

# NATIONAL BANK OF BELGIUM RESERVE MANAGEMENT SERVICES

## TERMS and CONDITIONS

The National Bank of Belgium (the "**Bank**"), acting as a member central bank of the Eurosystem, provides reserve management services to central banks, monetary authorities, countries (including any public authority or government agency) outside the Euro area and international organisations to enable them to invest their euro-denominated monetary reserves.

~~The Bank offers these services as an Individual Service Provider (ISP) within the framework of the Eurosystem Reserve Management Services (ERMS).~~ The Bank provides the reserve management services as described in these Terms and Conditions.

The contract between the Bank and ..... (the "Customer") in relation to the following reserve management services (the "**Contract**") is constituted exclusively by the present "Terms and Conditions" and the "Agreement Letter" signed by the Customer.

### Chapter 1: Custody (safe keeping) account(s)

#### Article 1: Bank as Custodian

1. The Bank shall act as custodian in relation to securities (hereinafter called the "**Property**") held by it on behalf of the Customer in custody accounts recorded in its books.
2. These custody services are limited to the securities registered in the Securities Settlement System of the Bank (NBB-SSS).
3. The securities will be held, according to their nature, either in dematerialised form or under a fungible regime, in which case they will be held in compliance with *Royal Decree n° 62 relating to the deposit of fungible financial instruments and the settlement of transactions on such instruments*.

#### Article 2: Custody Accounts

The Bank shall at all times hold the Property in each custody account separate and distinct from the Property in any other custody accounts. There shall be no inter-account transfers unless such instructions have been received from the Customer.

### **Article 3: Delegation**

The Bank may entrust the safekeeping of the Property or any item of the Property or any document of title relating thereto to any competent third party, and may delegate the performance of all or any of its obligations and duties to such third party, provided that the Bank shall nevertheless remain responsible and liable for all expense, loss or damage suffered by or occasioned to the Customer by any failure (act or omission) on the part of such third party, and the Customer shall have recourse to the Bank in all respects as if such expense, loss or damage were attributable to the Bank.

### **Article 4: Fees for custody**

1. The Bank shall charge a fee calculated on the nominal value of the securities held on the custody account at the end of March, June, September and December respectively, covering the custodial services over the past 3 months. This fee shall amount to 0.05 per thousand on an annual basis.
2. The amount of this fee detailed per custody account will be communicated to the Customer at the beginning of the month following the end of the period covered, and the Bank will debit any cash account held by the Customer for the amounts due under these Terms and Conditions.

## **Chapter 2 : Additional Custodian (safe keeping) Services**

### **Article 5: Custody statements**

1. The Bank will provide the Customer with end-of-month custody statements.
2. Such statements may be provided at other times at the Customer's request.

### **Article 6: Transmission of the custody statements**

The Bank will transmit the statements to the Customer via SWIFT or by any other means of communication (e.g. via mail), as requested by the Customer in the Agreement Letter.

### **Article 7: Notification of corporate actions**

1. At their request, the Customer will be notified promptly by the Bank of any corporate action involving holdings on their account. The notification will take place via SWIFT, or by any other means of communication if requested.
2. At their request, Customer will be advised of interest and redemption payments on the day of the payment.

### **Article 8: Processing of corporate actions on behalf of the Customer**

The Bank will credit the proceeds of corporate actions to customers' designated accounts but only where such act does not require the exercise of business discretion.

## Chapter 3 : Securities Settlement Services

### Article 9: Securities Settlement Services

1. The Bank shall offer 'free of payment' or 'delivery versus payment' settlement for all securities registered in the Securities Settlement System of the Bank.
2. The Bank will be obliged to carry out the Customer's settlement instructions to debit a cash or securities account only if the credit balance is at least equal to the amount to be debited pursuant to each settlement instruction. If the credit balance in the account is insufficient to cover all debits as instructed, but is sufficient to cover one or more of such debits, the Bank may choose, at its discretion, to effect one or more of such debits.
3. Instructions shall be transmitted by the Customer via SWIFT at least one business day before the settlement day.
4. At the request of the Customer, the Bank will confirm all operations via SWIFT, or by any other means of communication if requested.

## Chapter 4 : Cash account(s) - Holding and Overnight Investment of cash balances

### Article 10: Cash account services

The Bank holds cash accounts and provides cash account services at the request of the Customer. Such services shall be limited (i) to the opening of cash accounts and (ii) to the execution of incoming and outgoing cashless payment transactions in connection with the reserve management services provided by the Bank to the Customer.

The holding of cash accounts is subject to the NBB's Current Accounts Rules (as amended from time to time). The current version of the NBB's Current Accounts Rules is attached to these Terms and Conditions.

### Article 11: Remunerated accounts

The Bank holds cash accounts recording the cash balances in Euro held by the Customer. The cash accounts are remunerated as set out in Articles 12 and 13.

### Article 12: Calculation of the remuneration

1. The overnight individual cash balance will be remunerated taking into account the Tier 1 limit allocated to the Customer.
2. At every review, this limit is calculated on the Customer's cash balance over the last 3-month period and taking into account the overall Tier 1 limit allocated for all ERMS-customers of the NBB. A review of the allocated limit to the Customer will take place at least annually.
3. The credit or debit of interest on the Customer's account will be computed on a day by day basis (applying the €str published on T+1 for day T) and credited or debited to the Customer's account within five business days after the last working day of the previous month at the latest.
4. The Tier1 limit allocated by the NBB to the Customer and any subsequent review of the

allocated limit are communicated via SWIFT, or by any other means of communication if requested.

### **Article 13: Rate of remuneration**

The remuneration offered on a Tier 1 investment will be the higher of the €str or the deposit facility rate. The €str is the euro short-term rate published by the ECB referring to unsecured euro market overnight borrowing transactions that occurred on the previous business day.

Balances that cannot be accommodated under the Tier 1 limit on any given day will be classified as excess cash balances.

The remuneration applied to the excess cash balances will be calculated as follows: (i) if the deposit facility rate is equal to or above 0,00%, the remuneration rate will be 0,00% and (ii) if the deposit facility rate is below 0,00%, the remuneration will be the deposit facility rate less a margin of 15 basis points.

## **Chapter 5 : Miscellaneous**

### **Article 14: Cash Accounts**

All proceeds, collections and payments realised in respect of an item of the Property shall be credited to the Customer's cash account hold by the Bank.

### **Article 15 : Care of the Property and associated duties**

1. The Bank shall, when acting as a custodian, exercise the same standard of care as that required by a professional custodian in the safekeeping of the Customers' Property.
2. The Bank shall discharge its duties under this Contract in a timely manner and shall in the same manner execute all instructions of the Customer with respect to the Property where such instructions are required.

### **Article 16: Communication**

1. The Bank shall act only in accordance with instructions from the Customer, which will be given via SWIFT using test and authenticator keys. Contingency procedures can be activated in the event of technical problems on a case-by-case basis.
2. For audit purposes, within seven days after 31 March or 31 December each year, the Bank will submit certified statements of the cash and custody accounts as of the said dates to the Customer.
3. The Bank shall in any event, within 2 days of receipt, dispatch to the Customer all notices and communications relating to securities and requiring the Customer's instructions or attention.
4. Communications to the Bank should be addressed as follows:

#### **Mailing address :**

Payments and securities  
National Bank of Belgium  
14, boulevard de Berlaimont  
1000 Brussels  
Belgium

**SWIFT :**

- NBBE BE BB 243 (Back Office)
- NBBE BE BB 203 (Current Accounts)

**Article 17: Review of fees**

1. The fees that the Bank charges to the Customer for the provision of the reserve management services are subject to review by the Eurosystem, and the Customer shall, in accordance with law applicable, be bound by any fee revisions resulting from time to time from such reviews.
2. The Bank will give the Customer at least 14 calendar days' written notice of any change to its fees.

**Article 18: Identity of the counterparty**

The Bank is the sole counterparty of the Customer in respect of the provision of the reserve management services described in the current Terms and Conditions. These Terms and Conditions do not create customer rights or entitlements vis-à-vis any other Eurosystem members. This provision does not prevent a customer from having such an arrangement with several Eurosystem members.

**Article 19: Information provided to the European Central Bank**

1. The Bank shall provide ~~the authorised personnel of~~ the European Central Bank with any relevant information on the provision of reserve management services to the Customer. The European Central Bank may share relevant information within the Eurosystem.

~~Before the Bank discloses the identity of an existing as made reference to in Article 19(1), the Bank shall obtain the Customer's consent to the disclosure.~~

2. Notwithstanding the consent given by the Customer to the Bank to disclose the Customer's identity to the European Central Bank pursuant to Section 4 of the Agreement Letter, the Bank agrees that the only information with respect to the Customer it will disclose to the European Central Bank, in addition to the Customer's identity, are:

(a) the Tier 1 limit;

(b) in case of a cyber incident, information reasonably necessary to prevent damage to the Customer or the Bank, or other ERMS providers with whom the Customer may have an ERMS customer relationship and the Bank will in any event inform the Customer of the information disclosed;

(c) quarter-end balances and average balances over the elapsed quarter on the individual Customer's cash accounts held with the Bank;

(d) quarter-end Tier1 investment balances or values as the case may be, as well as quarterly averages thereof for the elapsed quarter, with regard to any other reserve management service that the Bank may provide to the Customer under the Guideline (EU) 2021/564 of the European Central Bank of 17 March 2021.

3. ~~If such the Customer's consent as referred to in paragraph 2 is not obtained as made reference to in Article 19(2),~~ the Bank shall provide ~~the authorised personnel of~~ the European Central Bank with the required information without revealing the identity of the Customer. In that case, the Bank shall set the Tier 1 limit of that Customer's cash account(s) to zero (0).

## **Article 20: Anti-Money Laundering and Counter Terrorist Financing**

The Customer confirms to the Bank that it complies with all Union and national laws for the prevention of money laundering and terrorist financing, in so far as and to the extent applicable to it, including instructions given by competent authorities, and that it is not involved with any form of money laundering or terrorist financing.

## **Article 21: Force Majeure**

Neither the Bank nor the Customer will be liable for delay or failure to perform any of its obligations hereunder if such delay or failure is due to fire, earthquake, flood, war, riot, revolution or any other cause beyond the reasonable control of either party. The party affected will notify the other party of the event causing the failure or delay as soon as reasonably practicable.

## **Article 22: Amendments of the Terms and Conditions**

The Terms and Conditions may be modified at any time by the Bank. Any amendments will be notified to the Customer in advance, by ordinary letter or by any other means of communication deemed appropriate (SWIFT), indicating when the amendment(s) take(s) effect. If the Customer does not accept the amendment(s) notified to him, he must terminate the Contract by giving notice thereof before the amendment(s) take(s) effect. Failing that, he is deemed to have accepted the amendment(s).

## **Article 23 : Termination**

Either of the parties hereto shall be entitled to terminate the Contract at any time, upon giving notice to such effect, but with the proviso that the provisions of these Terms and Conditions shall survive such termination and shall continue to apply to transactions for which the Bank has received an application, instruction or notification prior to such termination, until such transactions have been completed.

## **Article 24 : Applicable Law**

Without prejudice to the application of the Current Account Rules (attached to these Terms and Conditions), only Belgian law is applicable to the Contract and to the above-mentioned accounts.

## **Article 25 : Jurisdiction**

Any litigation between the Bank and the Customers related to the Contract is to be submitted to the exclusive jurisdiction of the Brussels courts.

Done in Brussels, on .....

For and on behalf of

**NV NATIONAL BANK OF BELGIUM S.A.**

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Pierre Wunsch, Governor

For and on behalf of .....

(NAME OF CUSTOMER),

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[Appendix 1 : Casper Terms and Conditions \(current accounts application of the National Bank of Belgium\)](#)