



EXCHANGE NOTICE No. 719 - AMENDED

MALTA STOCK EXCHANGE CENTRAL SECURITIES DEPOSITORY MARKET PROCEDURES IN RESPECT OF ACCESS LINK TO AND CUSTODY OF ASSETS HELD WITH CLEARSTREAM BANKING Aktiengesellschaft, FRANKFURT, GERMANY.

Scope

The Malta Stock Exchange plc (**'MSE'**) maintains a securities account with Clearstream Banking Aktiengesellschaft of Frankfurt (**'CBF'**), Germany, which in turn also maintains a securities account with the MSE's Central Securities Depository (**'CSD'**). These securities account enable the MSE and CBF to provide an access link between the respective depositories. The access link provides the necessary infrastructure for the CSD to offer its clients a service of custody of assets that are eligible for collective safe-keeping within CBF.

The MSE-CBF link will become effective on Monday, 11 April 2011.

In the context of the MSE - CBF access link, primary market subscriptions in issues of dematerialised securities issued through or maintained with the CSD (**'CSD securities'**) by international institutional investors holding securities accounts with CBF (**'CBF clients'**) may be catered for without the need for them to utilize MSE accounts. Furthermore, the link will enable the processing of secondary market transfers in CSD securities between CBF clients and clients holding MSE accounts at the CSD (**'MSE clients'**). The access link will thus enable the clearing and settlement of such transfers, dispensing CBF clients from the requirement of opening or utilizing MSE Accounts, while at the same time enabling MSE clients to clear, through their MSE Accounts, such transfers with CBF clients.

In addition, MSE clients could avail of CSD custody services so as to include within their MSE Accounts at the CSD, assets that are eligible for safekeeping at CBF and in so doing benefit from secure and efficient clearing and settlement processing and a host of other securities custody services.

This Notice describes the access link market procedures and offers you the possibility of entrusting the MSE with the custody in your behalf of a diversified portfolio of wide-ranging assets held with or otherwise linked to CBF.



MSE – CBF Access Link

As mentioned above, the MSE – CBF access link enables an effective two-way link therefore, between CBF clients (and other investors capable of clearing through CBF) and issuers of CSD securities ('**CSD issuers**') or CSD clients. This link is made available to market stakeholders through the procedures described below.

Until further notice, all clearing and settlement of securities transfers over the MSE – CBF access link will be on a free of payment ('FOP') basis.

At this preliminary stage therefore, until further notice the MSE will *not* be giving effect to any requests for funds clearing and settlement over the access link on the basis of delivery versus payment ('**DVP**') or receipt against payment ('**RVP**').

Procedures

1.0 *New issues in the primary market*

CBF clients intending to subscribe to new issues in the primary market of dematerialised securities issued through the CSD, over the MSE-CBF access link, will invariably need to expressly signify such intention on the relevant subscription forms and identify themselves with their relevant CBF account reference number as indicated in the space as marked in the *Relevant Access Link Information on Specimen New Issue Subscription Form* shown in **Annex 1** attached herewith.

2.0 *Transfers in the secondary markets*

By virtue of the MSE-CBF access link, CSD clients may instruct the CSD to process FOP clearing and settlement of deals in CSD issues with CBF clients.

In processing such transfers, the CSD and CBF avail of standardized message communications set up by the Society for Worldwide Interbank Financial Telecommunication ('**SWIFT®**').

2.1 CSD clients that are licensed to use SWIFT® messages need to pre-notify the CSD and register their intention of issuing direct instructions addressed to the CSD to activate such SWIFT® clearing and settlement messaging (over the MSE-CBF access link) by completion of the *SWIFT® Instruction Messaging Indemnification Form* shown in **Annex 2** attached herewith.



- 2.2 Exchange Members and authorised intermediaries may be appointed by CSD clients to intervene and instruct the CSD in their behalf to activate such SWIFT® clearing and settlement messaging (over the MSE-CBF access link) by completion of the *Proxy Client SWIFT® Instruction Messaging Indemnification Form* shown in **Annex 3** attached herewith.

CSD clients that have been accepted by the CSD for issuing SWIFT® instructions or Exchange members or authorised intermediaries appointed in their behalf as mentioned above, may proceed to send SWIFT® MT540 Receive Free or MT542 Deliver Free message (the former in respect of a credit of the specified securities to the relevant MSE account and the latter in respect of a debit of the specified securities from the relevant MSE account) to the CSD at SWIFT Address XMALMTMT, until the deadline of 16.15 hours.

The CSD will process a complete MT540/MT542 message on the same business day of receipt when it is received within the said deadline. The CSD will endeavour to process any such messages that are received beyond the said deadline (up to 1700hrs) on the same day. Messages received later than the above deadlines will be dealt with on the next business day.

- 2.3 CSD clients not availing themselves of SWIFT® messaging may directly instruct the CSD within 14.00 hours to activate such SWIFT® clearing and settlement messaging (over the MSE-CBF access link) by completion of the form *Request for MSE-CBF Access Clearing and Settlement* as shown in Annex 4 attached herewith, complete with the relevant details.

Messages that are received beyond the said deadlines will be dealt with on the next business day.

3.0 *Confirmations*

Successful clearing and settlement over the MSE-CBF access link necessarily requires the confirmation of acceptance by CBF of the clearing and settlement request. The CSD will in turn endeavour to confirm the outcome of the clearing and settlement to the CSD client or Exchange member or authorised intermediary, as appropriate, within the close of the relevant business day. Such confirmation will be made:-

- 3.1 to CSD Clients or their authorised proxies issuing SWIFT® instructions, via a SWIFT® MT544 Confirm Free Receive or MT546 Confirm Free Delivery (the former confirming a credit of the specified securities to the relevant MSE Account, the latter confirming a debit of the specified



securities from the relevant MSE Account), in addition to the Registration Advice ordinarily issued by the CSD; or

3.2 to CSD Clients making Annex 4 Requests above-mentioned, via the Registration Advice ordinarily issued by the CSD.

If you require any clarification on the above information or if you need any further information on the MSE-CBF access link, please let us know on csd-access@borzamalta.com.mt .

Custody of CBF eligible securities

Investors, including authorised intermediaries, institutions and professional agents (**'CSD CUSTODY CLIENTS'**), may avail of the MSE-CBF access link to appoint the MSE as its custodian in respect of the holding, safe-keeping and administration of securities that are accepted for safe-keeping within CBF or with other central securities depositories that in turn also maintain access and interoperable links with CBF. By so doing, custody clients will enjoy the peace of mind that comes with a secure, robust and efficient clearing, settlement and safe-keeping and professional securities administration services in relation to a global portfolio of eligible securities that can be only be offered over a safe inter-CSD access link.

Terms and conditions governing such MSE custody services will be subject to the conclusion of an ad hoc custody agreement. If you would wish to know more, let us know on csd-custody@borzamalta.com.mt .

Governing laws and Disclaimer

The access link necessitates securities accounts opened in the respective central securities depositories of the MSE and CBF that are governed by Maltese law and German law respectively. While the MSE commits in good faith to reasonably use at all times its best endeavours in connection with the access link services, the MSE does not assume and actually disclaims any responsibility in respect of any restriction, curtailment, suspension, interruption, failure or termination of any request for such services as a result of the application of German law or any other relevant circumstances beyond its control.

Malta Stock Exchange plc

October 2015



Enclosures :

Annex 1 New Issue Subscription Form

Annex 2 SWIFT Instruction Messaging Indemnification Form

Annex 3 Proxy Client SWIFT Instructions Messaging Indemnification Form

Annex 4 Request for MSE=-CBF Access Clearing and Settlement

Annex 5 MSE-CBF Access Link Fees

RELEVANT ACCESS LINK INFORMATION ON SPECIMEN NEW ISSUE SUBSCRIPTION FORM

In the Section entitled "APPLICANT", just after the details of "FULL NAME & SURNAME/REGISTERED NAME", it is advised that a guiding note is inserted as follows: -

Clearstream-Malta Stock Exchange Access Link : If availing of the Malta Stock Exchange plc ('MSE')- Clearstream Banking AG, Frankfurt ('CBF') Access Link as a customer of CBF or Clearstream Banking SA, Luxembourg ('CBL') or as any other investor capable of clearing through CBF/CBL via another central securities depository or international central securities depository ('other CS/ICSD') linked to CBF/CBL, kindly fill in the relevant details as appropriate as indicated hereunder

For further information, vide:

http://www.borzamalta.com.mt/index.php?option=com_wrapper&view=wrapper&Itemid=185

Immediately after the details of the Applicant, it is advised that the following information should be requested: -

REGISTERED NAME AS KNOWN TO CBF/ CBL or other CSD (only if a CBF/CBL or other CSD customer availing of the <i>MSE-CBF Access Link</i>)	CBF/CBL ACCOUNT NUMBER <i>(please fill in or strikethrough as appropriate)</i>	OTHER CSD LINKED TO CBF/CBL <i>(please fill in or strikethrough as appropriate)</i>
		NAME & ADDRESS OF OTHER CSD LINKED TO CBF/CBL
		ACCOUNT NUMBER OF OTHER CSD LINKED TO CBF/CBL

SWIFT® INSTRUCTION MESSAGING INDEMNIFICATION FORM

To:- Central Securities Depository,
MALTA STOCK EXCHANGE plc
Castille Place, Valletta VLT1063

TODAY _____ of _____ (*insert date*)

WHEREAS, the undersigned _____

_____ (*insert details of investor holding MSE Account, i.e. name and surname of account holder or authorised representatives of registered company/entity name [in latter case, together with details of authority or resolution attached in original or as an authenticated copy thereof]*) hereinafter referred to as the "**client**", holds a securities account with the Malta Stock Exchange plc ('**MSE**') Central Securities Depository ('**CSD**') with the MSE Account Number _____;

WHEREAS the client is licensed to use SWIFT® with the exclusive BIC Code Address _____, while the MSE is also licensed to use SWIFT® with the exclusive BIC Code Address XMALMTMT;

WHEREAS the client requests the CSD to act on instructions transmitted by messages issuing direct instructions addressed to the CSD to activate SWIFT® clearing and settlement messaging over the MSE's access link with Clearstream Banking Aktiengesellschaft ('**CBF**');

WHEREAS the CSD has informed the client that it is prepared to act on such SWIFT® messages issuing direct instructions which purport to emanate from the client as above-mentioned, provided it receives a release and indemnity in the form hereof;

AND WHEREAS the client is prepared to give such release and indemnity;

NOW THEREFORE, the client hereby:-

1. agrees that all SWIFT® messages with direct instructions, mandates, consents, commitments, resolutions or any other documentation which purport to emanate from the client shall be deemed to have been given by the client in the form actually received by the CSD (purported SWIFT® messages issuing direct instructions) and that the client shall be bound thereby;
2. waives any rights the client may have or obtain against the CSD arising directly or indirectly from any losses or damages which the client may suffer because the CSD acts on any purported SWIFT® messages issuing direct instructions; and the client agrees to indemnify the CSD in respect of any claims, demands or actions made against it or losses or damages suffered by it because it so acted;
3. agrees that in respect of purported SWIFT® messages issuing direct instructions regarding the transfer of securities, whether the transfer is from any account in the client's name to any other account in the client's name or to any account in the name of any third party, same day value may only be given if the instructions are received by the CSD a reasonable time before 12.00 hours;
4. agrees to implement and adhere to any procedures and/or restrictions imposed on the client by the CSD from time to time regarding the sending of SWIFT® messages to the CSD;
5. agrees that this release and indemnity will not be affected by any failure by the CSD to impose any or sufficient procedures or restrictions or to ensure that any, or all of them are adhered to;
6. agrees that the CSD will not be obliged to act on any purported SWIFT® messages sent by client unless such messages comply with all other requirements set out by the relevant CSD procedures and that the CSD may at any time give a written notice to the client, by electronic mail at the address indicated below or by facsimile transmission on the fax number indicated below or an ad hoc SWIFT® message at client's SWIFT® address shown above, that it is suspending or withdrawing from the arrangements envisaged in this document.

Signed on behalf of _____ (full name of the client),

Authorised signatory

Full Name
Designation
Tel. & Fax Nos:-
Email Address:-

Authorised signatory

Full Name
Designation
Tel. & Fax Nos:-
Email Address:-

Witness to signature/s and identity of appearers hereto, _____

(insert full name and surname, official capacity, identity card number or other official means/document of identification of witness who must be an advocate, notary public, legal procurator admitted to the legal/notarial practice in Malta or a senior manager or director with a firm holding a banking, insurance or investment services issued by the Malta Financial Services Authority or serve in another official capacity acceptable to the MSE), accepting to countersign hereon after having explained the contents of this indemnification to the above-mentioned appearer/s, at _____

(insert address of premises where this indemnification is being executed), this _____ day, of the month of _____, of the year

(insert same date as shown on page 1).

_____ - Full name, surname and signature of Witness Tel. & Fax Nos.:- Email Address:-	<i>(Apply rubber-stamp/seal of Witness here)</i>
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PROXY CLIENT SWIFT® INSTRUCTION MESSAGING
INDEMNIFICATION FORM

To:- Central Securities Depository,
MALTA STOCK EXCHANGE plc
Castille Place, Valletta VLT1063

TODAY _____ of _____ (*insert date*)

WHEREAS, the undersigned _____

_____ (*insert details of investor holding MSE Account, i.e. name and surname of account holder or authorised representatives of registered company/entity name [in latter case, together with details of authority or resolution attached in original or as an authenticated copy thereof]*) hereinafter referred to as the "**client**", holds a securities account with the Malta Stock Exchange plc (**MSE**) Central Securities Depository (**CSD**) with the MSE Account Number _____;

WHEREAS the undersigned _____

_____ (**Intermediary**) is licensed by the Malta Financial Services Authority by virtue of Licence Number _____ to provide _____ and is licensed to use SWIFT® with the exclusive BIC Code Address _____,

WHEREAS the MSE is also licensed to use SWIFT® with the exclusive BIC Code Address XMALMTMT;

WHEREAS the client requests the Intermediary to transmit *SWIFT® messages* addressed to the CSD with direct instructions involving securities held in the client's MSE Account abovementioned;

WHEREAS the client requests the CSD to act on instructions transmitted by messages issuing direct instructions addressed to the CSD to activate SWIFT® clearing and settlement messaging over the MSE's access link with Clearstream Banking Aktiengesellschaft (**CBF**);

WHEREAS the client is aware that the CSD is prepared to act on such SWIFT® messages issuing direct instructions which purport to emanate from the client as above-mentioned, provided the CSD receives a release and indemnity in the form hereof;

AND WHEREAS the client is prepared to give such release and indemnity;

NOW THEREFORE, the client hereby:-

1. agrees that all SWIFT® messages with direct instructions, mandates, consents, commitments, resolutions or any other documentation which purport to emanate from the client shall be deemed to have been given by the intermediary on behalf of the client in the form actually received by the CSD (purported SWIFT® messages issuing direct instructions) and that the client shall be bound thereby;
2. waives any rights the client may have or obtain against the CSD arising directly or indirectly from any losses or damages which the client may suffer because the CSD acts on any purported SWIFT® messages issuing direct instructions; and the client agrees to indemnify the CSD in respect of any claims, demands or actions made against it or losses or damages suffered by it because it so acted;
3. agrees that in respect of purported SWIFT® messages issuing direct instructions regarding the transfer of securities, whether the transfer is from any account in the client's name to any other account in the client's name or to any account in the name of any third party, same day value may only be given if the instructions are received by the CSD a reasonable time before 12.00 hours;
4. agrees to implement and adhere to any procedures and/or restrictions imposed on the client by the CSD from time to time regarding the sending of SWIFT® messages to the CSD;
5. agrees that this release and indemnity will not be affected by any failure by the CSD to impose any or sufficient procedures or restrictions or to ensure that any, or all of them are adhered to;
6. agrees that the CSD will not be obliged to act on any purported SWIFT® messages sent by client unless such messages comply with all other requirements set out by the relevant CSD procedures and that the CSD may at any time give a written notice to the intermediary on behalf of the client, by electronic mail at the address indicated below or by facsimile transmission on the fax number indicated below or an ad hoc SWIFT®

message at client's SWIFT® address shown above, that it is suspending or withdrawing from the arrangements envisaged in this document.

Signed on behalf of _____ (full name of the client),

Authorised signatory
For CLIENT _____
Full Name
Designation
Tel. & Fax Nos:-
Email Address:-

Authorised signatory
For INTERMEDIARY _____
Full Name
Designation
Tel. & Fax Nos:-
Email Address:-

Witness to signature/s and identity of appearers hereto, _____

(insert full name and surname, official capacity, identity card number or other official means/document of identification of witness who must be an advocate, notary public, legal procurator admitted to the legal/notarial practice in Malta or a senior manager or director with a firm holding a banking, insurance or investment services issued by the Malta Financial Services Authority or serve in another official capacity acceptable to the MSE), accepting to countersign hereon after having explained the contents of this indemnification to the above-mentioned appearer/s, at _____

(insert address of premises where this indemnification is being executed), this _____ day, of the month of _____, of the year

(insert same date as shown on page 1).

<p>_____ - Full name, surname and signature of Witness Tel. & Fax Nos.: - Email Address: -</p>	<p><i>(Apply rubber-stamp/seal of Witness here)</i></p>
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REQUEST FOR MSE-CBF ACCESS CLEARING & SETTLEMENT

To:- Central Securities Depository,
MALTA STOCK EXCHANGE plc
Castille Place, Valletta VLT1063

TODAY _____ of _____ (insert date)

WHEREAS, the undersigned _____

_____ (insert details of investor holding MSE Account, i.e. name and surname of account holder or authorised representatives of registered company/entity name [in latter case, together with details of authority or resolution attached in original or as an authenticated copy thereof) hereinafter referred to as the "**client**", holds a securities account with the Malta Stock Exchange plc (**MSE**) Central Securities Depository (**CSD**) with the MSE Account Number _____;

WHEREAS the client requests the CSD to act on instructions detailed below to activate SWIFT® clearing and settlement messaging over the MSE's access link with Clearstream Banking Aktiengesellschaft (**CBF**) in accordance with the relevant CSD procedures;

NOW THEREFORE, the client hereby requests the CSD to :-

1. transfer and debit the amount of

_____ (insert amount in figures of a specified issue of securities held by client) from MSE Account Number _____ held in the client's name and effect a corresponding delivery and credit of the said amount of the specified security/securities in favour of MSE as custodian of CBF, free of payment (**FOP**), for onward delivery to CBF customer _____ (insert full name of CBF customer as registered with CBF) holder of CBF Account Number _____; or *

2. receive and credit the amount of

_____ (insert amount in figures of a specified issue of securities that will be acquired by client) in favour of MSE Account Number _____ held in the client's name, upon authorisation of a corresponding transfer and debit of the said amount of the specified security/securities from the MSE as custodian of CBF, free of payment ('**FOP**'), following upon delivery of the said amount of the specified security/securities from CBF customer _____ (insert full name of CBF customer as registered with CBF) holder of CBF Account Number _____.

* Delete as appropriate

Signed on behalf of _____ (full name of the client),

Authorised signatory

Full Name
Designation
Tel. & Fax Nos:-
Email Address:-

Authorised signatory

Full Name
Designation
Tel. & Fax Nos:-
Email Address:-

Witness to signature/s and identity of appearers hereto, _____

(insert full name and surname, official capacity, identity card number or other official means/document of identification of witness who must be an advocate, notary public, legal procurator admitted to the legal/notarial practice in Malta or a senior manager or director with a firm holding a banking, insurance or investment services issued by the Malta Financial Services Authority or serve in another official capacity acceptable to the MSE), accepting to countersign hereon after having explained the contents of this indemnification to the above-mentioned appearer/s, at _____

(insert address of premises where this indemnification is being executed), this

_____ day, of the month of _____, of the
year

_____ (insert same date as shown on page 1).

<p>_____ - Full name, surname and signature of Witness Tel. & Fax Nos.: - Email Address: -</p>	<p><i>(Apply rubber-stamp/seal of Witness here)</i></p>
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FEES

Clearing and Settlement Fee	€2.00 per instruction
SWIFT Charges	As appropriate
Administrative Charge [applicable to Annex 4 instructions]	€25.00 per instruction

Notes

1.0 Participants of MaltaClear

Fees and charges due by MaltaClear participants shall be payable monthly in arrears in respect of instructions issued during the previous month and will be invoiced in Euro irrespective of the currency of the transaction effected.

2.0 Others

All fees and charges shall be paid in advance, immediately upon the issuing of instructions.

For further information regarding remittance of payment please contact CSD on access@borzamalta.com.mt.

3.0 Fees and charges will be due as follows :

3.1 Instructions received by SWIFT :

Clearing and Settlement fee and relevant SWIFT charges will be due by the sender of the SWIFT message.

3.2 Instructions received on Annex 4 Requests:

Clearing and Settlement Fee, SWIFT and Administrative Charges will be due by the sender of Annex 4 Requests.

Clearing and Settlement fees, SWIFT and Administrative Charges are non-refundable.