and is always EUR 1.000 during the term. It should be noted that the interest for the respective next interest period after a partial redemption has taken place is to be determined on the basis of the nominal value adjusted by the pool factor:

#### **Time of issue:**

Nominal value = EUR 1.000; pool factor = 1;

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**1. Payment date:**

Outstanding principal amount (old) = EUR 1.000; pool factor (old) = 1;

Redemption = EUR 250; interest = 5% p.a. \* 1/2 \* EUR 1.000 \* 1;

Outstanding principal amount (new) = EUR 1.000; pool factor (new) = 0,75;

**2. Payment date:**

Outstanding principal amount (old) = EUR 1.000; pool factor (old) = 0,75;

Redemption = EUR 250; interest = 5% p.a. \* 1/2 \* EUR 1.000 \* 0,75;

Outstanding principal amount (new) = EUR 1.000; pool factor (new) = 0,5;

**3. Payment date:**

Outstanding principal amount (old) = EUR 1.000; pool factor (old) = 0,5;

Redemption = EUR 250; interest = 5% p.a. \* 1/2 \* EUR 1.000 \* 0,5;

Outstanding principal amount (new) = EUR 1.000; pool factor (new) = 0,25;

**Final maturity date:**

Outstanding principal amount (old) = EUR 1.000; pool factor (old) = 0,25;

Redemption = EUR 250; interest = 5% p.a. \* 1/2 \* EUR 1.000 \* 0,25;

Outstanding principal amount (new) = EUR 1.000; Pool factor (new) = 0.

Background information:

### **Reduction of unit-quoted and percentage-quoted unstructured bearer bonds**

The **percentage-quoted unstructured bearer bonds** are recorded in the **CBF** system with the outstanding **principal amount** per unit. The reduction of these bonds as part of the bail-in takes place in the CBF system on the basis of information from the resolution authority, the bank and the updated data set from WM Datenservice (see tasks 1, 5 and 6). **WM Datenservice** adjusts the nominal values or pool factors in the master data (see Chapter IV.2.12 and Chapter IV.4.1.1.3). **CBF** reduces the nominal values or pool factors in its system.

For the reduction of the percentage-quoted unstructured bearer bonds as a result of the write-down and conversion, CBF requires the **technical booking ratio** (see Chapter IV.4.1.1.3). It is the ratio of the outstanding principal amount per unit of before write-down and conversion to the new nominal value after write-down and conversion:

**Nominal value (old) in original currency : Nominal value (new) in original currency.**

For the booking of new shares into the accounts of the participants as a result of the conversion, CBF requires the **technical conversion ratio** (see Chapter IV.4.1.1.3):

**Nominal value (old) in original currency : x,xxx new shares.**

**Example:** A **percentage-quoted unstructured bearer bond** without a pool factor is **partially reduced** by **write-down** and **conversion**. CBF reduces the outstanding principal amount in its system according to the technical booking ratio, e.g. EUR 1.000 : EUR 300. In addition, for each unit of the bond, new shares are booked into the participants' securities accounts according to the technical conversion ratio, e.g. EUR 1.000 : 220 new shares. WM Datenservice reduces the nominal value in the master data.

The **unit-quoted unstructured bearer bonds** are recorded in the **CBF** system with **units**. Due to this, no book-entry adjustments of securities take place at CBF, except, if necessary, in the case of a full reduction. The adjustment of the nominal values and the pool factors of these bonds is undertaken exclusively by **WM Datenservice** in the master data.

The **technical booking ratio** for unit-quoted bonds (see Chapter IV.4.1.1.3) is composed as follows:

**1 unit : 1 unit \* (1 – write-down percentage – conversion percentage).**

The **technical conversion ratio** for unit-quoted bonds (see Chapter IV.4.1.1.3) is expressed as follows:

**1 unit : x,xxx new shares.**

**Example:** A **unit-quoted bond** without a pool factor is **partially reduced** by **write-down** and **conversion**. CBF does not make any postings of the bond holdings in its system, but only enters new shares per bond unit according to the technical conversion ratio, e.g. 1 unit : 220 new shares. The reduction of the nominal value is made by WM Datenservice in the master data.

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Background information:

### **Reduction of percentage-quoted structured bearer bonds**

The reduction of percentage-quoted structured bearer bonds is performed by the **WM Datenservice** and the **CBF**. WM Datenservice maps the reduction in its system via a so-called **technical exercise ratio** (see Chapter IV.4.1.1.4). **CBF** adjusts its **master data** on the basis of information from the resolution authority, the bank and the updated data set from WM Datenservice (see tasks 1, 5 and 6). Thus, the reduction of percentage-quoted structured bearer bonds is also reflected in the system of the central securities depository.

#### **Example:**

A percentage-quoted structured bearer bond is written down by 40% and converted into new shares by 30% (technical scenario 5b, see also Chapter IV.2.12). This results in a total reduction of 70%. The NV (NW) of the percentage-quoted structured bearer bond is EUR 1.000. The bank, accordingly, indicates the following technical exercise ratio in the detailed list of instruments:

EUR 1.000 : EUR 300

The technical exercise ratio reflects the total reduction (write-down and conversion) of the percentage-quoted structured bearer bond.

On the basis of the technical exercise ratio, WM Datenservice undertakes the reduction of the instruments in its master data system. Based on the information provided by the resolution authority, the bank and WM Datenservice, the central securities depository also adjusts its master data. In addition, the central securities depository books the new shares according to the technical conversion ratio for percentage-quoted structured bearer bonds (see Chapter IV.4.1.1.4) into the securities accounts of its participants (see also Chapter IV.2.12).

### 2.7.2.8 Task 7: Preparation of technical bail-in implementation

<b>Task owner</b>	Central Securities Depository (CSD)
<b>Source of information</b>	<ul style="list-style-type: none"><li>• <b>Resolution order</b> received from resolution authority (see task 1);</li><li>• <b>instruction letter</b> and <b>supporting documents</b> received from bank/agent (task 5);</li><li>• information regarding the <b>administrator</b> of the <b>interim account</b> received from bank/agent (task 5);</li><li>• information regarding the <b>number of new shares</b> resulting from the conversion of <b>SDDs/NSV</b> and, where applicable, instruments of ownership not held by central securities depositories received from the bank/agent (task 5);</li><li>• <b>data stock</b> provided by NNA (task 6).</li></ul>
<b>Time of implementation</b>	T+2
<b>Task implementation</b>	<ul style="list-style-type: none"><li>• The CSD sets up the <b>technical processing parameters</b> of the bail-in implementation in its systems.</li><li>• The CSD loads the <b>master data</b> (static and event data) on the issuer and the affected instruments, as provided by the NNA, into its systems and reconciles it with its own data.</li></ul>
<b>Forwarded information</b>	n.a.

Task table 7: Preparation of technical bail-in implementation

2.82.9 Task 8: Notification on features of new shares

<b>Task owner</b>	<ul style="list-style-type: none"> <li>• <b>Resolution authority</b> (mainly variant 1);</li> <li>• <b>bank/agent</b> (mainly variant 2).</li> </ul>
<b>Source of information</b>	<b>ISIN for new shares</b> provided by <b>NNA (task 4)</b> .
<b>Time of implementation</b>	T+2
<b>Task implementation</b>	<p>When notifying the stock exchange(s) to start listing new shares, a distinction is made between two variants. In the case of a change of legal form, securities of different classes (before and after resolution) as well as securities of the same class that were not previously listed, variant 2 must always be chosen, otherwise variant 1:</p> <p><b>Variant 1) Notification on features of new shares:</b></p> <ul style="list-style-type: none"> <li>• The <b>resolution authority</b> prepares a <b>notification</b> with the features of the new shares to be listed.</li> <li>• The notification is sent by the <b>resolution authority</b> to the <b>exchange(s)</b> on which the new shares are to be listed.</li> </ul> <p><b>Variant 2) "Simplified listing application":</b></p> <ul style="list-style-type: none"> <li>• The <b>bank/agent</b> prepares a "<b>simplified listing application</b>" for the new shares to be listed.</li> <li>• The <b>bank/agent</b> sends the application (including its appendices) to the <b>exchange(s)</b> on which the new shares are to be listed.</li> <li>• The <b>resolution authority</b> prepares <b>information on the minimum free float</b> of the securities.</li> </ul>
<b>Forwarded information</b>	<p><b>Variant 1:</b></p> <ul style="list-style-type: none"> <li>• The <b>resolution authority</b> sends the <b>notification</b> on the features of the new shares to the <b>exchange(s)</b> and the <b>bank/agent</b> by <b>e-mail</b>.</li> </ul> <p><b>Variant 2:</b></p> <ul style="list-style-type: none"> <li>• The <b>bank/agent</b> sends the "<b>simplified listing application</b>" for the new shares to be listed to the <b>exchange(s)</b> concerned and the <b>resolution authority</b> by <b>e-mail</b>.</li> <li>• The <b>resolution authority</b> sends the <b>information on the minimum free float of shares</b> to the relevant <b>exchange(s)</b> by <b>e-mail</b>.</li> </ul>

Task table 8: Notification on features of new shares

Background information:

### **Variant 1: Notification on features of new shares**

In accordance with section 106 (2) of the SAG, the resolution authority informs the exchange(s), where the securities resulting from the application of the bail-in will be listed, about the features of those securities. For this purpose, the resolution authority sends a notification to the exchange(s) which describes the features of the new securities (here new shares).

For new shares, this notification contains, inter alia:

- the ISIN and, if applicable, WKN;
- the type and class of the security (e.g. shares issued as bearer shares);
- the currency.

The securities will be listed three trading days after the notification (section 106 (3) of the SAG). If they are the same class of securities as those which have already been authorised for trading on the regulated market of one domestic exchange, then they are authorised for trading on the regulated market of all domestic exchanges (section 106 (1) of the SAG). ~~There is no obligation to publish. The publication of a prospectus pursuant to point (c) of Article 1(5) of is not required according to EU Regulation 2017/1129. Article 1(5) point (c).~~

In addition to the admission to trading on a domestic stock exchange on the regulated market (section 106 (1) of the SAG), it must also be ensured that the institution holds securities of the same class after the conversion as before the conversion. This means that, assuming that the conversion results in bearer instruments in the form of ordinary and no-par value shares, the institution concerned had to have issued bearer shares, registered shares or registered shares with restricted transferability before the conversion in order to be able to use variant 1. Bearer and registered shares are of the same class. Preferred shares and ordinary shares, on the other hand, belong to different classes.

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Background information:

## Variant 2: "Simplified listing application"

For the admission of new shares to trading, a notification in the form of a "simplified listing application" must be submitted by the bank/agent to the exchange(s) concerned if one of the following circumstances applies:

- A change of legal form takes place as part of the resolution measure (e.g. from an AöR to an AG).
- The new securities (after resolution) belong to a different class than the previous securities (before resolution) (e.g. conversion of preferred shares into ordinary shares).
- The new securities are of the same class as the previous securities, but the previous securities were not previously listed on a stock exchange.

The "simplified listing application" generally contains the following information:

- the ISIN and, if applicable, WKN;
- the type and class of the security (e.g. shares issued as bearer shares);
- the currency.

In addition, the bank/agent must enclose the following to the "simplified listing application":

- resolution order;
- certificate of authorisation (in case of representation);
- current articles of association after resolution;
- annual financial statements for the previous financial year;
- proof of disclosure of annual financial statements for the last three years, if applicable.

In addition, the resolution authority must provide the exchange(s) with information on the minimum free float of the new shares.

The ~~obligation to publish publication of~~ a prospectus ~~does~~ ~~is~~ ~~not~~ ~~exist pursuant to point (c) of Article 1(5) of required according to (EU) Regulation 2017/1129, Article 1(5) point (c).~~

On which stock exchanges the shares are to be traded is to be decided (taking into account the specific situation) by the institution in consultation with the resolution authority.

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### 2.9.2.10 Task 9: Preparation of listing of new shares

<b>Task owner</b>	Exchange(s)
<b>Source of information</b>	<ul style="list-style-type: none"><li>• <b>Notification on features of new shares</b> received from <b>resolution authority</b> (task 8 – variant 1);</li></ul> or <ul style="list-style-type: none"><li>• <b>"simplified listing application"</b> for the listing of new shares received from the bank/agent (task 8 – variant 2); as well as</li><li>• information received from the <b>resolution authority</b> on the <b>minimum free float of securities</b>.</li></ul>
<b>Time of implementation</b>	T+2
<b>Task implementation</b>	<ul style="list-style-type: none"><li>• The exchange(s) allocate the market maker(s) for the new shares.</li><li>• Based on the notification by the resolution authority or the "simplified listing application" from the bank/agent, the exchange(s) set up the listing process in the trading systems.</li></ul>
<b>Forwarded information</b>	Information to the <b>resolution authority, CSD, NNA, bank/agent</b> that listing of the new shares has been prepared (by <b>e-mail/IT interface</b> ).

Task table 9: Preparation of listing of new shares

2.102.11 Task 10: Preparation of global certificate for new shares

<b>Task owner</b>	Bank/Agentagent
<b>Source of information</b>	<ul style="list-style-type: none"> <li>• <b>Resolution order</b> received from resolution authority (see task 1); and either</li> <li>• notification on <b>features of the new shares</b> received from <b>resolution authority</b> (task 8 – variant 1); or</li> <li>• <b>"simplified listing application"</b> for the listing of new shares filed by the bank/agent (task 8 – variant 2).</li> </ul>
<b>Time of implementation</b>	T+2
<b>Task implementation</b>	The bank/agent prepares the <b>global certificate</b> for the new shares and submits it to the CSD for immobilisation and dematerialisation.
<b>Forwarded information</b>	<ul style="list-style-type: none"> <li>• Submission of the <b>global certificate</b> (as an electronic copy) to the <b>CSD</b> by <b>e-mail</b>, followed by physical transmission by <b>mail/bicycle courier</b>;</li> <li>• <b>information</b> to <b>resolution authority</b> and <b>exchange(s)</b> about submission of global certificate <b>by e-mail</b>.</li> </ul>

Task table 10: Preparation of global certificate for new shares

Background information:

### Global note/Global certificate

If the resolution order envisages the conversion of affected instruments into shares, a global certificate is required and has to be submitted to the CSD. The **resolution order** is the **legal basis** for the conversion into new shares by the CSD. Furthermore, the technical implementation requires a **global certificate** for the new shares.

According to section 99 (4) of the SAG, corporate law requirements for the issuance of new shares are deemed to be fulfilled. The bank or, if applicable, its agent is responsible for the creation and submission of the global certificate to the CSD.

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## 2.11.2.12 Task 11: Technical bail-in implementation

<b>Task owner</b>	Central Securities Depository (CSD)
<b>Source of information</b>	<ul style="list-style-type: none"><li>• <b>Resolution order</b> received from resolution authority (see task 1);</li><li>• <b>instruction letter</b> and <b>supporting documents</b> received from <b>bank/agent</b> (task 5);</li><li>• <b>information</b> regarding <b>administrator</b> of <b>interim account</b> received from bank/agent (task 5);</li><li>• information regarding the <b>number of new shares</b> resulting from the conversion of <b>SDDs/NSVs/SSD/NSV</b> and instruments of ownership not held by central securities depositories received from the bank/agent (task 5);</li><li>• <b>data stock</b> provided by <b>NNA</b> (task 6);</li><li>• <b>global certificate</b> for new shares received from bank/agent (task 10).</li></ul>
<b>Time of implementation</b>	T+3 until T+4
<b>Task implementation</b>	<p>The CSD performs the booking of the bail-in in its internal systems. This comprises:</p> <ul style="list-style-type: none"><li>• <b>full worthless derecognition of cancelled shares</b> from the system;</li><li>• disclosure of the <b>reduction</b> of the <b>nominal value</b> of the <b>ISV unstructured bearer bonds</b><sup>23</sup> (due to write-down and conversion) and derecognition of the respective amounts or adjustment of the pool factors;</li><li>• <b>the reflection of the reduction of the percentage-quoted structured bearer bonds in the master data. No book-entries take place in the accounts of the participants, i.e. no derecognition of instruments by the CSD;</b></li><li>• <b>amendment</b> of the <b>global certificate/global note</b> of instruments affected by the bail-in (taking into account the write-down and conversion percentages included in the resolution order);</li><li>• <b>technical creation of new shares</b> as stated in the global certificate.</li></ul> <p>For the technical implementation of the bail-in, the CSD conducts several different <b>technical scenarios</b> (see Table 9) and Table 10). Each technical scenario covers different measures in connection with the bail-in.</p>

<sup>23</sup> The nominal value is only adjusted in the CSD's system for percentage-quoted **unstructured** bonds. In the case of unit-quoted **unstructured** bonds, a full reduction will result in a complete derecognition from the system. In the case of a partial reduction, the nominal values are adjusted in the master data at WM Datenservice (see also background information in Chapter [IV.2.6](#) IV.2.7).

**Forwarded information**

- Information to **resolution authority** that technical bail-in implementation has been executed (via **e-mail**);
- information to **bank/agent** that technical bail-in implementation has been executed (via **e-mail**).

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**Task table 11: Technical bail-in implementation**

The CSD and the NNA must consider different technical scenarios in the technical bail-in implementation. Depending on the nature of the bearer bond (structured or unstructured) and the type of listing on the exchange (percentage or unit quotation), there are in general four cases of technical scenarios to be distinguished. The following figure provides an overview of the Tables and Chapters in which the respective cases of technical scenarios or explanations to the technical implementation can be found. It should be noted that the unit-quoted structured bearer bonds are not considered in this version of the Guidance Notice.

**Overview of technical scenarios:**

	Percentage quotation	Unit quotation
<b>Non-structured bearer bonds</b>	Table 9	Chapter IV.2.7
<b>Structured bearer bonds</b>	Table 10	n.a.

**Figure 4: Overview to the technical scenarios of the bail-in implementation**

Below are the technical scenarios for **instruments of ownership and percentage-quoted unstructured bearer bonds**. The technical implementation for unit-quoted unstructured bearer bonds is based on the table below.

**Technical scenarios for the bail-in implementation by the CSD (instruments of ownership and percentage-quoted unstructured bearer bonds)**

No.	Technical scenario	Summary of technical process
<b>Cancellation of old shares</b>		
1	Cancellation of old shares WITHOUT conversion into new shares	Full worthless derecognition of all old shares from the CSD systems. The CSD will debit all shares from customer’s account without further action.
<b>Cancellation of old shares and conversion into new shares</b>		
2	Cancellation of old shares WITH conversion into new shares	Full worthless derecognition of all old shares from the CSD systems and technical generation of new shares. Conversion into new shares according to technical booking ratio (1 old share : x,xxx new shares).  If the booking ratio contains fractional amounts, these are rounded down by the CSD at the level of the participants’ accounts (see background information in Chapter IV.2.13).

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Full nominal value/pool factor reduction ~~of the percentage-quoted unstructured bearer bonds) with derecognition of old bonds~~ WITH conversion into new shares

**Full reduction of the nominal value/pool factor of ~~ISV and the percentage-quoted unstructured bearer bonds with conversion into new shares~~**

**Full reduction** (through write-down and conversion) of the nominal value/pool factor of the affected ~~ISV percentage-quoted unstructured bearer bonds~~ taking into account the total reduction rate.

The total reduction rate is the sum of the write-down percentage and the conversion percentage. The **total reduction rate** for scenario 3 is always **100%**.

Technical generation of new shares in accordance with the technical conversion ratio:

(Nominal value (old) in original currency : x,xxx new shares).

The CSD debits all bonds from the customers' accounts and credits new shares (according to the technical conversion ratio). If the technical conversion ratio contains fractional amounts, these are rounded down by the CSD at the level of the participants' accounts (see background information in Chapter IV.2.13).

Since the reduction can be made either by full conversion of ~~ISV bearer bonds~~ into new shares or by a combination of write-down and conversion, scenario 3 distinguishes into two sub-scenarios. In addition, each sub-scenario differentiates whether the reduction occurs with or without a pool factor:

**3a:** Full reduction by **full conversion** of ~~ISV the percentage-quoted unstructured bearer bonds~~ into new shares:

**3a without PF:** The currently posted nominal value (outstanding) is converted in full into shares and derecognised from the CSD participants' accounts due to the total reduction to zero.

**3a with PF:** The currently registered nominal value (outstanding) is converted in full into shares. Again, the outstanding principal amounts is derecognised from the CSD participants' accounts due to the total reduction to zero

and

**3b:** Full reduction ~~of the percentage-quoted unstructured bearer bonds~~ by the **combination** of **write-down** and **conversion** into new shares:

**3b without PF:** The currently registered nominal value (~~outstanding~~ ~~outstanding~~) is in part derecognised (worthless withdrawal) due to the write-down and in part converted into shares. The converted part is also derecognised. Thus, due to a total reduction to 0, a complete derecognition of the outstanding principal amounts from the accounts of the CSD participants takes place.

**3b with PF:** The currently registered nominal value (outstanding) is in part worthless due to the write-down (worthless withdrawal) and in part converted into shares. Due to a total reduction to 0, a complete derecognition of the nominal value from the accounts of the CSD participants takes place.

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**Technical scenarios for the bail-in implementation by the CSD (instruments of ownership and percentage-quoted unstructured bearer bonds)**

No.	Technical scenario	Summary of technical process
4	Full nominal value/pool factor reduction <u>(of the percentage-quoted unstructured bearer bonds) without derecognition of old bonds</u> WITHOUT conversion into new shares	<p><b>Full reduction of the nominal value/pool factor of <del>old</del>the percentage-quoted unstructured bearer bonds without conversion into new shares</b></p> <p><b>Full reduction</b> (through write-down) of the nominal value/pool factor of the affected <u>ISVpercentage-quoted unstructured bearer bonds</u>. The <b>write-down percentage</b> for the technical scenario 4 is always <b>100%</b>. The write-down is reflected only in the master data of the CSD. There is no derecognition of the <u>ISVbearer bonds</u> from the accounts of the CSD participants.</p> <p>For scenario 4, a distinction is made according to whether the reduction takes place with or without a pool factor:</p> <p><b>4 without PF:</b> reduction of the outstanding principal amount to 0 in the master data (WSS).</p> <p><b>4 with PF:</b> reduction of the pool factor to 0 in the master data (WSS).</p>

Partial reduction of nominal value/pool factor re-duction of the percentage-quoted unstructured bearer bonds with partial derecognition of old bonds WITH conversion into new shares

**Partial reduction of the nominal value/pool factor of old ISV and the percentage-quoted unstructured bearer bonds with conversion into new shares**

**Partial reduction** (write-down and conversion) of the nominal value/pool factor of the affected ISV percentage-quoted unstructured bearer bonds taking into account the total reduction rate.

The total reduction rate is the sum of the write-down percentage and the conversion percentage. The **total reduction** for scenario 5 is **always less than 100%**.

Technical generation of new shares in accordance with the technical conversion ratio:

(Nominal value (old) in original currency : x,xxx new shares).

The CSD credits new shares (according to the technical conversion ratio) to the accounts of its participants. If the technical conversion ratio contains fractional amounts, these are rounded down by the CSD at the level of the participants' accounts (see background information in Chapter IV.2.13).

In scenario 5, a distinction is made between two further sub-scenarios, as in scenario 3. Furthermore, each sub-scenario is differentiated according to whether the reduction of the ISV bearer bonds takes place with or without pool factor:

**5a: Partial reduction of the percentage-quoted unstructured bearer bonds by the partial conversion of ISV** into new shares:

**5a without PF:** the currently registered nominal value (outstanding) is converted into shares in accordance with the conversion ratio. The converted part of the outstanding principal amounts is derecognised accordingly from the CSD participants' accounts.

**5a with PF:** the currently booked nominal value (outstanding) is converted into shares in accordance with the conversion ratio. There is no derecognition of the converted nominal value, as a reduction of the pool factor is made in the master data (WSS).

and

**5b: Combination Partial reduction of the percentage-quoted unstructured bearer bonds by the combination of write-down and partial conversion of ISV bearer bonds** into new shares:

**5b without PF:** the currently booked nominal value (outstanding) is in part converted into shares in accordance with the conversion ratio and the corresponding part of the nominal value is ~~de-~~ ~~reconised~~ ~~derecognised~~. Another part is derecognised due to the write-down (worthless withdrawal).

**5b with PF:** the currently registered nominal value (outstanding) is in part converted into shares in accordance with the conversion ratio. Another part becomes worthless due to the write-down (worthless withdrawal), which, together with the conversion, is reflected in the reduction of the current pool factor. The pool factor is adjusted in the master data (WSS).



**Technical scenarios for the bail-in implementation by the CSD (instruments of ownership and percentage-quoted unstructured bearer bonds)**

No.	Technical scenario	Summary of technical process
6	<p>Partial reduction of nominal value/pool factor re-duction of the percentage-quoted unstructured bearer bonds with partial derecognition of old bonds</p> <p>WITHOUT conversion into new shares</p>	<p><b>Partial reduction of the nominal value/pool factor of the percentage-quoted unstructured bearer bonds without conversion into new shares</b></p> <p>Partial reduction (write-down) of the nominal value/pool factor of the affected percentage-quoted unstructured bearer bonds according to the total reduction rate (equals the write-down percentage). The write-down percentage for scenario 6 is <b>always less than 100%</b>.</p> <p>For scenario 6, a differentiation is made as to whether the reduction is made with or without a pool factor:</p> <p><b>6 without PF:</b> partial reduction (worthless withdrawal) of the outstanding principal amount by partial derecognition.</p> <p><b>6 with PF:</b> partial reduction of the pool factor in the master data (WSS). No partial derecognition.</p>

**Table 9: Technical scenarios for the bail-in implementation by CSD and the CSDNNA (instruments of ownership and unstructured BBs)**

Below are the technical scenarios for **percentage-quoted structured bearer bonds**:

**Technical scenarios for the bail-in implementation by the CSD (percentage-quoted structured bearer bonds)**

No.	Technical scenario	Summary of technical process
3	Full reduction of the percentage-quoted structured bearer bonds WITH conversion into new shares	<p><b>Full reduction of the percentage-quoted structured bearer bonds with conversion into new shares</b></p> <p><b>Full reduction</b> (through write-down and conversion) of the affected percentage-quoted structured bearer bonds taking into account the total reduction rate.</p> <p>The total reduction rate is the sum of the write-down percentage and the conversion percentage. The <b>total reduction rate</b> for scenario 3 is always <b>100%</b>.</p> <p>Based on the technical exercise ratio, WM Datenservice sets the nominal value of the affected percentage-quoted structured bearer bonds to zero in the master data (see Chapter IV.2.7): (Nominal value (old) in EUR : Nominal Value (new) in EUR).</p> <p>On the basis of information from the resolution authority, the bank and the updated data set from WM Datenservice (see tasks 1, 5 and 6), the CSD adjusts the master data for the affected percentage-quoted structured bearer bonds in its system. Thus, the total reduction (through write-down and conversion) of the structured bearer bonds is reflected in the systems of the CSD. There is no derecognition of the instruments from the accounts of the participants.</p> <p>Due to the conversion, the CSD books the new shares into the accounts of the participants according to the technical conversion ratio for the percentage-quoted structured bearer bonds: (Nominal value (old) in EUR : x,xxx new shares).</p> <p>If the technical conversion ratio contains fractional amounts, these are rounded down by the CSD at the level of the participants' accounts (see background information in Chapter IV.2.13).</p> <p>Since the reduction can be made either by full conversion of percentage-quoted structured bearer bonds into new shares or by a combination of write-down and conversion, scenario 3 distinguishes into two sub-scenarios.</p> <p><b>3a: Full conversion</b> of percentage-quoted structured bearer bonds into new shares.</p> <p><b>3b: Combination of write-down and conversion</b> of percentage-quoted structured bearer bonds into new shares.</p>

**Technical scenarios for the bail-in implementation by the CSD (percentage-quoted structured bearer bonds)**

No.	Technical scenario	Summary of technical process
4	<u>Full reduction of the percentage-quoted structured bearer bonds WITHOUT conversion into new shares</u>	<p><b>Full reduction of the percentage-quoted structured bearer bonds without conversion into new shares</b></p> <p><b>Full reduction</b> (through write-down) of the affected percentage-quoted structured bearer bonds. The <b>write-down percentage</b> for the technical scenario 4 is always <b>100%</b>.</p> <p>Based on the technical exercise ratio, WM Datenservice sets the nominal value of the affected percentage-quoted structured bearer bonds to zero in the master data (see Chapter IV.2.7).</p> <p>On the basis of information from the resolution authority, the bank and the updated data set from WM Datenservice (see tasks 1, 5 and 6), the CSD adjusts the master data for the affected percentage-quoted structured bearer bonds in its system. Thus, the write-down is reflected in the systems of the CSD. There is no de-recognition of the instruments from the accounts of the participants.</p>

**Technical scenarios for the bail-in implementation by the CSD (percentage-quoted structured bearer bonds)**

No.	Technical scenario	Summary of technical process
5	<u>Partial reduction of the percentage-quoted structured bearer bonds WITH conversion into new shares</u>	<p><b>Partial reduction of the percentage-quoted structured bearer bonds with conversion into new shares</b></p> <p><b>Partial reduction</b> (through write-down and conversion) of the affected percentage-quoted structured bearer bonds taking into account the total reduction rate.</p> <p>The total reduction rate is the sum of the write-down percentage and the conversion percentage. The <b>total reduction</b> for scenario 5 is <b>always less than 100%</b>.</p> <p>Based on the technical exercise ratio, WM Datenservice reduces the nominal value of the affected percentage-quoted structured bearer bonds in the master data (see Chapter IV.2.7).</p> <p>On the basis of information from the resolution authority, the bank and the updated data set from WM Datenservice (see tasks 1, 5 and 6), the CSD adjusts the master data for the affected percentage-quoted structured bearer bonds in its system. Thus, the reduction of the percentage-quoted structured bearer bonds is reflected in the systems of the CSD. There is no derecognition of the instruments from the accounts of the participants.</p> <p>Due to the conversion, the CSD books the new shares into the accounts of the participants according to the technical conversion ratio for the percentage-quoted structured bearer bonds: (Nominal value (old) in EUR : x,xxx new shares).</p> <p>If the technical conversion ratio contains fractional amounts, these are rounded down by the CSD at the level of the participants' accounts (see background information in Chapter IV.2.13).</p> <p>In scenario 5, a distinction is made between two further sub-scenarios, as in scenario 3.</p> <p><b>5a: the partial conversion</b> of percentage-quoted structured bearer bonds into new shares</p> <p>and</p> <p><b>5b: Combination of write-down and partial conversion</b> of percentage-quoted structured bearer bonds into new shares.</p>

**Technical scenarios for the bail-in implementation by the CSD (percentage-quoted structured bearer bonds)**

No.	Technical scenario	Summary of technical process
6	Partial reduction of the percentage-quoted structured bearer bonds WITH-OUT conversion into new shares	<p><b>Partial reduction of the percentage-quoted structured bearer bonds without conversion into new shares</b></p> <p>Partial reduction (write-down) of the affected percentage-quoted structured bearer bonds according to the total reduction rate (equals the write-down percentage). The <b>write-down percentage</b> for scenario 6 is <b>always less than 100%</b>.</p> <p>Based on the technical exercise ratio, WM Datenservice reduces the nominal value of the affected percentage-quoted structured bearer bonds in the master data (see Chapter IV.2.7).</p> <p>On the basis of information from the resolution authority, the bank and the updated data set from WM Datenservice (see tasks 1, 5 and 6), the CSD adjusts the master data for the affected percentage-quoted structured bearer bonds. Thus, the write-down of the percentage-quoted structured bearer bonds is reflected in the systems of the CSD. There is no derecognition of the instruments from the accounts of the participants.</p>

**Table 10: Technical scenarios for the CSD and the NNA (percentage-quoted structured BBs)**

### 2.122.13 Task 12: Booking of bail-in in participants' accounts

<b>Task owner</b>	Central Securities Depository (CSD)
<b>Source of information</b>	<ul style="list-style-type: none"> <li>• <b>Resolution order</b> received from resolution authority (see task 1);</li> <li>• information regarding the <b>number of new shares</b> resulting from the conversion of <del>SSD<sub>s</sub>/NSV<sub>s</sub></del>SSD/<del>NSV</del> and instruments of ownership not held by central securities depositories received from the bank/agent (task 5);</li> <li>• <b>updated information</b> in the CSD systems after technical bail-in implementation (task 11).</li> </ul>
<b>Time of implementation</b>	T+5
<b>Task implementation</b>	<p>The CSD reflects the technical bail-in implementation in the accounts of its <b>direct participants</b> (i.e. the custodian banks and the administrators of the interim account for the new shares resulting from the conversion of <del>SSD<sub>s</sub>/NSV<sub>s</sub></del>SSD/<del>NSV</del> and instruments of ownership not held by central securities depositories). This comprises:</p> <ul style="list-style-type: none"> <li>• the <b>derecognition</b> of old <b>bearer shares</b>, which have been cancelled from the accounts of the direct participants;</li> <li>or</li> <li>• the <b>derecognition</b> of old <b>registered shares</b>, which are to be cancelled, from the accounts of the direct participants; prior to that rebooking from registered holdings into pending holdings; and</li> <li>• the reflection of the <b>reduction</b> of nominal value/pool factor of the <del>ISV</del><b>unstructured bearer bonds</b> (write-down and conversion) in the accounts of its direct participants;</li> <li>• <b>reflection of the reduction of percentage-quoted structured bearer bonds (write-down and conversion) in the master data. No book-entries take place in the accounts of the participants, i.e. no derecognition of instruments by the CSD;</b></li> <li>• the <b>allocation</b> of the <b>new shares</b> resulting from the conversion of <del>ISV</del><b>bearer bonds</b> (booking in the direct participants' accounts) and <del>SSD<sub>s</sub>/NSV<sub>s</sub></del>SSD/<del>NSV</del> (booking in the interim account);<sup>24</sup> and</li> <li>• if applicable, the <b>allocation</b> of <b>new shares</b> to holders of old shares, which have been cancelled (relevant only for technical scenario 2).</li> </ul> <p>If the technical conversion ratio contains fractional amounts, the CSD only books the full shares into the accounts of its participants. The fractional amounts per participant's account (final amounts) are rounded down (see background information on the handling of fractional amounts).</p>

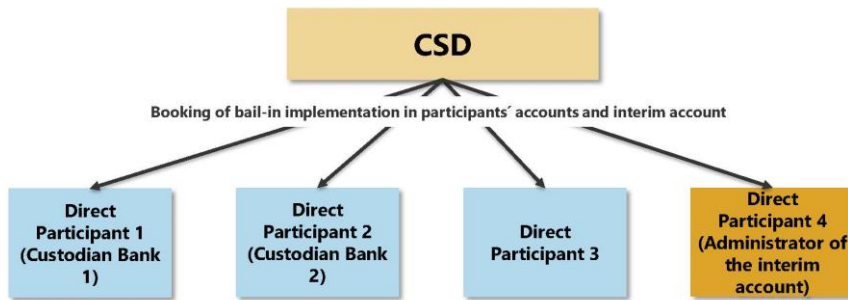
<sup>24</sup> If existing shareholders who previously owned instruments of ownership not held by central securities depositories (e.g. existing limited liability company shareholders) are entitled to receive new shares, their number of new shares must also be submitted to the CSD.

**Forwarded information**

- Information to CSD's **direct participants** (custodian banks and administrators of the interim account) regarding the booking of the bail-in implementation in their accounts (via **CSD systems**);
- information to the **resolution authority** that bail-in has been booked in the accounts of the direct participants by **e-mail**;
- information to **bank/agent** that bail-in has been booked in the accounts of the direct participants by **e-mail**.

**Task table 12: Booking of bail-in in participants' accounts**

Figure 5 provides an overview of the booking of the technical bail-in implementation in the accounts of the CSD's direct participants.



**Figure 5: Booking of bail-in in participants' accounts and interim account**

Background information:

## Treatment of fractional amounts

The resolution order may provide for the conversion of instruments into new shares. The technical conversion ratio may result as a consequence in fractional shares (partial rights), if the resolution order does not provide for rounding down to full amounts (e.g. from 221,6 shares per instrument to 221 shares). If no rounding down is provided for in the resolution order, the CSD and the custodian banks round down the fractional amounts (final amounts) per participant.

### Rounding down of the final amounts at the CBF level:

The CSD rounds off the total number of shares per client account. If, for example, a custodian bank manages a main account and several sub-accounts, these are considered separately and rounded down. Thus, only the full shares are booked for each client account. The fractional amounts (final amounts) per custodian bank account are worthless and lapse. For example, if a custodian bank receives 10.000,8940815 shares in its main account, 10.000 shares will be booked to the CBF participant's main account. The final amount of 0,8940815 is worthless and lapses.

#### Example (simplified):

- The technical conversion ratio is EUR 1.000 : 100,1234567 shares.
- CBF has five custodian banks as participants.
- Each custodian bank holds in its CBF account 100 bonds with nominal value of EUR 1.000 each.
- This results in an individual position of 10.012,3456700 shares per custodian bank.
- Individual positions are rounded to 10.012 units by CBF. This means that the final amount of 0,3456700 shares per custodian bank is worthless and lapses.
- Each custodian bank will receive 10.012 shares booked to its CBF account.
- A total of 1,7283500 shares remain with the issuer.

### Rounding down of the final amounts at the custodian bank level:

The custodian banks also round off the fractional amounts per participant and book only full shares (no fractions) into their clients' securities accounts. For each custodian bank, this results in a combined final position across all clients of the respective custodian bank. The full shares contained in the final position are sold by the custodian bank, and the sales proceeds are made available to the custodian bank's entitled clients. The remaining final amount is worthless and lapses.

#### Example continued (simplified):

- A custodian bank receives 10.012 shares booked to its CBF account.
- It has five participants, or clients, who each own 20 bonds.
- Each client is therefore entitled to 2.002,4 shares.
- Each client receives 2.002 shares, as only full shares are allocated.
- The final amounts (equal to 0,4 per client) are pooled by the custodian bank, resulting in a final position of two full shares across all clients.
- The custodian bank sells two full shares on the market for a total of, for example, EUR 10.
- The amount earned is divided among the clients, i.e. each client receives EUR 2.

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Background information:

### **Treatment of fractional amounts**

The resolution order may provide for the conversion of instruments into new shares. The technical conversion ratio may result as a consequence in fractional shares (partial rights), if the resolution order does not provide for rounding down to full amounts (e.g. from 221,6 shares per instrument to 221 shares). If no rounding down is provided for in the resolution order, the CSD and the custodian banks round down the fractional amounts (final amounts) per participant.

#### **Rounding down of the final amounts at the CBF level:**

The CSD rounds off the total number of shares per client account. If, for example, a custodian bank manages a main account and several sub-accounts, these are considered separately and rounded down. Thus, only the full shares are booked for each client account. The fractional amounts (final amounts) per custodian bank account are worthless and lapse. For example, if a custodian bank receives 10.000,8940815 shares in its main account, 10.000 shares will be booked to the CBF participant's main account. The final amount of 0,8940815 is worthless and lapses.

#### **Example (simplified):**

- The technical conversion ratio is EUR 1.000,00 : 100,1234567 shares.
- CBF has five custodian banks as participants.
- Each custodian bank holds in its CBF account 100 bonds with nominal value of EUR 1.000,00 each.
- This results in an individual position of 10.012,3456700 shares per custodian bank.
- Individual positions are rounded down to 10.012 units by CBF. This means that the final amount of 0,3456700 shares per custodian bank is worthless and lapses.
- Each custodian bank will receive 10.012 shares booked to its CBF account.
- A total of 1.7283500 shares remain with the issuer.

#### **Rounding down of the final amounts at the custodian bank level:**

The custodian banks also round off the fractional amounts per participant and book only full shares (no fractions) into their clients' securities accounts. For each custodian bank, this results in a combined final position across all clients of the respective custodian bank. The full shares contained in the final position are sold by the custodian bank, and the sales proceeds are made available to the custodian bank's entitled clients. The remaining final amount is worthless and lapses.

#### **Example continued (simplified):**

- A custodian bank receives 10.012 shares booked to its CBF account.
- It has five participants, or clients, who each own 20 bonds.
- Each client is therefore entitled to 2.002,4 shares.
- Each client receives 2.002 shares, as only full shares are allocated.
- The final amounts (equal to 0,4 per client) are pooled by the custodian bank, resulting in a final position of two full shares across all clients.
- The custodian bank sells two full shares on the market for a total of, for example, EUR 10.
- The amount earned is divided among the clients, i.e. each client receives EUR 2.

2.132.14 Task 13: Hold shares for SSD/NSV holders affected by **the** bail-in

<b>Task owner</b>	Administrator of the interim account
<b>Source of information</b>	<b>Information on booking of bail-in</b> in accounts received from <b>CSD</b> (task 12).
<b>Time of implementation</b>	T+5
<b>Task implementation</b>	<p>The <b>administrator</b> of the <b>interim account</b> maintains the interim account with the new shares for the SSD/NSV holders affected by the bail-in and, where applicable, the existing shareholders.<sup>25</sup></p> <p>The administrator of the interim account approaches the bank/its agent to submit a <b>list</b> with the <b>securities account/bank details</b> of the SSD/NSV holders affected by the bail-in and, where applicable, the existing shareholders, and the number of new shares each party concerned is entitled to receive. If the bank itself is the administrator of the interim account, it would directly approach the SSD/NSV holders affected by the bail-in and, where applicable, the existing shareholders and ask them into which securities accounts the shares should be booked.</p>
<b>Forwarded information</b>	Request to <b>bank/agent</b> for provision of <b>securities account/bank details</b> of SSD/NSV holders affected by the bail-in, where applicable, the existing shareholders and number of new shares for each party concerned by <b>e-mail</b> .

Task table 13: Hold shares for SSD/NSV holders and existing shareholders affected by **the** bail-in

<sup>25</sup> If existing shareholders who previously owned instruments of ownership not held by central securities depositories (e.g. existing limited liability company shareholders) are entitled to receive new shares, their number of new shares must also be submitted to the CSD by the administrator of the interim account.

2.14.2.15 Task 14: Customer notification and reflection in accounts

<b>Task owner</b>	Custodian banks (CSD participants)
<b>Source of information</b>	<b>Information</b> from <b>CSD</b> (task 12).
<b>Time of implementation</b>	T+5
<b>Task implementation</b>	<p>The custodian banks of the holders of old shares and of the <b>ISVbearer bonds</b> holders affected by the bail-in reflect the <b>bail-in implementation</b> in the respective securities accounts of their customers. This comprises:</p> <ul style="list-style-type: none"> <li>• the <b>deletion</b> of old cancelled shares in the customers' accounts;</li> <li>• the reflection of the <b>reduction</b> of the nominal value/pool factor of the <b>ISVbearer bonds</b> (write-down and conversion) in the securities accounts of the <b>ISVbearer bonds</b> holders;</li> <li>• the <b>allocation</b> of new shares to the securities accounts of the new shareholders (<b>ISVbearer bonds</b> holders affected by the bail-in) and, if applicable, to the securities accounts of holders of old shares that were cancelled (only applicable for technical scenario 2).</li> </ul> <p>If fractional amounts (final amounts) arise during the allocation of the new shares to the clients, the custodian banks only book the full shares into the securities accounts of their clients. The final amounts are rounded down (see background information in Chapter IV.2.13).</p>
<b>Forwarded information</b>	Notice to <b>customers</b> on bail-in implementation via <b>e-mail</b> or other <b>information channels</b> .

Task table 14: Customer notification and reflection in securities accounts

2.15.2.16 Task 15: Submission of SSD/NSV holders' bank account details

<b>Task owner</b>	Bank/agent
<b>Source of information</b>	<b>Request</b> from <b>administrator</b> of the <b>interim account</b> (task 13).
<b>Time of implementation</b>	T+5
<b>Task implementation</b>	The bank/agent approaches the SSD/NSV holders affected by the conversion into new shares and, where applicable, the existing shareholders and asks for information on the securities accounts into which the new shares must be transferred. <sup>26</sup>
<b>Forwarded information</b>	<ul style="list-style-type: none"> <li>Submission of <b>list</b> to <b>administrator of the interim account</b> with <b>securities account/bank details</b> of SSD/NSV holders affected by the bail-in and, where applicable, existing shareholders and the number of shares each party concerned is entitled to receive by <b>e-mail</b>;</li> <li><del>Informing</del><b>informing</b> the <b>resolution authority</b> of the dispatch of the <b>list</b> of securities account/bank details to the administrator of the interim account by <b>e-mail</b>.</li> </ul>

Task table 15: Submission of SSD/NSV holders' / existing ~~shareholders'~~ ~~shareholders'~~ bank account details

2.16.2.17 Task 16: Delivery of new shares to accounts of SSD/NSV holders

<b>Task owner</b>	Administrator of the interim account (CSD participant)
<b>Source of information</b>	<b>List</b> submitted by <b>bank/agent</b> with <b>securities account/bank details</b> of SSD/NSV holders affected by the bail-in and, where applicable, existing shareholders inclusive number of new shares each party concerned is entitled to receive (task 15). <sup>26</sup>
<b>Time of implementation</b>	T+5

<sup>26</sup> If existing shareholders who previously owned instruments of ownership not held by central securities depositories (e.g. existing limited liability company shareholders) are entitled to receive new shares, their bank account details must also be submitted to the administrator of the interim account by the institution/agent.

The **administrator of the interim account** allocates the new shares from the interim account to the custodian banks holding the securities accounts of the SSD/NSV holders affected by the bail-in and, if applicable, the **existing** shareholders, in accordance with the list containing the bank details.<sup>27</sup>

**Task implementation**

Ideally, the distribution of the new shares should take place in one delivery. However, since it is likely that not all the required securities account / bank details of the above-mentioned persons will be available at the same time, the administrator of the interim account can proceed in stages. This means that as soon as an economically reasonable lot size of securities account / bank details has been provided, the distribution of shares can take place.

**Forwarded information**

- Notification to **custodian banks** of SSD/NSV holders affected by the bail-in and, if applicable, existing shareholders with information about the origin of the new shares (i.e. conversion as part of the bail-in) by **e-mail**;
- information to the **resolution authority** that new shares have been allocated to custodian banks of those affected by the bail-in (by **e-mail**);
- **information to bank/agent** that new shares have been allocated to custodian banks of parties affected by the bail-in (by **e-mail**).

**Task table 16: Delivery of new shares to affected SSD/NSV holders / existing shareholders**

2.172.18 Task 17: Customer notification and reflection in securities accounts

<b>Task owner</b>	Custodian banks of SSD/NSV holders affected by the bail-in and, where applicable, existing shareholders
<b>Source of information</b>	Notification of the <b>administrator of the interim account</b> to the SSD/NSV holders affected by the bail-in and, if applicable, existing shareholders with information regarding the origin of the new shares (task 16).
<b>Time of implementation</b>	T+5
<b>Task implementation</b>	<p>If applicable, the custodian banks send a notification to the administrator of the interim account, which confirms the reception of the shares. The custodian banks allocate the new shares to the accounts of the SSD/NSV holders affected by the bail-in and, where applicable, the existing shareholders.</p> <p>If fractional amounts (final amounts) arise during the allocation of the new shares, the custodian banks only book the full shares into the securities accounts of their clients. The final amounts are rounded down (see background information in Chapter IV.2.13).</p>
<b>Forwarded information</b>	Notification to <b>SSD/NSV holders</b> affected by the bail-in and, where applicable, existing shareholders (by <b>e-mail or other information channels</b> ).

<sup>27</sup> If applicable, new shares will also be transmitted by the administrator of the interim account to the existing shareholders of instruments of ownership not previously held by central securities depositories.

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**Task table 17: Customer notification and reflection in securities accounts**

Figure 3 Figure 6 provides an overview of the booking of the bail-in implementation by the custodian banks.

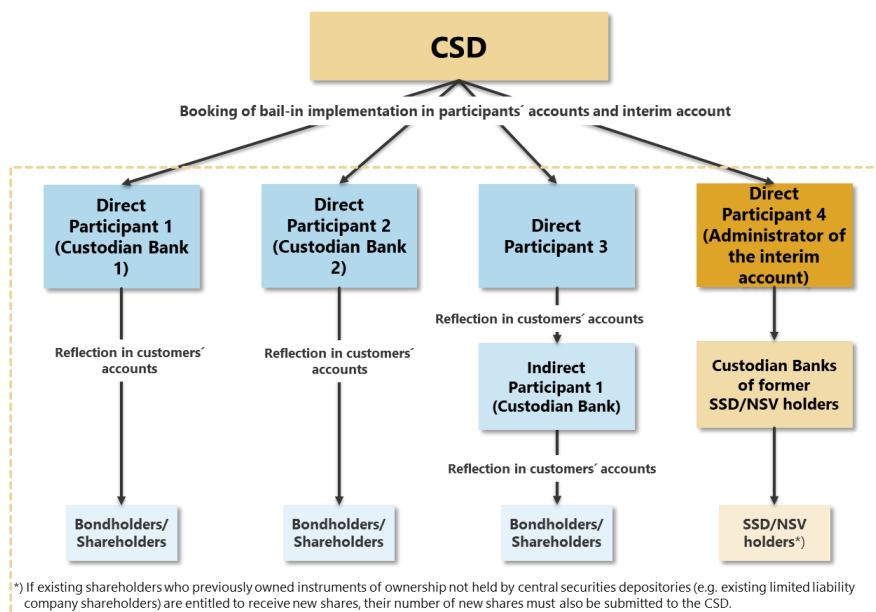


Figure 6: Reflection of bail-in in customer securities accounts

2.182.19 Task 18: Order on the resumption of trading

<b>Task owner</b>	Resolution authority
<b>Source of information</b>	<ul style="list-style-type: none"> <li>• <b>Resolution order</b> (task 1);</li> <li>• <b>positive list</b> with ISINs of instruments affected by the suspension of trading (task 1);</li> <li>• where applicable, the <b>supplementary or corrected list of ISINs</b> on the suspension of trading of additional instruments from the bank (task 5).</li> </ul>
<b>Time of implementation</b>	T+4 <sup>28</sup>
<b>Task implementation</b>	Drafting of a separate order stating that the trading of instrument affected by the suspension of trading must be resumed on the next trading day. This step does not apply, for example, to cancelled shares as they do not exist anymore.

<sup>28</sup> The point in time for the order to resume trading may deviate from the timing of the process as described here (depending on technical circumstances).

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**Forwarded information**

- Conveyance of **dedicated order** to resume trading to exchange(s) and the Exchange Supervisory Authority(ies) (first by **e-mail** and subsequently by **mail**);
- publication of **dedicated order** to resume trading on resolution authority's **website**.

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**Task table 18: Order on the resumption of trading**

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**2.192.20** Task 19: Resumption of trading and listing of new shares

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**Task owner**

Exchange(s)

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**Source of information**

- Notification on **features of the new shares** received from **resolution authority** (task 8 – variant 1);  
or
- “**simplified listing application**” for the listing of new shares received from the **bank/agent** (task 8 – variant 2);  
and
- **dedicated order to resume trading** received from **resolution authority** (task 18);  
*as well as*  
*and*
- information from **bank/agent** on submission of **global certificate** to CSD (task 10).

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**Time of implementation**T+5<sup>29</sup>

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**Task implementation**

- The **exchange(s) resume(s) the trading** of the instruments affected by the suspension of trading.
- The **exchange(s)** will, on the basis of
  - the notification on the features of the new shares (task 8.V1)
  - or
  - the “simplified listing application” (task 8.V2)**perform the listing process.**
- The new shares can then be traded on the exchange(s).<sup>30</sup>

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<sup>29</sup> The point in time for the resumption of trading may deviate from the timing of the process as described here (depending on the separate order to resume trading issued by the resolution authority).

<sup>30</sup> In general, the first price can be quoted one trading day after admission to trading.

**Forwarded information**

- The **resolution authority** is informed that new shares are listed and that **trading** of suspended instruments has been **resumed** (by **e-mail**).
- The **NNA** and the **CSD** are informed that new shares are listed and that **trading** of suspended instruments has been **resumed** (by **e-mail**).
- The **bank** is informed that new shares are listed and that **trading** of suspended instruments has been **resumed** (by **e-mail**).
- Spread information on resumption of trading and listing of new shares into the market via **market information systems**.

**Task table 19: Resumption of trading and listing of new shares**

2.202.21 Task 20: Information on handling of suspended payments

<b>Task owner</b>	Bank/agent
<b>Source of information</b>	<ul style="list-style-type: none"><li>• <b>Resolution order</b> received from resolution authority (see task 1);</li><li>• the <b>positive list</b> with instruments for <b>suspension of payments</b> received from resolution authority (task 1);</li><li>• if applicable, <b>supplementary</b> or <b>corrected positive list</b> <b>prepared and</b> sent by the bank/agent to the resolution authority with instruments for <b>suspension of payments</b> (<del>process</del>-task 5).</li></ul>
<b>Time of implementation</b>	T+5
<b>Task implementation</b>	The bank or, if relevant, its agent prepares a notification in the form of an e-mail to the NNA and the CSD with detailed information on how to deal with previously suspended payments.
<b>Forwarded information</b>	<ul style="list-style-type: none"><li>• Forwarding of the information on the handling of <b>previously suspended</b> payments to the <b>NNA</b> and a copy to the <b>CSD</b> by <b>e-mail</b>;</li><li>• information to the <b>resolution authority</b> of the forwarding of the notification on the handling of suspended payments to the NNA and the CSD by <b>e-mail</b>.</li></ul>

**Task table 20: Information on handling of suspended payments**

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Background information:

### Handling of suspended payments (interest and principal)

The bank will (after implementation of the bail-in in the systems and accounts of the market participants) inform the NNA and the CSD by e-mail about the handling of previously suspended payments. When informing on the handling of suspended payments, the bank must note that for all instruments affected by the bail-in, the payments must be recalculated taking into account the write-down and conversion percentages published in the resolution order.

For each instrument for which **interest payments** have been suspended as part of the bail-in, the following WM data fields must be included in the notification:

- start date of the interest period (WM field: ED024A);
- end date of the interest period (WM field: ED025A);
- coupon as of (ED031);
- payment date (WM field: ED021);
- ex-coupon date (WM field: ED007);
- record date (WM field: ED020);
- total dividend/income (WM field: ED008A);
- interest days (WM field: ED300);
- dividend/income currency (WM field: ED011);
- dividend/income % (WM field: ED032);

With regard to previously suspended **principal payments**, the following WM data fields are to be provided. A distinction must be made between two cases:

**1)** in case of **partial redemptions** (pool factor or nominal value changes):

- maturity date (VD009);
- payment date (VD010);
- pool factor after redemption (VD099);
- nominal value after redemption (VD062);
- record date (VD048);

**2)** for all **other types of repayment** (e.g., in the case of early termination or scheduled total repayment of the nominal value at maturity):

- maturity date (VD009);
- payment day (VD010);
- redemption value (VD013C);

Background information:

### **Handling of suspended payments (interest and principal)**

The bank will (after implementation of the bail-in in the systems and accounts of the market participants) inform the NNA and the CSD by e-mail about the handling of previously suspended payments. When informing on the handling of suspended payments, the bank must note that for all instruments affected by the bail-in, the payments must be recalculated taking into account the write-down and conversion percentages published in the resolution order.

For each instrument for which **interest payments** have been suspended as part of the bail-in, the following WM data fields must be included in the notification:

- ISIN (WM field: GD622);
- start date of the interest period (WM field: ED024A);
- end date of the interest period (WM field: ED025A);
- coupon as of (WM field: ED031);
- payment date (WM field: ED021);
- ex-coupon date (WM field: ED007);
- record date (WM field: ED020);
- total dividend/income (WM field: ED008A);
- number of interest days (WM field: ED300);
- dividend/income currency: (WM field: ED011);
- dividend/income % (WM field: ED032).

With regard to previously suspended **principal payments**, the following WM data fields are to be provided. A distinction must be made between two cases:

**1)** in the case of **partial redemptions** (pool factor or nominal value changes):

- ISIN (WM field: GD622);
- maturity date (WM field: VD009);
- payment date (WM field: VD010);
- pool factor after redemption (WM field: VD099);
- nominal value after redemption (WM field: VD062);
- record date (WM field: VD048).

**2)** for all **other types of repayment** (e.g., in the case of early termination or scheduled total repayment of the nominal value at maturity):

- ISIN (WM field: GD622);
- maturity date (WM field: VD009);
- payment date (WM field: VD010);
- redemption value (WM field: VD013C).

### 3. Description of the process tasks: ICSD bail-in implementation

#### 3.1 Task table: ICSD bail-in implementation

This Chapter contains an overview of the ICSD bail-in implementation process and an overview of the individual process tasks. Each process task describes the responsible actor, the necessary information base, the time of execution, the activities to be carried out for the execution and the information and communication channels.

Figure 7 provides an overview of the ICSD bail-in implementation process or the so-called "ICSD Add-On". It should be noted that the process is based on the domestic bail-in implementation and should only be considered together with this.

The process tasks with Arabic numerals represent an extension of the process tasks of the domestic bail-in implementation with regard to the "ICSD Add-On". These have to be implemented by domestic actors, such as, for instance, the bank and the domestic CSD. The process tasks with Roman numerals are part of the ICSD Add-On and must be implemented by the ICSDs, the Common Depositories/Common Service Providers and the Common Safekeepers.

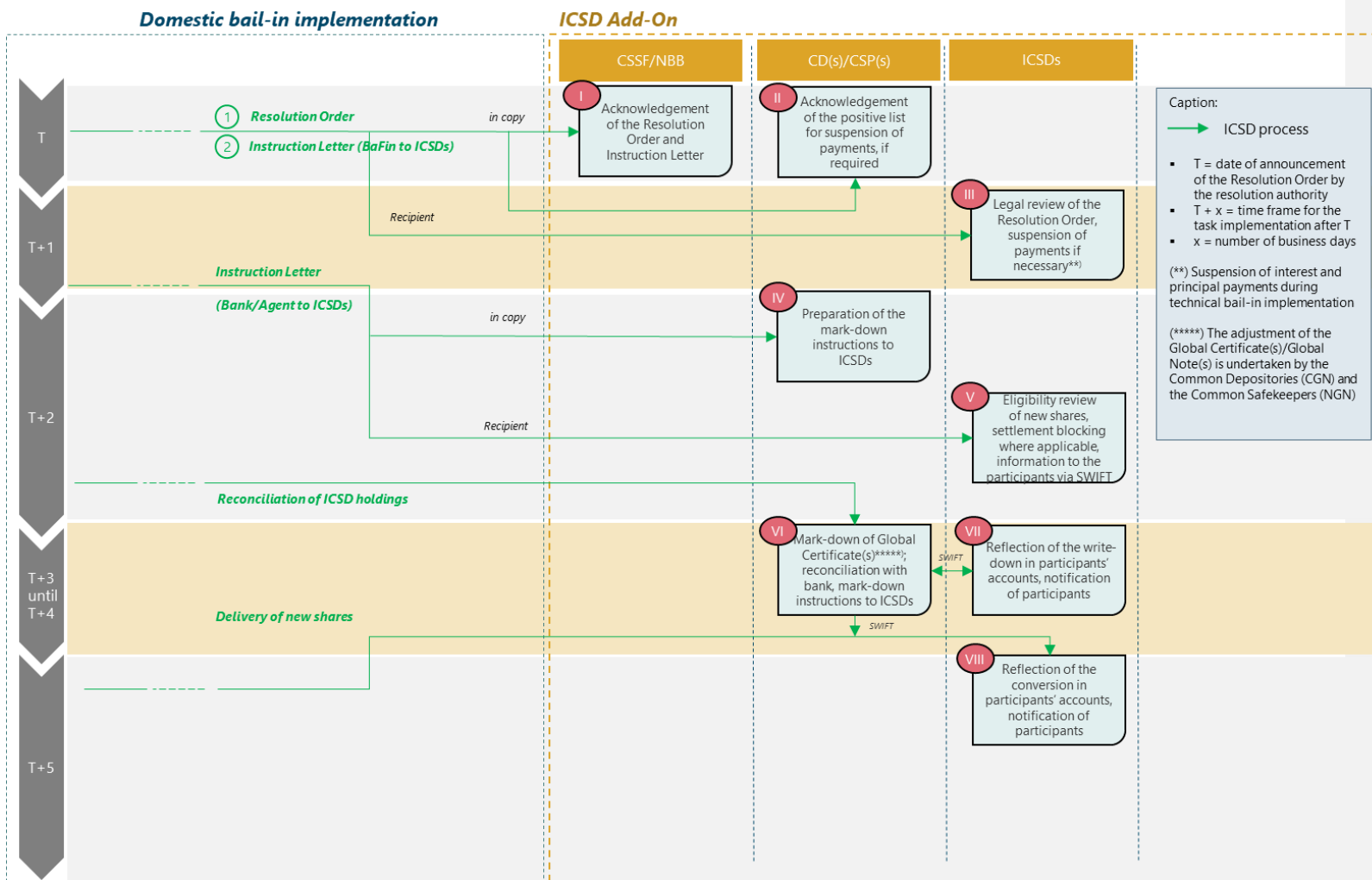


Figure 7: Task table of the ICSD bail-in implementation - "ICSD Add-On"

Formatiert: Englisch (Vereinigtes Königreich)

### 3.2 Task 1: “ICSD Add-On” – Publication of the resolution order

<b>Task owner</b>	Resolution authority
<b>Source of information</b>	n.a.
<b>Time of implementation</b>	T
<b>Task implementation</b>	<p>In addition to the activities in Task 1 of the domestic bail-in implementation, the resolution authority prepares the following documents/files:</p> <ul style="list-style-type: none"> <li>• a <b>legally non-binding summary of the resolution order</b> in English;</li> <li>• an <b>instruction letter</b> in English. The letter includes, among other things, brief instructions on implementing the bail-in in accordance with the resolution order, and a listing of the institution’s involved agents in the external bail-in implementation;</li> <li>• a <b>positive list</b> (MS Excel file) of international bearer bonds affected by the bail-in for which a <b>suspension of payments</b> must take place.</li> </ul>
<b>Forwarded information</b>	<p>In addition to Task 1 of the domestic bail-in implementation, the resolution authority submits the following documents/files:</p> <ul style="list-style-type: none"> <li>• Submission of the <b>resolution order</b> and its <b>annexes</b> as well as the <b>summary of the resolution order</b> in English to the <b>ICSDs</b> directly via <b>e-mail</b> and <b>in copy</b> to their supervisory authorities (<b>CSSF</b> and <b>NBB</b>) and to the <b>Common Depositories/Common Service Providers</b>;</li> <li>• submission of the <b>instruction letter</b> to the <b>ICSDs</b> directly via <b>e-mail</b> and <b>in copy</b> to their supervisory authorities (<b>CSSF</b> and <b>NBB</b>) and to the <b>Common Depositories/Common Service Providers</b>;</li> <li>• submission of the <b>positive list</b> (as MS Excel file) for <b>suspension of payments</b> of the affected international bearer bonds (XS-ISINs) to the <b>ICSDs</b> via <b>e-mail</b> and <b>in copy</b> to the <b>Common Depositories/Common Service Providers</b>.</li> </ul>

Task table 21: Publication of the resolution order – “ICSD Add-On”

### 3.3 Task I: Acknowledgement of resolution order

<b>Task owner</b>	Supervisory authorities of the ICSDs (CSSF and NBB)
<b>Source of information</b>	<ul style="list-style-type: none"> <li>• <b>Resolution order</b> received from resolution authority (task 1 – “ICSD Add-On”);</li> <li>• instruction letter received from the resolution authority (task 1 – “ICSD Add-On”).</li> </ul>
<b>Time of implementation</b>	T/T+1
<b>Task implementation</b>	The supervisory authorities of the ICSDs (CSSF and NBB) take note of the resolution order and instruction letter submitted by the resolution authority.
<b>Forwarded information</b>	n.a.

**Task table 22: Acknowledgement of resolution order**

### 3.4 Task II: Acknowledgement of the positive list for suspension of payments

<b>Task owner</b>	Common Depositories/Common Service Providers
<b>Source of information</b>	<ul style="list-style-type: none"> <li>• <b>Resolution order</b> received from resolution authority (task 1 – “ICSD Add-On”);</li> <li>• instruction letter received from the resolution authority (task 1 – “ICSD Add-On”);</li> <li>• the (supplementary or corrected) <b>positive list</b> (MS Excel list) sent by the resolution authority with the international bearer bonds affected by the bail-in for <b>suspension of payments</b> (tasks 1 and 5 – “ICSD Add-On”);</li> </ul>
<b>Time of implementation</b>	T/T+1
<b>Task implementation</b>	<p>The Common Depositories/Common Service Providers take note of the documents and data submitted by the resolution authority.</p> <p>If the Common Depositories/Common Service Providers act as paying agents for the international bearer bonds (XS-ISINs) affected by the bail-in, and payments are made for them during the technical bail-in implementation, the CDs/CSPs stop all related processes, such as the transfer of funds to the ICSDs.</p>
<b>Forwarded information</b>	n.a.

**Task table 23: Acknowledgement of the positive list for suspension of payments**

### 3.5 Task III: Legal review and (if necessary) suspension of payments

<b>Task owner</b>	ICSDs
<b>Source of information</b>	<ul style="list-style-type: none"> <li>• <b>Resolution order</b> received from resolution authority (task 1 – “ICSD Add-On”);</li> <li>• <b>instruction</b> letter received from the resolution authority (task 1 – “ICSD Add-On”);</li> <li>• the (supplementary or corrected) <b>positive list</b> (MS Excel list) sent by the resolution authority with the international bearer bonds affected by the bail-in for <b>suspension of payments</b> (tasks 1 and 5 – “ICSD Add-On”).</li> </ul>
<b>Time of implementation</b>	T + 1
<b>Task implementation</b>	<ul style="list-style-type: none"> <li>• The ICSDs perform a <b>legal review</b><sup>31</sup> of the resolution order;</li> <li>• if applicable, the ICSDs suspend all interest and principal payments which occur during the technical bail-in implementation for affected international bearer bonds based on the (supplementary or corrected) positive list for <b>suspension of payments</b> received from the resolution authority.</li> </ul>
<b>Forwarded information</b>	<ul style="list-style-type: none"> <li>• Notification of the <b>resolution authority</b> of the <b>receipt</b> of the <b>resolution order</b>, the (supplementary or corrected) <b>positive list</b> for <b>suspension of payments</b> and the <b>instruction letter</b> via <b>e-mail</b>;</li> <li>• information to the <b>resolution authority</b> of the <b>suspension of payments</b> via <b>e-mail</b> upon request; and</li> <li>• information to the <b>bank/agent</b> of the <b>suspension of payments</b> via <b>e-mail</b> upon request;</li> <li>• information to the <b>participants</b> of the <b>suspension of payments</b>.</li> </ul>

Task table 24: Legal review of the resolution order and (if necessary) suspension of payments

<sup>31</sup> BaFin regards the “legal review” as a plausibility check which can be carried out in the required short time period and which is limited to the review of obvious points, in particular to a basic examination of obvious formal requirements, such as the mandating authority. BaFin assumes that the ICSDs will not conduct a substantive legal review of the resolution order.

### 3.6 Task 5: “ICSD Add-On” – Instruction letter, supporting documents, list with ISINs

<b>Task owner</b>	Bank/agent
<b>Source of information</b>	<p>In addition to the sources of information listed in task 5 of the domestic bail-in implementation, this process task is based on the following information:</p> <ul style="list-style-type: none"> <li>• <b>Information of the suspended payments</b> submitted by the ICSDs upon request, where applicable (Process task III).</li> </ul>
<b>Time of implementation</b>	T + 1
<b>Implementation of the process task</b>	<p>In addition to the documents listed in task 5 of the domestic bail-in implementation, the bank/agent prepares the following documents to the ICSDs in English language:</p> <ul style="list-style-type: none"> <li>• <b>Instruction letter</b> which includes, among others, a short instruction to implement the bail-in as described in the resolution order and a reference to the supporting documents (operational guidelines and detailed list of instruments);</li> <li>• <b>operational guidelines</b> which provide detailed technical information on the implementation of the bail-in for international bearer bonds;</li> <li>• <b>detailed list of instruments</b> delivering, for each international bearer bond affected by the bail-in, specific information needed by the ICSDs in their systems for the technical implementation of the bail-in;</li> <li>• if applicable, a <b>positive list</b> (MS Excel file) of international bearer bonds affected by the bail-in for which a <b>settlement blocking</b> must take place on the part of the ICSDs.</li> </ul>
<b>Forwarded information</b>	<p>In addition to task 5 of the domestic bail-in implementation, the bank/agent submits the following information:</p> <ul style="list-style-type: none"> <li>• Sending of a <b>correcting notification</b> to the positive list with affected international bearer bonds for <b>suspension of payments</b> to the <b>resolution authority</b> for transmission to the ICSDs via <b>e-mail</b>;</li> <li>• sending the <b>positive list for settlement blocking</b> with affected international bearer bonds directly by <b>e-mail</b> to the <b>ICSDs</b> and <b>in copy</b> to the <b>Common Depositories/Common Service Providers</b> and the <b>resolution authority</b>;</li> <li>• sending of the <b>instruction letter</b> and the <b>supporting documents</b> directly by <b>e-mail</b> to the <b>ICSDs</b> for bail-in implementation and <b>in copy</b> to the <b>Common Depositories/Common Service Providers</b>, the <b>Common Safekeepers</b> (generally one of the ICSDs or the CSP), the <b>resolution authority</b> as well as <b>WM Datenservice</b>.</li> </ul>

**Task table 25: Instruction letter, supporting documents, positive lists – “ICSD Add-On”**

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### 3.7 Task IV: Preparation of the mark-down instructions

<b>Task owner</b>	Common Depositories/Common Service Providers
<b>Source of information</b>	<ul style="list-style-type: none"><li>• <b>Positive list for settlement blocking</b> (MS Excel list) submitted by the <b>bank/agent</b> with international bearer bonds or XS-ISINs affected by the bail-in (task 5 – “ICSD Add-On”) where applicable;</li><li>• <b>instruction letter</b> and <b>supporting documents</b> received from <b>bank/agent</b> (task 5 – “ICSD Add-On”).</li></ul>
<b>Time of implementation</b>	T + 2
<b>Task implementation</b>	The Common Depositories/Common Service Providers prepare the so-called mark-down instructions to the ICSDs based on the instruction letter and the supporting documents of the bank. These are technical instructions for the write-down and/or conversion of instruments.
<b>Forwarded information</b>	n.a.

Task table 26: Preparation of the mark-down instructions to the ICSDs

### 3.8 Task V: Eligibility review and settlement blocking, where applicable

<b>Task owner</b>	ICSDs
<b>Source of information</b>	<ul style="list-style-type: none"><li>• If applicable, <b>positive list for settlement blocking</b> (MS Excel list) submitted by the <b>bank/agent</b> with international bearer bonds or XS-ISINs affected by the bail-in (task 5 – “ICSD Add-On”);</li><li>• <b>instruction letter</b> and <b>supporting documents</b> received from <b>bank/agent</b> (task 5 – “ICSD Add-On”).</li></ul>
<b>Time of implementation</b>	T + 2
<b>Task implementation</b>	<ul style="list-style-type: none"><li>• The ICSDs inform their participants of the resolution measures.</li><li>• On the basis of the positive list submitted by the bank for the settlement blocking and the operational guidelines, the ICSDs initiate the settlement blocking for international bearer bonds affected by the bail-in.</li><li>• On the basis of the operational guidelines provided by the bank and the information on new shares included therein, the ICSDs perform an eligibility review how far the new shares fulfill the criteria for approval to settlement in their books.</li></ul>

- Information to the **participants** about the resolution measure via **SWIFT** and additional channels, if necessary;
- where applicable, information to the **bank/agent of settlement blocking by e-mail** upon request;
- sending of a confirmation to the **bank/agent** about the **admission** of the new **shares to settlement** in the systems of the ICSDs by **e-mail**.

**Task table 27: Information to the ICSDs' participants, eligibility review and settlement blocking**

### 3.9 Task 10: "ICSD Add-On" – Reconciliation of ICSDs' holdings

<b>Task owner</b>	Bank/agent
<b>Source of information</b>	<p>In addition to the sources of information listed in task 10 of the domestic bail-in implementation, this process task is based on the following information:</p> <ul style="list-style-type: none"> <li><b>Positive list for suspension of payments</b> (MS Excel list) submitted by the resolution authority with international bearer bonds or XS-ISINs affected by the bail-in (task 1 – "ICSD Add-On");</li> <li>where applicable, the <b>correcting notification</b> submitted by the bank/agent to the resolution authority for the positive list of international bearer bonds affected by the bail-in for <b>suspension of payments</b> (task 5 – "ICSD Add-On").</li> </ul>
<b>Time of implementation</b>	from T + 4 (record date)
<b>Task implementation</b>	<p>In addition to the activities listed in task 10 of the domestic bail-in implementation, the bank takes the following actions:</p> <ul style="list-style-type: none"> <li>Reconciliation of the ICSD holdings with the Common Depositories (CGN) or the Common Service Providers (NGN) for determination of the total number of new shares resulting from the conversion of international bearer bonds. Following, the total number of new shares has to be transmitted by CBF to the ICSDs (see task 12 – "ICSD Add-On").</li> </ul>
<b>Forwarded information</b>	<p>In addition to Task 10 of the domestic bail-in implementation, the bank/agent submits the following information:</p> <ul style="list-style-type: none"> <li>Forwarding of information on the <b>total number of new shares</b> resulting from the conversion of international bearer bonds to the domestic <b>Central Securities Depository (CBF)</b> by <b>e-mail</b>.</li> </ul>

**Task table 28: Reconciliation of ICSDs' holdings with CDs/CSPs by the bank – "ICSD Add-On"**

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### 3.10 Task VI: Mark-down of CGN/NGN

<b>Task owner</b>	Common Depositories/Common Safekeepers and Common Service Providers
<b>Source of information</b>	<ul style="list-style-type: none"> <li>instruction letter and supporting documents received from bank/agent (task 5 – “ICSD Add-On”).</li> </ul>
<b>Time of implementation</b>	T + 4 (record date)
<b>Task implementation</b>	<ul style="list-style-type: none"> <li>The Common Depositories and Common Service Providers (generally one of the ICSDs) reconcile the ICSD holdings with the bank/agent (see also task 10 – “ICSD Add-On”).</li> <li>The Common Depositories and Common Safekeepers (generally one of the ICSDs or the CSP) adjust the global certificates of the international bearer bonds affected by the bail-in based on the instruction letter received from the bank, the supporting documents and the write-down and conversion percentages listed therein.</li> <li>The Common Depositories/Common Service Providers send mark-down instructions to the ICSDs to perform the write-down and/or conversion of the international bearer bonds affected by the bail-in.</li> </ul>
<b>Forwarded information</b>	Submission of the <b>mark-down instructions</b> (write-down and/or conversion) to the <b>ICSDs</b> via <b>SWIFT</b> .

**Task table 29: Adjustment of the Classical Global Note/New Global Note**

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### 3.11 Task VII: Reflection of the write-down in participants' accounts

<b>Task owner</b>	ICSDs
<b>Source of information</b>	<ul style="list-style-type: none"> <li>• <b>Mark-down instructions</b> received from the Common Depositories/Common Service Providers (process task VI).</li> </ul>
<b>Time of implementation</b>	T + 4 (record date)
<b>Task implementation</b>	<ul style="list-style-type: none"> <li>• Based on the mark-down instructions received from the Common Depositories/Common Service Providers, the ICSDs implement the <b>reduction</b> as a result of the <b>write-down</b> of international bearer bonds in their systems.</li> <li>• The ICSDs inform the Common Depositories/Common Service Providers about the write-down of the instruments.</li> <li>• The ICSDs reflect the reduction of the instruments as a result of the write-down in the accounts of their participants.</li> <li>• The ICSDs <b>agree settlement instruction details</b> (reconciliation of account data, amounts, etc.) for the new shares resulting from the conversion of the international bearer bonds with the bank/agent.<sup>32</sup></li> </ul> <p>For the technical implementation of the bail-in, the ICSDs conduct different <b>technical scenarios</b> (see Table 12). Each technical scenario covers different measures in connection with the bail-in.</p>
<b>Forwarded information</b>	<ul style="list-style-type: none"> <li>• Information to the <b>bank</b> upon request about the <b>reduction</b> of the instruments as a result of the <b>write-down</b> (by <b>e-mail</b>);</li> <li>• information to the <b>agent</b> about the <b>reduction</b> of the instruments as a result of the <b>write-down</b> via <b>SWIFT</b>;</li> <li>• information to the <b>Common Depositories/Common Service Providers</b> about the <b>reduction</b> of the instruments as a result of the <b>write-down</b> via <b>SWIFT</b>;</li> <li>• information to the <b>participants</b> about the <b>reduction</b> of the instruments as a result of the <b>write-down</b> via <b>SWIFT</b> and additional channels, if necessary.</li> </ul>

**Task table 30:** Reflection of the write-down in participants' accounts by ICSDs

<sup>32</sup> See also SRB document "Reflecting bail-in in the books of the International Central Securities Depositories (ICSDs)" under: <https://www.srb.europa.eu/en/content/srb-issues-new-guidance-bail-international-debt-securities>.

Analogous to the domestic process of the external bail-in implementation, there are four technical scenarios for international bearer bonds in the ICSD context.<sup>33</sup> A distinction is made between the technical scenarios A, B, C and D. Technical scenario A is the counterpart to technical scenario 4 of the domestic process. Technical scenario B corresponds to technical scenario 6, scenario C corresponds to scenario 3, and scenario D with scenario 5 (see also Chapter IV.2.12).<sup>34</sup> The table below shows the mapping of the technical scenarios of the “ICSD Add-On” to the technical scenarios of the domestic bail-in implementation:

Technical scenario: ICSD bail-in implementation	Description	Technical scenario: domestic bail-in implementation	Description
A	<b>Full reduction of the nominal value of the international bearer bonds (XS bonds) without conversion into new shares</b>	4	<b>4 without PF: Full reduction of the nominal value of the percentage-quoted unstructured bearer bonds without conversion into new shares</b> <b>4 with PF: Full reduction of the pool factor of the percentage-quoted unstructured bearer bonds without conversion into new shares</b>
B	<b>B without PF: Partial reduction of the nominal value of the international bearer bonds (XS bonds) without conversion into new shares</b> <b>B with PF: Partial reduction of the pool factor of the international bearer bonds (XS bonds) without conversion into new shares</b>	6	<b>6 without PF: Partial reduction of the nominal value of the percentage-quoted unstructured bearer bonds without conversion into new shares</b> <b>6 with PF: Partial reduction of the pool factor of the percentage-quoted unstructured bearer bonds without conversion into new shares</b>
C	<b>Full reduction of the nominal value of the international bearer bonds (XS bonds) without conversion into new shares</b>	3	<b>Full reduction of the nominal value/pool factor of the percentage-quoted unstructured bearer bonds with conversion into new shares</b> <b>3a with/without PF: Full reduction of the percentage-quoted unstructured bearer bonds by the full conversion into new shares</b> <b>3b with/without PF: Full reduction of the percentage-quoted unstructured bearer bonds by the combination of write-down and conversion into new shares</b>
D	<b>D without PF: Partial reduction of the nominal value of the international bearer bonds (XS bonds) with conversion into new shares</b> <b>D with PF: Partial reduction of the pool factor of the international bearer bonds (XS bonds) with conversion into new shares</b>	5	<b>Partial reduction of the nominal value/pool factor of the percentage-quoted unstructured bearer bonds with conversion into new shares</b> <b>5a with/without PF: Partial conversion of percentage-quoted unstructured bearer bonds into new shares</b> <b>5b with/without PF: Combination of write-down and partial conversion of percentage-quoted unstructured bearer bonds into new shares</b>

**Table 11: Mapping of technical scenarios – “ICSD Add-On” and domestic implementation**

<sup>33</sup> For technical scenarios of the ICSD bail-in implementation, see also the SRB document “Reflecting bail-in in the books of the International Central Securities Depositories (ICSDs)” under: <https://www.srb.europa.eu/en/content/srb-issues-new-guidance-bail-international-debt-securities>.

<sup>34</sup> Banks usually issue mainly the international bearer bonds (XS bonds) via the two International Central Securities Depositories. Therefore, no technical scenarios for the cancellation and conversion of shares (technical scenarios 1 and 2 of the domestic bail-in implementation) exist in the “ICSD Add-On”.

**Note 1:** It should be noted that in the ICSD context, in contrast to the domestic bail-in implementation, a full reduction of bearer bonds by means of the pool factor is not possible. If a bearer bond has to be reduced in full, its nominal value is set to zero in the systems of the ICSDs and, if necessary, a cancellation or complete derecognition from the system takes place at a later point in time. For this reason, scenarios A and C do not differentiate between reduction with or without a pool factor.

**Note 2:** In the systems of the ICSDs, no differentiation is made between percentage and unit quotation. All international bearer bonds are maintained with their outstanding principal amounts and pool factors.

Below are the technical scenarios for **percentage-quoted structured bearer bonds**.

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**Technical scenarios for the bail-in implementation by the ICSDs**

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No.	Technical scenario	Summary of technical process
A	<p><b><u>Vollständige NW-Reduzierung (XS bonds) OHNE Umwandlung in neue Aktien</u></b></p> <p>Full write-down: full reduction of nominal (XS bonds) WITHOUT conversion</p>	<p><b><u>Full reduction of the nominal value of the international bearer bonds (XS bonds) without conversion into new shares</u></b></p> <p><b>Full reduction</b> (write-down) of the nominal values of the affected international bearer bonds. The <b>write-down percentage</b> for scenario A is always <b>100%</b>. The reduction of the international bearer bonds in the systems of the ICSDs and the reflection of the reduction in the accounts of the participants takes place on the technical record date.</p> <p>The ICSDs set the outstanding principal amount of the affected international bearer bonds in their system to zero. A complete derecognition of the international bearer bonds from the system takes place at a later point in time.<sup>35</sup></p> <p><b>Please note:</b> Scenario A is the counterpart to the technical scenario 4 of the domestic bail-in implementation (see also Chapter IV.2.12).</p>

<sup>35</sup> The complete derecognition of the international bearer bonds from the systems of the ICSDs usually takes place 3 weeks after the full reduction.

## Technical scenarios for the bail-in implementation by the ICSDs

No.	Technical scenario	Summary of technical process
B	<p><b>Teilweise NW/Poolfaktor-Reduzierung (XS bonds) OHNE Umwandlung in neue Aktien</b></p> <p>Partial write-down: partial reduction of nominal or pool factor (XS bonds) WITHOUT conversion</p>	<p><b>Partial reduction of the nominal value/the pool factor of the international bearer bonds (XS bonds) without conversion into new shares</b></p> <p>Partial reduction (write-down) of the nominal value/pool factor of the affected international bearer bonds according to the total reduction rate (equals the write-down percentage). The <b>write-down percentage</b> for scenario B is <b>always less than 100%</b>.</p> <p>The reduction of the international bearer bonds in the systems of the ICSDs and the reflection in the accounts of the participants take place on the <b>technical record date</b>.</p> <p>For scenario B, a distinction is made according to whether the reduction takes place with or without a pool factor:</p> <p><b>B without PF:</b> Partial reduction of the outstanding principal amount in the systems of the ICSDs due to the write-down.</p> <p><b>B with PF:</b> Partial reduction of the pool factor in the systems of the ICSDs due to the write-down.</p> <p><b>Please note:</b> Scenario B is the counterpart to the technical scenario 6 of the domestic bail-in implementation.</p>

## Technical scenarios for the bail-in implementation by the ICSDs

No.	Technical scenario	Summary of technical process
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C	<p><b>Vollständige NW-Reduzierung (XS bonds) MIT Umwandlung in neue Aktien</b></p> <p>Full conversion: full reduction of nominal (XS bonds) AND delivery of new instruments</p>	<p><b>Full reduction of the nominal value of the international bearer bonds (XS bonds) with conversion into new shares</b></p> <p><b>Full reduction</b> (through write-down and conversion) of the nominal value of the affected bearer bonds taking into account the total reduction rate.</p> <p>The total reduction rate is the sum of the write-down percentage and the conversion percentage. The <b>total reduction rate</b> for scenario C is always <b>100%</b>. The new shares are technically generated by the domestic central securities depository (CBF) and transmitted to the ICSDs (see task 12 – "ICSD Add-On").</p> <p>The reduction of the international bearer bonds in the ICSDs' systems and the recording of the new shares in the participants' accounts take place simultaneously on settlement day (see process task VIII).</p> <p>It should be noted that the reduction can take place, on the one hand, through the full conversion of the international bearer bonds into new shares and, on the other hand, through the combination of write-down and conversion.</p> <p>Due to the full reduction, the ICSDs reduce the outstanding principal amount in their system to zero. In addition, a complete derecognition of the international bearer bonds from the system may take place at a later point in time.<sup>36</sup></p> <p><b>Please note:</b> Scenario C is the counterpart to scenario 3 of the domestic bail-in implementation.</p>
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<sup>36</sup> The complete derecognition of the international bearer bonds from the systems of the ICSDs usually takes place 3 weeks after the full reduction.



**Technical scenarios for the bail-in implementation by the ICSDs**

No.	Technical scenario	Summary of technical process
<b>D</b>	<p><b>Teilweise NW/Poolfaktor-Reduzierung (XS bonds) MIT Umwandlung in neue Aktien</b></p> <p>Partial conversion: partial reduction of nominal or pool factor (XS bonds) AND delivery of new instruments</p>	<p><b>Partial reduction of the nominal value/the pool factor of the international bearer bonds (XS bonds) with conversion into new shares</b></p> <p>Partial reduction (write-down and conversion) of the nominal value/pool factor of the affected international bearer bonds taking into account the total reduction rate.</p> <p>The total reduction rate is the sum of the write-down percentage and the conversion percentage. The <b>total reduction</b> for scenario D is <b>always less than 100%</b>.</p> <p>The new shares are technically generated by the domestic central securities depository (CBF) and transmitted to the ICSDs (see task 12 – "ICSD Add-On").</p> <p>The reduction of the international bearer bonds in the ICSDs' systems and the recording of the new shares in the participants' accounts take place simultaneously on settlement day (see process task VIII).</p> <p>For scenario D, a differentiation is made as to whether the reduction is made with or without a pool factor. In addition, it should be noted that the partial reduction can take place, on the one hand, through the partial conversion of the international bearer bonds into new shares and, on the other hand, through the combination of write-down and conversion:</p> <p><b>D without PF:</b> Partial reduction of the outstanding principal amount in the systems of the ICSDs.</p> <p><b>D with PF:</b> Partial reduction of the pool factor in the systems of the ICSDs.</p> <p><b>Please note:</b> Scenario D is the counterpart to scenario 5 of the domestic bail-in implementation.</p>

**Table 12: Technical scenarios for the ICSDs (international BBs)**

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### 3.12 Task 12: "ICSD Add-On" – booking of bail-in in participants' accounts

<b>Task owner</b>	Domestic Central Securities Depository (CBF)
<b>Source of information</b>	<p>In addition to the sources of information listed in task 12 of the domestic bail-in implementation, this process task is based on the following information:</p> <ul style="list-style-type: none"><li>Information received from the bank/agent on the total number of new shares resulting from the conversion of international bearer bonds and to be transmitted to the ICSDs (see task 10 – "ICSD Add-On").</li></ul>
<b>Time of implementation</b>	T+5
<b>Task implementation</b>	<p>In addition to the activities listed in task 12 of the domestic bail-in implementation, the domestic central securities depository (CBF) books the new shares resulting from the conversion of the international bearer bonds in the accounts of the ICSDs. If the technical conversion ratio contains fractional amounts, the CSD only books the full shares into the accounts of the ICSDs. The fractional amounts will be rounded down (see background information on the handling of fractional amounts in Chapter IV.2.13).</p>
<b>Forwarded information</b>	<p>In addition to Task 12 of the domestic bail-in implementation, the CBF submits the following information:</p> <ul style="list-style-type: none"><li>Informing the <b>ICSDs</b> of the recording of the new shares resulting from the conversion of international bearer bonds in their accounts (<b>via the CSD's systems</b>);</li><li>Informing the <b>bank/agent</b> of the recording of the new shares in the accounts of the ICSDs by <b>e-mail</b>;</li><li>Informing the <b>resolution authority</b> of the recording of the new shares in the accounts of the ICSDs by <b>e-mail</b>.</li></ul>

**Task table 31: Booking of bail-in in participants' accounts by CBF – "ICSD Add-On"**

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### 3.13 Task VIII: Reflection of the write-down and conversion in participants' accounts

<b>Task owner</b>	ICSDs
<b>Source of information</b>	<ul style="list-style-type: none"> <li>• <b>Mark-down instructions</b> received from the <b>Common Depositories/Common Service Providers</b> (process task VI);</li> <li>• <b>new shares</b> received from the <b>domestic central securities depository (CBF)</b> resulting from the conversion of international bearer bonds (task 12 – “ICSD Add-On”).</li> </ul>
<b>Time of implementation</b>	T + 5 (settlement date)
<b>Task implementation</b>	<ul style="list-style-type: none"> <li>• Based on the mark-down instructions received from the Common Depositories/Common Service Providers, the ICSDs implement the <b>reduction</b> as a result of the <b>write-down in combination with conversion</b> or the <b>conversion</b> alone of international bearer bonds in their systems.</li> <li>• At the same time, ICSDs record the new shares received from the domestic central securities depository (CBF) in the accounts of their participants.</li> </ul>
<b>Forwarded information</b>	<ul style="list-style-type: none"> <li>• Information to the <b>domestic central securities depository (CBF)</b> of the receipt of new shares (<b>via the ICSDs' systems</b>);</li> <li>• information to the <b>bank/agent</b> on request of the reduction of the instruments and about the booking of new shares in the accounts of the participants of the ICSDs by <b>e-mail</b>;</li> <li>• information to the <b>participants</b> about the recording of new shares in their accounts via <b>SWIFT</b> and additional channels, where applicable.</li> </ul>

**Task table 32: Reflection of write-down and conversion in participants' accounts by ICSDs**

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### 3.14 Task 20: “ICSD Add-On” – Information on handling of suspended payments

<b>Task owner</b>	Bank/agent
<b>Source of information</b>	<p>In addition to the sources of information listed in task 20 of the domestic bail-in implementation, this process task is based on the following information:</p> <ul style="list-style-type: none"> <li>• <b>Positive list for suspension of payments</b> (MS Excel list) submitted by the resolution authority with international bearer bonds or XS-ISINs affected by the bail-in (task 1 – “ICSD Add-On”);</li> <li>• where applicable, the <b>correcting notification</b> submitted by the bank/agent to the resolution authority for the positive list of international bearer bonds affected by the bail-in for <b>suspension of payments</b> (task 5 – “ICSD Add-On”);</li> <li>• <b>information of the suspended payments submitted by the ICSDs</b> upon request, if necessary (Process task III).</li> </ul>
<b>Time of implementation</b>	T+5
<b>Task implementation</b>	<p>In addition to the activities listed in task 20 of the domestic bail-in implementation, the bank/its agent prepares, if relevant, a notification in the form of an e-mail to the ICSDs and the CDs/CSPs with detailed information on how to deal with previously suspended payments.</p>
<b>Forwarded information</b>	<p>In addition to Task 20 of the domestic bail-in implementation, the bank/agent submits the following information:</p> <ul style="list-style-type: none"> <li>• Forwarding of the information on the handling of previously suspended payments to the <b>ICSDs</b> and in copy to the <b>CDs/CSPs by e-mail</b>;</li> <li>• information to the <b>resolution authority</b> of the forwarding of the notification on the handling of suspended payments to the ICSDs by <b>e-mail</b>.</li> </ul>

**Task table 33: Information on handling of suspended payments – “ICSD Add-On”**

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Background information:

## **Handling of suspended payments (interest and principal) – “ICSD Add-On”**

The bank will (after reflection of the bail-in in the systems and accounts of the market participants) inform the ICSDs by e-mail about the handling of previously suspended payments. When informing on the handling of suspended payments, the bank must note that for all international bearer bonds affected by the bail-in, the payments must be recalculated taking into account the write-down and conversion percentages published in the resolution order.

For each instrument for which **interest payments** have been suspended as part of the bail-in, the following NNA (WM Datenservice) data fields must be included in the notification:

- ISIN (NNA-field: GD622),
- start date of the interest period (NNA-Field: ED024A),
- end date of the interest period (NNA-Field: ED025A),
- coupon as of (NNA-Field: ED031),
- payment date (NNA-Field: ED021),
- ex-coupon date (NNA-Field: ED007),
- record date (NNA-Field: ED020),
- total dividend/income (NNA-Field: ED008A),
- number of interest days (NNA-Field: ED300),
- dividend/income currency (NNA-Field: ED011),
- dividend/income % (NNA-Field: ED032).

With regard to previously suspended **principal payments**, the following NNA data fields are to be provided. A distinction must be made between two cases:

**3)** in the case of **partial redemptions** (pool factor or nominal value changes):

- ISIN (NNA-field: GD622),
- maturity date (NNA-Field: VD009),
- payment date (NNA-Field: VD010),
- pool factor after redemption (NNA-Field: VD099),
- nominal value after redemption (NNA-Field: VD062),
- record date (NNA-Field: VD048).

**4)** for all **other types of repayment** (e.g., in the case of early termination or scheduled total repayment of the nominal value at maturity):

- ISIN (NNA-field: GD622),
- maturity date (NNA-Field: VD009),
- payment date (NNA-Field: VD010),
- redemption value (NNA-Field: VD013C).

**In addition** to the information listed, the ICSDs are to be notified of the respective **write-down and conversion percentages applied** by the bank for recalculation of payments. The **currency** in which the payments are to be made must also be indicated.

### 3.4. Sample templates for the documents from the bank to the actors

This chapter provides guidance on the documents to be submitted by the bank and/or its agent to different actors as part of the resolution measure. While sub-chapter 4.1 is dedicated to the domestic bail-in implementation, sub-chapter 4.2 addresses the ICSD bail-in implementation. The two sub-chapters are structured as follows:

#### 4.1 Sample templates for the documents from the bank to the domestic actors

##### 4.1.1 Instruction letter (Chapter IV.3.1.1);

and supporting documents accompanying the instruction letter:

##### Appendix 4.1.1.1 Instruction letter

##### 4.1.1.2 Annex I – Operational guidelines (Chapter IV.3.1.2);

##### Appendix 4.1.1.3 Annex II.1 – Detailed list of instruments (Chapter IV.3.1.3); for instruments of ownership and unstructured bearer bonds

##### 4.1.1.4 Annex II.2 – Detailed list of instruments for percentage-quoted structured bearer bonds

##### 4.1.2 Sample template for the “simplified listing application” (Chapter IV.3.2);

#### 4.2 Sample templates for the documents from the bank – “ICSD Add-On”

##### 4.2.1 Instruction letter and supporting documents – “ICSD Add-On”

##### 4.2.1.1 Instruction letter – “ICSD Add-On”

##### 4.2.1.2 Annex I – Operational guidelines – “ICSD Add-On”

##### 4.2.1.3 Annex II – Detailed list of instruments – “ICSD Add-On”

The templates or samples for the documents will be provided to the institutions in common formats upon request as part of the resolution planning activities.

#### 3.14.1 Sample templates for the instruction letter and supporting documents from the bank to domestic actors

This sub-chapter contains sample templates for the instruction letter and the supporting documents (Appendix of the bank to domestic actors (Annex I and II)). With the instruction letter, the bank or, if applicable, its agent instructs the CSD to implement the bail-in as required in the resolution order. The instruction letter refers to its supporting documents, i.e. the operational guidelines (Appendix Annex I) and the detailed list of instruments (Appendix Annex II), which provide details on the bail-in as described in the resolution order. In addition, the instruction letter and the supporting documents are also provided to the NNA.

**Please note:** Different technical scenarios (see Table 9 and Table 10) may apply as part of the resolution action. For each technical scenario, an Appendix Annex I and Appendix Annex II must be prepared. Regardless of the number of scenarios and thus the number of appendices annexes, however, only one instruction letter is to be submitted by an institution.

#### 4.1.1 Instruction letter and the supporting documents

##### 3.1.1.14.1.1.1 Instruction letter

A template for an instruction letter<sup>37</sup> of the bank to the CBF and WM Datenservice is given below.

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<sup>37</sup> The power of representation to sign the instruction letter must be regulated by the bank in an appropriate manner.

**Instruction Letter for the implementation of the Resolution Order  
mandated by BaFin on DD.MM.YYYY from the [Bank] / [Agent] to CBF  
and WM Datenservice**

**An**

**To:**

Clearstream Banking AG  
–Management Board–  
Mergenthalerallee 61  
65760 Eschborn

By mail in advance: [bail-in@clearstream.com](mailto:bail-in@clearstream.com)

By e-mail in advance: [CAGermany@clearstream.com](mailto:CAGermany@clearstream.com) [bail-in@clearstream.com](mailto:bail-in@clearstream.com)

**In copy** By e-mail in advance: [CAGermany@clearstream.com](mailto:CAGermany@clearstream.com)

**Copy to:**

WM Datenservice  
Düsseldorfer ~~Str~~~~asse~~ 16

60329 Frankfurt am Main

By e-mail in advance: [WM-BRRD-BAIL-IN@wmdata.com](mailto:WM-BRRD-BAIL-IN@wmdata.com) [WM-BRRD-BAIL-IN@wmdata.com](mailto:WM-BRRD-BAIL-IN@wmdata.com)

~~Dear Sirs or Madams,~~

Dear Sir/Madam,

[we hereby ask you] [~~we have been commissioned by [\*]~~] contact you in our capacity as issuer's agent of the Bank<sup>38</sup> to initiate the external execution of the bail-in, execute the write-down and we hereby ask you] conversion pursuant to implement Article 21 of the necessary bookings-SRMR in conjunction with section 89 of the SAG and of the bail-in pursuant to Article 27 of the SRMR in conjunction with section 90 of the SAG, provided under the resolution order

<sup>38</sup> Name of the ~~bank/issue~~ institution under resolution if the instruction letter is drafted by the agent.

**Formatiert:** Standard, Rahmen: Rechts: (Einfache einfarbige Linie, Automatisch, 0,5 Pt. Zeilenbreite)

**Formatiert:** Englisch (Vereinigtes Königreich)



~~[mandated by the Federal Financial Supervisory Authority (BaFin) in the resolution order on [date] and published on dd.mm.yyyy {"its website at: ("BaFin publication website")-web address"}]~~<sup>39</sup>

~~[implementing the Decision of the Single Resolution Board as of [date] concerning the adoption of the resolution scheme in respect of [institution under resolution], adopted by the Federal Financial Supervisory Authority (BaFin) on [date] and published on its website at: ("BaFin publication web address")]~~<sup>40</sup>

The details ~~regarding the execution of the write-down and conversion, including the list of the relevant instruments, are provided in the hereby attached operational guidelines and their appendices to this letter as annexes.~~

~~Your contact persons for advice on technical implementation of the bail-in are:~~

~~Your contact person[s] in charge of the execution of the write-down and conversion at [institution under resolution] [is/are] [Title, Mr-/Ms XXX, Telephone xxx, E-Mail xxx].~~

~~Yours sincerely,~~

~~Unterschrift~~This letter contains the following Annexes:

- ~~• Annex 1 –~~ ~~Unterschrift – Operational guidelines~~
- ~~• Annex 2 – Detailed list of instruments~~

<sup>39</sup> Text module – variant 1: This text module is to be used if the institution is under the direct responsibility of the national resolution authority (BaFin).

<sup>40</sup> Text module – variant 2: This text module is to be used if the institution is under the direct responsibility of the Single Resolution Board (SRB).

Appendix  
Kind regards,

[Signature 1] \_\_\_\_\_ [Signature 2]

### 3.1.1.24.1.1.2 Annex I – Operational guidelines

The operational guidelines provide detailed technical information on the cancellation, write-down and/or conversion of instruments. They are prepared by the bank or, if applicable, its agent in consultation with the CSD and the NNA and attached as appendices to the instruction letter. The operational guidelines are additionally published on the website of the institution under resolution and/or, if applicable, its agent, and thereby inform market participants on the implementation of the bail-in and the implications on the affected instruments. A template for the operational guidelines with regard to the technical scenarios 1 to 6 and a guidance for the different fields are provided below.

**Please note:** For each technical scenario, a separate document (operational guidelines) has to be prepared. Background information and explanatory notes on the individual fields to be filled in the operational guidelines can be found in Table 13.

~~**Please note:** For each technical scenario, a separated document (operational guidelines) has to be prepared. Background information and explanatory notes on the individual fields to be filled in the operational guidelines can be found in Table 7.~~

**Operational Guidelines  
for the implementation of the resolution order published on DD.MM.YYYY  
(Scenarios 1 to 6)**

-- Name of the issuer--

-- Name of the security(ies) --

-- ISIN / see also **AppendixAnnex II** --

<b>Name</b>	-- Name of the bank/issuer ----
<b>CBF Account</b>	
<b>Affected ISIN</b>	List of all ISIN Codes <del>for the operational scenario</del> according to the detailed list of instruments <del>in Appendix II</del>
<b>Scenario applicable to the affected ISIN-Codes</b>	--please delete the <u>non-relevant scenarios</u> --
1.	Cancellation of old shares WITHOUT conversion into new shares
2.	Cancellation of old shares WITH conversion into new shares
3.	<b>Unstructured bearer bonds (percentage- and unit-quoted):</b> Full <del>reduction of nominal value/pool factor (bonds)</del> <del>reduction of the unstructured bearer bonds with derecognition of old bonds WITH conversion into new shares</del> <b>Percentage-quoted structured bearer bonds:</b> Full reduction of the <del>percentage-quoted structured bearer bonds WITH conversion into new shares</del>
4.	<b>Unstructured bearer bonds (percentage- and unit-quoted):</b> Full <del>reduction of nominal value/pool factor (bonds)</del> <del>reduction of the unstructured bearer bonds without derecognition of old bonds WITHOUT conversion into new shares</del> <b>Percentage-quoted structured bearer bonds:</b> Full reduction of the <del>percentage-quoted structured bearer bonds WITHOUT conversion into new shares</del>
5.	<b>Unstructured bearer bonds (percentage- and unit-quoted):</b> Partial <del>reduction of nominal value/pool factor (bonds)</del> <del>reduction of the unstructured bearer bonds with partial derecognition of old bonds WITH conversion into new shares</del> <b>Percentage-quoted structured bearer bonds:</b> Partial reduction of the <del>percentage-quoted structured bearer bonds WITH conversion into new shares</del>
6.	<b>Unstructured bearer bonds (percentage- and unit-quoted):</b> Partial <del>reduction of nominal value/pool factor (bonds)</del> <del>reduction of the unstructured bearer bonds with partial derecognition of old bonds WITHOUT conversion into new shares</del> <b>Percentage-quoted structured bearer bonds:</b> Partial reduction of the <del>percentage-quoted structured bearer bonds WITHOUT conversion into new shares</del>
<b>Technical booking and, conversion and exercise ratios</b>	List of <del>technical booking, conversion and exercise</del> ratios according to a detailed list of instruments. If the operational scenario comprises a large amount of ISINs, please refer to the detailed list of instruments (Annex II)
<b>Explanation</b>	<del>Explanatory</del> <del>where applicable, explanatory</del> comments regarding the calculation of the technical booking <del>ratio</del> and conversion ratios
<b>Pool factor (old)</b>	List of pool factors (old) according to detailed list of instruments (if applicable). <del>If there is</del> <del>if the operational scenario comprises</del> a large amount of ISINs, please refer to the detailed list of instruments (Annex II);

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<b>Pool factor (new)</b>	List of pool factors (new) according to detailed list of instruments (if applicable). <del>If there is</del> If the operational scenario comprises a large amount of ISINs, please refer to the detailed list of instruments ( <del>Appendix</del> Annex II)
<b>ISIN for new shares</b>	ISIN Code for new shares created by conversion ( <del>provided by</del> according to WM Datenservice)
<b>Effective date of suspension of trading</b>	DD.MM.YYYY (to be entered in consultation with the exchange(s))
<b>Effective date of settlement blocking</b>	DD.MM.YYYY (according to CBF)
<b>Treatment of payments (interest and principal)</b>	General information on treatment of accrued interest and (partial) principal payments/redemptions
<b>Publication</b>	Website of issuer/bank and BaFin and any additional websites
<b>CBF Record Date</b>	according to CBF
<b>CBF Settlement Date</b>	according to CBF
<b>Treatment of open transactions</b>	according to CBF compensation rules; where applicable, settlement_blocking should be taken into consideration
<b>Treatment of fractional amounts</b>	Information on treatment of fractional amounts. If the technical conversion ratio contains fractional shares (partial rights) and the resolution order does not provide for rounding down at the level of the individual instrument, it should be stated in this field that <del>that</del> the CSD_CBF and the custodian banks have to round down fractional amounts (final amounts) per participant.
<b>xxx</b>	Placeholder for additional information from agent

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|

The following table explains the information to be provided within operational guidelines:

<b>Information to be provided in the operational guidelines (see template above)</b>	
<b>Information</b>	<b>Explanatory notes</b>
<b>Name</b>	Name of the institution under resolution which is responsible for elaborating the instruction letter and supporting documents or, if applicable, its agent.
<b>CBF Account</b>	Account of the institution under resolution at CBF.
<b>Affected ISIN</b>	<del>ISIN</del> ISINs of instruments affected by the bail-in. Listing of all ISINs of the instruments for which the same technical scenario applies. If several instruments or ISINs are affected, reference to <del>Appendix</del> Annex II (detailed list of instruments) can be made.
<b>Scenarios applicable to the affected ISIN Codes</b>	The technical scenario to be applied for the ISINs listed in the field above has to be stated in this field. To be entered in consultation with CSD. <u>It should be noted that the technical scenario designations are different for unstructured bearer bonds (unit and percentage-quoted) and percentage-quoted structured bearer bonds.</u>
<b>Technical booking <del>and</del>, conversion <del>and</del> exercise ratios</b>	Information on the technical booking <del>and</del> , conversion <del>and</del> exercise ratios for the technical scenario. If several instruments are affected, reference to <del>Appendix</del> Annex II can be made.
<b>Explanation</b>	Where applicable, explanations to the calculation of the technical booking <u>ratio</u> and conversion ratios, e.g. <del>details to information on</del> the components considered such as exchange rate, accrued interest, pool factors. If several instruments are affected, reference to <del>Appendix</del> Annex II (detailed list of instruments) can be made.
<b>Pool factor (old)</b>	Pool factor as of the request date.
<b>Pool factor (new)</b>	New pool factor, valid as of the effective date of resolution.
<b>ISIN for new shares</b>	ISIN (provided by NNA in task 4), which is used for the new shares. Field is required only for the technical scenarios 2, 3 and 5.
<b>Effective date of suspension of trading</b>	<del>dd.mm.yyyy</del> DD.MM.YYYY: where applicable, date of the suspension of trading (information provided in task 2). The field is to be completed in consultation with the exchange(s), i.e. if the instrument is listed on several exchanges, the date of suspension of trading on each exchange is to be entered in this field.
<b>Effective date of settlement blocking</b>	<del>dd.mm.yyyy</del> DD.MM.YYYY: where applicable, date of the blocking of settlement. To be entered in consultation with CSD (information provided in task 3).

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**Information to be provided in the operational guidelines (see template above)**

<b>Information</b>	<b>Explanatory notes</b>
<b>Treatment of payments (interest and principal)</b>	<p>General information on the treatment of payments (interest and principal).</p> <p>If applicable, an indication on further handling of coupon and (partial) principal payments suspended during the technical bail-in implementation. If possible, indicate the date on which further information on the treatment of suspended payments will be communicated.</p> <p>In addition, indicate that the interest has been taken into account in the technical conversion ratio.</p>
<b>Publication</b>	<p>Websites on which information regarding the bail-in are available, i.e. website of BaFin, where the resolution order is published; and <del>website</del> <b>websites</b> of the institution under resolution and/or <b>its agent</b>, if applicable, <del>of its agent</del>, where the operational guidelines are published.</p>
<b>CBF Record Date</b>	Date on which the bail-in is implemented technically in the systems of the CSD. To be entered in consultation with CSD.
<b>CBF Settlement Date</b>	Date on which the settlement of a business transaction (delivery and payment) occurs. To be entered in consultation with CSD.
<b>Treatment of open transactions</b>	See entry in the relevant field of the template for the operational guidelines given above. (" <u>according to CBF compensation rules; where applicable, settlement-blocking should be taken into consideration</u> ").
<b>Treatment of fractional amounts</b>	<p>See entry in the relevant field of the template for the operational guidelines given above.</p> <p>If a conversion of instruments into new shares is requested in the resolution order, the technical conversion ratio includes fractional amounts of shares, and the resolution order does not foresee a rounding down to full amounts, then the central securities depository and the custodian banks round down the fractional amounts (final amounts) per participant/client. See also background information on handling of fractional amounts in Chapter IV.2.13.</p>
<b>xxx</b>	Placeholder for additional information.

**Table 13: Explanatory notes, operational guidelines – domestic bail-in implementation**

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### 3.1.1.34.1.1.3 Appendix Annex II.1 – Detailed list of instruments for instruments of ownership and unstructured bearer bonds

The **detailed list of instruments** contains specific information for each ISIN affected by the bail-in. The information is necessary for the NNA and the CSD to implement the bail-in technically. The detailed list of instruments is provided as MS Excel file. For each technical scenario (scenarios 1 to 6), a separate spreadsheet is to be used within the MS Excel file. The institutions will receive a template for the detailed list of instruments is provided to the institutions as part of the resolution planning from the resolution authority activities on request. Note that for structured bearer bonds, a separate detailed list of instruments must be provided for each technical scenario. This is explained in Chapter IV.4.1.1.4.

Conventions for filling Appendix Instruments of ownership and unstructured bearer bonds:

- All value declarations in the detailed list of instruments are listed with decimal places. The decimal places must be rounded down. With regard to the number of decimal places, the following conventions are to be followed:
  - Column "Denominator of the exchange ratio [...]": 7 decimal places
  - Column "Outstanding Aggregate Principal Amount [...]": 2 decimal places
  - Column "Denomination (old)": 2 decimal places
  - Column "Pool ~~Factor~~factor (old)": 9 decimal places
  - Column "Total reduction of Denomination (old) in %": 7 decimal places
  - Column "Denomination (new)": 2 decimal places
  - Column "Pool ~~Factor~~factor (new)": 9 decimal places
  - Column "Worthless withdrawal of Denomination (old) in %": 7 decimal places
  - Column "Numerator of the booking ratio [...]": 2 decimal places
  - Column "Denominator of the booking ratio [...]": 7 decimal places
  - Column "Conversion percentage of Denomination (old) [...]": 7 decimal places
  - Column "Numerator of the conversion ratio [...]": 2 decimal places
  - Column "Denominator of the conversion ratio [...]": 7 decimal places
- The pool factor is expressed as a number and not as a percentage, e.g. 0.5 for 50%.
- Date format: dd.mm.yyyyDD.MM.YYYY
- No blank characters in the cells
- If a field is not relevant, it has to be filled with "n.a".
- In the number representation, a point is to be used as thousand separator and a comma as decimal separator (e.g. 1.000,00).

The tables below include examples of the technical scenarios 1 to 6 and explanatory notes to the fields to be filled.

**Note 1** Note 1: Notwithstanding the fact that in the detailed list of instruments the outstanding nominal value of the bearer bond per unit is to be indicated in the column "Denomination (old)" with 2 decimal places, when calculating the number of new shares, the outstanding nominal value must be applied with the maximum possible number of decimal places.

**Note 2:** When filling in the detailed list of instruments, the institution must note that for secured liabilities, the operational write-down and conversion percentages must be entered in the columns "Worthless withdrawal of denomination (old) in %" and "Conversion percentage of denomination (old) [...]" (see background information in this chapter and Table 25). In particular, the assignment of instruments to the technical scenarios must be taken into account. For filling in the column "Denominator of the conversion ratio [...]" and the derivation of the technical conversion ratio, see Table 26.

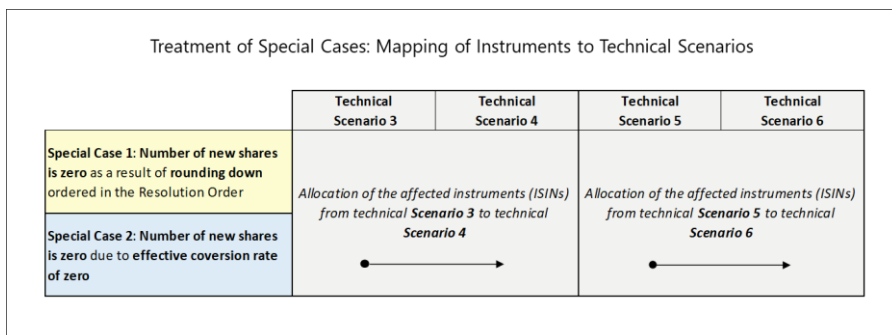
**Note 3:** It should be noted that the resolution order may provide for the number of new shares resulting from the conversion to be rounded down to a full amount (e.g. from 221,6 shares to 221 shares). The rounding

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**downoff** always takes place at the level of the individual liability, e.g. in the case of securities at the unit level. In this case, the CSD and the custodian banks do not have to round down the fractional amounts (final amounts) per participant (see background information in Chapter IV.2.13). ~~While in this case the decimal logic still applies to all other columns, the bank must consider that the number of new shares rounded down to a full amount (i.e. without with 7 decimal places) is to (e.g. 221,0000000) must be entered in the column "Denominator of the conversion ratio [...] of the detailed list of instruments.~~

**Note 2:** For reasons of simplification, the information in the following tables deviates in part from the self, as a result of rounding down, the number of shares is zero and the technical scenario is 3 (full reduction with conversion), the corresponding instruments are to be allocated to technical scenario 4 (full reduction without conversion). In the case of technical scenario 5 (partial reduction with conversion), the instruments are to be assigned to technical scenario 6 (partial reduction without conversion). See also Figure 8.

**Note 4:** It should be taken into account that the conversion rate specified in the resolution order (see also background information in this chapter) can be zero for some ranks of the bail-in sequence. Regardless of the level of the conversion percentage, no new shares will be allocated to the instruments of the corresponding ranks in this case. If these instruments are reduced in full by conversion or conversion in combination with write-down (technical scenario 3), they are to be assigned to technical scenario 4 (full reduction without conversion). If the instruments are partially reduced by conversion or conversion in combination with write-down (technical scenario 5), these are to be assigned to technical scenario 6 (partial reduction without conversion).<sup>41</sup> See also Figure 8.



**Figure 8: Treatment of special cases – mapping instruments to technical scenarios**

**Note 5:** The following tables do not contain examples for unit-quoted unstructured bearer bonds. The explanations on how to fill in the detailed list of instruments for unit-quoted unstructured bearer bonds can be found in Table 22.

**Note 6:** For reasons of simplification, the information in the following tables deviates in part from the decimal place conventions stated above.

<sup>41</sup> The resolution authority reserves the right to coordinate with the bank, in a resolution case, the technical treatment of further special cases not described herein.

**Scenario 1: Cancellation of old shares WITHOUT delivery of new shares**

ISIN of the instruments affected by Bail-in (shares)	CBF Record Date	Outstanding Number of Shares according to Global Certificate/Global Note	Total reduction of old Number of Shares in % (always 100%)
ISIN	05.12.2020	5.000.000.000	100

Table 14: Excerpt detailed list of instruments ~~—technical for instruments of ownership—~~ scenario 1

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**Information to be provided within the detailed list of instruments for technical scenario 1**

---

<b>Information</b>	<b>Explanatory notes</b>
<b>ISIN (Stammgattung Aktien)</b>	
ISIN of the instruments affected by Bail-in (shares)	ISIN of shares affected by the bail-in.
<b>CBF Stichtag der Maßnahme</b>	
CBF Record Date	Date on which the bail-in is implemented technically in the systems of the CSD. To be entered in consultation with CSD.
<b>Nominal der Globalurkunde in Stück</b>	
Outstanding Number of Shares according to Global Certificate/Global Note	Current number of old shares actually in circulation according to the global certificate for the respective ISIN.
<b>Reduzierung in %</b>	
Total reduction of old Number of Shares in % (always 100%)	Percentage of old shares (per ISIN) which are to be cancelled according to resolution order. This field is always to be filled with 100% for technical scenario 1.

**Table 15: Explanatory notes, detailed list of instruments – ~~technical~~for instruments of ownership – scenario 1**

**Scenario 2: Cancellation of old shares WITH delivery of new shares**

ISIN of the instruments affected by Bail-in (shares)	CBF Record Date	CBF Settlement Date	Outstanding Number of Shares according to Global Certificate/Global Note	Total reduction of old Number of Shares in % (always 100%)	Numerator of the exchange ratio (debit of old shares/credit of new shares)	Denominator of the exchange ratio (debit of old shares/credit of new shares)	ISIN for new shares
ISIN	05.12.2020	07.12.2020	5.000.000.000	100	1	1,5	ISIN

Table 16: Excerpt detailed list of instruments ~~–technical~~for instruments of ownership – scenario 2

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### Information to be provided within the detailed list of instruments for technical scenario 2

Information	Explanatory notes
<b>ISIN (Stammgattung Aktien)</b>	
ISIN of the instruments affected by Bail-in (shares)	ISIN of shares affected by the bail-in.
<b>CBF Stichtag der Maßnahme</b>	Date on which the bail-in is implemented technically in the systems of the CSD. To be entered in consultation with CSD.
CBF Record Date	
<b>CBF Erfüllungstag</b>	Date on which the settlement of a business transaction (delivery and payment) occurs. To be entered in consultation with CSD.
CBF Settlement-Date	
<b>Nominal der Globalurkunde in Stück</b>	
Outstanding Number of Shares according to Global Certificate/ Global Note	Current number of old shares actually in circulation according to the global certificate for the ISIN.
<b>Reduzierung in %</b>	Percentage of old shares (per ISIN) which are to be cancelled according to resolution order.
Total reduction of old Number of Shares in % (always 100%)	This field is always to be filled with 100% for technical scenario 2.
<b>Umbuchungsverhältnis Zähler (Ausbuchung von Aktien)</b>	If the resolution order envisages the cancellation of old shares and delivery of new shares, this field includes the <b>nominator</b> of the technical booking ratio ( <b>1 old share</b> : x,xxx new shares), i.e. 1 is the number of old shares to be converted into new shares.
Numerator of the exchange ratio (debit of old shares/credit of new shares)	The <b>nominator</b> is always 1.
<b>Umbuchungsverhältnis Nenner (Einbuchung von Aktien)</b>	If the resolution order envisages the cancellation of old shares and delivery of new shares, this field includes the <b>denominator</b> of the technical booking ratio ( <b>1 old share</b> : <b>x,xxx new shares</b> ), i.e. the number of new shares for each old share has to be entered in this field.
Denominator of the exchange ratio (debit of old shares/credit of new shares)	
<b>Aktien ISIN-NEU</b>	
ISIN for new shares	ISIN for new shares (as provided by NNA in task 4).

Table 17: Explanatory notes, detailed list of instruments – ~~technical~~for instruments of ownership – scenario 2

Formatiert: Englisch (Vereinigtes Königreich)

**Scenario 3: Full reduction of nominal (unstructured bonds) WITH delivery of new shares<sup>42</sup>**

ISIN of the instruments affected by Bail-in	CBF Record Date	CBF Settlement Date	Outstanding Aggregate Principal Amount according to Global Certificate/Global Note	Denomination (old)	Pool Factor <sup>43</sup> (old)	Currency of Denomination (old)	Total reduction of Denomination (old) in %	Denomination (new)	Pool Factor <sup>43</sup> (new)	Worthless withdrawal of Denomination (old) in %	Numerator of the booking ratio based on total reduction (Denomination (old))/ (Denomination (new))	Denominator of the booking ratio based on total reduction (Denomination (old))/ (Denomination (new))	Conversion percentage of Denomination (old) into new shares (in %)	Numerator of the conversion ratio based on Denomination (old) (Denomination (old))/ (amount of new shares)	Denominator of the conversion ratio based on Denomination (old) (Denomination (old))/ (amount of new shares)	ISIN for new shares	Scenario <sup>43</sup>
ISIN	06.12.2020	08.12.2020	400,000,000	1,000	n.a.	EUR	100	0	n.a.	0	n.a.	n.a.	100	1,000	738,000	ISIN	3a WO PF/EUR
ISIN	06.12.2020	08.12.2020	400,000,000	1,000	n.a.	DM	100	0	n.a.	0	n.a.	n.a.	100	1,000	369,000	ISIN	3a WO PF/DM
ISIN	06.12.2020	08.12.2020	400,000,000	1,000	0,8	EUR	100	n.a.	0	0	n.a.	n.a.	100	1,000	594,000	ISIN	3a WT PF/EUR
ISIN	06.12.2020	08.12.2020	400,000,000	1,000	0,8	DM	100	n.a.	0	0	n.a.	n.a.	100	1,000	297,000	ISIN	3a WT PF/DM
ISIN	06.12.2020	08.12.2020	400,000,000	1,000	n.a.	EUR	100	0	n.a.	40	n.a.	n.a.	60	1,000	442,800	ISIN	3b WO PF/EUR
ISIN	06.12.2020	08.12.2020	400,000,000	1,000	n.a.	DM	100	0	n.a.	40	n.a.	n.a.	60	1,000	221,400	ISIN	3b WO PF/DM
ISIN	06.12.2020	08.12.2020	400,000,000	1,000	0,5	EUR	100	n.a.	0	40	n.a.	n.a.	60	1,000	226,800	ISIN	3b WT PF/EUR
ISIN	06.12.2020	08.12.2020	400,000,000	1,000	0,5	DM	100	n.a.	0	40	n.a.	n.a.	60	1,000	113,400	ISIN	3b WT PF/DM

WO: Without; WT: With; PF: Pool Factor<sup>43</sup>; DM: German mark (foreign currency)  
 Example: "3a WO PF/ EUR" stands for Scenario 3a WITHOUT Pool Factor<sup>43</sup> and EUR as an issuance currency of the bond.  
 Examples with a Pool Factor<sup>43</sup> are marked in blue.

**Table 18: Excerpt detailed list of instruments – technical (unstructured BBs) – scenario 3**

<sup>42</sup> In all examples of scenario 3, an effective conversion rate of 0,72 and accrued interest of EUR 25 or DM 25 and the exchange rate of 0,5 EUR/DM were assumed. For reasons of simplification, it was also assumed that the accrued interest has already been adjusted by the pool factor.

<sup>43</sup> The column "Scenario" is for information purposes only and not to be included in the detailed list of instruments.

**Scenario 4: Full reduction of nominal (unstructured bonds) WITHOUT delivery of new shares<sup>44</sup>**

ISIN of the instruments affected by Bail-in	CBF Record Date	CBF Settlement Date	Outstanding Aggregate Principal Amount according to Global Certificate/Global Note	Denomination (old)	Pool Factor <del>Factor</del> (old)	Currency of Denomination (old)	Total reduction of Denomination (old) in %	Denomination (new)	Pool Factor <del>Factor</del> (new)	Worthless withdrawal of Denomination (old) in %	Numerator of the booking ratio based on total reduction (Denomination (old))/ (Denomination (new))	Denominator of the booking ratio based on total reduction (Denomination (old))/ (Denomination (new))	Conversion percentage of Denomination (old) into new shares (in %)	Numerator of the conversion ratio based on Denomination (old) (Denomination (old))/ (amount of new shares)	Denominator of the conversion ratio based on Denomination (old) (Denomination (old))/ (amount of new shares)	ISIN for new shares	Scenario <sup>45</sup>
ISIN	06.12.2020	08.12.2020	300.000.000	1.000	n.a.	EUR	100	0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	4 WO PF/EUR
ISIN	06.12.2020	08.12.2020	300.000.000	1.000	0,8	EUR	100	n.a.	0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	4 WT PF/EUR

WO: Without; WT: With; PF: Pool Factor~~Factor~~.

Example: The abbreviation "4 WT PF/EUR" in the column "Scenario" stands for – Scenario 4 WITH Pool Factor~~Factor~~ and EUR as an issuance currency of the bond.

Examples with a Pool Factor~~Factor~~ are marked in blue.

**Table 19: Excerpt detailed list of instruments – technical (unstructured BBs) – scenario 4**

<sup>44</sup> In this scenario, the cases in foreign currency are not shown because no conversion into new shares takes place. The foreign currency or exchange rate is taken into account when determining the number of new shares.

<sup>45</sup> The column "Scenario" is for information purposes only and not to be included in the detailed list of instruments.



Scenario 5: Partial reduction of nominal (**unstructured bonds**) WITH delivery of new shares<sup>46</sup>

ISIN of the instruments affected by Bail-in	CBF Record Date	CBF Settlement Date	Outstanding Aggregate Principal Amount according to Global Certificate/Global Note	Denomination (old)	Pool Factor <sup>47</sup> (old)	Currency of Denomination (old)	Total reduction of Denomination (old) in %	Denomination (new)	Pool Factor <sup>47</sup> (new)	Worthless withdrawal of Denomination (old) in %	Numerator of the booking ratio based on total reduction (Denomination (old))/ (Denomination (new))	Denominator of the Booking ratio based on total reduction (Denomination (old))/ (Denomination (new))	Conversion percentage of Denomination (old) into new shares (in %)	Numerator of the conversion ratio based on Denomination (old) (Denomination (old))/ (amount of new shares)	Denominator of the conversion ratio based on Denomination (old) (Denomination (old))/ (amount of new shares)	ISIN for new shares	Scenario <sup>47</sup>
ISIN	06.12.2020	08.12.2020	300.000.000	1.000	n.a.	EUR	30	700	n.a.	0	1.000	700	30	1.000	221,400	ISIN	5a WO PF/EUR
ISIN	06.12.2020	08.12.2020	300.000.000	1.000	n.a.	DM	30	700	n.a.	0	1.000	700	30	1.000	110,700	ISIN	5a WO PF/DM
ISIN	06.12.2020	08.12.2020	300.000.000	1.000	0,8	EUR	30	n.a.	0,56	0	n.a.	n.a.	30	1.000	178,200	ISIN	5a WT PF/EUR
ISIN	06.12.2020	08.12.2020	300.000.000	1.000	0,8	DM	30	n.a.	0,56	0	n.a.	n.a.	30	1.000	89,100	ISIN	5a WT PF/DM
ISIN	06.12.2020	08.12.2020	300.000.000	1.000	n.a.	EUR	70	300	n.a.	40	1.000	300	30	1.000	221,400	ISIN	5b WO PF/EUR
ISIN	06.12.2020	08.12.2020	300.000.000	1.000	n.a.	DM	70	300	n.a.	40	1.000	300	30	1.000	110,700	ISIN	5b WO PF/DM
ISIN	06.12.2020	08.12.2020	300.000.000	1.000	0,5	EUR	70	n.a.	0,15	40	n.a.	n.a.	30	1.000	113,400	ISIN	5b WT PF/EUR
ISIN	06.12.2020	08.12.2020	300.000.000	1.000	0,5	DM	70	n.a.	0,15	40	n.a.	n.a.	30	1.000	56,700	ISIN	5b WT PF/DM

WO: Without; WT: With; PF: Pool Factor<sup>47</sup>; DM: German mark (foreign currency)  
 Example: "5b WT PF/ DM" stands for – Scenario 5b WITH Pool Factor<sup>47</sup> and DM as an issuance currency of the bond.  
 Examples with a Pool Factor<sup>47</sup> are marked in blue.

Table 20: Excerpt detailed list of instruments – technical (unstructured BBs) – scenario 5

<sup>46</sup> In all examples of scenario 3, an effective conversion rate of 0,72 and accrued interest of EUR 25 or DM 25 and the exchange rate of 0,5 EUR/DM were assumed. For reasons of simplification, it was also assumed that the accrued interest has already been adjusted by the pool factor.

<sup>47</sup> The column "Scenario" is for information purposes only and not to be included in the detailed list of instruments.

**Scenario 6: Partial reduction of nominal (unstructured bonds) WITHOUT delivery of new shares<sup>48</sup>**

ISIN of the instruments affected by Bail-in	CBF Record Date	CBF Settlement Date	Outstanding Aggregate Principal Amount according to Global Certificate/Global Note	Denomination (old)	Pool Factor <sup>49</sup> (old)	Currency of Denomination (old)	Total reduction of Denomination (old) in %	Denomination (new)	Pool Factor <sup>49</sup> (new)	Worthless withdrawal of Denomination (old) in %	Numerator of the booking ratio based on total reduction (Denomination (old))/ (Denomination (new))	Denominator of the Booking ratio based on total reduction (Denomination (old))/ (Denomination (old))	Conversion percentage of Denomination (old) into new shares (in %)	Numerator of the conversion ratio based on Denomination (old) (Denomination (old))/ (amount of new shares)	Denominator of the conversion ratio based on Denomination (old) (Denomination (old))/ (amount of new shares)	ISIN for new shares	Scenario <sup>49</sup>
ISIN	06.12.2020	08.12.2020	300.000.000	1.000	n.a.	EUR	60	400	n.a.	60	1.000	400	n.a.	n.a.	n.a.	n.a.	6 WO PF/EUR
ISIN	06.12.2020	08.12.2020	300.000.000	1.000	0,8	EUR	60	n.a.	0,32	60	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	6 WT PF/EUR

WO: Without; WT: With; PF: Pool Factor<sup>49</sup>.

Example: "6 WO PF/EUR" stands for – Scenario 6 WITHOUT Pool Factor<sup>49</sup> and EUR as an issuance currency of a bond.

Examples with a Pool Factor<sup>49</sup> are marked in blue.

**Table 21: Excerpt detailed list of instruments – technical (unstructured BBs) – scenario 6**

<sup>48</sup> In this scenario, the cases in foreign currency are not shown because no conversion into new shares takes place. The foreign currency or exchange rate is taken into account when determining the number of new shares.

<sup>49</sup> The column "Scenario" is for information purposes only and not to be included in the detailed list of instruments.

**Information to be provided within the detailed list of instruments for unstructured bearer bonds (percentage- or unit-quoted) for technical scenarios 3-6**

Information	Explanatory notes
<p><b>ISIN (Stammgattung Anleihenicht strukturierte ISV)</b></p> <p>ISIN of the <u>instrumentinstruments</u> affected by Bail-in</p>	<p>ISIN of the <u>instrumentinstruments</u> affected by the bail-in.</p> <p><u>Unique identifier known to the counterparty according to data point 1.4 of the MaBail-in or DE-IRT-Bail-in-Guidance [ISIN/specific ID].</u></p>
<p><b>CBF Stichtag der Maßnahme</b></p> <p>CBF Record Date</p>	<p>Date on which the bail-in is implemented technically in the systems of the CSD. To be entered in consultation with CSD.</p>
<p><b>CBF Erfüllungstag</b></p> <p>CBF Settlement Date</p>	<p>Date on which the settlement of a business transaction (delivery and payment) occurs. To be entered in consultation with CSD.</p>
<p><b>Ausstehender Gesamtnennwert gemäß der Globalurkunde</b></p> <p>Outstanding Aggregate Principal Amount according to Global Certificate/Global Note</p>	<p><u>CurrentFor <b>percentage-quoted bearer bonds</b>, the <b>current</b> total nominal value <b>actually in circulation</b> outstanding in original currency according to the global certificate for the respective ISIN: <b>must be provided.</b></u></p> <p><u>Data point 2.9 [Nominal amount of the global note in original currency] according to MaBail-in or DE-IRT-Bail-in-Guidance.</u></p> <p><u>In the case of <b>unit-quoted bearer bonds</b>, the total number of units outstanding must be entered in accordance with the global certificate for the respective ISIN.</u></p> <p><u>The sum of data point 2.4 [Number of securities outstanding (without securities held by the resolution entity)] and data point 2.5 [Number of securities outstanding held by the resolution entity] according to MaBail-in or DE-IRT-Bail-in-Guidance. That is, the number of pieces outstanding with pieces held by the resolution entity.</u></p> <p><b>Note:</b> <u>In the case of the global certificates with an “up-to” regulation for the issue volume<sup>50</sup>, the actual outstanding nominal value must be entered for bearer bonds quoted in percent. In the case of unit-quoted bearer bonds, the total number of units actually outstanding must be entered. For CBF, this corresponds to the value from the data field “Face Amount”. For WM Datenservice, this is the value from the data field GD650A “Volume in circulation”.</u></p>

<sup>50</sup> In the case of the so-called “up-to” issues, the global certificate contains a maximum value (e.g. EUR 10 million) up to which the securities can be issued. The actual number of units issued and the associated outstanding aggregate principal amount may be lower (e.g. EUR 5 million).

**Information to be provided within the detailed list of instruments for unstructured bearer bonds (percentage- or unit-quoted) for technical scenarios 3-6**

Information	Explanatory notes
<p><b>NW zum Stück in EUR(alt)</b></p> <p>Denomination (old)</p>	<p><u>The</u> <u>In the case of percentage-quoted bearer bonds</u>, the outstanding principal amount <u>per unit</u> of the <u>instrument</u> <u>bond</u> on the request date <u>must be stated</u> in <u>the</u> original currency.</p> <p>Data point 2.3 [Outstanding principal amount per security in original currency] according to MaBail-in or DE-IRT-Bail-in-Guidance.</p> <p><u>In the case of unit-quoted bearer bonds</u>, enter "1" for one unit.</p> <p><b>Note:</b> <u>In the case of zero-coupon bonds</u>, it should be noted that premiums/discounts are not part of the nominal value.</p>
<p><b>Poolfaktor (alt)</b></p> <p>Pool factor (old)</p>	<p>Pool factor of the instrument on the request date.</p> <p>Data point 2.11 [Current pool factor (if applicable)] according to MaBail-in or DE-IRT-Bail-in-Guidance.</p>
<p><b>Währung</b></p> <p>Currency of Denomination (old)</p>	<p>(Original) currency in which the financial instrument was issued.</p> <p>Data point 1.8 [Currency in which the instrument or liability was issued] according to MaBail-in or DE-IRT-Bail-in-Guidance.</p>
<p><b>Gesamtreduzierung des alten NW in %</b></p> <p>Total reduction of Denomination (old) in %</p>	<p>If pursuant to the resolution order a part of the instrument is to be written down and another part is to be converted into new shares, this field includes the sum (total reduction rate) of the write-down percentage and the conversion <del>percentage</del>.</p> <p><b>Example:</b></p> <p>If the write-down percentage is 40 and the conversion percentage is 30, the total reduction rate is 70.</p> <p>If either the write-down or the conversion applies to one instrument as a sole measure, only the applicable write-down or conversion percentage has to be stated in this field. If, for instance, for one ISIN only the write-down is applicable and the write-down percentage is 60, then 60% has to be stated in this field as total reduction rate.</p> <p><b>Note:</b> <u>For secured liabilities</u>, the sum of the operational write-down percentage and the operational conversion percentage is to be entered in this column (see also background information in this chapter and Table 25).</p>

**Information to be provided within the detailed list of instruments for unstructured bearer bonds (percentage- or unit-quoted) for technical scenarios 3-6**

Information	Explanatory notes
<p><b>NW zum Stück (neu)</b> Denomination (new)</p>	<p><u>New Percentage-quoted bearer bonds</u>: In this field, the new nominal value per unit of the instrument after reduction by write-down and conversion. In the case of a pool factor instrument, "n.a." must be stated.</p> <p><u>Unit-quoted bearer bonds</u>: The amount to be entered in this field because the nominal value does not change and the reduction is represented by means of a pool factor calculated as follows:  <math>1 \text{ unit} * (1 - \text{write-down percentage} - \text{conversion percentage})</math>.</p> <p><b>Example:</b>  <u>– percentage-quoted bearer bond</u>: If the outstanding principal amount is EUR 1.000 and the resolution order includes a write-down percentage of 40 and a conversion percentage of 30, the new nominal value is EUR 300.</p> <p><b>Example – unit-quoted bearer bond</b>: In the case of a write-down percentage of 40% and a conversion percentage of 30% provided for in the resolution order, enter 0.3 (unit) in this field.</p> <p><b>Please note</b>: In the case of a pool factor instrument, "n.a." must be entered in this field because the nominal value does not change and the reduction is represented by means of a pool factor.</p>
<p><b>Poolfaktor (neu)</b> Pool factor (new)</p>	<p>New pool factor, valid as of the effective date of resolution.</p>
<p><b>wertlose Ausbuchung des alten NW in %</b> Worthless withdrawal of denomination (old) in %</p>	<p>If the instrument is to be written down fully (or partially), the write-down percentage has to be stated in this field in accordance with the resolution order.</p> <p><b>Example:</b>  <u>– percentage-quoted bearer bond</u>: With an outstanding principal amount of EUR 1.000 and a write-down percentage of 60%, EUR 600 of the old nominal value is derecognised without value.</p> <p><b>Example – unit-quoted bearer bond</b>: In the case of an outstanding principal amount of EUR 1.000 and a write-down percentage of 60%, the nominal value in the master data is reduced to EUR 400.</p> <p><b>Note</b>: For secured liabilities, the operational write-down percentage is to be entered in this column (see also background information in this chapter and Table 25).</p>

**Information to be provided within the detailed list of instruments for unstructured bearer bonds (percentage- or unit-quoted) for technical scenarios 3-6**

Information	Explanatory notes
<b>technisches Buchungsverhältnis Zähler (Ausbuchung) bezogen auf Gesamtreduzierung</b> Numerator of the booking ratio based on total reduction (Denomination (old))/(Denomination (new))	<p><del>Nominator</del><b>Numerator</b> of the technical booking ratio.</p> <p>The <u>technical booking ratio for percentage-quoted bearer bonds is the ratio of the nominal value (per instrument in original currency before the write-down and conversion) of the instrument and new nominal value (in original currency after the write-down and conversion). In the case of a pool factor instrument, "n.a." must be entered in the booking ratio because the nominal, i.e.</u></p> <p><b>Nominal value</b> does not change and the reduction is represented by means of a pool factor. <b>(old) in original currency</b> : Nominal Value (new) in original currency</p> <p>For <b>unit-quoted bearer bonds</b>, the technical booking ratio is composed as follows:</p> <p><b>1 unit</b> : 1 unit * (1 – write-down percentage – conversion percentage).</p> <p><b>Example – percentage-quoted bearer bond:</b></p> <p>Old nominal value before write-down and conversion in EUR: 1.000</p> <p>Write-down percentage: <u>40</u></p> <p>Conversion percentage: <u>30</u></p> <p>New nominal value in EUR: <u>300</u></p> <p>The technical booking ratio corresponds to: <b>1.000</b> : 300</p> <p>The <del>nominator</del><b>numerator</b> to be entered in this field is 1.000.</p> <p><b>Example – unit-quoted bearer bond:</b></p> <p>Nominal value per unit (old): <u>1 (unit)</u></p> <p>Write-down percentage: <u>40</u></p> <p>Conversion percentage: <u>30</u></p> <p>Nominal value per unit (new): <u>0,3 (units)</u></p> <p>The technical booking ratio corresponds to: <b>1</b> : 0,3</p> <p>The numerator to be entered in this field is <u>1</u>.</p> <p><b>Please note:</b> In the case of a pool factor instrument, "n.a." must be entered in the technical booking ratio because the nominal value does not change and the reduction is represented by means of a pool factor.</p>

**Information to be provided within the detailed list of instruments for unstructured bearer bonds (percentage- or unit-quoted) for technical scenarios 3-6**

Information	Explanatory notes
<b>technisches Buchungsverhältnis Nenner (Einbuchung) bezogen auf Gesamtreduzierung</b>  Denominator of the booking ratio based on total reduction  (Denomination (old))/(denominationDenomination (new))	<b>Denominator</b> of the technical booking ratio.  <u>The technical booking ratio for percentage-quoted bearer bonds is the ratio of the nominal value (per instrument in original currency before the write-down and conversion) of the instrument and new nominal value (in original currency after the write-down and conversion). In the case of a pool factor instrument, "n.a." must be entered in the technical booking ratio because the nominal, i.e. Nominal value does not change and the reduction is represented by means of a pool factor (old) in original currency : Nominal Value (new) in original currency</u>  <u>For unit-quoted bearer bonds, the technical booking ratio is composed as follows:</u>  <u>1 unit : 1 unit * (1 – write-down percentage – conversion percentage).</u>  <b>Example – percentage-quoted bearer bond:</b> Old nominal value before write-down and conversion in EUR: 1.000 Write-down percentage: <u>40</u> Conversion percentage: <u>30</u> New nominal value in EUR: <u>300</u> The technical booking ratio corresponds to: <u>1.000 : 300</u> The denominator to be entered in this field is 300.  <b>Example – unit-quoted bearer bond:</b> <u>Nominal value per unit (old): 1 (unit)</u> <u>Write-down percentage: 40</u> <u>Conversion percentage: 30</u> <u>Nominal value per unit (new): 0,3 (units)</u> <u>The technical booking ratio corresponds to: 1 : 0,3</u> <u>The denominator to be entered in this field is 0,3.</u>  <b>Please note:</b> In the case of a pool factor instrument, "n.a." must be entered in the booking ratio because the nominal value does not change and the reduction is mapped by means of a pool factor.

**Information to be provided within the detailed list of instruments for unstructured bearer bonds (percentage- or unit-quoted) for technical scenarios 3-6**

Information	Explanatory notes
<p><b>Umwandlung des alten NW in Aktien in %</b> Conversion percentage of Denomination (old) into new shares (in %)</p>	<p>If instruments have to be converted into new shares according to the resolution order, the conversion percentage has to be stated in this field.</p> <p><b>Example:</b> With an outstanding principal amount of EUR 1.000 and a conversion <del>percentage</del><u>percentage</u> of 30%, EUR 300 of the old nominal value is converted into shares.</p> <p><b>Note:</b> For secured liabilities, the operational conversion percentage is to be entered in this column (see also background information in this chapter and Table 25).</p>
<p><b>technisches UmwandlungsverhältnisUmwandlungsverhältnis Zähler (Ausbuchung des alten NW)</b> Numerator of the conversion ratio based on denomination (old) (Denomination (old))/(amount of new shares)</p>	<p><b>NominatorNumerator</b> of the technical conversion ratio.</p> <p>For <u>percentage-quoted bearer bonds</u>, the technical conversion ratio is expressed as: Nominal value (old) in original currency : Number of new shares (x.xxx in original currency : x,xxx new shares).</p> <p>For <u>unit-quoted bearer bonds</u>, the technical conversion ratio is composed as follows: <u>1 unit : Number of new shares (1 : x,xxx new shares).</u></p> <p><b>Example:</b> <b>– percentage-quoted bearer bond: 1.000 : 18</b> 1.000 has to be entered in this field as <del>nominator</del><u>numerator</u>.</p> <p><b>Example – unit-quoted bearer bond: 1 : 18</b> 1 has to be entered in this field as numerator.</p>



**Information to be provided within the detailed list of instruments for unstructured bearer bonds (percentage- or unit-quoted) for technical scenarios 3-6**

Information	Explanatory notes
<p><b>technisches Umwandlungsverhältnis Nenner (Einbuchung von Aktien in Bezug auf alten NW der Anleihe)</b></p> <p>Denominator of the conversion ratio based on Denomination (old) (Denomination (old))/(amount of new shares)</p>	<p><b>Denominator</b> of the technical conversion ratio.</p> <p>For <b>percentage-quoted bearer bonds</b>, the technical conversion ratio is expressed as:</p> <p>Nominal value (old) in original currency : Number of new shares (x.xxx in original currency : x,xxx new shares).</p> <p>For <b>unit-quoted bearer bonds</b>, the technical conversion ratio is composed as follows:</p> <p><u>1 unit : Number of new shares (1 : x,xxx new shares).</u></p> <p><b>Example:</b></p> <p><b>– percentage-quoted bearer bond:</b> 1.000 : <b>18</b></p> <p>18 has to be entered in this field as denominator.</p> <p><b>Example – unit-quoted bearer bond: 1 : 18</b></p> <p>18 has to be entered in this field as denominator.</p> <p><b>Note 1:</b> For the calculation of the number of new shares for zero-coupon bonds see <a href="#">Table 24</a>.</p> <p><b>Note 2:</b> For the calculation of the number of new shares for secured liabilities see <a href="#">Table 26</a>.</p>
<p><b>Aktien ISIN-NEU</b></p> <p>ISIN for new shares</p>	<p>ISIN for new shares (as provided by NNA in task 4).</p>

Table 22: Explanatory notes, detailed list of instruments (**unstructured BBs**) – technical scenarios 3 to 6

Background information:

### **Technical conversion ratio**

For implementing a conversion into new shares, the CSD and the NNA need the technical conversion ratio. The technical conversion ratio is derived from the effective conversion rate given in the resolution order.

#### **Effective conversion rate (resolution order):**

The effective conversion rate is the factor at which an instrument is converted as part of the bail-in. It indicates what proportion of the share capital a creditor receives for EUR 1 of the conversion amount attributable to him. A factor of e.g. one means that a creditor receives shares with an equivalent value of exactly one euro for one euro of the conversion amount attributable to him. The effective conversion rate is expressed as:

#### **1 EUR liability : x,xx EUR share capital**

The effective conversion rate is determined for each rank of the bail-in sequence in accordance with the resolution order, i.e. for all instruments belonging to the same rank affected by the bail-in, the same effective conversion rate applies.

#### **Technical conversion ratio (instruction letter and supporting documents):**

The technical conversion ratio is expressed as relation of the nominal value of each instrument (nominal value (old) before write-down and conversion) to the number of new shares resulting from the conversion for each instrument:

#### **Nominal value (old) in original currency : x,xxx new shares**

It describes the number of shares into which the nominal value of one instrument is converted. It should be noted that the number of new shares is set in relation to the nominal value (old) in EUR. If the instrument was not issued in EUR (original currency not equal to EUR), the nominal value (old) in EUR is used to calculate the number of new shares (see example cases 3 and 4 in Annex I). The technical conversion ratio is determined for each instrument (i.e. per ISIN). Within one rank of the bail-in sequence different technical conversion ratios can apply accordingly. This results from the fact that one rank can comprise many different instruments with different nominal values.

#### **Example:**

Technical conversion ratio EUR 1.000 : 538,125 new shares.

A creditor being subject to conversion holding one instrument with a nominal value of EUR 1.000 receives 538 new €1 shares (see background information on treatment of fractional amounts in Chapter IV.2.12).



Background information:

### **Technical conversion ratio (unstructured bearer bonds)**

For implementing a conversion into new shares, the CSD and the NNA need the technical conversion rate, which is stated as "...conversion ratio based on denomination (old)..." in the detailed list of instruments. The technical conversion ratio is derived from the effective conversion rate given in the resolution order.

#### **Effective conversion rate (resolution order):**

The effective conversion rate is the factor at which an instrument is converted as part of the bail-in. It indicates what proportion of the share capital a creditor receives for EUR 1 of the conversion amount attributable to him. A factor of e.g. one means that a creditor receives shares with an equivalent value of exactly one euro for one euro of the conversion amount attributable to him. The effective conversion rate is expressed as:

#### **1 EUR liability : x,xx EUR share capital**

The effective conversion rate is determined for each rank of the bail-in sequence in accordance with the resolution order, i.e. for all instruments belonging to the same rank affected by the bail-in, the same effective conversion rate applies.

#### **Technical conversion ratio (instruction letter and supporting documents):**

For **percentage-quoted bearer bonds**, the technical conversion ratio is expressed as relation of the nominal value of each instrument (nominal value (old) before write-down and conversion) to the number of new shares resulting from the conversion for each instrument:

#### **Nominal value (old) in original currency : x,xxx new shares**

For **unit-quoted bearer bonds**, the technical conversion ratio is composed as follows:

#### **1 unit : x,xxx new shares**

It describes the number of shares into which the nominal value of one instrument is converted. It should be noted that the number of new shares for percentage-quoted bearer bonds is set in relation to the nominal value (old) in EUR. If the instrument was not issued in EUR (original currency not equal to EUR), the nominal value (old) in EUR is used to calculate the number of new shares (see example cases 3 and 4 in Appendix I). The technical conversion ratio is determined for each instrument (i.e. per ISIN). Within one rank of the bail-in sequence different technical conversion ratios can apply accordingly. This results from the fact that one rank can comprise many different instruments with different nominal values.

Background information:

**Example – percentage-quoted bearer bond:**

Technical conversion ratio EUR 1.000 : 538,125 new shares.

A creditor who is subject to conversion and holds a percentage-quoted bearer bond with a nominal value of EUR 1.000 receives 538 new €1 shares (see background information on treatment of fractional amounts in Chapter IV.2.13).

**Example – unit-quoted bearer bond:**

Technical conversion ratio: 1 unit : 220,400 new shares.

A creditor being subject to conversion holding a unit-quoted bearer bond receives 220 new €1 shares (see background information on treatment of fractional amounts in Chapter IV.2.13).

The following table illustrates the derivation of the technical conversion ratio: for unstructured bearer bonds.<sup>51</sup>

**Derivation of the technical conversion ratio for unstructured bearer bonds based on the information given in the resolution order**

	<u>percentage-quoted</u>	<u>unit-quoted</u>
<b>Nominal value Outstanding principal amount per unit in original currency:</b>	EUR 1.000,(...)	<u>EUR 1.000,(...)</u>
<b>Accrued interest per unit in original currency:</b>	EUR 25,(...)	<u>EUR 25,(...)</u>
<b>Fees and charges per unit in original currency:</b>	n.a.	<u>n.a.</u>
<b>Relevant amount per unit in EUR:</b>	1.025,(...)	<u>1.025,(...)</u>
<b>Conversion percentage (as provided in the resolution order):</b>	70,00000000%	<u>70,00000000%</u>
<b>Effective conversion rate (as provided in the resolution order):</b>	0,7272000000	<u>0,720000000</u>

Eingefügte Zellen

<sup>51</sup> The brackets „(...)“ after the decimal separator in the amounts mean that the respective amounts are to be applied in the calculations with the maximum possible number of decimal places.

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**Derivation of the technical conversion ratio for unstructured bearer bonds based on the information given in the resolution order**

<b>Issue amount per share in EUR</b> (as provided in the resolution order):	1	<u>1</u>
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$$\text{Number of new shares per ISV} = \frac{(\text{relevant amount per unit in EUR} \times \text{conversion percentage} \times \text{eff. conversion rate}^{52})}{\text{Issue amount per share in EUR}}$$

$$516,6 = \frac{\text{EUR } 1,025 \times 70\% \times 0,72}{\text{EUR } 1}$$

$$516,600000 = \frac{\text{EUR } 1,025, (...) \times 70,000000\% \times 0,72000000}{\text{EUR } 1}$$

**To be taken into account for foreign currency and pool factor instruments:**

$$\text{Relevant amount per unit in EUR} = \text{relevant amount in original currency} \times \text{exchange rate}^{53} \times \text{where applicable pool factor (old)}$$

<b>Technical conversion ratio:</b>	<b>EUR 1.000 : 516,6006000000</b>	<b>1 unit : 516,6000000</b>
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Table 23: Derivation of the technical conversion ratio for unstructured BBs

Eingefügte Zellen

<sup>52</sup> Effective conversion rate.

<sup>53</sup> The exchange rate to be used is the one stated in the resolution order. As a rule, this is the exchange rate that was also used when the liability list was filled (e.g. according to MaBail-in).

Formatiert: Englisch (Vereinigtes Königreich)

Background information:

### Example: Technical conversion ratio and rounding down

Assume that an instrument issued by the institution is partly written down and partly converted into new shares (technical scenario 5). The outstanding principal amount of the instrument per unit is EUR 1,000. The accrued interest adds up to an amount of EUR 25. There is a reduction without pool factor (technical sub-scenario 5b without PF). According to the resolution order, the write-down and conversion percentages are 40,1234567% and 30,1234567%. Furthermore, an effective conversion rate of 0,72 is specified in the resolution order. The number of shares resulting from the conversion must be rounded down. The issue amount per share is EUR 1.

The technical conversion ratio is determined as follows:

<b>Nominator of the technical conversion ratio:</b>	<b>EUR 1,000,00</b>
Write-down percentage:	40,1234567%
Conversion percentage:	30,1234567%
Effective conversion rate:	0,72
Amount per unit to be used for conversion:	EUR 301,234567 = 1,000,00 * 30,1234567%
Accrued interest per unit to be used for conversion:	EUR 7,530864175 = 25 * 30,1234567%
Current charges per unit to be used for conversion:	n.a.
<b>Denominator of the technical conversion ratio:</b>	<b>222,311110446 = (EUR 308,765431175 + 0,72) / EUR 1</b>
<b>Technical conversion ratio:</b>	<b>EUR 1,000,00 : 222</b>

Notwithstanding the rounding down of the number of new shares resulting from the conversion as part of the resolution order, in the detailed list of instruments, the decimal place conventions set out in Chapter IV.3.1.3 must be considered for all other information. The corresponding columns are filled in as follows:

Column "Denomination (old)":	1,000,00
Column "Total reduction of denomination (old) in %":	70,2469134
Column "Denomination (new)":	297,53
Column "Worthless withdrawal of denomination (old) in %":	40,1234567
Column "Numerator of the booking ratio [...]":	1,000,00
Column "Denominator of the booking ratio [...]":	297,5308660
Column "Conversion percentage of denomination (old) [...]":	30,1234567
Column "Numerator of the conversion ratio [...]":	1,000,00
Column "Denominator of the conversion ratio [...]":	222

The following table shows an example of the derivation of the technical conversion ratio for a **special type of unstructured bearer bonds, the zero-coupon bonds**.<sup>54</sup>

**Derivation of the technical conversion ratio for a special type of unstructured bearer bonds, the zero-coupon bonds, based on the resolution order**

	percentage-quoted	unit-quoted
<b>Outstanding principal amount per unit in original currency:</b> <sup>55</sup>	EUR 1.000,(...)	EUR 1.000,(...)
<b>Accrued interest per unit in original currency:</b>	n.a.	n.a.
<b>Fees and charges per unit in original currency:</b>	n.a.	n.a.
<b>Relevant amount per unit in EUR:</b> <sup>56</sup>	1.000,(...)	1.000,(...)
<b>Conversion percentage (as provided in the resolution order):</b>	70,00000000%	70,00000000%
<b>Effective conversion rate (as provided in the resolution order):</b>	0,7200000000	0,7200000000
<b>Issue amount per share in EUR (as provided in the resolution order):</b>	1	1

$$\text{Number of new shares per ISV} = \frac{(\text{relevant amount per unit in EUR} * \text{conversion percentage} * \text{conversion rate})}{\text{Issue amount per share in EUR}}$$

$$504,0000000 = \frac{\text{EUR 1.000, (...) * 70,00000000\% * 0,7200000000}}{\text{EUR 1}}$$

**To be taken into account for foreign currency and pool factor instruments:**

$$\text{Relevant amount per unit in EUR} = \text{relevant amount in original currency} * \text{exchange rate}^{57} * \text{where applicable pool factor (old)}$$

<b>Technical conversion ratio:</b>	<b>EUR 1.000,00 : 504,00000000</b>	<b>1 unit : 504,00000000</b>
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**Table 24: Derivation of the technical conversion ratio for zero-coupon bonds**

<sup>54</sup> The brackets „(...)” after the decimal separator in the amounts mean that the respective amounts are to be applied in the calculations with the maximum possible number of decimal places.

<sup>55</sup> Premiums/discounts are not part of the outstanding nominal value.

<sup>56</sup> In the case of zero-coupon bonds, the relevant amount is equal to the outstanding nominal value (see also MaBail-in).

<sup>57</sup> The exchange rate to be used is the one stated in the resolution order. As a rule, this is the exchange rate that was also used when the liability list was filled (e.g. according to MaBail-in).





Background information:

### **Special aspects of the write-down and conversion of secured liabilities (unstructured bearer bonds)**

The resolution authority may apply the bail-in tool within the meaning of Section 90 of the SAG to the part of the secured liability exceeding the value of the secured portion (see Article 27 (3) of the SRMR or section 91 (2) of the SAG). For these instruments, when calculating the amount relevant for bail-in, it must be noted that the value of the secured portion must be deducted from the outstanding amount (see MaBail-in).

Due to the secured portion, the write-down and conversion percentages provided in the resolution order can only be applied to a part of the outstanding nominal value of the secured liability in the technical bail-in implementation or technical reduction. Accordingly, operationally or technically seen, different write-down and conversion percentages will result.

Examples for the calculation of the relevant amount, the number of new shares and the derivation of the operational write-down and conversion percentages for secured liabilities can be found in the tables below.

**Note:** For reduction of accrued interest, the bank must consider the write-down and conversion percentages in accordance with the resolution order (see also process step 20 and background information in Chapter IV.2.21).

The following table shows an example of the derivation of the **operational write-down and conversion percentages for secured liabilities**.<sup>58</sup>

#### **Derivation of the operational write-down and conversion percentages for secured liabilities based on the resolution order**

**Outstanding principal amount per unit in original currency:** \_\_\_\_\_ EUR 1.000,(...)

**Secured portion per unit in original currency:** \_\_\_\_\_ EUR 100,(...)

**Write-down percentage (as provided in the resolution order):** \_\_\_\_\_ 60,0000000%

**Operational write-down percentage (to be calculated by the bank):** **54,0000000%** = 60,0000000% \* (EUR 900,(...) / EUR 1.000,(...)) \* 100%

**Conversion percentage (as provided in the resolution order):** \_\_\_\_\_ 40,0000000%

<sup>58</sup> The brackets „(...)" after the decimal separator in the amounts mean that the respective amounts are to be applied in the calculations with the maximum possible number of decimal places.

**Operational conversion percentage (to be calculated by the bank):** **36,0000000%** = 40,0000000% \* (EUR 900,(...)) / EUR 1.000,(...)) \* 100%

**Table 25: Derivation of the operational write-down and conversion percentages**

The following table shows an example of the **calculation of the relevant amount** and the **derivation of the technical conversion ratio for secured liabilities**.<sup>59</sup>

**Calculation of the relevant amount and derivation of the technical conversion ratio for secured liabilities based on the resolution order**

	<b>percentage-quoted</b>	<b>unit-quoted</b>
<b>Outstanding principal amount per unit in original currency:</b>	EUR 1.000,(...)	EUR 1.000,(...)
<b>Accrued interest per unit in original currency:</b>	EUR 25,(...)	EUR 25,(...)
<b>Fees and charges per unit in original currency:</b>	n.a.	n.a.
<b>Secured portion per unit in original currency:</b>	EUR 100,(...)	EUR 100,(...)
<b>Relevant amount per unit in EUR:</b>	<b>EUR 925,(...) = EUR 1.025,(...) – EUR 100,(...)</b>	
<b>Conversion percentage (as provided in the resolution order):</b>	40,0000000%	40,0000000%
<b>Effective conversion rate (as provided in the resolution order):</b>	0,720000000	0,720000000
<b>Issue amount per share in EUR (as provided in the resolution order):</b>	1	1

<sup>59</sup> The brackets „(...)" after the decimal separator in the amounts mean that the respective amounts are to be applied in the calculations with the maximum possible number of decimal places.

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**Calculation of the relevant amount and derivation of the technical conversion ratio for secured liabilities based on the resolution order**

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$$\text{Number of new shares per ISV} = \frac{(\text{relevant amount per unit in EUR} * \text{conversion percentage} * \text{conversion rate})}{\text{Issue amount per share in EUR}}$$

$$266,400000 = \frac{\text{EUR } 925, (...) * 40,000000\% * 0,72000000}{\text{EUR } 1}$$

**To be taken into account for foreign currency and pool factor instruments:**

$$\begin{aligned} \text{Relevant amount per unit in EUR} \\ = \text{relevant amount in original currency} * \text{exchange rate}^{60} * \text{where applicable pool factor (old)} \end{aligned}$$

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<b>Technical conversion ratio:</b>	<b>EUR 1.000,00 : 266,4000000</b>	<b>1 unit : 266,4000000</b>
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**Table 26: Derivation of the technical conversion ratio for secured liabilities**

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<sup>60</sup> The exchange rate to be used is the one stated in the resolution order. As a rule, this is the exchange rate that was also used when the liability list was filled (e.g. according to MaBail-in).

Background information:

### **Example: Technical conversion ratio (unstructured bearer bonds) and rounding down**

Assume that an instrument issued by the institution is partly written down and partly converted into new shares (technical scenario 5). The outstanding principal amount of the instrument per unit is EUR 1.000. The accrued interest adds up to an amount of EUR 25. There is a reduction without pool factor (technical sub-scenario 5b without PF). According to the resolution order, the write-down and conversion percentages are 40,1234567% and 30,1234567%. Furthermore, an effective conversion rate of 0,72 is specified in the resolution order. The number of shares resulting from the conversion must be rounded down. The issue amount per share is EUR 1.

The technical conversion ratio is determined as follows:

	percentage-quoted	unit-quoted
<b>Numerator of the technical conversion ratio:</b>	<b>EUR 1.000,00</b>	<b>1 unit</b>
Write-down percentage:	40,1234567%	40,1234567%
Conversion percentage:	30,1234567%	30,1234567%
Conversion rate:	0,720000000	0,720000000
Amount per unit to be used for conversion:	EUR 301,2345670 <sup>(*)</sup>	EUR 301,2345670 <sup>(*)</sup>
Accrued interest per unit to be used for conversion:	EUR 7,5308641 <sup>(**)</sup>	EUR 7,5308641 <sup>(**)</sup>
Current charges per unit to be used for conversion:	n.a.	n.a.
<b>Denominator of the technical conversion ratio:</b>	<b>222.3111103<sup>(***)</sup></b>	<b>222.3111103<sup>(***)</sup></b>
<b>Technical conversion ratio (rounded down):</b>	<b>EUR 1.000,00 : 222,0000000</b>	<b>1 unit : 222,0000000</b>

Notwithstanding the rounding down of the number of new shares resulting from the conversion as part of the resolution order, in the detailed list of instruments, the decimal place conventions set out in Chapter IV.4.1.1.3 must be considered for all other information. The corresponding columns are filled in as follows:

Column "Denomination (old)":	EUR 1.000,00	1 unit
Column "Total reduction of denomination (old) in %":	70,2469134	70,2469134
Column "Denomination (new)":	297,53	0,29
Column "Worthless withdrawal of denomination (old) in %":	40,1234567	40,1234567
Column "Numerator of the booking ratio [...]":	EUR 1.000,00	1 unit
Column "Denominator of the booking ratio [...]":	297,5308660	0,2975308
Column "Conversion percentage of denomination (old) [...]":	30,1234567	30,1234567
Column "Numerator of the conversion ratio [...]":	1.000,00	1 unit
Column "Denominator of the conversion ratio [...]":	222,0000000	222,0000000

The amounts are calculated as follows:

<sup>(\*)</sup> Amount per unit to be used for conversion: EUR 301,2345670(...) = 1.000.(...) \* 30,1234567%

<sup>(\*\*)</sup> Accrued interest per unit to be used for conversion: EUR 7,5308641(...) = 25.(...) \* 30,1234567%

<sup>(\*\*\*)</sup> Denominator of the technical conversion ratio: 222,3111103 = (308,7654311(...) EUR \* 0,720000000) / EUR 1

**Note:** When calculating the number of new shares or the denominator of the technical conversion ratio, the outstanding nominal value per unit or Denomination (old) as well as the accrued interest per unit must be applied with the maximum possible number of decimal places. This is shown in the calculation examples with the brackets "(...)" after the decimal separator.

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#### 4.1.1.4 Annex II.2 – Detailed list of instruments for percentage-quoted structured bearer bonds

For percentage-quoted structured bearer bonds, a separate detailed list of instruments is used as described below.

The **detailed list of instruments for percentage-quoted structured bearer bonds** contains specific information for each XS ISIN affected by the bail-in, which is required by the NNA and the CSD for the bail-in implementation. The detailed list of instruments is provided as MS Excel file. For each technical scenario (scenarios 3 to 6), a separate spreadsheet is to be used within the MS Excel file. A template for the detailed list of instruments for percentage-quoted structured bearer bonds is provided to the institutions as part of the resolution planning activities on request.

Conventions for filling out detailed lists of instruments for percentage-quoted structured bearer bonds:

- All value declarations in the detailed list of instruments for percentage-quoted structured bearer bonds are listed with decimal places. The decimal places must be rounded down. With regard to the number of decimal places, the following conventions are to be followed:
  - Column "Outstanding Aggregate Principal Amount [...]": 2 decimal places
  - Column "Denomination (old)": 2 decimal places
  - Column "Total reduction of the instrument in %": 7 decimal places
  - Column "Denomination (new)": 2 decimal places
  - Column "Write-down percentage of the instrument (in %)": 7 decimal places
  - Column "Conversion percentage of the instrument into new shares (in %)": 7 decimal places
  - Column "Fair Value": 7 decimal places
  - Column "Numerator of the conversion ratio [...]": 2 decimal places
  - Column "Denominator of the conversion ratio [...]": 7 decimal places
  - Column "Numerator of the exercise ratio [...]": 7 decimal places
  - Column "Denominator of the exercise ratio [...]": 7 decimal places
- Date format: DD.MM.YYYY
- No blank characters in the cells
- If a field is not relevant, it has to be filled with "n.a".
- In the number representation, a point is to be used as thousand separator and a comma as decimal separator (e.g. 1.000,00).

The tables below include examples of the technical scenarios 1 to 6 and explanatory notes to the fields to be filled.

**Note 1:** Notwithstanding the fact that in the detailed list of instruments the fair value has to be stated with 2 decimal places, when calculating the number of new shares the fair value has to be applied with the maximum possible number of decimal places.

**Note 2:** It should be noted that the resolution order may provide for the number of new shares resulting from the conversion to be rounded down to a full amount (e.g. from 221,6 shares to 221 shares). The rounding off always takes place at the level of the individual liability, e.g. in the case of securities at the unit level. In this case, the central securities depository and the custodian banks do not have to round off the fractional amounts (fractional shares) per participant (see background information in chapter IV.2.13). The bank must consider that the number of new shares rounded down to a full amount with 7 decimal places (e.g. 221.0000000) must be entered in the column "Denominator of the conversion ratio [...]" of the detailed list of instruments.

If, as a result of rounding down, the number of shares is zero and the technical scenario is 3 (full reduction with conversion), the corresponding instruments are to be allocated to technical scenario 4 (full reduction without conversion). In the case of technical scenario 5 (partial reduction with conversion), the instruments

are allocated to technical scenario 6 (partial reduction without conversion). See also Figure 8 in Chapter IV.4.1.1.3.

**Note 3:** It should be taken into account that the conversion rate specified in the resolution order (see background information in Chapter IV.4.1.1.3) can be zero for some ranks of the bail-in sequence. Regardless of the level of the conversion percentage, no new shares will be allotted to the instruments of the corresponding ranks in this case. If these instruments are reduced in full by conversion or conversion in combination with write-down (technical scenario 3), they are to be assigned to technical scenario 4 (full reduction without conversion). If the instruments are partially reduced by conversion or conversion in combination with write-down (technical scenario 5), these are to be assigned to technical scenario 6 (partial reduction without conversion).<sup>61</sup> See also Figure 8 in Chapter IV.4.1.1.3.

**Note 4:** For reasons of simplification, the information in the following tables deviates in part from the decimal place conventions stated above.

<sup>61</sup> The resolution authority reserves the right to coordinate, in a resolution case, the technical treatment of further special cases not described herein with the bank.

**Scenario 3: Full reduction of structured bonds WITH delivery of new shares<sup>62</sup>**

<u>ISIN of the instruments affected by Bail-in</u>	<u>CBF_Record_Date</u>	<u>CBF_Settlement_Date</u>	<u>Outstanding Aggregate Principal Amount according to Global Certificate/Global Note</u>	<u>Denomination (old)</u>	<u>Total reduction of the instrument in %</u>	<u>Denomination (new)</u>	<u>Write-down percentage of the instrument (in %)</u>	<u>Conversion percentage of the instrument into new shares (in %)</u>	<u>Fair Value</u>	<u>Numerator of the conversion ratio based on Denomination (old) (Denomination (old))/ (amount of new shares)</u>	<u>Denominator of the conversion ratio based on Denomination (old) (Denomination (old))/ (amount of new shares)</u>	<u>ISIN for new shares</u>	<u>Numerator of the exercise ratio based on total reduction (Denomination (old))/ (Denomination (new))</u>	<u>Denominator of the exercise ratio based on total reduction (Denomination (old))/ (Denomination (new))</u>	<u>Scenario 3<sup>63</sup></u>
<u>ISIN</u>	<u>06.12.2020</u>	<u>08.12.2020</u>	<u>400.000.000</u>	<u>1.000</u>	<u>100</u>	<u>0</u>	<u>0</u>	<u>100</u>	<u>900</u>	<u>1.000</u>	<u>648.000</u>	<u>ISIN</u>	<u>1.000</u>	<u>0</u>	<u>3a</u>
<u>ISIN</u>	<u>06.12.2020</u>	<u>08.12.2020</u>	<u>400.000.000</u>	<u>1.000</u>	<u>100</u>	<u>0</u>	<u>40</u>	<u>60</u>	<u>900</u>	<u>1.000</u>	<u>388.800</u>	<u>ISIN</u>	<u>1.000</u>	<u>0</u>	<u>3b</u>

**Table 27: Excerpt detailed list of instruments (percentage-quoted structured BBs) – scenario 3**

**Scenario 4: Full reduction of structured bonds WITHOUT delivery of new shares**

<u>ISIN of the instruments affected by Bail-in</u>	<u>CBF_Record_Date</u>	<u>CBF_Settlement_Date</u>	<u>Outstanding Aggregate Principal Amount according to Global Certificate/Global Note</u>	<u>Denomination (old)</u>	<u>Total reduction of the instrument in %</u>	<u>Denomination (new)</u>	<u>Write-down percentage of the instrument (in %)</u>	<u>Conversion percentage of the instrument into new shares (in %)</u>	<u>Fair Value</u>	<u>Numerator of the conversion ratio based on Denomination (old) (Denomination (old))/ (amount of new shares)</u>	<u>Denominator of the conversion ratio based on Denomination (old) (Denomination (old))/ (amount of new shares)</u>	<u>ISIN for new shares</u>	<u>Numerator of the exercise ratio based on total reduction (Denomination (old))/ (Denomination (new))</u>	<u>Denominator of the exercise ratio based on total reduction (Denomination (old))/ (Denomination (new))</u>
<u>ISIN</u>	<u>06.12.2020</u>	<u>08.12.2020</u>	<u>400.000.000</u>	<u>1.000</u>	<u>100</u>	<u>0</u>	<u>100</u>	<u>n.a.</u>	<u>900</u>	<u>n.a.</u>	<u>n.a.</u>	<u>n.a.</u>	<u>1.000</u>	<u>0</u>

**Table 28: Excerpt detailed list of instruments (percentage-quoted structured BBs) – scenario 4**

<sup>62</sup> In all examples of scenario 3 for percentage-quoted structured bearer bonds, a conversion rate of 0,72 was assumed.

<sup>63</sup> The column "Scenario" is for information purposes only and not to be included in the detailed list of instruments.



**Scenario 5: Partial reduction of structured bonds WITH delivery of new shares<sup>64</sup>**

<u>ISIN of the instruments affected by Bail-in</u>	<u>CBF Record Date</u>	<u>CBF Settlement Date</u>	<u>Outstanding Aggregate Principal Amount according to Global Certificate/Global Note</u>	<u>Denomination (old)</u>	<u>Total reduction of the instrument in %</u>	<u>Denomination (new)</u>	<u>Write-down percentage of the instrument (in %)</u>	<u>Conversion percentage of the instrument into new shares (in %)</u>	<u>Fair Value</u>	<u>Numerator of the conversion ratio based on Denomination (old) (Denomination (old) / (amount of new shares))</u>	<u>Denominator of the conversion ratio based on Denomination (old) (Denomination (old) / (amount of new shares))</u>	<u>ISIN for new shares</u>	<u>Numerator of the exercise ratio based on total reduction (Denomination (old) / (Denomination (new)))</u>	<u>Denominator of the exercise ratio based on total reduction (Denomination (old) / (Denomination (new)))</u>	<u>Scenario</u> <sup>65</sup>
<u>ISIN</u>	<u>06.12.2020</u>	<u>08.12.2020</u>	<u>400.000.000</u>	<u>1.000</u>	<u>30</u>	<u>700</u>	<u>0</u>	<u>30</u>	<u>900</u>	<u>1.000</u>	<u>194.400</u>	<u>ISIN</u>	<u>1.000</u>	<u>700</u>	<u>5a</u>
<u>ISIN</u>	<u>06.12.2020</u>	<u>08.12.2020</u>	<u>400.000.000</u>	<u>1.000</u>	<u>70</u>	<u>300</u>	<u>30</u>	<u>40</u>	<u>900</u>	<u>1.000</u>	<u>259.200</u>	<u>ISIN</u>	<u>1.000</u>	<u>300</u>	<u>5b</u>

**Table 29: Excerpt detailed list of instruments (percentage-quoted structured BBs) – scenario 5**

**Scenario 6: Partial reduction of structured bonds WITHOUT delivery of new shares**

<u>ISIN of the instruments affected by Bail-in</u>	<u>CBF Record Date</u>	<u>CBF Settlement Date</u>	<u>Outstanding Aggregate Principal Amount according to Global Certificate/Global Note</u>	<u>Denomination (old)</u>	<u>Total reduction of the instrument in %</u>	<u>Denomination (new)</u>	<u>Write-down percentage of the instrument (in %)</u>	<u>Conversion percentage of the instrument into new shares (in %)</u>	<u>Fair Value</u>	<u>Numerator of the conversion ratio based on Denomination (old) (Denomination (old) / (amount of new shares))</u>	<u>Denominator of the conversion ratio based on Denomination (old) (Denomination (old) / (amount of new shares))</u>	<u>ISIN for new shares</u>	<u>Numerator of the exercise ratio based on total reduction (Denomination (old) / (Denomination (new)))</u>	<u>Denominator of the exercise ratio based on total reduction (Denomination (old) / (Denomination (new)))</u>
<u>ISIN</u>	<u>06.12.2020</u>	<u>08.12.2020</u>	<u>400.000.000</u>	<u>1.000</u>	<u>60</u>	<u>400</u>	<u>60</u>	<u>n.a.</u>	<u>900</u>	<u>n.a.</u>	<u>n.a.</u>	<u>n.a.</u>	<u>1.000</u>	<u>400</u>

**Table 30: Excerpt detailed list of instruments (percentage-quoted structured BBs) – scenario 6**

<sup>64</sup> In all examples of scenario 5 for structured bearer bonds, a conversion rate of 0,72 was assumed.

<sup>65</sup> The column "Scenario" is for information purposes only and not to be included in the detailed list of instruments.

**Information to be provided within the detailed list of instruments for percentage-quoted structured bearer bonds – technical scenarios 3-6**

<b>Information</b>	<b>Explanatory notes</b>
<p><b>ISIN (Stammgattung prozentnotierte strukturierte ISV)</b></p> <p>ISIN of the instruments affected by Bail-in</p>	<p>ISIN of structured bearer bond affected by the bail-in.</p> <p>Data point 1.4 [Unique identifier known to the counterparty] according to MaBail-in or DE-IRT-Bail-in-Guidance.</p>
<p><b>CBF Stichtag der Maßnahme</b></p> <p>CBF Record Date</p>	<p>Date on which the bail-in is implemented technically in the systems of the CSD. To be entered in consultation with CSD.</p>
<p><b>CBF Erfüllungstag</b></p> <p>CBF Settlement Date</p>	<p>Date on which the settlement of a business transaction (delivery and payment) occurs. To be entered in consultation with CSD.</p>
<p><b>Ausstehender Gesamtnennwert gemäß der Globalurkunde</b></p> <p>Outstanding Aggregate Principal Amount according to Global Certificate/Global Note</p>	<p>Current total nominal value actually in circulation in original currency EUR according to the global certificate for the respective ISIN.</p> <p>Data point 2.8 [Nominal amount of the global note in EUR] according to MaBail-in or DE-IRT-Bail-in-Guidance.</p>
<p><b>NW zum Stück (alt)</b></p> <p>Denomination (old)</p>	<p>The outstanding principal amount per unit of the instrument on the request date in original currency EUR.</p> <p>Data point 2.2 [Outstanding principal amount per security in EUR] according to MaBail-in or DE-IRT-Bail-in-Guidance.</p>
<p><b>Gesamtreduzierung des Instruments in %</b></p> <p>Total reduction of the instrument in %</p>	<p>If pursuant to the resolution order a part of the instrument is to be written down and another part is to be converted into new shares, this field includes the sum (total reduction rate) of the write-down percentage and the conversion percentage.</p> <p><b>Example:</b></p> <p>If the write-down percentage is 30 and the conversion percentage is 40, the total reduction rate is 70.</p> <p>If either the write-down or the conversion applies to one instrument as a sole measure, only the applicable write-down or conversion percentage has to be stated in this field. If, for instance, for one ISIN only the write-down is applicable and the write-down percentage is 60, then 60% has to be stated in this field as total reduction rate.</p>

**Information to be provided within the detailed list of instruments for percentage-quoted structured bearer bonds – technical scenarios 3-6**

<b>Information</b>	<b>Explanatory notes</b>
	<u>New nominal value of the instrument after reduction by write-down and conversion in original currency EUR.</u>
<b>NW zum Stück (neu)</b> Denomination (new)	<b>Example:</b> If the outstanding principal amount is EUR 1.000 and the resolution order includes a write-down percentage of 40 and a conversion percentage of 30, the new nominal value is EUR 300.
<b>Herabschreibungsprozentsatz (in %)</b> Write-down percentage (in %)	<b>Example:</b> If the instrument is to be written down fully (or partially), the write-down percentage has to be stated in this field in accordance with the resolution order. The write-down percentage for the percentage-quoted structured bearer bond is 30% according to the resolution order. 30 has to be entered in this field.
<b>Umwandlungsprozentsatz (in %)</b> Conversion percentage into new shares (in %)	<b>Example:</b> If the instrument is to be converted into new shares, the conversion percentage has to be stated in this field in accordance with the resolution order. The conversion percentage for the percentage-quoted structured bearer bond is 40% according to the resolution order. 40 should be entered in this field.
<b>Fair Value</b>	<u>Current market value of the percentage-quoted structured bearer bond in EUR.</u> Data point 2.51 [Current market value/fair value of the structured product (see annex II, item 2.51)] according to MaBail-in or DE-IRT-Bail-in-Guidance.
<b>technisches Umwandlungsverhältnis Zähler (Einbuchung von Aktien in Bezug auf alten NW des Instruments)</b> Numerator of the conversion ratio based on Denomination (old) (Denomination (old))/(amount of new shares)	<b>Numerator</b> of the technical conversion ratio expressed as: Nominal value (old) in original currency EUR : Number of new shares (x.xxx in EUR : x.xxx new shares). <b>Example:</b> <b>1.000 : 18</b> 1.000 has to be entered in this field as numerator.

**Information to be provided within the detailed list of instruments for percentage-quoted structured bearer bonds – technical scenarios 3-6**

<b>Information</b>	<b>Explanatory notes</b>
<p><b>technisches Umwandlungsverhältnis Nenner (Einbuchung von Aktien in Bezug auf alten NW des Instruments)</b></p> <p>Denominator of the conversion ratio based on Denomination (old)</p> <p>(Denomination (old))/(amount of new shares)</p>	<p><b>Denominator</b> of the technical conversion ratio expressed as:</p> <p>Nominal value (old) in original currency EUR : Number of new shares (x.xxx in EUR : x.xxx new shares).</p> <p><b>Example:</b></p> <p>1.000 : 18</p> <p>18 has to be entered in this field as denominator.</p>
<p><b>Aktien ISIN-NEU</b></p> <p>ISIN for new shares</p>	<p>ISIN for new shares (as provided by NNA in task 4).</p>
<p><b>technisches Ausübungsverhältnis Zähler (NW alt) bezogen auf Gesamtreduzierung</b></p> <p>Numerator of the exercise ratio based on Denomination (old)</p> <p>(Denomination (old))/(Denomination (new))</p>	<p><b>Numerator</b> of the technical exercise ratio expressed as:</p> <p>Nominal value (old) in original currency EUR : Nominal value (new) in EUR (x.xxx in EUR : x.xxx in EUR).</p> <p><b>Example:</b></p> <p>A percentage-quoted structured bearer bond is reduced by a total of 70% due to write-down (30%) and conversion (40%). The technical exercise ratio is:</p> <p>1.000 : 300</p> <p>1.000 has to be entered in this field as numerator.</p>
<p><b>technisches Ausübungsverhältnis Nenner (NW neu) bezogen auf Gesamtreduzierung</b></p> <p>Denominator of the exercise ratio based on Denomination (old)</p> <p>(Denomination (old))/(Denomination (new))</p>	<p><b>Denominator</b> of the technical exercise ratio expressed as:</p> <p>Nominal value (old) in original currency EUR : Nominal value (new) in EUR (x.xxx in EUR : x.xxx in EUR).</p> <p><b>Example:</b></p> <p>1.000 : 300</p> <p>300 has to be entered in this field as denominator.</p>

**Table 31: Explanatory notes, detailed list of instruments (percentage-quoted, str. BBs) – scenarios 3-6**

Background information:

### **Example: Technical conversion ratio (percentage-quoted structured bearer bonds) and rounding down**

For structured bearer bonds, the calculation of the number of new shares resulting from the conversion is based on the fair value. Assume that a structured bearer bond issued by the institution is partly written down and partly converted into new shares (technical scenario 5). The structured bearer bond has a **nominal value of EUR 1,000** before the effective date of the resolution. The **fair value** was estimated at **EUR 900**. According to the resolution order, the write-down and conversion percentages are 40,1234567% and 30,1234567%. Furthermore, an effective conversion rate of 0,72 is specified in the resolution order. The number of shares resulting from the conversion must be rounded down. The issue amount per share is EUR 1.

The technical conversion ratio is determined as follows:

<b>Numerator of the technical conversion ratio:</b>	<b>EUR 1.000,00</b>
Write-down percentage:	40,1234567%
Conversion percentage:	30,1234567%
Conversion rate:	0,72
<b>Current market value/fair value:</b>	<b>900,00 EUR</b>
Amount per unit to be used for conversion:	EUR 271,1111103(...) = 900, (...) * 30,1234567%
<b>Denominator of the technical conversion ratio:</b>	<b>195,1999994 = (271,1111103(...) * 0,72) / 1 EUR</b>
<b>Technical conversion ratio (rounded down):</b>	<b>EUR 1.000,00 : 195,0000000</b>

Notwithstanding the rounding down of the number of new shares resulting from the conversion as part of the resolution order, in the detailed list of instruments, the decimal place conventions set out in Chapter IV.4.1.1.4 must be considered for all other information. The corresponding columns are filled in as follows:

Column " <b>Total reduction of the instrument in %</b> ":	70,2469134
Column " <b>Write-down percentage of the instrument (in %)</b> ":	40,1234567
Column " <b>Conversion percentage of the instrument [...]</b> ":	30,1234567
Column " <b>Fair Value</b> ":	900,0000000
Column " <b>Numerator of the exercise ratio [...]</b> ":	1,000,0000000
Column " <b>Denominator of the exercise ratio [...]</b> ":	297,5308660
Column " <b>Numerator of the conversion ratio [...]</b> ":	1,000,00
Column " <b>Denominator of the conversion ratio [...]</b> ":	<b>195,0000000</b>

**Note:** When calculating the number of new shares or the denominator of the technical conversion ratio, the fair value must be applied with the maximum possible number of decimal places. This is shown in the calculation examples with the brackets "(...)" after the decimal separator.

In the case of the structured bearer bonds, the technical conversion ratio is determined on the basis of the fair value. The following table illustrates the derivation of the technical conversion ratio for percentage-quoted **structured bearer bonds**.<sup>66</sup>

**Derivation of the technical conversion ratio for percentage-quoted structured bearer bonds on the basis of the resolution order**

**Outstanding principal amount per unit in original currency EUR:** EUR 1.000,(...)

**Current market value/fair value<sup>67</sup> of the structured bearer bond in original currency EUR:** EUR 900,(...)

**Relevant amount<sup>68</sup> per unit in original currency EUR:** EUR 900,(...)

**Conversion percentage (as provided in the resolution order):** 30,1234567%

**Effective conversion rate (as provided in the resolution order):** 0,720000000

**Issue amount per share in EUR (as provided in the resolution order):** 1

$$\text{Number of new shares per ISV} = \frac{(\text{relevant amount per unit in EUR} * \text{conversion percentage} * \text{conversion rate})}{\text{Issue amount per share in EUR}}$$

$$195,1999994 = \frac{\text{EUR } 900,(...) * 30,1234567\% * 0,720000000}{\text{EUR } 1}$$

**Technical conversion ratio:** EUR 1.000,00 : 195,1999994

**Table 32: Derivation of the technical conversion ratio for percentage-quoted structured BBs**

<sup>66</sup> The brackets „(...)“ after the decimal separator in the amounts mean that the respective amounts are to be applied in the calculations with the maximum possible number of decimal places.

<sup>67</sup> In accordance with data point 2.51 of the MaBail-in.

<sup>68</sup> For structured bearer bonds, the relevant amount is the current market value/fair value less any collateral values according to data point 2.44 of the MaBail-in. For reasons of simplification, it was assumed in this example that no collateral values exist for the structured debt instrument.

### 3.1.24.1.2 Sample template for the “simplified listing application”

As explained in Chapter IV.2.9 (task 8), in the case of a change of legal form, for securities of different classes (before and after resolution) as well as for securities of the same class that were not previously listed on the exchange, a “simplified listing application” must be filed by the bank/agent for the admission to the listing of new shares with the exchange(s).

In addition to the “simplified listing application”, further documents or evidence must be provided by the institution and/or its agent. These are the following documents (see also Chapter IV.2.9).<sup>69</sup>

- power of attorney (in case of representation);
- current articles of association after resolution (section 48 (2) sentence 2 no. 2 of the BörsZuV);
- annual financial statement of the preceding business year;
- disclosure certificate of the last three annual financial statements.<sup>70</sup>

Below is a template for the “simplified listing application”, which includes all addresses of the exchanges. For the application, the relevant exchanges are to be selected in consultation with the resolution authority (see also Chapter IV.2.9). The application must be adapted accordingly for each exchange.

**Note 1:** ~~insofar~~Insofar as documents relevant to the examination are not yet available to the institution in the final version, they must be submitted as a draft for the time being.

**Note 2:** ~~if~~ there are deviations from the “simplified listing application”, the issuer must submit a separate justification to the exchange.

<sup>69</sup> This does not affect the follow-up obligations of the launch of trading. These are to be fulfilled by the institution or the group company (see Section 106 (5) of the SAG).

<sup>70</sup> The disclosure certificate serves as confirmation that the issuer has already existed as a company for at least three years.

**Simplified Application for Admission of Securities to ~~Exchange~~  
Trading in the Regulated Market in the Context of a Resolution  
according to Regulation (EU) No. 806/2014 and the German ~~Reco-~~  
~~very~~Recovery and Resolution Act (SAG); dated from dd.mm.yyyy**

**From:**

Address of the institution under resolution/agent  
Post office box xx xx  
Postal code, City

**In copy to:** resolutiontools.AM2@bafin.de

**To be filled in by the Management  
Board of the exchange:**  
Ref.:

**To:**

Management Board of  
Frankfurt Stock Exchange  
c/o Deutsche Börse AG  
- Listing Services -  
60485 Frankfurt am Main  
Phone: +49 (0) 69-2111-3990  
Fax: +49 (0) 69-2111-3991  
E-Mail: listing@deutsche-boerse.com

Management Board of  
Hamburg Stock Exchange  
- Listing -  
Kleine Johannisstraße 4  
20457 Hamburg  
Fax: +49 (0) 40-3613-0223  
E-Mail: zulassung-hh@boersenag.de,  
s.marxsen@boersenag.de

Management Board of  
Stuttgart Stock Exchange,  
- Listing & Membership -  
Börsenstraße 4  
70174 Stuttgart  
Fax: +49 (0) 711-222-9854-97  
E-Mail: listing@boerse-stuttgart.de

Management Board of  
Hannover Stock Exchange  
- Listing -  
An der Börse 2  
30159 Hannover  
Fax: +49 (0) 40-3613-0223  
E-Mail: zulassung-han@boersenag.de,  
s.marxsen@boersenag.de

Management Board of Munich Stock Exchange  
Karolinenplatz 6  
80333 München  
Fax: +49 (0) 89-5490-4555  
E-Mail: feiler@boerse-muenchen.de,  
zulassung@boerse-muenchen.de

Management Board of Dusseldorf Stock Exchange  
Postfach 10 42 62  
40033 Düsseldorf  
Fax: +49 (0) 40-3613-0223  
E-Mail: zulassung-dus@boersenag.de

**To be filled in by the Management  
Board of the exchange:**  
Ref.:

**Man-  
age-  
ment  
of**

Management Board of Berlin Stock Exchange  
- Listing Services -  
Fasanenstraße 85  
10623 Berlin  
Fax: +49 (0) 30-3110-9178  
E-Mail: bail-in@boerse-berlin.de

**Tradegate Exchange**  
- Trade surveillance -  
Kurfürstendamm 119  
10711 Berlin  
Fax: +49 (0) 30-8960-6525

Guidance Notice – External Bail-in Execution



E-Mail: [huest@tradegate-exchange.de](mailto:huest@tradegate-exchange.de)

<b>1. Applicant</b>	
<b>1.1 Issuer of the securities to be admitted (section 32 (2) sentence 1 BörsG, section 48 (1) sentence 2 4.21.1 BörsZulV)</b>	
Company name	[Name]
Registered office	[Home country, state]
Business address	[Address]
Legal Entity Identifier (LEI)	[LEI-Code]
(Optional) If the issuer is represented by a proxy agent:	
Name	[Name]
Address	[Address]
<input type="checkbox"/>	The issuer is represented by a co-applicant according to Sec. 1.2.
<input type="checkbox"/>	The power of attorney in writing is attached hereto
Issuer's contact for the admission procedure:	
Name	[Name]
Department	[Department]
Phone	[Phone]
Fax	[Fax]
Email	[Email-Address]
<b>1.3 Institution or company in accordance with section 32 (2) BörsG, section 48 (1) sentence 2 BörsZulV 4.41.2 (co-applicant)</b>	
(please provide the requested information for each co-applicant on a separate sheet)	
<input type="checkbox"/>	The co-applicant confirms that it is a credit institution or a financial services institution or a company within the meaning of section 53 (1) sentence 1 or section 53 b (1) sentence 1 of the Kreditwesengesetz (KWG, German Banking Act), that it is admitted to a German stock exchange and entitled to participate in trading and that it is able to provide evidence of liable equity capital in the amount of at least Euro 730.000.
<b>2. Invoicing</b>	
<b>2.1 Debtor (admission fee)</b>	
<input checked="" type="checkbox"/>	Issuer
Value added Tax Identification Number (VAT-ID)	[VAT-ID]
<b>2.2 Recipient of the invoice (admission fee)</b>	
Company name	[Company name]
Contact person	[Contact person]
Department	[Department]
Address	[Address]
<b>2.3 Debtor according to section 51 BörsZulV (costs for the announcement in the Federal Gazette)</b>	
Company name	[Company name]
Contact person	[First name, surname]
Department	[Department]
Address	[Address]
<b>2.4 Recipient of the invoice (costs for the announcement in the Federal Gazette)</b>	
Company name	[Company name]
Contact person	[First name, surname]
Department	[Department]
Address	[Address]
<input type="checkbox"/>	The Federal Gazette should send invoice by <a href="#">email</a> to the following address: [E-Mail address]
<b>3. Description of type and amount of securities to be admitted (section 48 (1) sentence 2 4.3 BörsZulV)</b>	
<b>4.13.1 Shares</b>	

<b>4.1.13.1.1 Description of securities</b>	
Previous share capital	[Amount in EUR]
New share capital	[Amount in EUR]
Units	[Number of units of new shares]
<input checked="" type="checkbox"/>	Common stock
<input checked="" type="checkbox"/>	No-par-value share
<input checked="" type="checkbox"/>	Bearer share
Dividend payment as from	[usually the date of the general meeting of shareholders]
Notional par value (issue amount per share) (expected)	[Amount in EUR]
Commercial register registration (expected)	[dd.mm.yyyy]
ISIN	[DE00XXXXXX]
<b>4.1.23.1.2 Application for admission to trading in</b>	
<input checked="" type="checkbox"/>	the Regulated Market
<b>5-4. Prospectus and documentation</b>	
<b>4-1. Exemption from the obligation to publish a prospectus (section 32 (3) No. 2 BörsG)</b>	
The publication of a prospectus is not required according to (EU) Regulation 2017/1129 Article 1(5) point (c).	
<b>6-5. A similar application for admission has previously or at the same time been filed with another stock exchange in Germany, in another member state of the European Union (EU) or of the European Economic Area (EEA) or will shortly be filed (section 48_(1) sentence 3 BörsZulV)</b>	
<input type="checkbox"/>	No
<input type="checkbox"/>	Yes, namely: [Name(s) of the exchange(s)]
<b>7-6. Time schedule*</b>	
*Please note: Subject to compulsory legal reasons the requested time schedule of the applicants is not binding for the admission procedure.	
Date and time the issuer has approved admission to trading	[dd.mm.yyyy hh:mm]
Date of admission (according to time schedule of BaFin)	[dd.mm.yyyy]
First date of trading [listing date] (according to time schedule of BaFin)	[dd.mm.yyyy]
<b>8-7. Confirmation according to Article 7(1) and (4) Delegated Regulation (EU) 2017/568 (RTS 17) supplementing the Directive 2014/65/EU (MiFID II)</b>	

[Please delete that which does not apply]

Frankfurt Stock Exchange: The issuer of the securities to be admitted was informed about his obligations under union law. The issuer took notice from the overview published under <http://www.deutsche-boerse-cash-market.com/dbcm-de/primary-market/going-public/zugang-und-antragstellung> or <http://www.deutsche-boerse-cash-market.com/dbcm-de/primary-market/publikationen/antraege>.

Stuttgart Stock Exchange: The issuer of the securities to be admitted was informed about his obligations under union law.

Munich Stock Exchange: The issuer of the securities to be admitted was informed about his obligations under union law.

Berlin Stock Exchange: The issuer of the securities to be admitted was informed about his obligations under union law.

Dusseldorf Stock Exchange: The issuer of the securities to be admitted was informed about his obligations under ~~un-~~ union law.

Hamburg Stock Exchange: The issuer of the securities to be admitted was informed about his obligations under union law.

Hannover Stock Exchange: The issuer of the securities to be admitted was informed about his obligations under union law.

**9.8. Signatures (section 32 (2) sentence 1 BörsG, section 48 (1) sentence 1 BörsZulV)**

**9.18.1 Signature of the issuer or its proxy agent (Sec 1.1)**  
 (Please provide the signatures of all issuers respectively their proxy agents on a separate sheet in case that several issuers apply or of the admission of certificates representing shares)

<b>Place</b>	[Place]
<b>Date</b>	[dd.mm.yyyy]
<b>Name(s)</b>	[First name, surname]
<b>Signature(s)</b>	[Signatures(s)]

**Appendix – Overview of the filed documents/information\* regarding the admission of shares**

\*Please note: The Management Board is authorised to request further documentation. Documents, which are relevant for examination and currently not available in their final version, must be submitted as draft for the time being.

<b>1. General documents</b>	
<input type="checkbox"/>	Application form duly signed (original copy)
<input type="checkbox"/>	Power of attorney (in case of representation)
<b>2. Documents regarding the company</b>	
<input type="checkbox"/>	Current articles of association after resolution (section 48 (2) sentence 2 No. 2 BörsZulV)
<input type="checkbox"/>	Annual financial statement of the preceding business year (section 48 (2) sentence 2 No. 4 BörsZulV)
<input type="checkbox"/>	Disclosure certificate of the last three annual financial statements
<b>3. Note</b>	
The resolution order replaces:	
<ul style="list-style-type: none"> <li>• Reports on the incorporation of the issuer and their audit, if the issuer has not existed as a company for at least three years (section 48 (2) sentence 2 No. 8 BörsZulV) and</li> <li>• Certified excerpt of the commercial register (section 48 (2) sentence 2 No. 1 BörsZulV) until the actual entry in the commercial register (section 136 (4) SAG) as well as</li> <li>• Evidence of the minimum amount (minimum number of units) of the securities to be admitted according to section 2 BörsZulV.</li> </ul>	

## 4.2 Annex I – Calculation examples for filling Sample templates for the documents from the bank – “ICSD Add-On”

This sub-section provides sample templates for the instruction letter and supporting documents (Annex I and II) from the bank to ICSDs and Common Depositories or Common Service Providers. With the instruction letter to the ICSDs, the bank or, if applicable, its agent instructs the ICSDs to implement the bail-in as required in the resolution order. The instruction letter refers to the supporting documents (Annex I and II), i.e. the operational guidelines and detailed list of instruments. In addition, copies of the instruction letter and the supporting documents are sent to the Common Depositories (CGN) and Common Service Providers (NGN) respectively.

**Please note:** Different technical scenarios (see Table 12) may apply in the context of the technical implementation of the resolution measure by the ICSDs. For each technical scenario, an Annex I and Annex II must be prepared. Regardless of the number of scenarios and thus the number of annexes, however, only one instruction letter is to be submitted by an institution to the ICSDs.

### 4.2.1 Instruction letter and supporting documents – “ICSD Add-On”

#### 4.2.1.1 Instruction letter – “ICSD Add-On”

Below is a template for an instruction letter<sup>71</sup> from the Bank to the ICSDs and Common Depositories (CGN) or Common Service Providers (NGN).

<sup>71</sup> The power of representation to sign the instruction letter must be regulated by the bank in an appropriate manner.

## **Instruction Letter from the [Bank] / [Agent] to ICSDs**

### **To:**

Euroclear Bank SA/NV  
Attn. Corporate Actions  
1 Boulevard du Roi Albert II  
1210 Brussels, Belgium  
By e-mail in advance: [CA.OMK@euroclear.com](mailto:CA.OMK@euroclear.com) or [ASO.OMK@euroclear.com](mailto:ASO.OMK@euroclear.com)

Clearstream Banking S.A.  
Attn: Corporate Actions Luxembourg  
42 JFK Avenue  
L-1855 Luxembourg  
By e-mail in advance: [CA\\_mandatory.events@clearstream.com](mailto:CA_mandatory.events@clearstream.com)

### **Copy to:**

By e-mail in advance: [\[Common Depositories or Common Service Providers\]](#)<sup>72</sup>

Dear Sir/Madam,

[We hereby ask you] [we are contacting you in our capacity as issuer's agent of the Bank]<sup>73</sup> to execute, the write-down and conversion pursuant to Article 21 of the SRMR in conjunction with section 89 of the SAG and of the bail-in pursuant to Article 27 of the SRMR in conjunction with section 90 of the SAG, provided under the resolution order

[mandated by the Federal Financial Supervisory Authority (BaFin) on [date] and published on its website at: ("BaFin publication web address")]<sup>74</sup>

[implementing the Decision of the Single Resolution Board as of [date] concerning the adoption of the resolution scheme in respect of [institution under resolution], adopted by the Federal Financial Supervisory Authority (BaFin) on [date] and published on its website at: ("BaFin publication web address")]<sup>75</sup>.

The details regarding the execution of the write-down and conversion, including the list of the relevant instruments, are hereby attached to this letter as annexes.

Your contact person[s] in charge of the execution of the write-down and conversion at [institution under resolution] [is/are] [Title, Mr/Ms XXX, Phone xxx, E-Mail xxx].

This letter contains the following Annexes:

- [Annex 1 – Operational guidelines](#)
- [Annex 2 – List of relevant instruments](#)

Kind regards,

[Signature 1] \_\_\_\_\_ [Signature 2]

<sup>72</sup> [The contact details of the Common Depositories or Common Service Providers should be known to the institution under resolution or its agent.](#)

<sup>73</sup> [Name of the institution under resolution if the instruction letter is drafted by the agent.](#)

<sup>74</sup> [Text module – variant 1: This text module is to be used if the institution is under the direct responsibility of the national resolution authority \(BaFin\).](#)

<sup>75</sup> [Text module – variant 2: This text module is to be used if the institution is under the direct responsibility of the Single Resolution Board \(SRB\).](#)

#### 4.2.1.2 Annex I – Operational guidelines – “ICSD Add-On”

The operational guidelines of the ICSD Add-On contain technical information on the write-down and/or conversion of international bearer bonds. They are Annexes to the instruction letter. The operational guidelines are additionally published on the website of the institution under resolution and/or, if applicable, its agent, and inform market participants on the implementation of the bail-in and the implications on the affected instruments. A template for the operational guidelines to the ICSDs with regard to the technical scenarios A to D and a guidance for the different fields are provided below.

**Please note:** For each technical scenario, a separated document (operational guidelines) has to be prepared. Background information and explanatory notes on the individual fields to be filled in the operational guidelines can be found in sub-chapters, the filling of Table 33.

**Annex I: Operational guidelines for the execution of the national implementing act published on dd.mm.yyyy**

**-- Name of the issuer --**

**-- Name of the security(ies) / see also Annex II --**

**-- ISIN / see also Annex II --**

<b>Name</b>	<b>Name of the bank/issuer</b>
<b>LEI</b>	<b>LEI of the bank/issuer</b>
<b>Affected ISIN</b>	List of all ISIN codes for the operational scenario according to the detailed list of instruments in Annex II
<b>Scenarios applicable to the affected ISIN-Codes</b>	<b><u>--please delete the non-relevant scenarios--</u></b>
<b>A</b>	Full write-down: full reduction of nominal (XS bonds) WITHOUT conversion
<b>B</b>	Partial write-down: partial reduction of nominal or pool factor (XS bonds), WITHOUT conversion
<b>C</b>	Full conversion: full reduction of nominal (XS bonds) AND delivery of new instruments
<b>D</b>	Partial conversion: partial reduction of nominal or pool factor (XS bonds) AND delivery of new instruments
<b>Pool factor (old) (optional, as applicable)</b>	List of (pre-bail-in) pool factors according to detailed list of instruments (if applicable). If there is a large amount of ISINs, please see the detailed list of instruments (Annex II).
<b>Pool factor (new) (as applicable)</b>	List of (post bail-in) pool factors according to detailed list of instruments (if applicable). If there is a large amount of ISINs, please see the detailed list of instruments (Annex II).
<b>ISIN(s) for new security</b>	ISIN code for new security created by conversion (according to NNA) <sup>76</sup> .
<b>Exchange ratio</b>	List of ratios according to a detailed list of instruments. If the operational scenario comprises a large amount of ISINs, please see the detailed list of instruments (Annex II).
<b>Explanation</b>	Explanatory comments regarding the calculation of the exchange ratio, including pool factor, potential complexities and any other relevant information.
<b>Effective date of suspension of trading</b>	DD.MM.YYYY In case of different dates, please specify for which securities these dates are applicable.
<b>Effective date of settlement blocking</b>	DD.MM.YYYY Please specify whether or not the temporary blocking applies only to new instructions.

<sup>76</sup> The new shares will be generated by the national central securities depository (CBF). The assignment of the ISIN for the new shares takes also place on the national market by the NNA (WM Datenservice).



<b>Treatment of interests</b>	General information on the treatment of accrued interest and principal payments/redemptions.
<b>Publication</b>	Websites of issuer/bank, SRB and NRA and any additional websites.
<b>CBF Record Date</b>	according to CBF
<b>CBF Settlement Date</b>	according to CBF
<b>Treatment of open transactions</b>	Information on how transactions entered into the ICSD system, matched but not yet settled should be treated.
<b>Treatment of fractional entitlements</b>	Information on treatment of fractional amounts. If the technical conversion ratio contains fractional shares (partial rights) and the resolution order does not provide for rounding down at the level of the individual instrument, it should be stated in this field that the ICSDs and the custodian banks have to round down fractional amounts (final amounts) per participant.
Key data for securities created by conversion	
<b>Instrument category</b>	Shares
<b>Legal form</b>	Bearer shares
<b>Type of securitisation</b>	No-par value shares with according value per share of [●] Euro
<b>Nominal currency</b>	[Euro]
<b>Share capital</b>	[Share capital in Euro]
<b>Number of shares</b>	[Number of shares]
<b>Currency of the income</b>	[Euro]
<b>Minimum tradeable size</b>	The minimum quantity of securities that can be transferred is 1 share
<b>Selling/Transfer Restrictions on the ICSDs</b>	No selling/transfer restrictions on ICSDs
<b>Issuer CSD</b>	Clearstream Banking Frankfurt (CBF)
<b>xxx</b>	Placeholder for additional information from agent

The following table explains the information to be provided to the ICSDs within operational guidelines:

**Information to be provided in the operational guidelines to the ICSDs (see template above)**

<b>Information</b>	<b>Explanatory notes</b>
<b>Name</b>	Name of the institution under resolution which is responsible for drafting the instruction letter and supporting documents or, if applicable, its agent.
<b>LEI</b>	Legal Entity Identifier of the institution under resolution.
<b>Affected ISIN</b>	ISINs of the international bearer bonds affected by the bail-in (XS-ISINs). List of all ISINs of the international bearer bonds for which the same technical scenario applies. If several instruments or XS-ISINs are affected, reference to Annex II (detailed list of instruments – “ICSD Add-On”) can be made.
<b>Scenarios applicable to the affected ISIN codes</b>	The technical scenario to be applied for the ISINs listed in the field above has to be stated in this field.
<b>Pool factor (old) (optional, as applicable)</b>	Pool factor as of the request date.
<b>Pool factor (new) (as applicable)</b>	New pool factor, valid as of the effective date of resolution.
<b>ISIN for new security</b>	ISIN (provided by NNA in task 4), which is used for the new shares. This field is required only for the technical ICSD scenarios C and D.
<b>Exchange ratio</b>	Information on the technical conversion ratios for the technical scenario. If several instruments are affected, reference to Annex II (detailed list of instruments – “ICSD Add-On”) can be made.
<b>Explanation</b>	Where applicable, explanations to the calculation of the technical conversion ratios, e.g. information on the components considered such as exchange rate, accrued interest, pool factors. If several instruments are affected, reference to Annex II (detailed list of instruments – “ICSD Add-On”) can be made.
<b>Effective date of suspension of trading</b>	DD.MM.YYYY: where applicable, date of the suspension of trading (information provided in task 2). The field is to be completed in consultation with the domestic exchange(s) and the Multilateral Trading Facility (MTF) operated by the exchanges and the Organised Trading Facilities (OTF), i.e. if the instrument is listed on several exchanges, the date of suspension of trading on each exchange is to be entered in this field.
<b>Effective date of settlement blocking</b>	DD.MM.YYYY: If applicable, the date on which the ICSDs should suspend settlement for affected international bearer bonds. If settlement blocking is to be carried out by the ICSDs, a positive list with the respective instruments must be sent to the ICSDs by the bank in addition to the instruction letter and the supporting documents (see process task 5 – “ICSD Add-On”).

**Information to be provided in the operational guidelines to the ICSDs (see template above)**

<b>Information</b>	<b>Explanatory notes</b>
<b>Treatment of interests</b>	<p>General information on the treatment of payments (interest and principal).</p> <p>If applicable, an indication on further handling of coupon and (partial) principal payments suspended during the technical bail-in implementation. If possible, indicate the date on which further information on the treatment of suspended payments will be communicated.</p> <p>In addition, indicate that the interest has been taken into account in the technical conversion ratio.</p>
<b>Publication</b>	<p>Websites on which information regarding the bail-in are available, i.e. website of BaFin, where the resolution order is published and website of the institution under resolution and/or, if applicable, of its agent, where the operational guidelines are published.</p>
<b>CBF Record Date</b>	<p>Date on which the bail-in is implemented technically in the systems of the ICSDs. The CBF record date is to be entered in this field.</p>
<b>CBF Settlement Date</b>	<p>Date on which the settlement of a business transaction at the ICSDs (delivery and payment) occurs. The CBF settlement date must be entered in this field.</p>
<b>Treatment of open transactions</b>	<p>Information on the treatment of open transactions, if applicable a settlement-blocking is to be observed.<sup>77</sup></p>
<b>Treatment of fractional entitlements</b>	<p>See entry in the relevant field of the template for the operational guidelines given above – "ICSD Add-On".</p> <p>If a conversion of instruments into new shares is requested in the resolution order, the technical conversion ratio includes fractional amounts of shares, and the resolution order does not foresee a rounding down to full amounts, then the central securities depository and the custodian banks round down the fractional amounts (final amounts) per participant/client. See also background information on handling of fractional amounts in Chapter IV.2.13.</p>
<b>Key data for securities created by conversion</b>	<p>In the fields following this heading, enter features of the new shares resulting from the conversion of international bearer bonds.</p>
<b>Instrument category</b>	<p>Type of securities. "Shares" should be entered in this field (see pre-filling in the operational guidelines – "ICSD Add-On").</p>
<b>Legal form</b>	<p>Class of securities. Enter "Bearer Shares" in this field (see pre-filling in the operational guidelines – "ICSD Add-On").</p>

<sup>77</sup> See also SRB document "Reflecting bail-in in the books of the International Central Securities Depositories (ICSDs)" under <https://www.srb.europa.eu/en/content/srb-issues-new-guidance-bail-international-debt-securities>.

**Information to be provided in the operational guidelines to the ICSDs (see template above)**

<b>Information</b>	<b>Explanatory notes</b>
<b>Type of securitisation</b>	Type of securitisation of the new shares. The following must be entered in this field: "No-par value shares with according value per share of [●] <sup>78</sup> Euro".
<b>Nominal currency</b>	Currency in which the new shares will be issued. Enter "Euro" in this field.
<b>Share capital</b>	Amount of the new share capital in euros.
<b>Number of shares</b>	Number of shares issued and fully paid-up.
<b>Currency of the income</b>	Currency of dividend payments. Enter "Euro" in this field.
<b>Minimum tradeable size</b>	Smallest unit admitted to trading. The following sentence is to be entered in this field: "The minimum quantity of securities that can be transferred is 1 share."
<b>Selling/Transfer Restrictions on the ICSDs</b>	Sale/transfer restrictions. The following is to be entered in this field: "No selling/transfer restrictions on ICSDs."
<b>Issuer CSD</b>	Central Securities Depository of new shares. Clearstream Banking Frankfurt (CBF) is to be entered in this field.
<b>xxx</b>	Placeholder for additional information.

**Table 33: Explanatory notes, operational guidelines – "ICSD Add-On"**

<sup>78</sup> Issue amount per share in EUR.

#### 4.2.1.3 Annex II – Detailed list of instruments – “ICSD Add-On”

The **detailed list of instruments** to the ICSDs contains specific information for each XS-ISIN affected by the bail-in, which is required by the ICSDs for the bail-in implementation. The detailed list of instruments is provided as MS Excel file. For each technical scenario, a separate spreadsheet is to be used within the MS Excel file. The institutions will receive a template for the detailed list of instruments as part of the resolution planning from the resolution authority.

Conventions for filling out Annex II:

- All value declarations in the detailed list of instruments “ICSD Add-On” are listed with decimal places. The decimal places must be rounded down. With regard to the number of decimal places, the following conventions are to be followed:
  - Column “Outstanding Aggregate Principal Amount [...]”: 2 decimal places
  - Column “Denomination (old)”: 2 decimal places
  - Column “Pool factor in % (old)”: 9 decimal places
  - Column “Total reduction of nominal value or pool factor in %”: 7 decimal places
  - Column “Denomination (new)”: 2 decimal places
  - Column “Pool factor in % (new)”: 9 decimal places
  - Column “Worthless withdrawal of Denomination (old) in %”: 7 decimal places
  - Column “Numerator of the booking ratio [...]”: 2 decimal places
  - Column “Denominator of the booking ratio [...]”: 7 decimal places
  - Column “Conversion percentage of Denomination (old) [...]”: 7 decimal places
  - Column “Numerator of the conversion ratio [...]”: 2 decimal places
  - Column “Exchange ratio (number of proceeds per nominal)”: 7 decimal places
- The pool factor is to be expressed as a percentage, e.g. 50 for 50%.
- Date format: DD.MM.YYYY
- No blank characters in the cells
- If a field is not relevant, it has to be filled with “n.a.”.
- In the number representation, a point is to be used as thousand separator and a comma as decimal separator (e.g. 1.000,00).

The tables below include examples of the technical scenarios A to D and explanatory notes to the fields to be filled.

**Note 1:** Notwithstanding the fact that in the detailed list of instruments the outstanding nominal value of the international bearer bond per unit is to be indicated in the column “Denomination (old)” with 2 decimal places, when calculating the number of new shares, the outstanding nominal value must be applied with the maximum possible number of decimal places.

**Note 2:** It should be noted that the resolution order may provide for the number of new shares resulting from the conversion to be rounded down to a full amount (e.g. from 221,6 shares to 221 shares). The rounding down always takes place at the level of the individual liability, e.g. in the case of securities at the unit level. In this case, the central securities depository and the custodian banks do not have to round off the partial amounts (fractional shares) per participant (see background information in chapter IV.2.13). The bank must consider that the number of new shares rounded down to a full amount with 7 decimal places (e.g. 221,0000000) must be entered in the column “Denominator of the conversion ratio [...]” of the detailed list of instruments.

If, as a result of rounding down, the number of shares is zero and the technical scenario is C (full reduction with conversion), the corresponding instruments are to be allocated to technical scenario A (full reduction without conversion). In the case of technical scenario D (partial reduction with conversion), the instruments are to be assigned to technical scenario B (partial reduction without conversion). See Table 11 in Chapter IV.3.11 and Figure 8 in Chapter IV.4.1.1.3.

**Note 3:** It should be taken into account that the conversion rate specified in the resolution order (see background information in Chapter IV.4.1.1.3) can be zero for some ranks of the bail-in sequence. Regardless of the level of the conversion percentage, no new shares will be allotted to the instruments of the corresponding ranks in this case. If these instruments are fully reduced by conversion or conversion in combination with write-down (technical scenario C), they are to be assigned to technical scenario A (full reduction without conversion). If the instruments are partially reduced by conversion or conversion in combination with write-down (technical scenario D), these are to be assigned to technical scenario B (partial reduction without conversion).<sup>79</sup> See Table 11 in Chapter IV.3.11 and Figure 8 in Chapter IV.4.1.1.3.

**Note 4:** For reasons of simplification, the information in the following tables deviates in part from the decimal place conventions stated above.

**Note 5:** Only the columns marked in blue in the tables below are processed by the ICSDs. Nonetheless, the columns of the detailed list of instruments of the domestic bail-in implementation are to be calculated and included for information purposes (see Chapter IV.4.1.1.3).

**Note 6:** It should be noted that the column headings of the detailed list of instruments "ICSD Add-On" partly differ from the column headings of the detailed list of instruments of the domestic bail-in implementation. In addition, the presentation in terms of content may also differ. The differences are summarised in the following information box.

<sup>79</sup> The resolution authority reserves the right to coordinate, in a resolution case, the technical treatment of further special cases not described herein with the bank.

Background information:

### **Differences between the detailed list of instruments of the domestic bail-in implementation and the "ICSD Add-On"**

- Column headings and information:
    - The columns "Pool factor (old)" and "Pool factor (new)" are called "Pool factor in % (old)" and "Pool factor in % (new)" in the ICSD Add-On.
    - The column "Total reduction of denomination (old) in %" in the ICSD Add-On is called "Total reduction of nominal value or pool factor in %".
    - The column "Denominator of the conversion ratio [...]" in the ICSD Add-On is called "Exchange ratio (number of proceeds per nominal)".
    - The columns "CBF Record-Date" and "CBF Settlement-Date" are called "Record Date" and "Settlement Date" in the ICSD Add-On.
    - Entries in the columns "Pool factor in % (old)" and "Pool factor in % (new)" are to be made in per cent. This means that instead of 0.5, for example, 50 (%) is to be entered.
  - Full reduction (scenarios A and C):
    - It should be noted that a full reduction of an instrument by means of a pool factor, i.e. using a pool factor of zero, is not possible in the ICSD context. For this reason, no differentiation is made in scenarios A and C between reduction with and without a pool factor. In the case of a full reduction, the ICSDs always set the outstanding NV (NW) of the international bearer bond to zero.
  - Partial reduction (Scenarios B and D):
    - Partial reduction without pool factor: In contrast to corresponding technical scenarios 6 and 5 of the domestic bail-in implementation, the value of "100" is to be entered in the ICSD Add-On in the columns "Pool factor in % (old)" and "Pool factor in % (new)" instead of "n.a."
    - Partial reduction with pool factor: In contrast to technical scenarios 6 and 5 of the domestic bail-in implementation, the same value must be entered in the column "Denomination (new)" in the ICSD Add-On as in the column "Denomination (old)". That is, the outstanding principal amount per unit of the international bearer bond (XS-ISIN) at the request date in original currency.  
  
Example: The outstanding principal amount per unit of an international bearer bond with a pool factor is EUR 1.000 on the request date. Scenario B (partial write-down) is applied. The reduction is made by means of the pool factor. In the ICSD Add-On, in contrast to the domestic implementation, the value of EUR 1.000 must be entered in the column "Denomination (new)" instead of "n.a.". For comparison, see also Chapter IV.4.1.1.3.
- Please note:** In the ICSD Add-On, there is in general no differentiation according to the type of listing, i.e. percentage quotation and unit quotation. In the systems of the ICSDs, all international bearer bonds are maintained with outstanding principal amounts per unit or pool factors.

**Scenario A – Full write-down: full reduction of nominal (XS bonds) WITHOUT delivery of new shares<sup>80</sup>**

ISIN of the instruments affected by Bail-in	Record Date	Settlement Date	Outstanding Aggregate Principal Amount according to Global Certificate/Global Note (not mandatory)	Denomination (old)	Pool factor in % (old)	Currency of Denomination (old)	Total reduction of nominal value or pool factor in %	Denomination (new)	Pool factor in % (new)	Worthless withdrawal of Denomination (old) in %	Numerator of the booking ratio based on total reduction (Denomination (old))/ (Denomination (new))	Denominator of the booking ratio based on total reduction (Denomination (old))/ (Denomination (new))	Conversion percentage of Denomination (old) into new shares (in %)	Numerator of the conversion ratio based on Denomination (old) (Denomination (old))/ (amount of new shares)	Exchange ratio (number of proceeds per nominal)	Final ISIN for new instruments
<u>XS- ISIN</u>	<u>06.12.2020</u>	<u>08.12.2020</u>	<u>300.000.000</u>	<u>1.000</u>	<u>n.a.</u>	<u>EUR</u>	<u>100</u>	<u>n.a.</u>	<u>n.a.</u>	<u>n.a.</u>	<u>n.a.</u>	<u>n.a.</u>	<u>n.a.</u>	<u>n.a.</u>	<u>n.a.</u>	<u>n.a.</u>

**Table 34: Excerpt detailed list of instruments "ICSD Add-On" – technical scenario A**

**Scenario B – Partial write-down: partial reduction of nominal or pool factor (XS bonds) WITHOUT delivery of new shares<sup>81</sup>**

ISIN of the instruments affected by Bail-in	Record Date	Settlement Date	Outstanding Aggregate Principal Amount according to Global Certificate/Global Note (not mandatory)	Denomination (old)	Pool factor in % (old)	Currency of Denomination (old)	Total reduction of nominal value or pool factor in %	Denomination (new)	Pool factor in % (new)	Worthless withdrawal of Denomination (old) in %	Numerator of the booking ratio based on total reduction (Denomination (old))/ (Denomination (new))	Denominator of the booking ratio based on total reduction (Denomination (old))/ (Denomination (new))	Conversion percentage of Denomination (old) into new shares (in %)	Numerator of the conversion ratio based on Denomination (old) (Denomination (old))/ (amount of new shares)	Exchange ratio (number of proceeds per nominal)	Final ISIN for new instruments	Scenario <sup>82</sup>
<u>XS- ISIN</u>	<u>06.12.2020</u>	<u>08.12.2020</u>	<u>300.000.000</u>	<u>1.000</u>	<u>100</u>	<u>EUR</u>	<u>60</u>	<u>400</u>	<u>100</u>	<u>60</u>	<u>1.000</u>	<u>400</u>	<u>n.a.</u>	<u>n.a.</u>	<u>n.a.</u>	<u>n.a.</u>	<u>B WO PF/EUR</u>
<u>XS- ISIN</u>	<u>06.12.2020</u>	<u>08.12.2020</u>	<u>300.000.000</u>	<u>1.000</u>	<u>80</u>	<u>EUR</u>	<u>60</u>	<u>1.000</u>	<u>32</u>	<u>60</u>	<u>n.a.</u>	<u>n.a.</u>	<u>n.a.</u>	<u>n.a.</u>	<u>n.a.</u>	<u>n.a.</u>	<u>B WT PF/EUR</u>

WO: Without; WT: With; PF: Pool factor.

Example: "B WO PF/EUR" stands for – Scenario B WITHOUT Pool factor and EUR as an issuance currency of an XS bond. Examples with a Pool factor are marked in blue.

**Table 35: Excerpt detailed list of instruments "ICSD Add-On" – technical scenario B**

<sup>80</sup> In the excerpt of the detailed list of instruments for scenario A, the foreign currency cases are not shown because no conversion into new shares takes place. The foreign currency or exchange rate is taken into account when determining the number of new shares.

<sup>81</sup> In the excerpt of the detailed list of instruments for scenario B, the foreign currency cases are not shown because no conversion into new shares takes place. The foreign currency or exchange rate is taken into account when determining the number of new shares.

<sup>82</sup> The column "Scenario" is for information purposes only and not to be included in the detailed list of instruments.

**Formatiert:** Englisch (Vereinigtes Königreich)



**Scenario C<sup>83</sup> – Full conversion: full reduction of nominal (XS bonds) WITH delivery of new shares<sup>84</sup>**

ISIN of the instruments affected by Bail-in	Record Date	Settlement Date	Outstanding Aggregate Principal Amount according to Global Certificate/Global Note (not mandatory)	Denomination (old)	Pool factor in % (old)	Currency of Denomination (old)	Total reduction of nominal value or pool factor in %	Denomination (new)	Pool factor in % (new)	Worthless withdrawal of Denomination (old) in %	Numerator of the booking ratio based on total reduction (Denomination (old))/ (Denomination (new))	Denominator of the booking ratio based on total reduction (Denomination (old))/ (Denomination (new))	Conversion percentage of Denomination (old) into new shares (in %)	Numerator of the conversion ratio based on Denomination (old)/ (Denomination (old)) / (amount of new shares)	Exchange ratio (number of proceeds per nominal)	Final ISIN for new instruments	Scenario
<u>XS- ISIN</u>	<u>06.12.2020</u>	<u>08.12.2020</u>	<u>400.000.000</u>	<u>1.000</u>	<u>n.a.</u>	<u>EUR</u>	<u>100</u>	<u>n.a.</u>	<u>n.a.</u>	<u>0</u>	<u>n.a.</u>	<u>n.a.</u>	<u>100</u>	<u>1.000</u>	<u>738.000</u>	<u>DE- ISIN</u>	<u>C EUR (conversion)</u>
<u>XS- ISIN</u>	<u>06.12.2020</u>	<u>08.12.2020</u>	<u>400.000.000</u>	<u>1.000</u>	<u>n.a.</u>	<u>DM</u>	<u>100</u>	<u>n.a.</u>	<u>n.a.</u>	<u>0</u>	<u>n.a.</u>	<u>n.a.</u>	<u>100</u>	<u>1.000</u>	<u>369.000</u>	<u>DE- ISIN</u>	<u>C DM (conversion)</u>
<u>XS- ISIN</u>	<u>06.12.2020</u>	<u>08.12.2020</u>	<u>400.000.000</u>	<u>1.000</u>	<u>n.a.</u>	<u>EUR</u>	<u>100</u>	<u>n.a.</u>	<u>n.a.</u>	<u>40</u>	<u>n.a.</u>	<u>n.a.</u>	<u>60</u>	<u>1.000</u>	<u>442.800</u>	<u>DE- ISIN</u>	<u>C EUR (write-down and conversion)</u>
<u>XS- ISIN</u>	<u>06.12.2020</u>	<u>08.12.2020</u>	<u>400.000.000</u>	<u>1.000</u>	<u>n.a.</u>	<u>DM</u>	<u>100</u>	<u>n.a.</u>	<u>n.a.</u>	<u>40</u>	<u>n.a.</u>	<u>n.a.</u>	<u>60</u>	<u>1.000</u>	<u>221.400</u>	<u>DE- ISIN</u>	<u>C DM (write-down and conversion)</u>

DM: German mark (foreign currency) Example: "C EUR" stands for – Scenario C with EUR as an issuance currency of the bond.

**Table 36: Excerpt detailed list of instruments "ICSD Add-On" – technical scenario C**

<sup>83</sup> Technical Scenario C of the "ICSD Add-On" is the counterpart to technical scenario 3 of the domestic bail-in implementation. In contrast to scenario 3, however, no additional differentiation is made between sub-scenarios a and b, although the reduction can also take place on the one hand through a write-down and on the other hand through a combination of write-down and conversion.

<sup>84</sup> In all examples of scenario C, a conversion rate of 0,72, accrued interest of EUR 25 or DM 25 and an exchange rate of 0,5 EUR/DM were assumed.

**Scenario D<sup>85</sup> – Partial conversion: partial reduction of nominal or pool factor (XS bonds) WITH delivery of new shares<sup>86</sup>**

ISIN of the instruments affected by Bail-in	Record Date	Settlement Date	Outstanding Aggregate Principal Amount according to Global Certificate/Global Note (not mandatory)	Denomination (old)	Pool factor in % (old)	Currency of Denomination (old)	Total reduction of nominal value or pool factor in %	Denomination (new)	Pool factor in % (new)	Worthless withdrawal of Denomination (old) in %	Numerator of the booking ratio based on total reduction (Denomination (old))/ (Denomination (new))	Denominator of the booking ratio based on total reduction (Denomination (old))/ (Denomination (new))	Conversion Percentage of Denomination (old) into new shares (in %)	Numerator of the conversion ratio based on Denomination (old) (amount of new shares)	Exchange ratio (number of proceeds per nominal)	Final ISIN for new instruments	Scenario
<u>XS- ISIN</u>	<u>06.12.2020</u>	<u>08.12.2020</u>	<u>300.000.000</u>	<u>1.000</u>	<u>100</u>	<u>EUR</u>	<u>30</u>	<u>700</u>	<u>100</u>	<u>0</u>	<u>1.000</u>	<u>700</u>	<u>30</u>	<u>1.000</u>	<u>221.400</u>	<u>DE- ISIN</u>	<u>D WO PF/EUR (conversion)</u>
<u>XS- ISIN</u>	<u>06.12.2020</u>	<u>08.12.2020</u>	<u>300.000.000</u>	<u>1.000</u>	<u>100</u>	<u>DM</u>	<u>30</u>	<u>700</u>	<u>100</u>	<u>0</u>	<u>1.000</u>	<u>700</u>	<u>30</u>	<u>1.000</u>	<u>110.700</u>	<u>DE- ISIN</u>	<u>D WO PF/DM (conversion)</u>
<u>XS- ISIN</u>	<u>06.12.2020</u>	<u>08.12.2020</u>	<u>300.000.000</u>	<u>1.000</u>	<u>80</u>	<u>EUR</u>	<u>30</u>	<u>1.000</u>	<u>56</u>	<u>0</u>	<u>n.a.</u>	<u>n.a.</u>	<u>30</u>	<u>1.000</u>	<u>178.200</u>	<u>DE- ISIN</u>	<u>D WT PF/EUR (conversion)</u>
<u>XS- ISIN</u>	<u>06.12.2020</u>	<u>08.12.2020</u>	<u>300.000.000</u>	<u>1.000</u>	<u>80</u>	<u>DM</u>	<u>30</u>	<u>1.000</u>	<u>56</u>	<u>0</u>	<u>n.a.</u>	<u>n.a.</u>	<u>30</u>	<u>1.000</u>	<u>89.100</u>	<u>DE- ISIN</u>	<u>D WT PF/DM (conversion)</u>
<u>XS- ISIN</u>	<u>06.12.2020</u>	<u>08.12.2020</u>	<u>300.000.000</u>	<u>1.000</u>	<u>100</u>	<u>EUR</u>	<u>70</u>	<u>300</u>	<u>100</u>	<u>40</u>	<u>1.000</u>	<u>300</u>	<u>30</u>	<u>1.000</u>	<u>221.400</u>	<u>DE- ISIN</u>	<u>D WO PF/EUR (write-down and conversion)</u>
<u>XS- ISIN</u>	<u>06.12.2020</u>	<u>08.12.2020</u>	<u>300.000.000</u>	<u>1.000</u>	<u>100</u>	<u>DM</u>	<u>70</u>	<u>300</u>	<u>100</u>	<u>40</u>	<u>1.000</u>	<u>300</u>	<u>30</u>	<u>1.000</u>	<u>110.700</u>	<u>DE- ISIN</u>	<u>D WO PF/DM (write-down and conversion)</u>
<u>XS- ISIN</u>	<u>06.12.2020</u>	<u>08.12.2020</u>	<u>300.000.000</u>	<u>1.000</u>	<u>50</u>	<u>EUR</u>	<u>70</u>	<u>1.000</u>	<u>15</u>	<u>40</u>	<u>n.a.</u>	<u>n.a.</u>	<u>30</u>	<u>1.000</u>	<u>113.400</u>	<u>DE- ISIN</u>	<u>D WT PF/EUR (write-down and conversion)</u>
<u>XS- ISIN</u>	<u>06.12.2020</u>	<u>08.12.2020</u>	<u>300.000.000</u>	<u>1.000</u>	<u>50</u>	<u>DM</u>	<u>70</u>	<u>1.000</u>	<u>15</u>	<u>40</u>	<u>n.a.</u>	<u>n.a.</u>	<u>30</u>	<u>1.000</u>	<u>56.700</u>	<u>DE- ISIN</u>	<u>D WT PF/DM (write-down and conversion)</u>

WO: Without; WT: With; PF: Pool factor; DM: German mark (foreign currency) Example: "D WO PF/ EUR" stands for – Scenario D WITHOUT Pool factor and EUR as an issuance currency of the bond. Examples with a Pool factor are marked in blue.

**Table 37: Excerpt detailed list of instruments "ICSD Add-On" – technical scenario D**

<sup>85</sup> Technical scenario D of the ICSD Add-On is the counterpart to technical scenario 5 of the domestic bail-in implementation. In contrast to scenario 5, however, no additional differentiation is made between sub-scenarios a and b, although the reduction can also take place on the one hand through a write-down and on the other hand through the combination of a write-down and conversion.

<sup>86</sup> In all examples of scenario D, an effective conversion rate of 0.72 and accrued interest amounting to EUR 25 or DM 25 were assumed. For reasons of simplification, it was also assumed that the accrued interest has already been adjusted by the pool factor.

Formatiert: Englisch (Vereinigtes Königreich)

**Information to be provided within the detailed list of instruments "ICSD Add-On" for technical scenarios A-D**

<b>Information</b>	<b>Explanatory notes</b>
<p><b>ISIN (Stammgattung internationale ISV)</b> <u>ISIN of the instruments affected by Bail-in</u></p>	<p>ISIN of the international bearer bond affected by the bail-in (XS-ISIN). Unique identifier known to the counterparty according to data point 1.4 of the MaBail-in or DE-IRT-Bail-in-Guidance [ISIN/specific ID].</p>
<p><b>CBF Stichtag der Maßnahme</b> <u>Record Date</u></p>	<p>Date on which the bail-in is implemented technically in the systems of the ICSDs. It should be noted that the CBF Record Date is to be entered in this field. It is the date that was agreed by the bank/agent with CBF as part of the domestic bail-in implementation.</p>
<p><b>CBF Erfüllungstag</b> <u>Settlement Date</u></p>	<p>Date on which the settlement of a business transaction at the ICSDs (delivery and payment) occurs. It should be noted that the CBF Settlement Date is to be entered in this field. It is the date that was agreed by the bank/agent with CBF as part of the domestic bail-in implementation.</p>
<p><b>Ausstehender Gesamtnennwert gemäß der Globalurkunde</b> <u>Outstanding Aggregate Principal Amount according to Global Certificate/Global Note (not mandatory)</u></p>	<p>Current total nominal value outstanding in original currency according to the global certificate for the respective international bearer bond (XS-ISIN). Data point 2.9 [Nominal amount of the global note in original currency] according to MaBail-in or DE-IRT-Bail-in-Guidance. <b>Please note:</b> This field must always be filled in due to national specifics, although it is marked as optional.</p>
<p><b>NW zum Stück (alt)</b> <u>Denomination (old)</u></p>	<p>The outstanding principal amount per unit of the international bearer bond at the request date in original currency. Data point 2.3 [Outstanding principal amount per security in original currency] according to MaBail-in or DE-IRT-Bail-in-Guidance.</p>
<p><b>Pool factor in % (old)</b> <u>Pool factor in % (old)</u></p>	<p>The pool factor of the international bearer bond on the request date. It should be noted that, in contrast to technical scenarios of the domestic bail-in implementation, in the technical scenarios of the "ICSD Add-On" the pool factor has to be entered as a percentage, e.g. 60 for 60% instead of 0,6. Data point 2.11 [Current pool factor (if applicable)] according to MaBail-in or DE-IRT-Bail-in-Guidance. <b>Please note:</b> A full reduction by means of a pool factor of zero is not possible in the ICSD context. For this reason, in scenarios A and C, "n.a." is to be entered in this field. In the case of a partial reduction (scenarios B and D) without a pool factor, an amount of 100 is to be entered in this field.</p>
<p><b>Währung</b> <u>Currency of Denomination (old)</u></p>	<p>(Original) currency in which the financial instrument was issued. Data point 1.8 [Currency in which the instrument or liability was issued] according to MaBail-in or DE-IRT-Bail-in-Guidance.</p>

**Information to be provided within the detailed list of instruments "ICSD Add-On" for technical scenarios A-D**

<b>Information</b>	<b>Explanatory notes</b>
<b>Gesamtreduzierung des alten NW in %</b> Total reduction of nominal value or pool factor in %	<p>If pursuant to the resolution order a part of the instrument is to be written down and another part is to be converted into new shares, this field includes the sum (total reduction rate) of the write-down percentage and the conversion percentage.</p> <p><b>Example:</b> If the write-down percentage is 40 and the conversion percentage is 30, the total reduction rate is 70.</p> <p>If either the write-down or the conversion applies to one instrument as a sole measure, only the applicable write-down or conversion percentage has to be stated in this field. If, for instance, for one XS-ISIN only the write-down is applicable and the write-down percentage is 60, then 60% has to be stated in this field as total reduction rate.</p>
<b>NW zum Stück (neu)</b> Denomination (new)	<p>New nominal value per unit of the international bearer bond after reduction by write-down and conversion.</p> <p>It should be noted that the information in this field differs from the information in the domestic technical scenarios (see also Chapter IV.4.1.1.3).</p> <p><b>Full reduction</b> (scenarios A and C): An abbreviation "n.a." for not applicable or not available has to be entered in this field.</p> <p><b>Partial reduction</b> (scenarios B and D):</p> <ul style="list-style-type: none"><li>- <u>Partial reduction without pool factor:</u> The new nominal value after write-down and conversion in original currency is to be entered in this field.</li><li>- <u>Partial reduction with pool factor:</u> the outstanding principal amount per unit in original currency on the request date is to be entered in this field. This means the value from the field "Denomination (old)".</li></ul> <p><b>Example – partial reduction without pool factor:</b> If the outstanding principal amount is EUR 1.000 and the resolution order includes a write-down percentage of 40 and a conversion percentage of 30, the new nominal value is EUR 300.</p> <p><b>Example – partial reduction with pool factor:</b> For an international bearer bond with an outstanding principal amount of EUR 1.000, enter 1.000 in this field. The reduction is mapped by means of the pool factor.</p>

**Information to be provided within the detailed list of instruments "ICSD Add-On" for technical scenarios A-D**

<b>Information</b>	<b>Explanatory notes</b>
<b>Pool factor in % (new)</b>	<u>New pool factor, valid as of the effective date of resolution. It should be noted that, in contrast to technical scenarios of the domestic bail-in implementation, in the technical scenarios of the "ICSD Add-On" the pool factor has to be entered as a percentage, e.g. 60 for 60% instead of 0,6.</u>
<u>Pool factor in % (new)</u>	<b>Please note:</b> A full reduction by means of a pool factor of zero is not possible in the ICSD context. For this reason, in scenarios A and C, an abbreviation "n.a." is to be entered in this field. In the case of a partial reduction (scenarios B and D) without a pool factor, an amount of 100 is to be entered in this field.
<b>wertlose Ausbuchung des alten NW in %</b>	<u>If the instrument is to be written down fully (or partially), the write-down percentage has to be stated in this field in accordance with the resolution order. It should be noted that this field is not processed by ICSDs. However, it must be filled and provided for information purposes.</u>
<u>Worthless withdrawal of denomination (old) in %</u>	<b>Example:</b> <u>With an outstanding principal amount of EUR 1.000 and a write-down percentage of 60%, EUR 600 of the old nominal value is derecognised without value.</u>
<b>technisches Buchungsverhältnis Zähler (Ausbuchung) bezogen auf Gesamtreduzierung</b>	<u><b>Numerator</b> of the technical booking ratio.</u> <u>The technical booking ratio is the ratio of the old nominal value (before write-down and conversion) of the instrument to the new nominal value (after write-down and conversion).</u> <u>In the case of a full reduction, "n.a." must be entered in the booking ratio because the nominal value is fully reduced. In the case of a partial reduction by means of the pool factor, "n.a." must be entered in the booking ratio because the nominal value does not change and the reduction is represented by means of a pool factor.</u>
<u>Numerator of the booking ratio based on total reduction</u>	<u>It should be noted that this field is not processed by the ICSDs. The entry is for information purposes only in the ICSD Add-On.</u>
<u>(Denomination (old))/(Denomination (new))</u>	<b>Example – partial reduction without pool factor:</b> <u>Old nominal value before write-down and conversion in EUR: 1.000</u> <u>Write-down percentage: 40</u> <u>Conversion percentage: 30</u> <u>New nominal value in EUR: 300</u> <u>The technical booking ratio corresponds to: 1.000 : 300</u> <u>The numerator to be entered in this field is 1.000.</u>

**Information to be provided within the detailed list of instruments "ICSD Add-On" for technical scenarios A-D**

<b>Information</b>	<b>Explanatory notes</b>										
<p><b>technisches Buchungsverhältnis Nenner (Einbuchung) bezogen auf Gesamtreduzierung</b></p> <p>Denominator of the booking ratio based on total reduction</p> <p><math>(\text{Denomination (old)}) / (\text{Denomination (new)})</math></p>	<p><b>Denominator of the technical booking ratio.</b></p> <p>The technical booking ratio is the ratio of the old nominal value (before write-down and conversion) of the instrument to the new nominal value (after write-down and conversion).</p> <p>In the case of a full reduction, "n.a." must be entered in the booking ratio because the nominal value is fully reduced. In the case of a partial reduction by means of the pool factor, "n.a." must be entered in the booking ratio because the nominal value does not change and the reduction is represented by means of a pool factor.</p> <p>It should be noted that this field is not processed by the ICSDs. The entry is for information purposes only in the ICSD Add-On.</p> <p><b>Example – partial reduction without pool factor:</b></p> <table> <tr> <td>Old nominal value before write-down and conversion in EUR:</td> <td>1.000</td> </tr> <tr> <td>Write-down percentage:</td> <td>40</td> </tr> <tr> <td>Conversion percentage:</td> <td>30</td> </tr> <tr> <td>New nominal value in EUR:</td> <td>300</td> </tr> <tr> <td>The technical booking ratio corresponds to:</td> <td>1.000 : <b>300</b></td> </tr> </table> <p>The denominator to be entered in this field is 300.</p>	Old nominal value before write-down and conversion in EUR:	1.000	Write-down percentage:	40	Conversion percentage:	30	New nominal value in EUR:	300	The technical booking ratio corresponds to:	1.000 : <b>300</b>
Old nominal value before write-down and conversion in EUR:	1.000										
Write-down percentage:	40										
Conversion percentage:	30										
New nominal value in EUR:	300										
The technical booking ratio corresponds to:	1.000 : <b>300</b>										
<p><b>Umwandlung des alten NW in Aktien in %</b></p> <p>Conversion percentage of Denomination (old) into new shares (in %)</p>	<p>If instruments have to be converted into new shares according to the resolution order, the conversion percentage has to be stated in this field. It should be noted that this field is not processed by the ICSDs. The entry is for information purposes only in the ICSD Add-On.</p> <p><b>Example:</b></p> <p>With an outstanding principal amount of EUR 1.000 and a conversion percentage of 30%, EUR 300 of the old nominal value is converted into shares.</p>										
<p><b>technisches Umwandlungsverhältnis Zähler (Ausbuchung des alten NW)</b></p> <p>Numerator of the conversion ratio based on denomination (old)</p> <p><math>(\text{Denomination (old)}) / (\text{amount of new shares})</math></p>	<p><b>Numerator of the technical conversion ratio expressed as:</b></p> <p>Nominal value (old) in original currency : Number of new shares (x.xxx in original currency : x,xxx new shares).</p> <p>It should be noted that this field is not processed by the ICSDs. The entry is for information purposes only in the ICSD Add-On.</p> <p><b>Example:</b></p> <p><b>1.000 : 18</b></p> <p>1.000 has to be entered in this field as numerator.</p>										

**Information to be provided within the detailed list of instruments "ICSD Add-On" for technical scenarios A-D**

<b>Information</b>	<b>Explanatory notes</b>
<b><u>technisches Umwandlungsverhältnis Nenner (Einbuchung von Aktien in Bezug auf alten NW der Anleihe)</u></b>	<b>Denominator</b> of the technical conversion ratio expressed as: <u>Nominal value (old) in original currency : Number of new shares (x.xxx in original currency : x,xxx new shares).</u> <b>Example:</b>
Exchange ratio (number of proceeds per nominal)	1.000 : <b>18</b> 18 has to be entered in this field as denominator.
<b><u>Aktien ISIN-NEU</u></b>	<u>ISIN for new shares (as provided by NNA in task 4 of the domestic bail-in implementation).</u>
Final ISIN for new instruments	

**Table 38: Explanatory notes, detailed list of instruments "ICSD Add-On" – scenarios A-D**

## Appendix II to the instruction letter (see Chapter I – Calculation examples for filling out the detailed list of instruments)

The following subsections explain how to fill out the detailed list of instruments for domestic bail-in implementation (see Chapter IV.4.1.1.3) on the basis of four example cases. Filling out the detailed list of instruments of the "ICSD Add-On" may be slightly different (see Chapter IV.4.2.1.3).

Assume that within the framework of the bail-in, the instruments of the CET1 instruments are deleted/cancelled first. This is followed by a partial reduction of the liabilities of the AT1 rank through write-down and conversion. Whereby/Whereby the liabilities of the AT1 rank are percentage-quoted unstructured bearer bonds. In addition it is assumed that the proportionate amount of share capital per new share is euro 1. The following technical scenarios are as follows/apply:

- **Technical scenario 1:** cancellation of old shares WITHOUT conversion into new shares;
- **Technical scenario 5b:** partial nominal value/pool factor reduction of ~~ISV~~percentage-quoted unstructured bearer bonds through a combination of write-down and conversion into new shares.

~~The example cases differ on the basis of assumptions underlying scenario 5b.~~ Scenario 5b differentiates according to whether (1) the ~~instruments~~bonds were issued in euros or in a foreign currency and whether (2) it is a reduction with or without a pool factor (see also background information "Pool factor" in ~~Chapter II.2.5~~ ~~The IV.2.7~~). A total of four cases or variants of technical scenario 5b are possible. These are shown in the figure below ~~serves to clarify together with the cases~~corresponding example cases described in this chapter:



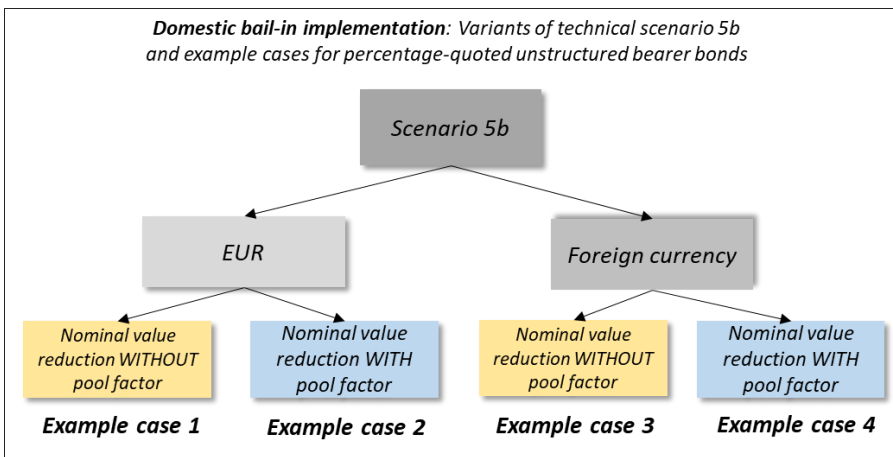
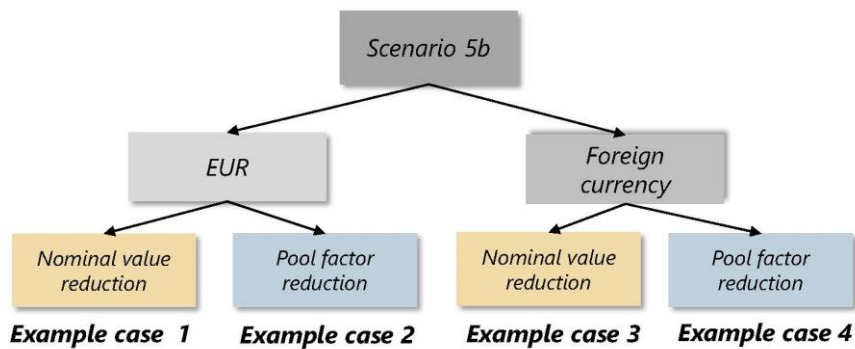


Figure 9: Assumptions of technical scenario 5b

In all example cases it is assumed that the accrued interest is euro 25 or DM 25 and that in the case of pool factor instruments this has already been adjusted by the corresponding pool factor. In addition, it is assumed that the exchange rate under the resolution order is EUR/DM 0,5.<sup>87</sup>

### A.I.1 Cancellation of old shares and example case 1

It is assumed that the effective date of the resolution order is 3 December 2020 and the following measures are mandated:

- 1.) the **full cancellation** of the bearer shares with the ISIN DEXXX2999999; ~~and~~
- 2.) the **partial write-down** and **partial conversion** of the ~~ISVunstructured bearer bond~~ belonging to the AT1 rank, i.e. rank 2 in the bail-in sequence with the ISIN DEXXX4567893. The nominal value of

<sup>87</sup> This is a notional figure.

unstructured bearer bond is EUR 1.000 per bond. The nominal value of the global certificate is EUR 300.000.000. Accrued interest per bond is EUR 25.

The resolution order prescribes a discontinuation/suspension of trading for the instruments affected by the bail-in.

Information given in the resolution order:	
<b>1.) Full cancellation of old shares</b>	
Affected ISIN:	DEXXX2999999
<b>2.) Write-down and conversion of <u>ISV</u> <u>unstructured bearer bond</u></b>	
Affected ISIN:	DEXXX4567893
Write-down percentage:	40
Conversion percentage:	30
Effective conversion rate:	0,72
Issue amount per share in EUR:	1

Table 39: Example case 1 – Assumptions

The following table illustrates the derivation of the technical booking ratio.

**Calculation of the technical booking ratio:**

<del>Nominator</del> <b>Numerator</b> of the technical booking ratio: outstanding principal amount per unit before write-down and conversion (nominal value in the system of the CSD) in EUR:	<b>EUR 1.000</b>
Write-down percentage:	<b>40</b>
Conversion percentage:	<b>30</b>
Total reduction rate of the outstanding principal amount in %:	<b>70 = 40 + 30</b>
Denominator of the technical booking ratio: outstanding principal amount per unit after write-down and conversion in EUR (nominal value in the system of the CSD):	<b>300 EUR <del>300 = EUR</del> = 1.000 EUR * (1 – 70%)</b>
<b>Technical booking ratio:</b>	<b>EUR 1.000 : EUR 300</b>

Table 40: Example case 1 – Calculation of the technical booking ratio

The following table illustrates the calculation of the technical conversion ratio:

**Calculation of the amount to be converted and the technical conversion ratio:**

Relevant amount (to be converted into new shares) per bond in EUR: **EUR 307,5** = (EUR 1.000 + EUR 25) \* 30%

**Components of the relevant amount:**

~~Nominator~~Numerator of the technical conversion ratio: outstanding principal amount per unit (nominal value in the system of the CSD) in EUR: **EUR 1.000**

Outstanding principal amount per unit to be used for conversion in EUR: **EUR 300** = EUR 1.000 \* 30%

Accrued interest per unit to be used for conversion in EUR: **EUR 7,5** = EUR 25 \* 30%

Fees and charges per unit to be used for conversion in EUR: **n.a.**

Denominator of the technical conversion ratio: number of new shares per unit: **221,400** = (EUR 307,50 \* 0,72) / EUR 1

**Technical conversion ratio: EUR 1.000 : 221,400**

Table 41: Example case 1 – ~~Calculation~~Calculations of the amount to be converted and ~~the~~ technical conversion ratio

A.I.2 Cancellation of old shares and example case 2

It is assumed that the effective date of the resolution order is 3 December 2020 and the following measures are mandated:

- 1.) the **full cancellation** of the bearer shares with the ISIN DEXXX2999999;
- and
- 2.) the **partial write-down** and **partial conversion** of the ~~ISV~~unstructured bearer bond belonging to the AT1 rank, i.e. rank 2 in the bail-in sequence with the ISIN DEXXX4567893. The nominal value of bearer ~~bonds~~bond is EUR 1.000 per bond. The nominal value of the global certificate is EUR 300.000.000. Accrued interest per bond is EUR 25. The pool factor (old) is equal to 0,5.

The resolution order prescribes a discontinuation/suspension of trading for the instruments affected by the bail-in.

Information given in the resolution order:

**3.) Full cancellation of old shares**

Affected ISIN: DEXXX2999999

#### 4.) Write-down and conversion of ~~ISV~~an unstructured bearer bond

Affected ISIN:	DEXXX4567893
Write-down percentage:	40
Conversion percentage:	30
Effective conversion rate:	0,72
Issue amount per share in EUR:	1

Table 42: Example case 2 – Assumptions

The table below shows the calculation of the new pool factor:

##### Calculation of the new pool factor:

~~outstanding~~Outstanding principal amount per unit before write-down and conversion (nominal value in the system of the CSD) in EUR: **EUR 1.000**

**Pool factor (old): 0,5**

Write-down percentage: **40**

Conversion percentage: **30**

Total reduction rate of the outstanding principal amount in %: **70 = 40 + 30**

Outstanding principal amount per unit after write-down and conversion in EUR (nominal value in the system of the CSD): **EUR 1.000**

**Pool factor (new): 0,15 = 0,5 \* (1 – 70%)**

Table 43: Example case 2 – Calculation of the new pool factor

The following table illustrates the calculation of the technical conversion ratio:

##### Calculation of the amount to be converted and the technical conversion ratio:

Relevant amount (to be converted into new shares) per bond in EUR: **EUR 157,50 = (EUR 1.000 \* 0,5 + EUR 25) \* 30%**

##### Components of the relevant amount:

~~Nominator~~Numerator of the technical conversion ratio: outstanding principal amount per unit (nominal value in the system of the CSD) in EUR: **EUR 1.000**

Pool factor (old): **0,5**

Outstanding principal amount per unit to be used for conversion in EUR: **EUR 150 = 1.000 \* 0,5 \* 30%**

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**Calculation of the amount to be converted and the technical conversion ratio:**

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Accrued interest per unit to be used for conversion in EUR:	<b>EUR 7,50</b> = EUR 25 * 30%
Fees and charges per unit to be used for conversion in EUR:	<b>n.a.</b>
Denominator of the technical conversion ratio: number of new shares per unit:	<b>113,400</b> = (EUR 157,50 * 0,72) / EUR 1
<b>Technical conversion ratio:</b>	<b>EUR 1.000 : 113,400</b>

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Table 44: Example case 2 – ~~Calculation~~Calculations of the amount to be converted and ~~the~~ technical conversion ratio

### A.I.3 Cancellation of old shares and example case 3

It is assumed that the effective date of the resolution order is 3 December 2020 and the following measures are mandated:

- 1) the **full cancellation** of the bearer shares with the ISIN DEXXX2999999;  
and
- 2) the **partial write-down** and **partial conversion** of the **ISV unstructured bearer bond** belonging to the AT1 rank, i.e. rank 2 in the bail-in sequence with the ISIN DEXXX4567893. The nominal value of the **ISV bearer bond** is DM 1.000 per bond. The nominal value of the global certificate is DM 300.000.000. Accrued interest per bond is DM 25. The exchange rate on the effective date is 0,5 EUR/DM (price quotation) in accordance with the resolution order; that is, 1 EUR equals 2 DM.

The resolution order prescribes a discontinuation/suspension of trading for the instruments affected by the bail-in:

Information given in the resolution order:	
<b>5.) Full cancellation of old shares</b>	
Affected ISIN:	DEXXX2999999
<b>6.) Write-down and conversion of <b>ISV an unstructured bearer bond</b></b>	
Affected ISIN:	DEXXX4567893
Write-down percentage:	40
Conversion percentage:	30
Effective conversion rate:	0,72
Issue amount per share in EUR:	1

Table 45: Example case 3 – Assumptions

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The following table illustrates the derivation of the technical booking ratio:

**Calculation of the technical booking ratio:**

<del>Nominator</del> <b>Numerator</b> of the technical booking ratio: outstanding principal amount per unit before write-down and conversion (nominal value in the system of the CSD) in DM:	<b>DM 1.000</b>
Write-down percentage:	<b>40</b>
Conversion percentage:	<b>30</b>
Total reduction rate of the outstanding principal amount in %:	<b>70 = 40 + 30</b>
Denominator of the technical booking ratio: <del>outstanding</del> <b>Outstanding</b> principal amount per bond after write-down and conversion (nominal value in the system of the CSD) in DM:	<b>DM 300 = DM 1.000 * (1 – 70%)</b>
<b>Technical booking ratio:</b>	<b>DM 1.000 : DM 300</b>

Table 46: Example case 3 – Calculation of the technical booking ratio

The following table illustrates the calculation of the technical conversion ratio:

**Calculation of the amount to be converted and the technical conversion ratio:**

Relevant amount (to be converted into new shares) per bond in EUR:	<b>EUR 153,75 = (DM 1.000 + DM 25) * EUR/DM 0,5 * 30%</b>
<b>Components of the relevant amount:</b>	
<del>Nominator</del> <b>Numerator</b> of the technical conversion ratio: outstanding principal amount per unit (nominal value in the system of the CSD) in DM:	<b>DM 1.000</b>
Exchange rate on the effective date in price quotation:	<b>EUR/DM 0,5</b>
Outstanding principal amount per unit to be used for conversion in EUR:	<b>EUR 150 = DM 1.000 * EUR/DM 0,5 * 30%</b>
Accrued interest per unit to be used for conversion in EUR:	<b>EUR 3,75 = DM 25 * EUR/DM 0,5 * 30%</b>
Fees and charges per unit to be used for conversion in EUR:	<b>n.a.</b>
Denominator of the technical conversion ratio: number of new shares per unit:	<b>110,700 = (EUR 153,75 * 0,72) / EUR 1</b>
<b>Technical conversion ratio:</b>	<b>DM 1.000 : 110,700</b>

Table 47: Example case 3 – ~~Calculation~~**Calculations** of the amount to be converted and ~~the~~ technical conversion ratio



#### A.I.4 Cancellation of old shares and example case 4

It is assumed that the effective date of the resolution order is 3 December 2020 and the following measures are mandated:

- 1) the **full cancellation** of the bearer shares with the ISIN DEXXX2999999;  
and
- 2) the **partial write-down** and **partial conversion** of the **ISV unstructured bearer bond** belonging to the AT1 rank, i.e. rank 2 in the bail-in sequence with the ISIN DEXXX4567893. The nominal value of the **ISV bearer bond** is DM 1.000 per bond. The nominal value of the global certificate is DM 300.000.000. Accrued interest per bond is DM 25. The pool factor (old) is equal to 0,5. The exchange rate on the effective date is 0,5 EUR/DM (price quotation) according to the resolution order.

The resolution order prescribes a discontinuation/suspension of trading for the instruments affected by the bail-in.

Information given in the resolution order:	
<b>Full cancellation of old shares</b>	
Affected ISIN:	DEXXX2999999
<b>Write-down and conversion of ISV bearer bond</b>	
Affected ISIN:	DEXXX4567893
Write-down percentage:	40
Conversion percentage:	30
Effective conversion rate:	0,72
Issue amount per share in EUR:	1

**Table 48: Example case 4 – Assumptions**

The table below shows the calculation of the new pool factor:

##### **Calculation of the new pool factor:**

outstanding principal amount per unit before write-down and conversion (nominal value in the system of the CSD) in DM: **DM 1.000**

<b>Pool factor (old):</b>	<b>0,5</b>
Write-down percentage:	<b>40</b>
Conversion percentage:	<b>30</b>
Total reduction rate of the outstanding principal amount in %:	<b>70 = 40 + 30</b>



---

**Calculation of the new pool factor:**

---

Outstanding principal amount per bond after write-down and conversion (nominal value in the system of the CSD) in DM: **DM 1.000**

**Pool factor (new):** **0,15 = 0,5 \* (1 - 70%)**

---

Table 49: Example case 4 – Calculation of the new pool factor

The following table illustrates the calculation of the technical conversion ratio:

---

**Calculation of the amount to be converted and the technical conversion ratio:**

---

Relevant amount (to be converted into new shares) per bond in EUR: **EUR 78,75 = (DM 1.000 \* 0,5 + DM 25) \* EUR/DM 0,5 \* 30%**

---

**Components of the relevant amount:**

~~Nominator~~**Numerator** of the technical conversion ratio: outstanding principal amount per unit (nominal value in the system of the CSD) in DM: **DM 1.000**

Pool factor (old): **0,5**

Exchange rate on the effective date in price quotation: **EUR/DM 0,5**

Outstanding principal amount per unit to be used for conversion in EUR: **EUR 75 = DM 1.000 \* 0,5 \* EUR/DM 0,5 \* 30%**

Accrued interest per unit to be used for conversion in EUR: **EUR 3,75 = DM 25 \* EUR/DM 0,5 \* 30%**

Fees and charges per unit to be used for conversion in EUR: **n.a.**

Denominator of the technical conversion ratio: number of new shares per unit: **56,700 = (EUR 78,75 \* 0,72) / EUR 1**

---

**Technical conversion ratio:** **DM 1.000 : 56,700**

---

Table 50: Example case 4 – ~~Calculation~~**Calculations** of the amount to be converted and ~~the~~ technical conversion ratio

## Annex Appendix II – Filling out the templates using the example of “Samplebank AG”

In this annex the filling of This Appendix explains how to fill out the templates explained in chapter Chapter 3 is shown IV.4 using the example of “Samplebank AG” as an example.

### A.II.1 Initial situation “Samplebank AG”

The filling of the templates is shown based on the example case 1 in chapter A.I.1. It is assumed that the institution in under resolution is a bank in the legal form of a stock corporation. Furthermore, it is assumed that the bank has only issued one class of shares. In addition, the Bank has issued a percentage-quoted unstructured bond and one class percentage-quoted structured bond in Germany. In addition, the Bank has issued an international bearer bond in the form of bonds: the New Global Note (NGN) through the ICSDs. The role of a Common Safekeeper for the international bearer bond is assumed by Euroclear Bank SA/NV. A bank abroad acts as Common Service Provider. The class of shares constitutes forms the company's Common Equity Tier 1 (CET1) capital of the undertaking and the class of bonds represents an instrument with thus belongs to rank 1 of the bail-in sequence. The percentage-quoted unstructured bearer bond as well as the international bearer bond represent instruments of the AT1 ranking—rank and rank 2 of the bail-in sequence. The percentage-quoted structured bearer bond belongs to rank 6 of the bail-in sequence. All of the bank's instruments were issued in euros.

The total outstanding number of shares of the undertaking is 1 billion units, each with a nominal value of EUR 5. This results in a share capital to date of EUR 5 billion. The outstanding aggregate principal amount of the bond class is euro 5 unstructured bearer bond is EUR 2 billion as per the Global Certificate. The outstanding aggregate principal amount of the structured bearer bond is also EUR 2 billion according to the global certificate. The outstanding aggregate principal amount of the international bearer bond is EUR 1 billion. The reduction, e.g. as a result of redemptions or write-downs and conversion, is mapped for all bearer bonds via the nominal value (no application of the pool factor).

The old shares of “Samplebank AG” were not traded on a stock exchange. The bank's bond is bonds issued in Germany (unstructured and structured) are listed on the Frankfurt Stock Exchange and the Stuttgart Stock Exchange.

In the resolution order published by BaFin on 03-12-3 December 2020, it is mandated that the instrument of Common Equity

Tier 1 capital instrument is to be cancelled and the instrument with instruments of the AT1 ranking rank are to be reduced in full by write-down and conversion. The rank 6 instrument of the bail-in sequence is to be partly written down and partly partially converted into a new share shares. In addition, the bond trading in the company's shares is to be discontinued. The bonds issued by the institution is in Germany are to be suspended from trading. When calculating interest or coupons, the write-down and conversion percentages specified in the resolution order are to be taken into account. All payments (interest and principal) incurred during the week of technical bail-in implementation must be suspended and, if relevant, made up within two weeks of bail-in.

The stock exchanges suspend trading for the instruments of “Samplebank AG” affected by the bail-in. CBF implements settlement blocking for affected instruments. If instructed to do so by “Samplebank AG”, the ICSDs also implement settlement blocking.

Together with the resolution authority, the bank has determined that the new shares will initially only be listed on the Frankfurt Stock Exchange. Since the old shares were not traded on any exchange, a “simplified listing application” must be submitted by the bank to the Frankfurt Stock Exchange for the admission of the new shares to trading. In connection with the “simplified listing application”, it is also assumed that the information on the minimum free float of the new shares has already been sent to the exchange by the resolution authority.

The table below provides an overview of the master data of the instruments affected by the bail-in of "Samplebank AG" and the technical scenarios to be applied to the instruments:

<u>Ranking in the bail-in sequence</u>	<u>ISIN</u>	<u>Instrument</u>	<u>Outstanding Aggregate Principal Amount or Total Number of Units according to the Global Certificate/Global Note</u>	<u>Resolution data</u>	<u>Technical scenario</u>
<u>1</u>	<u>DEXXX2999999</u>	<u>Common stock</u>	<u>5.000.000.000 units</u>	<u>Reduction: 100%</u>	<u>1</u>
<u>2</u>	<u>DEXXX4567893</u>	<u>Unstructured bearer bond (percentage-quoted)</u>	<u>EUR 2.000.000.000</u>	<u>Write-down percentage: 40%</u> <u>Conversion percentage: 60%</u> <u>Effective conversion rate: 0,72</u>	<u>3b</u>
<u>2</u>	<u>XSXXX1234567</u>	<u>International bearer bond</u>	<u>EUR 1.000.000.000</u>	<u>Write-down percentage: 40%</u> <u>Conversion percentage: 60%</u> <u>Effective conversion rate: 0,72</u>	<u>C</u>
<u>6</u>	<u>DEXXX9876543</u>	<u>Structured bearer bond (percentage-quoted)</u>	<u>EUR 2.000.000.000</u>	<u>Conversion percentage: 30%</u> <u>Effective conversion rate: 0,8</u>	<u>5a</u>

**Table 51: Example case "Samplebank AG" – Information on the instruments affected by the bail-in**

A.II.2 Documents of "Samplebank AG" – domestic bail-in implementation

A.II.2.1 Instruction letter ~~of~~from "Samplebank AG" – domestic bail-in implementation

The following is an example of the instruction letter from "Samplebank AG":

**Instruction Letter for the implementation of the  
Resolution Order mandated by BaFin on 03.12.3 December 2020**

**To**

Clearstream Banking AG  
- Management Board -  
Mergenthalerallee 61  
65760 Eschborn

By mail in advance: bail-in@clearstream.com  
By mail in advance: CAGermany@clearstream.com

**In copy to**

WM Datenservice  
Düsseldorfer Straße 16  
60329 Frankfurt am Main

By e-mail in advance: WM-BRRD-BAIL-IN@wmdaten.com

Dear Sirs or Madams,

~~Dear Sirs or Madams,~~

we hereby ask you to ~~implement~~execute, the ~~necessary bookings write-down and conversion pursuant to Article 21 of the SRMR in conjunction with section 89 of the SAG and of the bail-in pursuant to Article 27 of the SRMR in conjunction with section 90 of the SAG, provided under the resolution order~~ mandated by the Federal Financial Supervisory Authority (BaFin) ~~in the resolution order published on 03.12.3 December 2020~~ ("BaFin publication website").

The details are provided in the attached operational guidelines and their ~~appendices~~annexes.

Your contact persons for advice on technical implementation of the bail-in are:

~~Your contact persons for advice on technical implementation of the bail-in are:~~

Mr. Ferdinand Caspar, Tel. 123-456, E-Mail: f.caspar@samplebank.de

Yours sincerely,

Signature 1

Signature 2

**A.II.3 Appendix 2.1.1 Annex I – Operational guidelines of “Samplebank AG” – domestic bail-in implementation**

**A.II.32.1.1.1 Technical scenario 1 – cancellation of old shares**

For the cancellation of old shares (technical scenario 1) the following operational guidelines (example)

apply:

**Operational Guidelines  
for the implementation of the resolution order published on 03.12.3 December  
2020**

-- Samplebank AG --  
-- Common stock --  
-- ISIN DEXXX2999999 --

<b>Name</b>	Samplebank AG
<b>CBF Account</b>	111222
<b>Affected ISIN</b>	DEXXX2999999 please see also the accompanying <a href="#">Appendix Annex II</a> (Worksheet for technical scenario 1)
<b>Scenarios applicable to the affected ISIN codes</b>	-- <b>Please delete the non-relevant scenarios</b> --
1.	Cancellation of old shares WITHOUT conversion into new shares
<b>Technical booking, conversion and exchange exercise ratios</b>	n.a.
<b>Explanation</b>	n.a.
<b>Pool factor (old) Poolfaktor (alt)</b>	n.a.
<b>Pool factor (new) Poolfaktor (neu)</b>	n.a.
<b>ISIN for new shares</b>	n.a.
<b>Effective date of suspension of trading</b>	n.a.

<b>Effective date of settlement-blocking</b>	03.12.2020
<b>Treatment of payments (interest and principal)</b>	n.a.
<b>Publication</b>	www.samplebank-ag.de [BaFin publication website]
<b>CBF Record Date</b>	06.12.2020
<b>CBF Settlement Date</b>	n.a.
<b>Treatment of open transactions</b>	according to CBF compensation rules
<b>Treatment of fractional amounts</b>	n.a.

A.II.32.1.1.2 Technical ~~scenario 5b – Partial~~ **Scenario 3b – Full reduction of bearer bonds by** write-down and ~~partial~~ conversion of ~~ISV~~ into new shares

For the partial write-down and partial conversion of ~~ISV~~ **percentage-quoted unstructured bearer bond** into new shares (technical scenario ~~5b3b~~) the operational guidelines as provided below apply (sample).

**Operational Guidelines  
for the implementation of the resolution order published on 03.12.3 December  
2020**

-- Samplebank AG --

-- ~~5% Bonds~~ **Unstructured bearer bond (percentage-quoted) 2015/2025** --

-- ISIN DEXXX4567893 --

<b>Name</b>	Samplebank AG
<b>CBF Account</b>	111222
<b>Affected ISIN</b>	DEXXX4567893 please see also <del>Appendix</del> <b>the attached Annex II</b> (Worksheet for technical scenario <del>5b3</del> )
<b>ScenarioScenarios applicable to the affected ISIN- Codes codes</b>	-- <del>Please</del> <b>delete the non-relevant scenarios</b> --
<b>53.</b>	<del>Partial</del> <b>Full</b> reduction of nominal/ <del>pool factor</del> ( <del>value of the unstructured bearer bonds</del> ) <b>with derecognition of old bonds</b> WITH conversion into new shares
<b>Technical booking and conversion and exercise ratios</b>	<del>Technical conversion ratio:</del> EUR 1.000-- <del>221,400,00</del> : <del>442,8000000</del> new shares, please see also the attached <del>Appendix</del> <b>Annex II</b> (Worksheet for technical scenario <del>5b3</del> )
<b>Explanation</b>	Please refer to the attached <del>Appendix</del> <b>Annex II</b>
<b>Pool factor (old)</b>	n.a.
<b>Pool factor (new)</b>	n.a.
<b>ISIN(s) for new shares</b>	DEXXX1234567 (according to WM Datenservice)
<b>Effective date of suspension of trading</b>	<del>03.12.2020</del> (Frankfurt Stock Exchange) <del>03.12.2020</del> (Stuttgart Stock Exchange)
<b>Effective date of settlement blocking</b>	<del>03.12.2020</del> (according to CBF)



<b>Treatment of payments (interest and principal)</b>	Due to the full reduction, all payment obligations from the instrument (interest and principal) expire upon the issuance of the resolution order on 3 December 2020.  Please note: When determining the number of shares for the technical conversion ratio, accrued interest was taken into account.
<b>Publication</b>	<a href="http://www.samplebank-ag.de">www.samplebank-ag.de</a> [BaFin publication website]
<b>CBF Record Date</b>	06.12.2020 (according to CBF)
<b>CBF Settlement Date</b>	08.12.2020 (according to CBF)
<b>Treatment of open transactions</b>	according to CBF compensation rules
<b>Treatment of fractional amounts</b>	The technical conversion ratio contains fractional amounts and the resolution order does not provide for rounding down at the level of the individual liability. The fractional amounts (final amounts) per custodian bank are rounded down by CBF. The fractional amounts (final amounts) have to be rounded down by CBF and the custodian banks per participant (participants' account).

A.II.2.1.1.3 Technical Scenario 5a – Partial reduction of bearer bonds by conversion into new shares

For the partial write down and partial conversion of the percentage-quoted structured bearer bonds into new shares (technical scenario 5a) the operational guidelines as provided below apply (sample).

**Operational Guidelines  
for the implementation of the resolution order published on 3 December 2020**

**-- Samplebank AG --**

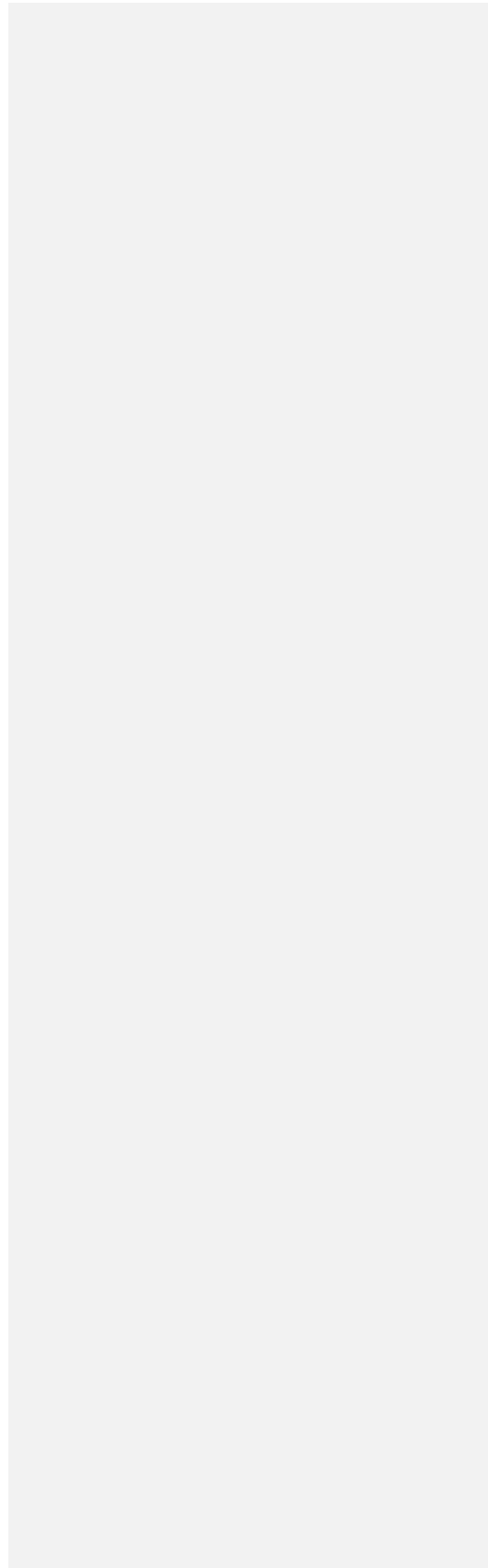
**-- Structured bearer bond (percentage-quoted) 2020/2022 --**

**-- ISIN DEXXX9876543 --**

<b>Name</b>	Samplebank AG
<b>CBF Account</b>	111222
<b>Affected ISIN</b>	DEXXX9876543 please see also the attached Annex II (Worksheet for technical scenario 5)
<b>Scenarios applicable to the affected ISIN codes</b>	<del>--please delete the non-relevant scenarios--</del>
<b>5.</b>	Partial reduction of the percentage-quoted structured bearer bonds WITH conversion into new shares
<b>Technical booking, conversion and exercise ratios</b>	Technical conversion ratio: EUR 1.000,00 : 216,0000000 new shares. Technical exercise ratio: EUR 1.000,0000000 : 700,0000000. Please see also the attached Annex II (Worksheet for technical scenario 5).
<b>Explanation</b>	Please refer to the attached Annex II
<b>ISIN for new shares</b>	DEXXX1234567 (according to WM Datenservice)
<b>Effective date of suspension of trading</b>	03.12.2020 (Frankfurt Stock Exchange) 03.12.2020 (Stuttgart Stock Exchange)
<b>Effective date of settlement blocking</b>	03.12.2020 (according to CBF)

<b>Treatment of payments (interest and principal)</b>	All payments (interest and principal) that are due in the period from December the 2 <sup>nd</sup> 2020 (request date) up to and including December the 9 <sup>th</sup> 2020 have been suspended. The information on further treatment of suspended payments will be provided on December the 9 <sup>th</sup> 2020 <u>by e-mail</u> .  <del>Note</del> <u>Please note</u> : When determining the number of shares for the technical conversion ratio, accrued interest was taken into account.
<b>Publication</b>	<a href="http://www.samplebank-ag.de">www.samplebank-ag.de</a> <a href="http://www.samplebank-ag.de">www.samplebank-ag.de</a> [BaFin publication website]
<b>CBF Record Date</b>	06.12.2020 (according to CBF)
<b>CBF Settlement Date</b>	08.12.2020 (according to CBF)
<b>Treatment of open transactions</b>	according to CBF compensation rules
<b>Treatment of fractional amounts</b>	<del>Information on treatment of fractional amounts: The technical conversion ratio contains fractional shares (partial rights) and the resolution order does not provide for rounding down at the level of the individual instrument. The fractional amounts (final amounts) have to be rounded down by CBF and the custodian banks per participant (participants' account). The technical conversion ratio does not include fractional amounts.</del>

|



A.II.4. Appendix 2.1.2 Annex II – Detailed list of instruments of “Samplebank AG” – domestic bail-in implementation

A.II.4.2.1.2.1 Technical scenario 1 – cancellation of old shares

Table 52 includes the information to be provided for the technical scenario 1 in the detailed list of instruments:

ISIN of the instruments affected by Bail-in (shares)	CBF Record Date	Outstanding Number of Shares according to Global Certificate/Global Note	Total Reduction of old Number of Shares in % (always 100%)
DEXXX2999999	06.12.2020	51.000.000.000	100

Table 52: Illustrative example, Example case “Samplebank AG” – detailed list of instruments (technical scenario 1)

A.II.4.2.1.2.2 Technical scenario 5b – Partial Scenario 3b – Full reduction of unstructured bearer bonds through write-down and partial conversion of ISV into shares

The table below includes the information to be provided in the detailed list of instruments for the technical scenario 5b:

ISIN of the instruments affected by Bail-in	CBF Record Date	CBF Settlement Date	Outstanding Aggregate Principal Amount according to Global Certificate/Global Note	Denomination (old)	Pool Factor (old)	Currency of Denomination (old)	Total reduction of Denomination (old) in %	Denomination (new)
DEXXX4567893	06.12.2020	08.12.2020	52.000.000.000,00	1.000,00	n.a.	EUR	79,100,000000	300,000
Pool Factor (new)	Worthless withdrawal of Denomination (old) in %	Numerator of the booking ratio based on total reduction (Denomination (old))/ (Denomination (new))	Denominator of the Booking ratio based on total reduction (Denomination (old))/ (Denomination (new))	Conversion percentage of Denomination (old) into new shares (in %)	Numerator of the conversion ratio based on Denomination (old) (Denomination (old))/ (amount of new shares)	Denominator of the conversion ratio based on Denomination (old) (Denomination (old))/ (amount of new shares)	ISIN for new shares	
n.a.	40,0000000	1,000,000 n.a.	300,0000000 n.a.	3050,0000000	1,000,00	221,400000044 2,80000000	DEXXX1234567	

-The table below contains the information to be provided in the detailed list of instruments for the percentage-quoted unstructured bearer bond of "Samplebank AG". The instrument belongs to the AT1 rank or rank 2 of the bail-in sequence. It is fully reduced by write-down (40%) and conversion (60%). Therefore, technical scenario 3b applies. The outstanding principal amount per unit of the bearer bond is EUR 1.000. The conversion rate is equal to 0,72. The accrued interest is EUR 25.

**Table 53: Example case "Samplebank AG" – detailed list of instruments (technical scenario 3b)**

### A.II.5.2.1.2.3 Technical Scenario 5a – Partial conversion of the percentage-quoted structured bearer bonds into shares

The table below contains information to be provided in the detailed list of instruments for the percentage-quoted structured bearer bond of "Samplebank AG". The instrument belongs to rank 6 of the bail-in sequence. It is partly converted into new shares. Therefore, technical scenario 5a applies to the instrument.

The nominal value of the percentage-quoted structured bearer bond is EUR 1,000. The fair value was estimated at EUR 900. The conversion percentage is 30%. The conversion rate is equal to 0,8.

It should be noted again that a separate detailed list of instruments should be used for the percentage-quoted structured bearer bond (see Chapter IV.4.1.1.4).

SIN of the instruments affected by Bail-in	CBF Record Date	CBF Settlement Date	Outstanding Aggregate Principal Amount according to Global Certificate/Global Note	Denomination (old)	Total reduction of the instrument in %	Denomination (new)	Write-down percentage of the instrument (in %)
DEXXX9876543	06.12.2020	08.12.2020	2.000.000.000,00	1.000,00	30,00000000	700,00	0,00000000
Conversion percentage of the instrument into new shares (in %)	Fair Value	Numerator of the conversion ratio based on denomination (old) (denomination (old) / (amount of new shares))	Denominator of the conversion ratio based on denomination (old) (denomination (old) / (amount of new shares))	SIN for new shares	Numerator of the exercise ratio based on total reduction (denomination (old) / (denomination (new)))	Denominator of the exercise ratio based on total reduction (denomination (old) / (denomination (new)))	
30,00000000	900,00	1.000,00	216.00000000	DEXXX1234567	1.000,00000000	700,00000000	

Table 54: Example case "Samplebank AG" – detailed list of instruments (technical scenario 5a)

**A.II.2.2** "Simplified listing application" of "Samplebank AG"

Below is a template for the "simplified listing application" using the example of "Samplebank AG".

**Simplified Application for Admission of Securities to Exchange Trading in the Regulated Market in the Context of Resolution according to Regulation (EU) No. 806/2014 and the German ~~Recovery~~ Recovery and Resolution Act (SAG); dated from 03.12.3 December 2020**

**From:**

Samplebank AG  
Wolfgang-Adenauer-Straße 50  
60325 Frankfurt am Main

**In copy to:** resolutiontools.AM2@bafin.de

**To:**

~~Management Board of~~  
Frankfurt Stock Exchange

~~-Management Board-~~

c/o Deutsche Börse AG  
- Listing Services -  
60485 Frankfurt am Main  
Phone: +49 (0) 69-2111-3990  
Fax: +49 (0) 69-2111-3991  
E-Mail: listing@deutsche-boerse.com

**To be filled in by the Management Board of the exchange:**

Ref.:



<b>1. Applicant</b>	
<b>1.1 Issuer of the securities to be admitted (section 32 (2) sentence 1 BörsG, section 48 (1) sentence 2 1.21.1 BörsZulV)</b>	
Company name	Samplebank AG
Registered office	Germany, Hessen
Business address	Wolfgang-Adenauer-Straße 50, 60325 Frankfurt am Main
Legal Entity Identifier (LEI)	329900X05X6XXX1XXX77
(Optional) If the issuer is represented by a proxy agent:	
Name	[Name]
Address	[Address]
<input type="checkbox"/>	The issuer is represented by the co-applicant according to Sec. 1.2.
<input type="checkbox"/>	The power of attorney in writing is attached hereto
Issuer's contact for the admission procedure:	
Name	Mr. Ferdinand Caspar
Department	New Issuances
Phone	069-111-222-XXX
Fax	069-111-223-XXX
Email	f.caspar@samplebank.de
<b>1.31.2 Institution or company in accordance with section 32 (2) BörsG, section 48 (1) sentence 2 BörsZulV (co-applicant)</b>	
(please provide the requested information for each co-applicant on a separate sheet)	
<input checked="" type="checkbox"/>	The co-applicant confirms that it is a credit institution or a financial services institution or a company within the meaning of section 53 (1) sentence 1 or section 53b (1) sentence 1 of the Kreditwesengesetz (KWG, German Banking Act), that it is admitted to a German stock exchange and entitled to participate in trading and that it is able to provide evidence of liable equity capital in the amount of at least Euro 730.000.
<b>2. Invoicing</b>	
<b>2.1 Debtor (admission fee)</b>	
<input checked="" type="checkbox"/>	Issuer
Value added Tax Identification Number (VAT-ID) tax identification number	DE398517849
<b>2.2 Recipient of the invoice (admission fee)</b>	
Company name	Samplebank AG
Contact person	Mr. Ferdinand Caspar
Department	New Issuances
Address	Wolfgang-Adenauer-Straße 50, 60325 Frankfurt am Main
<b>2.3 Debtor according to section 51 BörsZulV (costs for the announcement in the Federal Gazette)</b>	
Company name	Samplebank AG
Contact person	Mr. Ferdinand Caspar
Department	New Issuances
Address	Konrad-Adenauer-Straße 50, 60325 Frankfurt am Main
<b>2.4 Recipient of the invoice (costs for the announcement in the Federal Gazette)</b>	
Company name	Samplebank AG
Contact person	Mr. Ferdinand Caspar
Department	New Invoices
Address	Wolfgang-Adenauer-Straße 50, 60325 Frankfurt am Main

<input checked="" type="checkbox"/>	The Federal Gazette should send invoice by <del>email</del> -mail to the following address:  f.caspar@samplebank.de
<b>3.—Description of type and amount of securities to be admitted (section 48 (1) sentence 2 4.3. BörsZulV)</b>	
<b>4.13.1 Shares</b>	
<b>4.1.13.1.1 Description of securities</b>	
Previous share capital	EUR 5.000.000.000- <del>Euro</del> ,00
New share capital	EUR 1. <del>107</del> 760.400.000- <del>Euro</del> ,00
Units	1. <del>107</del> 000760.400.000
<input checked="" type="checkbox"/>	Common stock
<input checked="" type="checkbox"/>	No-par-value share
<input checked="" type="checkbox"/>	Bearer share
Dividend payment as from	01.06.2021
Notional par value (issue amount per share)	EUR 1- <del>Euro</del>
Commercial register registration (expected)	20.12.2020
ISIN	DEXXX1234567
<b>4.1.23.1.2 Application for admission to trading in</b>	
<input checked="" type="checkbox"/>	the Regulated <del>market</del> Market
<b>5.4. Prospectus and documentation</b>	
<b>5.14.1 Exemption from the obligation to publish a prospectus (section 32 (3) No. 2 BörsG)</b>	
The publication of a prospectus is not required according to (EU) Regulation 2017/1129 Article 1(5) point (c).	
<b>6.5. A similar application for admission has previously or at the same time been filed with another stock exchange in Germany, in another member state of the European Union (EU) or of the European Economic Area (EEA) or will shortly be filed (section 48- (1) sentence-3 BörsZulV)</b>	
<input checked="" type="checkbox"/>	No
<input type="checkbox"/>	Yes, namely: [Name(s) of the exchange(s)]
<b>7.6. Time schedule*</b>	
*Please note: Subject to compulsory legal reasons the requested time schedule of the applicants is not binding for the admission procedure.	
Date and time the issuer has approved admission to trading	04.12.2020 10:00
Date of admission (according to time schedule of BaFin)	06.12.2020
First date of trading ( <del>{listing date}</del> ) (according to time schedule of BaFin)	07.12.2020
<b>8.7. Confirmation according to Article 7(1) and (4) Delegated Regulation (EU) 2017/568 (RTS 17) supplementing the Directive 2014/65/EU (MiFID II)</b>	
<input checked="" type="checkbox"/> <u>Frankfurt Stock Exchange</u> : The issuer of the securities to be admitted was informed about his obligations under union law. The issuer took notice from the overview published under <a href="http://www.deutsche-boerse-cash-market.com/dbcm-de/primary-market/going-public/zugang-und-antragstellung">http://www.deutsche-boerse-cash-market.com/dbcm-de/primary-market/going-public/zugang-und-antragstellung</a> <del>or</del> and <a href="http://www.deutsche-boerse-cash-market.com/dbcm-de/primary-market/publikationen/antraege">http://www.deutsche-boerse-cash-market.com/dbcm-de/primary-market/publikationen/antraege</a> .	
<b>9.8. Signatures (section 32 (2) sentence 1 BörsG, section 48- (1) sentence 1 BörsZulV)</b>	
<b>9.18.1 Signature of the issuer or its proxy agent (Sec 1.1)</b> (Please provide the signatures of all issuers respectively their proxy agents on a separate sheet in case that several issuers apply or of the admission of certificates representing shares)	

<b>Place</b>	Frankfurt am Main
<b>Date</b>	04.12.2020
<b>Name(s)</b>	Mr. Ferdinand Caspar, Ms. Sophie Louisée
<b>Signature(s)</b>	[SignatureSignatures(s)]

### Appendix – Overview of the filed documents/information\* regarding the admission of shares

\*Please note: The Management Board is authorised to request further documentation. Documents, which are relevant for examination and currently not available in their final version, must be submitted as draft for the time being.

<b>1. General documents</b>	
<input checked="" type="checkbox"/>	Application form duly signed (original copy)
<input type="checkbox"/>	Power of attorney (in case of representation)
<b>2. Documents regarding the company</b>	
<input checked="" type="checkbox"/>	Current articles of association after resolution (section 48 (2) sentence 2 No. 2 of the BörsZulV);
<input checked="" type="checkbox"/>	Annual financial statement of the preceding business year (section 48 (2) sentence 2 No. 4 BörsZulV)
<input checked="" type="checkbox"/>	Disclosure certificate of the last three annual financial statements
<b>3. Note</b>	
The resolution order replaces:	
<ul style="list-style-type: none"> <li>• Reports on the incorporation of the issuer and their audit, if the issuer has not existed as a company for at least three years (section 48 (2) sentence 2 No. 8 BörsZulV) and</li> <li>• Certified excerpt of the commercial register (section 48 (2) sentence 2 No. 1 BörsZulV) until the actual entry in the commercial register (section 136 (4) SAG) as well as</li> <li>• Evidence of the minimum amount (minimum number of units) of the securities to be admitted according to section 2 BörsZulV.</li> </ul>	

### A.II.3 Documents of "Samplebank AG" – "ICSD Add-On"

Below is an example instruction letter and the supporting documents of "Samplebank AG" to the ICSDs as well as the Common Service Provider (see also task 5 – ICSD Add On in Chapter IV.3.6).

#### A.II.3.1 Instruction letter from "Samplebank AG" – "ICSD Add-On"

"Samplebank AG" sends the following instruction letter to the ICSDs and a copy to the Common Service Provider:

## **Instruction Letter from the [Bank] / [Agent] to ICSDs**

**To:**

Euroclear Bank SA/NV

Attn. Corporate Actions

1 Boulevard du Roi Albert II

1210 Brussels, Belgium

By e-mail in advance: CA.OMK@euroclear.com or ASO.OMK@euroclear.com

Clearstream Banking S.A.

Attn: Corporate Actions Luxembourg

42 JFK Avenue

L-1855 Luxembourg

By e-mail in advance: CA\_mandatory.events@clearstream.com

**Copy to:**

By e-mail in advance to Common Service Provider: common\_service\_provider@bank.com

Dear Sir/Madam,

We hereby ask you to execute the write-down and conversion pursuant to Article 21 of the SRMR in conjunction with section 89 of the SAG and of the bail-in pursuant to Article 27 of the SRMR in conjunction with section 90 of the SAG, provided under the resolution order mandated by the Federal Financial Supervisory Authority (BaFin) on 3 December 2020 and published on its website at: ("BaFin publication web address").

The details regarding the execution of the write-down and conversion, including the list of the relevant instruments, are hereby attached to this letter as annexes.

Your contact persons in charge of the execution of the write-down and conversion at "Samplebank AG" is Mr. Ferdinand Caspar, Phone 123-456, E-Mail: f.caspar@musterbank.de.

This letter contains the following Annexes:

- Annex 1 – Operational guidelines
- Annex 2 – List of relevant instruments

Kind regards,

[Signature 1] \_\_\_\_\_ [Signature 2]

A.II.3.1.1 Annex I – Operational guidelines of “Samplebank AG” – “ICSD Add-On”

The international bearer bond issued by "Samplebank AG" via the ICSDs will be reduced in full in analogy to the unstructured bearer bond issued by the bank, by writing it down in part and converting it into new shares in part. In the ICSD context, therefore, technical scenario C applies (see Chapter IV.3.11).

**Annex I: Operational guidelines for the execution of the national implementing act published on 3 December 2020**

-- **Samplebank AG**--

-- **XS-Bond 18/28** --

-- **XSXXX1234567** --

<b>Name</b>	<b>Name of the bank/issuer</b>
<b>LEI</b>	<b>LEI of the bank/issuer</b>
<b>Affected ISIN</b>	XSXXX1234567
<b>Scenarios applicable to the affected ISIN-Codes</b>	--please delete the non-relevant scenarios--
<b>C</b>	Full conversion: full reduction of nominal (XS bonds) AND delivery of new instruments
<b>Pool factor (old) (optional, as applicable)</b>	n.a.
<b>Pool factor (new) (as applicable)</b>	n.a.
<b>ISIN(s) for new security</b>	DEXXX1234567 (according to WM Datenservice)
<b>Exchange ratio</b>	EUR 1.000,00 : 442,8000000 new shares, please see also the attached Annex II (Excel-file for technical scenario C)
<b>Explanation</b>	please see the attached Annex II
<b>Effective date of suspension of trading</b>	n.a. (the instrument is not traded on the domestic stock exchanges)
<b>Effective date of settlement blocking</b>	The settlement has to be blocked for all open transactions in the instrument as soon as possible.
<b>Treatment of interests</b>	Due to full reduction of the instrument all payments (interest and principal) are deemed to have been fulfilled with the publication of the Resolution Order on December the 3 <sup>rd</sup> 2020. Note: When determining the number of shares for the technical conversion ratio, accrued interest was taken into account.
<b>Publication</b>	www.samplebank-ag.de website of BaFin
<b>CBF Record Date</b>	06.12.2020 (according to CBF)

<b>CBF Settlement Date</b>	08.12.2020 (according to CBF)
<b>Treatment of open transactions</b>	The settlement-blocking has to be applied to all open transactions in the instrument. See also indications in the field "Effective date of settlement blocking".
<b>Treatment of fractional entitlements</b>	Information on treatment of fractional amounts: The technical conversion ratio contains no fractional shares (partial rights).
<b>Key data for securities created by conversion</b>	
<b>Instrument category</b>	Shares
<b>Legal form</b>	Bearer shares
<b>Type of securitisation</b>	No-par value shares with according value per share of 1 Euro
<b>Nominal currency</b>	Euro
<b>Share capital</b>	1.760.400.000,00 EUR
<b>Number of shares</b>	1.760.400.000
<b>Currency of the income</b>	Euro
<b>Minimum tradeable size</b>	The minimum quantity of securities that can be transferred is 1 share
<b>Selling/Transfer Restrictions on the ICSDs</b>	No selling/transfer restrictions on ICSDs
<b>Issuer CSD</b>	Clearstream Banking Frankfurt (CBF)
<b>xxx</b>	Placeholder for additional information from agent

**A.II.3.1.2 Annex II – Detailed list of instruments of “Samplebank AG” – “ICSD Add-On”**

The table below contains the information to be provided by "Samplebank AG" for the international bearer bond in the detailed list of instruments for ICSDs. Like the unstructured bearer bond of "Samplebank AG", the international bearer bond represents an instrument of the AT1 rank. Within a rank, the same write-down and conversion percentages are applied. This means that the instrument is also written down by 40% and converted into new shares by 60%. In the ICSD context, technical scenario C applies to this bearer bond.

The outstanding principal amount per unit of the international bearer bond is EUR 1,000. The conversion rate is equal to 0,72. The accrued interest is EUR 25.

ISIN of the instruments affected by Bail-in	CBF Record Date	CBF Settlement Date	Outstanding Aggregate Principal Amount according to Global Certificate/ Global Note	Denomination (old)	Pool factor in % (old)	Currency of Denomination (old)	Total reduction of nominal value or pool factor in %	Denomination (new)
<u>XSXXX1234567</u>	<u>06.12.2020</u>	<u>08.12.2020</u>	<u>1.000.000.000,00</u>	<u>1.000,00</u>	<u>n.a.</u>	<u>EUR</u>	<u>100,00000000</u>	<u>0</u>
<u>Pool factor in % (new)</u>	<u>Worthless withdrawal of Denomination (old) in %</u>	<u>Numerator of the Booking ratio based on total reduction (Denomination (old))/ (Denomination (new))</u>	<u>Denominator of the Booking ratio based on total reduction (Denomination (old))/ (Denomination (new))</u>	<u>Conversion percentage of Denomination (old) into new shares (in %)</u>	<u>Numerator of the conversion ratio based on Denomination (old) (Denomination (old)) / (amount of new shares)</u>	<u>Exchange ratio (number of proceeds per nominal)</u>	<u>ISIN for new instruments</u>	
<u>n.a.</u>	<u>40,00000000</u>	<u>n.a.</u>	<u>n.a.</u>	<u>60,00000000</u>	<u>1.000,00</u>	<u>442,80000000</u>	<u>DEXXX1234567</u>	

**Table 55: Example case “Samplebank AG” – detailed list of instruments (technical scenario C)**



### Appendix III – Positive lists (MS Excel files)

This ~~annex~~appendix explains the **positive lists** in **MS Excel format** (~~task 1~~), which ~~the resolution authority sends to the bank, the exchanges, the central securities depository and the NNA~~, in addition to the ~~appendices~~annexes to the resolution order, ~~will be sent by the resolution authority to the bank, the stock exchanges, CBF, WM Datenservice, the ICSDs, if applicable, and the CDs/CSPs (see task 1 of the domestic bail-in implementation and process task I of the "ICSD Add-On")~~. The lists are made available to the actors named for easier review and technical processing. Please note, however, that the ~~appendices~~ to the resolution order are the legally binding documents.

#### A.III.1 Positive list with the instruments affected by the bail-in

The positive list contains all instruments (e.g. ~~ISV~~bearer bonds, NSV and SSD) affected by the bail-in. It also lists the corresponding write-down percentages, conversion percentages and effective conversion rates per instrument. The resolution authority sends the list to the bank by e-mail together with the resolution order and its ~~appendices~~ (see task 1). The bank must check the list for completeness and, if necessary, provide a correcting notification to the resolution authority (see task 5). Liabilities that are excluded legally or by discretion are not included in the list. The list has the following form:

**Instruments affected by Bail-in**

Eindeutiges Identifizierungsmerkmal für den Vertragspartner (Unique identifier known to the counterparty)	Art des eindeutigen Identifizierungsmerkmals (Type of the unique identifier)	Herabschreibungsprozentsatz (Write-down percentage)	Umwandlungsprozentsatz (Conversion percentage)	<u>Operativer Herabschreibungsprozentsatz (Operative write-down percentage)</u>	<u>Operativer Umwandlungsprozentsatz (Operative conversion percentage)</u>	<u>Grund für abweichende operative Prozentsätze (Reason for deviating operating percentages)</u>	<u>Höhe des besicherten Anteils (Amount of the secured portion)</u>	Umwandlungsprozentsatz (Effective conversion rate) <u>Conversion Rate</u>
DE000XXX111	ISIN	100,0000000%	0,0000000%	<u>100,0000000%</u>	0,0000000%	n.a.	=	<u>0,000000000</u>
<del>DE000YYY222</del> DE000XX222	ISIN	0,0000000%	<u>29,7031370</u> <u>100,000</u> <u>0000%</u>	<u>71,4567951</u> <u>0,0000000</u> <u>%</u>	<u>64,6537200%</u>	<u>secured liability<sup>88</sup></u>	<u>35.346,28</u>	<u>0,650000000</u>
<u>XS0000YYY222</u>	<u>ISIN</u>	<u>61,4120729%</u>	<u>27,9795214%</u>	<u>61,4120729%</u>	<u>27,9795214%</u>	n.a.	=	<u>0,720000000</u>
9000XX0333	Keykey no.	100,0000000%	0,0000000%	<u>100,0000000%</u>	0,0000000%	n.a.	=	<u>0,000000000</u>
4250YY2770	Keykey no.	95,4127080%	4,5872919%	<u>95,4127080%</u>	<u>4,5872919%</u>	n.a.	=	<u>0,000000000</u> <u>0000</u> <u>00000</u>

**Table 56: Excerpt from the positive list of instruments affected by the bail-in**

Eingefügte Zellen

Eingefügte Zellen

Eingefügte Zellen

Eingefügte Zellen

Eingefügte Zellen

Eingefügte Zellen

Eingefügte Zellen

Eingefügte Zellen

Eingefügte Zellen

Eingefügte Zellen

Eingefügte Zellen

Eingefügte Zellen

<sup>88</sup> In the example, it was assumed that the outstanding aggregate principal amount of the secured liability is EUR 100,000,00 and the outstanding nominal value per unit is EUR 1,000,00.

The following table explains the data points in the list above:

**The positive list of instruments affected by the bail-in contains the following fields:**

Field	Explanatory notes
<b>Eindeutiges Identifizierungsmerkmal für den Vertragspartner</b>	Unique identifier known to the counterparty in accordance with data point 1.4 of the MaBail-in or DE-IRT Bail-in Guidance [ISIN/specific ID].
Unique identifier known to the counterparty	
<b>Art des eindeutigen Identifizierungsmerkmals</b>	Type of the unique identifier in accordance with data point 1.5 of the MaBail-in or DE-IRT Bail-in Guidance [short description, e.g. ISIN, key no.].
Type of the unique identifier	
<b>Herabschreibungs- Herabschreibungsprozensatz</b>	Write-down percentage with 7 decimal places.
<del>prozensatz</del> Write-down <del>percen-</del> <del>tagepercentage</del>	
<b>Umwandlungsprozensatz</b>	Conversion percentage with 7 decimal places.
Conversion percentage	
<b>Operativer Herabschreibungsprozensatz</b>	Operative write-down percentage with 7 decimal places.
Operative write-down percentage	
<b>Operativer Umwandlungsprozensatz</b>	Operative conversion percentage with 7 decimal places.
Operative conversion percentage	
<b>Grund für abweichende operative Prozensätze</b>	The reason for deviating operative percentages, e.g. "secured liability".
Reason for deviating operative percentages	
<b>Höhe des besicherten Anteils</b>	Amount of the secured portion of the liability according to data point 2.44 of the MaBail-in or DE-IRT-Bail-in-Guidance [Proportional value of the pledge, lien or collateral based on the current internal valuation (see annex II, item 2.44)].
Amount of the secured portion	

**The positive list of instruments affected by the bail-in contains the following fields:**

Field	Explanatory notes
<b>Umwandlungssatz</b>	
Effective conversion rate	Effective conversion rate with 79 decimal places. <a href="#">The conversion rate is given as a number and not as a percentage, e.g. 0.714567951.</a>

Table 57: Explanatory notes, positive list of the instruments affected by the bail-in

**A.III.2 Positive list with discretionary exclusions in accordance with section 92 of the SAG**

This list contains all instruments (e.g. [ISV bearer bonds](#), NSV and SSD) that are excluded from the bail-in in accordance with section 92 of the SAG or Article 27(5) of the SRMR. The statutory exclusions in accordance with section 91 of the SAG and Article 27(3) of the SRMR are not included in this list. If no liabilities are excluded from bail-in on a discretionary basis, the bank receives in this list a notice to that effect or the confirmation. The list has the following form:

**Discretionary Exclusions**

Eindeutiges Identifizierungsmerkmal für den Vertragspartner (Unique identifier known to the counterparty)	Art des eindeutigen Identifizierungsmerkmals (Type of the unique identifier)	[•]	[••]	[•••]
US000XXX444	ISIN			
DE000YYY555	ISIN			

Table 58: Excerpt from the positive list with discretionary exclusions

The following table explains the data points in the list above:

**The positive list of discretionary exclusions contains the following fields:**

Field	Explanatory notes
<b>Eindeutiges Identifizierungsmerkmal für den Vertragspartner</b>	
Unique identifier known to the counterparty	Unique identifier known to the counterparty in accordance with data point 1.4 of the MaBail-in or DE-IRT Bail-in Guidance [ISIN/specific ID].
<b>Art des eindeutigen Identifizierungsmerkmals</b>	
Type of the unique identifier	Type of the unique identifier in accordance with data point 1.5 of the MaBail-in or DE-IRT Bail-in Guidance [short description, e.g. ISIN, key no.].
<b>[•] and additional</b>	The number of columns can vary. The columns contain the reasons for the discretionary exclusions.

Table 59: Explanatory notes, positive list with discretionary exclusions

### A.III.3 Positive list with instruments for the suspension of payments

The positive list with (centrally deposited) instruments affected by the bail-in for which payments (interest and/or principal) have to be suspended is sent by the resolution authority in Excel format to the bank, the ~~NNAWM Datenservice, the CBF, if necessary to the ICSDs~~ and the ~~central securities depository CDs/CSPs~~. In addition, the bank receives another positive list of non-centrally deposited instruments and must ensure that payments for these are also suspended (see tasks 1 and 5). The lists are explained in detail in the following sections.

#### A.III.3.1 Positive list for the suspension of payments: centrally deposited instruments

The bank, ~~the central securities depository WM Datenservice, CBF, ICSDs, if applicable, and the NNACDs/CSPs<sup>89</sup>~~ receive a list of centrally deposited instruments for which payments ~~(interest and/or principal) must are to~~ be suspended. This Excel list is divided into two tables:

The **first table** contains centrally deposited instruments that are **not fully reduced** as part of the bail-in (0% < reduction < 100%). ~~A suspension of payments is ordered in the resolution order for these instruments. For the non-reduced parts of the instruments, a suspension of payment will be ordered in the resolution order. The reduced parts of the instruments are deemed to be fulfilled pursuant to section 99 of the SAG, so that no suspension of payment can be ordered in the resolution order. The institution and the CSD must ensure that no payments are made for these parts of the instruments, as these parts no longer exist.~~

##### Suspension of Payments (0% < Reduction < 100%)

Eindeutiges Identifizierungsmerkmal für den Vertragspartner (Unique identifier known to the counterparty)	Art des eindeutigen Identifizierungsmerkmals (Type of the unique identifier)	Datum des nächsten Zinszahlungszeitpunkts (Date of the next interest payment)	Datum des nächsten (Teil-)Tilgungszeitpunkts (Date of the next (partial) principal payment)	Erster Tag der Zahlungsaussetzung (First day of suspension of payment)	Letzter Tag der Zahlungsaussetzung (Last day of suspension of payment)
DE9000XX0123	ISIN	<del>12.07.2020</del> - <del>12.07</del>	<del>12.07.2020</del> - <del>12.07</del>	<del>12.09.2020</del> - <del>12.03</del>	<del>12.12.2020</del> - <del>12.12</del>
<del>DE4250YY2456XS</del> <del>4250YY2456</del>	ISIN	<del>12.07.2020</del> - <del>12.07</del>	<del>12.07.2020</del> - <del>12.01</del>	<del>12.09.2020</del> - <del>12.03</del>	<del>12.12.2020</del> - <del>12.12</del>

Table 60: Excerpt from the positive list for the suspension of payments – Table 1

The **second table** includes centrally deposited instruments that are **fully reduced** as part of the bail-in (reduction = 100%). All payment obligations resulting from these liabilities are deemed to be fulfilled in accordance with section 99 of the SAG, so that a suspension of payments can no longer be ordered in the resolution order. ~~However, in accordance with the resolution order, the~~The institution ~~must~~has to ensure ~~here~~ that no payments are made for these instruments, ~~as the instruments no longer exist.~~

##### Suspension of Payments (Reduction = 100%)

<sup>89</sup> ~~The ICSDs and the CDs/CSPs receive a positive list for suspension of payment with XS-ISIN.~~

Eindeutiges Identifizierungsmerkmal für den Vertragspartner (Unique identifier known to the counterparty)	Art des eindeutigen Identifizierungsmerkmals (Type of the unique identifier)	Datum des nächsten Zinszahlungszeitpunkts (Date of the next interest payment)	Datum des nächsten (Teil-)Tilgungszeitpunkts (Date of the next (partial) principal payment)	Erster Tag der Zahlungsaussetzung (First day of suspension of payment)	Letzter Tag der Zahlungsaussetzung (Last day of suspension of payment)
DE9000XX0897	ISIN	2020-12-08	2020-12-08	2020-12-03	2020-12-12
DE1230YY2000XS 1230YY2000	ISIN	2020-12-10	2020-12-01	2020-12-03	2020-12-12

Table 61: Excerpt from the positive list for the suspension of payments – Table 2

The following table explains the data points in the lists above:

**The positive list with instruments for the suspension of payments contains the following fields:**

Field	Explanatory notes
<b>Eindeutiges Identifizierungsmerkmal für den Vertragspartner</b> Unique identifier known to the counterparty	Unique identifier known to the counterparty in accordance with data point 1.4 of the MaBail-in or DE-IRT Bail-in Guidance [ISIN/specific ID].
<b>Art des eindeutigen Identifizierungsmerkmals</b> Type of the unique identifier	Type of the unique identifier [ISIN] in accordance with data point 1.5 of the MaBail-in or DE-IRT Bail-in Guidance.
<b>Datum des nächsten Zinszahlungszeitpunkts</b> Date of the next interest payment	Date of the next interest payment [YYYY-MM-DD] in accordance with data point 1.27 of the MaBail-in or DE-IRT Bail-in Guidance.
<b>Datum des nächsten (Teil-)Tilgungszeitpunkts</b> Date of the next (partial) principal payment	Date of the next (partial) principal payment [YYYY-MM-DD] in accordance with data point 1.28 of the MaBail-in or DE-IRT Bail-in Guidance.
<b>Erster Tag der Zahlungsaussetzung</b> First day of suspension of payment	Start of the period during which payments must be suspended [YYYY-MM-DD].
<b>Letzter Tag der Zahlungsaussetzung</b> Last day of suspension of payment	End of the period during which payments must be suspended [YYYY-MM-DD].

Table 62: Explanatory notes, positive list for the suspension of payments

### A.III.3.2 Positive list for the suspension of payments: instruments not held by central securities depositories

The bank receives an MS Excel list from the resolution authority with instruments not held by central securities depositories (e.g. SSD, NSV) for which payments (interest and/or principal) are to be suspended. The positive list is structured identically to the list described in Chapter A.III.3.1.

### A.III.4 Positive list with instruments for the suspension of trading

The bank **and**, the exchange(s) **and the CBF** receive an Excel list with instruments for which trading is to be suspended, **unless a trading-suspension of trading is ordered generally for all instruments** of the institution. The Excel list consists of two tables:

The **first table** lists all instruments that are **not fully reduced** as part of the bail-in (0% < reduction < 100%) and for which a **trade-suspension of trading** is ordered in the resolution order.

The **second table** lists the instruments that are **fully reduced** under the bail-in (reduction = 100%).

Trade Suspension (0% < Reduction < 100%)		Trade Suspension (Reduction = 100%)	
Eindeutiges Identifizierungsmerkmal für den Vertragspartner (Unique identifier known to the counterparty)	Art des eindeutigen Identifizierungsmerkmals (Type of the unique identifier)	Eindeutiges Identifizierungsmerkmal für den Vertragspartner (Unique identifier known to the counterparty)	Art des eindeutigen Identifizierungsmerkmals (Type of the unique identifier)
DE9000XX0897	ISIN	DE000XXBOM73	ISIN
DE1230YY2000XS1230YY5000	ISIN	DE000YYB8D68XS1230YY8000	ISIN

Table 63: Excerpt from the positive list for the suspension of trading

The following table explains the data points in the lists above:

#### The positive list for the suspension of trading contains the following fields:

Field	Explanatory notes
<b>Eindeutiges Identifizierungsmerkmal für den Vertragspartner</b> Unique identifier known to the counterparty	Unique identifier known to the counterparty in accordance with data point 1.4 of the MaBail-in or DE-IRT Bail-in Guidance [ISIN/specific ID].
<b>Art des eindeutigen Identifizierungsmerkmals</b> Type of the unique identifier	Type of the unique identifier in accordance with data point 1.5 of the MaBail-in or DE-IRT Bail-in Guidance [ISIN].

Table 64: Explanatory notes, positive list for the suspension of trading

Formatiert: Englisch (Vereinigtes Königreich)

Formatiert: Standard, Einzug: Erste Zeile: 0 cm