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**Welcome to the Depository-
Information Gathering Project.**

Before beginning, we suggest that you:
print the entire document for review on
paper; review the Glossary of Terms.
Each will assist you with answering the
questions. For help, contact: Robin D.
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Note

*** When reviewing/updating your prior year's responses in the questionnaire, please ensure that the sub-questions are reviewed/updated as well.**

*** Please deselect/uncheck any responses in the sub-questions where those responses are no longer applicable.**

*** Please note: Any text in the "other" and/or "please explain/describe" questions should be deleted before deselecting the response. In this regard, note that deselecting a response with written text does not delete the information, it only hides the information from view.**

*** Any responses that appear in open text boxes should be deleted if the information is no longer applicable.**

SCOPE, STRUCTURE, OWNERSHIP, CAPITAL, REGULATION AND AUDIT

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

Response Necessary/Eligibility Question

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

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

Yes, Other (please answer 1a)

1a. Please explain:

All securities are treated as fungible and can thus be transferred or pledged by electronic book-keeping entry without any requirement for physical delivery of any instrument of title to the same securities.

Response Necessary/Eligibility Question

2. Rule 17f-7 also requires that an Eligible Securities Depository "acts as or operates a system for the central handling of securities or equivalent book-entries in the country where it is incorporated," or "acts as or operates a transnational system for the central handling of securities or equivalent book-entries."

Does your institution: (Choose all that apply.)

Act as or operate a system for the central handling of securities or equivalent book-entries in the country where it is incorporated? (please answer 2b), Act as or operate a transnational system for the central handling of securities or equivalent book-entries? (please answer 2b), Act in another capacity with respect to the handling of securities or equivalent book-entries? (please answer 2a), Other (please answer 2a)

2a. Please explain:

The CSD in Malta is legally capable and regularly licensed to act as a custodian, with the full capacity to offer such services within the European Union by virtue of the freedom to provide services across all of Europe (MALTA being a full Member of the EU). The MSE_CSD also acts as IPO registrar and Malta's National Numbering Agency.

2b. Please specify the types of securities for which you act as or operate a system for the central handling of securities or equivalent book-entries:

The CSD keeps shareholder registers and operates a book-entry transfer system for Malta Stock Exchange listed securities and other admitted securities. The securities can be classified under any of the following broad categories:- 1- Share/Equity securities 2-Government Treasury Issued Bonds 3-Corporate Bonds 4-Units in collective schemes 5- Structured Debt instruments 6-Money market instruments 7-Other instruments

3. What type of legal entity is the institution? (Choose all that apply.)

Public Company, Stock Exchange (or part thereof)

3a. Please explain:

4. Is the institution operated as a "for profit" or a "not for profit" organization?

For profit

4a. If other, please explain:

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

Government of Malta indirectly owns 100% of the Malta Stock Exchange plc which runs the regulated market and central securities depository (via a holding company).

6. Please answer the following:

6a. What is the date of establishment of the depository?

01/Jan/1992

6b. What is the date that the depository's operations began?

01/Jan/1992

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

The Financial Markets Act (Chapter 345 of the Laws of Malta), the Financial Markets Rules & the Malta Stock Exchange Bye Laws as well as the Central Bank of Malta Act (Chapter 204 of the Laws of Malta) and Central Bank of Malta Directive No.2 on Payment and Securities Settlement Systems.

7a. Is the regulation or statute electronically available?

Yes (please answer 7b)

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

www.borzamalta.com.mt and www.centralbankmalta.org

7c. Please supply document(s) here:

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

What are the qualifications to become a board member?

A candidate qualifies as a board member if the requisite support of the shareholders is garnered and he is duly approved by the Malta Financial Services Authority as a fit and proper person.

7e. What are the election procedures?

Appointment by the requisite number of votes of the holders of voting shares as specified in the Articles of Association of Malta Stock Exchange plc

7f. What is the maximum length of time a board member can serve?

Maximum term of appointment is specified in the Articles of Association of Malta Stock Exchange plc.

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

Every board member is entitled to one vote on matters put to a vote, while in the case of a parity of votes, the Chairman exercises a casting vote.

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

The Malta Financial Services Authority

Response Necessary/Eligibility Question

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

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

A governmental body or regulatory organization empowered to administer or enforce laws related to securities matters., A governmental body or self-regulatory organization empowered to administer or enforce laws related to other financial activities., A membership organization which regulates the participation of its members in securities matters or other financial activities.

8a. Please explain:

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

Malta Financial Services Authority & Central Bank of Malta which forms part of teh Eurosystem

Response Necessary/Eligibility Question

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

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

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

10a. Please explain:

EUROSYSTEM within the Eurozone & Monitoring Group that supervises compliance with the European Union Code of Compliance on Clearing & Settlement and Principles for Financial Market Infrastructures set out by CPSS/IOSCO.

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

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

Malta Financial Services Authority &/or Central Bank of Malta which is itself part of the Eurosystem.

11a.

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

11b. Please explain:

Admonition and censure

Name of Authority #2 (please answer 11c):

Independent statutory/external auditors and European Union Monitoring Group

11c.

Other (please answer 11d)

11d. Please explain:

Qualification of Management Letters and Censure

12. Has there been any use of such enforcement actions in the last three years?

No

12a. If yes or other, please explain:

Capital

13. Are annual financial statements publicly disclosed?

Yes (please answer 13a)

13a. If yes, the AGC requests a copy of the institution's annual report. Is the annual report available electronically?

Yes (please answer 13b)

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

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

13d. Please insert web link(s) for 13b here:

http://www.borzamalta.com.mt/index.php?option=com_jotloader&view=categories&cid=8_22281ec37e08d648a908a0a36fef4ac3&Itemid=146

13e. If no, and annual report and/or financial statements are not disclosed, please state your share capital, reserves, and retained earnings (or equivalents as determined under local accounting standards).

Share Capital (then please answer 13f):

13f. Reserves (then please answer 13g):

13g. Retained Earnings:

13h. If other, please explain:

Internal Audit

14. Is an internal audit undertaken in your depository?

Yes (please answer 14a)

14a. If yes, what areas does the audit cover (financials, operations, etc.) and which department in your depository handles it?

Operations audit is carried by the Operations Audit Office and the audit covers all operational processes within the depository.

14b. Please list the date of your last internal audit:

30/Oct/2014

Please list the period that the audit covered:

28/Oct/2013

to

29/Oct/2014

14c. How frequently does the internal audit occur? (Choose one.)

Two or more times a year (please answer 14e)

14d. If less than annually, please explain:

14e. Are the results of the internal audit publicly available?

No

14f. Please select the statement that most accurately characterizes the results of the last internal audit: (Choose one.)

No material exceptions found.

14g. If minor or material exceptions were found, what actions were taken? Please describe:

Internal audit is carried out regularly on a continuing basis.

15. Is a financial audit performed by an Audit Firm, Regulatory Authority, or other external party?

Yes (please answer 15a)

15a. If yes, please state the name(s) of the entity(ies) who perform the financial audit.

KPMG

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

30/Mar/2014

15c. Please list the period that the audit covered:

01/Jan/2013

to

31/Dec/2013

15d. How frequently does the financial audit occur? (Choose one.)

Annually (please answer 15f)

15e. If less than annually, please explain:

15f. Are the results of the financial audit publicly available?

Yes

15g. Please select the statement that most accurately characterizes the results of the last financial audit: (Choose one.)

No material exceptions found.

15h. If minor or material exceptions were found, what actions were taken? Please describe:

16. Is an operational audit performed by an Audit Firm, Regulatory Authority, or other external party?

Yes (please answer 16a)

16a. If yes, please state the name(s) of the entity(ies) who perform the operational audit.

An operational audit may be performed by an audit firm, regulatory authority or other external agency as necessary from time to time.

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

11/Nov/2014

16c. Please list the period that the audit covered:

01/Jan/2013

to

31/Oct/2014

16d. How frequently does the operational audit occur? (Choose one.)

Two or more times a year (please answer 16f)

16e. If less than annually, please explain:

16f. Are the results of the operational audit publicly available?

No

16g. Please select the statement that most accurately characterizes the results of the last operational audit: (Choose one.)

No material exceptions found.

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

PARTICIPANTS AND PARTICIPATION

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

17. What types of entities are eligible to become participants and how many of each type are there currently? (Choose all that apply.)

Banks (please answer 17a), Brokers (please answer 17e), Individuals (please answer 17i), Foreign Institutions (please answer 17m), Other entities (please answer 17q)

17a. How many Bank participants are there currently? (then please answer 17b)

Amount of Bank participants holding securities accounts within the Depository is not currently updated, but Banks are also included in MaltaClear Participants list accessible on the website at http://www.borzamalta.com.mt/index.php?option=com_content&view=category&layout=blog&id=10&Itemid=116 .

17b. Please select the features included in the eligibility requirements for Banks. (Choose all that apply.)

Other (please answer 17d)

17c. Where can a description of the specific eligibility requirements for Bank participants be found?

17d. Please explain:

Bank client notification form

17e. How many Broker participants are there currently? (then please answer 17f)

Thirteen with a larger number of traders attached to the brokerage firms (having represented thousands of securities account holders).

17f. Please select the features included in the eligibility requirements for Brokers. (Choose all that apply.)

Financial Thresholds (please answer 17g), Regulatory Oversight (please answer 17g), Market Experience (please answer 17g), Other (please answer 17h)

17g. Where can a description of the specific eligibility requirements for Broker participants be found?

Investment services guidelines issued by the Malta Financial Services Authority (vide website www.mfsa.com.mt) and Chapter Seven of the Malta Stock Exchange Bye-laws on Clearing & Settlement accessible at http://www.borzamalta.com.mt/index.php?option=com_wrapper&view=wrapper&Itemid=253 .

17h. If other, please explain:

Broker Notification Form

17i. How many Individual participants are there currently? (then please answer 17j)

Thirteen Clearing Participants are currently all licensed as corporate entities investment services license holders.

17j. Please select the features included in the eligibility requirements for Individual participants. (Choose all that apply.)

Financial Thresholds (please answer 17k), Regulatory Oversight (please answer 17k), Market Experience (please answer 17k), Other (please answer 17l)

17k. Where can a description of the specific eligibility requirements for Individual participants be found?

Investment services guidelines issued by the Malta Financial Services Authority (vide website www.mfsa.com.mt) and Chapter Seven of the Malta Stock Exchange Bye-laws on Clearing & Settlement accessible at http://www.borzamalta.com.mt/index.php?option=com_wrapper&view=wrapper&Itemid=253 .

17l. If other, please explain:

Client Notification Form for notification by brokers/investment intermediaries of clients to hold securities accounts

17m. How many Foreign Institution participants are there currently?

Amount of foreign institutional participants holding securities accounts is not currently updated, but there is currently one foreign Member Firm.

17n. Please select the features included in the eligibility requirements for Foreign Institution participants. (Choose all that apply.)

Financial Thresholds (please answer 17o), Regulatory Oversight (please answer 17o), Market Experience (please answer 17o), Other (please answer 17p)

17o. Where can a description of the specific eligibility requirements for Foreign Institution participants be found?

Investment services guidelines issued by the Malta Financial Services Authority (vide website www.mfsa.com.mt) and Chapter Seven of the Malta Stock Exchange Bye-laws on Clearing & Settlement accessible at http://www.borzamalta.com.mt/index.php?option=com_wrapper&view=wrapper&Itemid=253 .

17p. If other, please explain:

Client Notification Form

17q. If you have selected "Other entities" above, please explain:

Corporate vehicles

17r. Indicate how many "Other entities" are currently participants?

Amount is not currently updated

17s. Please select the features included in the eligibility requirements for the participants referred to above as "Other entities". (Choose all that apply.)

Financial Thresholds (please answer 17t), Regulatory Oversight (please answer 17t), Market Experience (please answer 17t), Other (please answer 17u)

17t. Where can a description of the specific eligibility requirements for participants described above as "Other entities" be found?

Investment services guidelines issued by the Malta Financial Services Authority (vide website www.mfsa.com.mt) and Chapter Seven of the Malta Stock Exchange Bye-laws on Clearing & Settlement accessible at http://www.borzamalta.com.mt/index.php?option=com_wrapper&view=wrapper&Itemid=253 .

17u. If other, please explain:

Client Notification Form

18. Are participants required to contribute capital to the depository that would result in ownership of the depository?

No, Not applicable

18a. If yes, what fixed amount is required or what formula is used to determine the appropriate contribution level?

18b. If other, please explain:

19. Are prospective participants subject to an initial review and approval process regarding compliance with eligibility requirements?

Yes

19a. If other, please explain:

Conditions of Participation

20. What governs the relationship between the depository and the participants? (Choose all that apply.)

Relevant law and regulation, Standard participation contract, Established terms and conditions of participation, By-laws of the depository, Rules of the depository

20a. Please explain:

Response Necessary/Eligibility Question

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

Please confirm that assets of foreign investors held by custodians as participants in the depository are held under safekeeping conditions no less favorable than the conditions that apply to other participants.

Yes (please answer 21b)

21a. If no, other or not applicable, please explain:

21b. Please confirm the basis for the arrangements in place to ensure that the assets you hold for custodians receive the same level of safekeeping protection as the assets held for other categories of participants. (Choose all that apply.)

Relevant Law and Regulation (please answer 21d), Other (please answer 21c)

21c. Please explain:

Relevant Law and Regulations including Central Securities Depositories (Control of Assets) Regulations; The Malta CSD as (sub-)custodian will consider safekeeping protection contractual covenants (including reporting, monitoring or reconciliation procedures in an agreed service level agreement) as global custodians would feel useful or appropriate to propose.

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

Central Securities Depository (Control of Assets) Regulations (Legal Notice 139 of 2009) accessible at <http://www.justiceservices.gov.mt/DownloadDocument.aspx?app=lom&itemid=10154> .

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

By e-mail, By public announcement, Other (please answer 22a)

22a. Please explain:

Consultation with stakeholders with adequate advance notice of any effective date of any new changes and where appropriate, also telephone communications in the context of an ad hoc service level agreement.

Governance of Participants

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

The depository, The exchange, The depository's regulator, Other (please answer 23a)

23a. Please explain:

There are also periodical assessments carried out by the Malta Financial Services Authority, Central Bank of Malta and other Eurozone Central Bank inspectors in the context of the use of MaltaClear as a securities settlement system for Eurosystem monetary and money market operations and its continuing assessment as a designated securities settlement system for the EC Settlement Finality Directive (http://ec.europa.eu/internal_market/financial-markets/settlement/dir-98-26-art10-national_en.htm#malta).

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

Fines, Restrictions on participation, Suspension of participation, Termination of participation

24a. Please explain:

25. Has there been any such enforcement actions in the last three years?

No

25a. If yes, please explain, including information relative to any suspensions of depository participants:

25b. If other, please explain:

DEPOSITORY FUNCTIONALITY AND SERVICES; USE OF AGENTS

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

General

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

Government securities, Equities, Corporate bonds, Others (please answer 26a)

26a. Please name the other security types:

Treasury Bills & Units in collective investment schemes and funds (including closed-ended type with fixed share capital)

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

Yes by market practice for settlement of all instrument types (please answer 27a), Yes by market practice for safekeeping of all instrument types (please answer 27b), Yes by law for settlement, but not for all instrument types (please answer 27a), Yes by law for safekeeping, but not for all instrument types (please answer 27b), Yes by market practice for settlement, but not for all instrument types (please answer 27a), Yes by market practice for safekeeping, but not for all instrument types (please answer 27b)

27a. Please list the instrument types for which it is not compulsory by law to:
(i) settle in your depository

All Instruments not dealt in on the MSE regulated market or not admitted within the depository.

(ii) safekeep in your depository:

All Instruments not dealt in on the MSE regulated market or not admitted within the depository

27b. Please list the instrument types for which it is not compulsory by market practice to:
(i) settle in your depository

vide above

(ii) safekeep in your depository:

vide above

27c. If neither/other, please explain:

28. Settlement and Safekeeping Percentages

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

100% of all public listed equity, non-listed equity issues, corporate debt, public debt, Government Treasury market instruments and public international instruments

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

100% of all domestic public listed equity, corporate debt, public debt, Government Treasury market instruments

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

No, Other (please answer 29i)

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

29b. If third parties are employed, does the depository assume liability for losses incurred by participants as a result of the actions/inactions of the third parties?

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

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

29e. If other, please explain:

29f. Please specify limit:

29g. Please specify limit:

29h. If other, please explain:

29i. If other, please explain:

Recently, Malta CSD has also become a participant of Clearstream S.A. in Luxembourg and launched a bilateral link with Clearstream Banking AG in Frankfurt Germany for the holding on an ad hoc custodian basis of eligible securities (admitted on Clearstream or other CSDs - including Euroclear - which are also in turn participants of Clearstream).

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

No

30a. If yes, please select all of the following in which loss has occurred. You will be prompted to enter the number of instances and total loss in USD thereafter. (Choose all that apply.)

30b. Corporate Action. Please specify number of instances:

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

30d. Settlement Process - Securities. Please specify number of instances:

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

30f. Settlement Process - Cash. Please specify number of instances:

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

30h. System Outage. Please specify number of instances:

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

30j. If Other, please explain:

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

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

30m. If other, please explain:

Other Services

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

Central Bank, Banks appointed by depository (please answer 31a)

31a. Please name banks:

These are Banks acceptable to the Depository and with whom it has a contractual relationship.

31b. If neither/others, please explain:

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

Central Bank, Banks appointed by depository (please answer 32a)

32a. Please name banks appointed by depository:

These are Banks that may be nominated by clearing participants and acceptable to the Depository and with whom the Depository has a contractual relationship.

32b. If others, please explain:

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

Central Bank, Banks appointed by depository (please answer 33a)

33a. Please name banks appointed by depository:

These are Banks that are acceptable to the Depository and with whom it has a contractual relationship.

33b. If others, please explain:

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

Central Bank

34a. Please name banks appointed by depository:

34b. If others, please explain:

35. Please indicate services you provide. (Choose all that apply.)

Information in advance on corporate (annual or special) meetings in order that owners can vote., Tax assistance where foreign holders may be entitled to tax relief at source or through a claim., In order to avoid fails, an automatic securities lending facility - if requested - is provided for. (please answer 35a), Collateral handling in support of activities including securities lending, overdraft coverage, cash management, repurchase agreements, etc. Please provide details. (please answer 35c), Same day turnaround settlements., Information on distribution of new issues (IPO, Privatization)., Other (please answer 35d)

35a. Automatic securities lending facility is provided for: (Choose all that apply.)

35b. If other please explain:

35c. Collateral Handling: please provide details:

Pledges, Title Collateral, Repo Transactions and Garnishee Orders:- As part of its obligations to maintain the Register of the Issuer, the CSD will maintain a record of Pledges (or part pledges). The maintenance of Pledges occurs as follows - Details of a pledge for either registration and/or release, as the case may be, will be notified directly by the pledgor to the CSD on the authorised form. The CSD will record the details of the pledge against the pledgor's account and the action taken regard the pledge is acknowledged to both parties.

35d. If other services, please explain:

Information on securities and corporate actions, reconciliation services, etc. within the custody role that the CSD offers.

36. What procedures are in place for the processing of corporate action entitlements? (Choose all that apply.)

Credited to the securities account upon actual receipt by the depository., Other (please answer 36d)

36a. Credited to the securities account: (Choose all that apply.)

36b. If other please explain:

36c. Name of entity:

36d. If other, please explain:

Any new issues of securities are credited to the securities account upon actual receipt by the depository.

37. What procedures are in place for the processing of interest and dividends?(Choose all that apply.)

Credited to the cash account upon actual receipt by the depository., Other (please answer 37d)

37a. Credited to the cash account: (Choose all that apply.)

37b. If other please explain:

37c. Name of entity:

37d. If other please explain:

Corporate actions are processed by the CSD and handed to the company secretaries/issuer registrars for distribution.

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

38. Please list all depositories or settlement systems to which you have an electronic link.

Clearstream in Luxembourg and Clearstream Banking AG Frankfurt Germany. Negotiations with other CSDs may also be initiated.

39. Are procedures and controls (firewalls) in place to avoid systemic collapse or contamination if one of the linked entities should experience business interruptions for whatever reason?

Yes (please answer 39a)

39a. Please explain:

Yes, periodical audits are carried out to test contingency procedures and controls to avoid and seek to mitigate effects of any disturbance or interruption.

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

Yes

40a. If no or other, please explain:

ACCOUNT STRUCTURES AND RECORDKEEPING

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

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

Yes (please answer 41a)

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

An unlimited number of accounts.

41b. If more than one account what is the maximum?

41c. If other, please explain:

41d. If other, please explain:

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

Yes (please answer 42a)

42a. If yes, is segregation required or simply permitted?

Permitted (please answer 42b), Other (please answer 42e)

42b. How does segregation occur? (Choose all that apply.)

By separately designated participant accounts., By separately designated beneficial owner accounts.

42c. If other, please explain:

42d. If other, please explain:

42e. If other, please explain:

Licensed intermediaries and custodians are required to ensure segregation of assets.

43. Does the depository permit its participants to open accounts in the participant's own nominee name(s)?

Yes (please answer 43a)

43a. If yes, do laws exist, which define as well as protect the rights of beneficial owners with respect to securities registered in nominee name?

Yes

43b. If other, please explain:

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

44a. By the participant's clients?

Yes (please answer 44b)

44b. If yes, please describe briefly how clients of participants would access their securities and whether there would be any delay in their ability to do so:

Filing a claim with the regulator of the relevant licensed participant or officially appointed liquidator or controller.

44c. If other, please explain:

44d. By the intervening authorities controlling insolvency or other proceedings?

Yes (please answer 44e)

44e. If yes, please describe briefly under what conditions access would be granted to the intervening authorities:

By court/other legally binding order/instrument

44f. If other, please explain:

44g. By the participant's creditors?

Yes (please answer 44h)

44h. If yes, please describe briefly under what conditions access would be granted to the participant's creditors:

Only if it is ascertained that the assets belonged to the participant as its own funds and subject to a binding and mandatory res judicata decision fo the competent court.

44i. If other, please explain:

44j. By the depository's creditors?

No

44k. If yes, please describe briefly under what conditions access would be granted to the depository's creditors:

44l. If other, please explain:

45. In what form does the depository maintain records identifying the assets of each participant? (Choose all that apply. Please refer to "Help" for clarification.)

Computer file (please answer 45b), Hard copy (please answer 45b), Other (please answer 45a)

45a. If other, please explain:

ALSO ON DISKS & SERVERS IN REMOTE DATA CENTRES

45b. In which format is the source data maintained?

Soft and Hard Copies of all backing documentation

Response Necessary/Eligibility Question

46. Rule 17f-7 requires that an Eligible Securities Depository “provides periodic reports to its participants with respect to its safekeeping of assets, including notices of transfers to or from any participant’s account.”

Does the depository make available periodic safekeeping reports to participants, including notices of transfers to or from the participant’s account?

Yes (please answer 46b)

46a. If no or other, please explain:

46b. If yes, please indicate the scheduled frequency: (Choose one.)

Daily, Upon request, Other (please answer 46c)

46c. If other, please explain:

Upon every credit or debit movement within the securities account

47. What is your document and record retention policy for documents and records described above in this section? (Choose one.)

5 years, Other (please answer 47a)

47a. If other, please explain:

5 years from date of document or other record.

SETTLEMENTS

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

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

Model 1 - Gross, Simultaneous Settlements of Securities and Funds Transfers. (please answer 48a), Model 2 - Gross Settlements of Securities Transfers Followed by Net Settlement of Funds Transfers. (please answer 48a)

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

Settlement on the Exchange is, as a rule, conducted on the second business day following the date of trading in the relevant securities on a Model 2 basis (with the exception of settlement of Money Market instruments that takes place on a gross Model 1 basis on the same trade date). Notwithstanding a T+2 settlement system, securities acquired on a trading day may be disposed of on the next trading day following the day of acquisition. Registration Advices are immediately issued to both parties at the close of trading and the parties to the trade can verify the transactions effected against the Contract Note issued to them by the Broker. Clearing of funds takes place on T+3 (BUT shorter settlement cycles are also possible, e.g. T+0) as follows. Following each trading session, the purchase and sales of each broker are netted and instructions of settlement total are issued to the Brokers and the CBM is notified of these amounts. On settlement day these amounts are either debited or credited to a MSE Settlement Account specifically for this purpose. At the end of any business day such Account would invariably have a zero balance. Each stockbroking firm has a clearing account opened in its name and any funds that have to be credited to the broker concerned will be

forwarded from the MSE Settlement Account via these accounts to other specifically designated accounts which each firm has with their own banks. The Clearing Accounts at the banks' appointed by the settlement participants are mandated to the MSE so as to ensure that they cannot be garnisheed, pledged against or otherwise charged or burdened. The corresponding funds transfers are irrevocable, but not final subject to satisfaction of the terms of settlement, e.g. delivery-versus-payment ('DvP').

48b. If other, please explain:

Question 48 Help:

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

Model 2 - Gross Settlements of Securities Transfers Followed by Net Settlement of Funds Transfers. These systems settle securities transfer instructions on a trade-for-trade (gross) basis, with final transfer of securities from the seller to the buyer (delivery) occurring throughout the processing cycle, but settle funds transfer instruction on a net basis, with final transfer of funds from the buyer to the seller (payment) occurring at the end of the processing cycle.

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

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

49. Are the cash and security movements simultaneous?

No (please answer 49a), Other (please answer 49c)

49a. If cash and security movements are not simultaneous, please indicate the duration of the timing gap. (Choose one.)

Other (please answer 49b)

49b. If other, please explain:

Delivery versus payment is assured through a secure link/ via SWIFT between the CSD and the Central Bank funds payment system, but actual timing of securities and money settlement invariably takes place within the set time-limits (within a second of each other) on settlement day

49c. If other, please explain:

As they are distinct processes, but in practice, in a DvP context, the movements are validated to operate only if the funds or the securities are both available.

OWNERSHIP OF SECURITIES

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

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

Securities in the depository are held in dematerialized form.

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

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

Not applicable

51a. If certain designated securities are held outside the depository, please indicate under which conditions these securities would be held outside the depository:

51b. If depository eligible securities are required to be centrally immobilized at the depository, where and with whom are the certificates safekept? (then please answer 51c)

51c. Are these certificates:

51d. If registered, how are the depository eligible securities registered?

51e. If other, please describe:

51f. If in the name of a separate nominee, please identify by name the nominee used:

51g. If other, please explain:

51h. If depository eligible securities may be held either in or out of the depository, are these certificates:

51i. What are the control features for receipt of certificates to the depository (e.g., authentication procedures, re-registration)? Please describe:

51j. If other, please explain:

51k. If other, please explain:

52. If securities are dematerialized:

May dematerialized security positions be re-certificated and held outside the depository?

Yes (please answer 52a), Other (please answer 52j)

52a. Are the securities held: (Choose all that apply.)

Through book-entry at the depository

52b. Please identify which types of entities may act as registrars: (Choose all that apply.)

52c. Please explain:

52d. If the securities held by the depository are recorded by book entry at the registrar, are the securities registered only to the depository, with the depository providing the function of recording ownership on a centralized basis for the market? (Choose all that apply.)

No (please answer 52g), Other (please answer 52l)

52e. If yes, how are securities held at the registrar for the account of the depository? (Choose one.)

52f. Please describe:

52g. If the securities held with the depository are recorded by book-entry at the registrar but are not registered exclusively to the depository, may they be registered to:

The beneficial owner, A nominee

52h. Please describe:

52i. If the securities held with the depository are recorded by book-entry at the registrar, what are the control features at the registrar for transfer of registrar positions to and from the depository (e.g., authentication procedures, reconciliation, confirmation of position at registrar)? Please describe:

Malta Stock Exchange doubles in the dual roles of both registrar and depository at the same time.

52j. If other, please explain:

52k. If other, please explain:

52l. If other, please explain:

The depository itself serves the registrar function.

Response Necessary/Eligibility Question

53. Rule 17f-7 requires that an Eligible Securities Depository “maintains records that identify the assets of each participant and segregate the system’s own assets from the assets of participants.”

Does the depository maintain records that identify the assets of each participant and segregate the system’s own assets from the assets of participants?

Yes

53a. If other, please explain:

54. Does the law protect participant assets from claims and liabilities of the depository?

Yes

54a. If other, please explain:

55. Can the depository assess a lien on participant accounts? (A lien would entitle the depository to take and hold or sell the securities of the participant in payment of a debt.)

No, Not applicable

55a. If yes, for what reasons are liens or similar claims imposed? (Choose all that apply.)

55b. Please describe:

55c. Please indicate the limits of this lien as indicated below: (Choose one.)

55d. Please explain:

55e. If a lien is placed on a participant's account which has been designated for its clients, will the depository select certain securities to be subject to the lien?

55f. If yes, please indicate whether: (Choose one.)

55g. Please explain:

55h. If no, please indicate whether the entire account will be subject to the lien.

55i. If other, please describe:

55j. For accounts designated as client accounts, do procedures exist to restrict the placement of liens only to obligations arising from safe custody and administration of those accounts?

No

55k. If yes, are the restrictions accomplished by:

55l. Please explain:

55m. If other, please explain:

55n. If other, please explain:

55o. If other, please explain:

56. Transfer of Legal Ownership

Does the depository have legal authority to transfer title to securities?

Yes (please answer 56a), Other (please answer 56e)

56a. When does title or entitlement to depository securities pass between participants? (Choose one.)

When corresponding money or other consideration is transferred. (please answer 56c), Other (please answer 56b)

56b. Please describe:

In free of payment transactions, legal title is transferred upon mere credit to the securities account.

56c. Where does title or entitlement to depository securities pass between participants? (Choose one.)

On the depository books, Other (please answer 56d)

56d. Please describe:

On the books of the depository that also serves as registrar.

56e. If other, please explain:

Yes, but only if in receipt of investors' instructions.

HANDLING OF SECURITIES OUTSIDE THE DEPOSITORY ENVIRONMENT

The purpose of this section is to consider the process (and any risk inherent within such a process) that involves the safekeeping of client assets while they are being removed from a depository and being lodged into a depository.

57. How are eligible securities lodged (that is, placed) in the depository system? (Choose all that apply.)

Other (please answer 57a)

57a. Please describe:

By an application for admission, the Issuer or its registrar would confirm the correctness and completeness of the electronic record that would have been delivered at the depository (unless of course, the depository itself is appointed as the Issuer's registrar, in which case the Issuer would still formally confirm the electronic register's completeness). Such electronic register is confirmed as to accuracy and completeness by the issuer.

58. When are securities lodged into the depository reflected in a participant's depository account? (Choose all that apply.)

Securities are reflected in the participant depository account immediately upon delivery to the depository.

58a. Please explain:

59. How long does it usually take to lodge securities with the depository? (Choose one.)

1 to 2 days

59a. Please specify:

59b. If other, please explain:

60. During the process of lodging securities into the depository, can the securities:

Be traded?

Yes, No (please answer 60c)

60a. During the process of lodging securities into the depository, can the securities:

Be settled?

Yes, No (please answer 60d)

60b. During the process of lodging securities into the depository, can the securities:

Have ownership transferred?

Yes, No (please answer 60e)

60c. If they cannot be traded, or if you answered other, please explain:

In a new issue, until such time as the issuer confirms the record as lodged with the depository, new securities are not traded, transferred or settled, since they are not formally allotted before such confirmation and hence they would not have been created as such. In fact, it is only upon allotment following the Issuer's confirmation of the electronic record that the relevant registration subscription monies would be released to the Issuer and the securities are formally listed on the Stock Exchange and are admitted to trading and dealing. This restriction does not apply in the case of already issued securities that are being admitted to the depository.

60d. If they cannot be settled, or if you answered other, please explain:

vide above

60e. If ownership cannot be transferred, or if you answered other, please explain:

vide above

61. Are securities immediately available for delivery upon transfer to the depository?

Yes

61a. If no: Securities are unavailable for:

61b. If more than 4 weeks, please specify:

61c. If other, please explain:

61d. If other, please explain:

62. Please describe briefly the arrangements/procedures/facilities you maintain to ensure that eligible securities held at the depository are handled at least as efficiently as compared to securities held outside the depository, particularly in relation to income, corporate actions and proxy services.

The depository arrangements, procedures and facilities ensure an efficient and accurate turnaround for the processing and administration of all corporate actions, etc.

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

Other (please answer 63a)

63a. Please specify:

The depository returns to the issuer an updated book-entry record of the securities that are being removed against a receipt in respect thereof made out by the issuer.

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

1 to 2 days

64a. Please specify:

64b. If other, please explain:

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

65a. Be traded? (Choose one)

No (please answer 65b)

65b. Please explain:

The register of the securities is closed for any transfers in order to ensure a smooth transition of control in respect thereof.

65c. Be settled?

No (please answer 65d), Not applicable

65d. Please explain:

The register of the securities is closed.

65e. Have ownership transferred?

No (please answer 65f)

65f. Please explain:

The register of the securities is closed as mentioned above.

STANDARD OF CARE

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

Depository Liability

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

66a. Reconciliation errors with the registrar and/or the issuer that result in direct damages or losses to participants?

Yes (please answer 66b)

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

The depository assumes liability for direct losses, The depository assumes liability for indirect or consequential losses

66c. If other, please explain:

66d. If other, please explain:

66e. Theft of securities (either physical certificate or electronically from accounts at the depository) from the depository that result in direct damages or losses to participants?

Yes (please answer 66f)

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

The depository assumes liability for direct losses, The depository assumes liability for indirect or consequential losses

66g. If other, please explain:

66h. If other, please explain:

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

Yes (please answer 66j)

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

The depository assumes liability for direct losses, The depository assumes liability for indirect or consequential losses

66k. If other, please explain:

66l. If other, please explain:

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

Yes (please answer 66n)

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

The depository assumes liability for direct losses, The depository assumes liability for indirect or consequential losses

66o. If other, please explain:

66p. If other, please explain:

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

Not applicable

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

66s. If other, please explain:

66t. If other, please explain:

66u. Does the depository guaranty settlement?

No

66v. Please explain how this is accomplished. What are the procedures and safeguards that permit the depository to guaranty settlement?

Settlement on the Exchange is conducted on the third business day following the date of trading in the relevant securities (except for dealing in Maltese Government short term money market instruments, called Treasury Bills, that settle on a T=0 cycle). Notwithstanding a T+3 settlement system, securities acquired on a trading day may be disposed of on the next trading day following the day of acquisition and the original vendor's holding that has been sold is frozen and blocked. The Clearing and Settlement System (CSS) is a computerised data collection system used by the CSD in undertaking its functions and in ensuring delivery of securities purchased against payment (DVP). Clearing of funds takes place as follows. Following each trading session, the purchase and sales of each broker are netted and that settlement total is either debited or credited to a MaltaClear participant's MSE Settlement Account specifically for this purpose. At the end of any business day such Account would invariably have a zero balance. Each stockbroking firm has a clearing account opened in its name and any funds that have to be credited to the broker concerned will be forwarded from the MSE Settlement Account via these account to other specifically designated accounts which each firm has with their own brokers. These Clearing Accounts are mandated to the MSE so to ensure cleared funds, i.e., that they cannot be garnisheed, pledged or otherwise charged or burdened. On Settlement Day, the CSD effects transfers of securities - securities bought are transferred from the seller to the buyer and vice-versa. Registration Advices are immediately issued to both parties at the close of trading. Settlement in Euro takes place in central bank money on the TARGET2 platform where a cash transfer order is final, binding and irrevocable from the moment the order is accepted on the system.

66w. If other, please explain:

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

No

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

66z. If other, please explain:

66~. If other, please explain:

66+. In all cases where the depository assumes responsibility for direct or indirect or consequential losses, is the depository's liability limited by a standard of care determination?

Yes (please answer 66*)

66*. Please define the standard of care applied:

The standard of care applied is that of using the care that is ordinarily applied by depositories (test of the bonus paterfamilias) as expounded in civil law legal theory.

66!. If other, please explain:

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

67a. Indemnification

Yes (please answer 67b)

67b. Please explain (then please answer 67c):

In view of the fact that the Central Securities Depository has been set up by the Malta Stock Exchange, it therefore forms an integral part thereof. The indemnification which covers the Malta Stock Exchange incorporates also cover for the Central Securities Depository.

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

Bye-law 7.01.04 may be accessed at http://www.borzamalta.com.mt/index.php?option=com_wrapper&view=wrapper&Itemid=253 under the Bye-laws section

67d. Insurance

Yes (please answer 67e)

67e. Please explain (then please answer 67f):

In view of the fact that the Central Securities Depository has been set up by the Malta Stock Exchange, it therefore forms an integral part thereof. The insurance policy which covers the Malta Stock Exchange incorporates also cover for the Central Securities Depository.

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

Professional indemnity insurance agreement is in force.

67g. Acknowledgement of liability for losses caused by depository's own actions.

Yes (please answer 67h)

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

In view of the fact that the Central Securities Depository has removed the need for physical certificates and thus securities are dematerialised, risk of loss of participant assets by the depository is not provided for in the Malta Stock Exchange Bye-laws.

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

Professional indemnity insurance agreement is in force.

67j. Other

No

67k. Please explain (then please answer 67l):

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

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

No

68a. If other, please explain:

Security Control

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

By receipt of physical account holding statements, Other (please answer 69a)

69a. Please explain:

By receipt of physical account holding statements, but custody customers (among others) may also receive SWIFT messages if SWIFT-enabled and it is envisaged that investor online access to their relevant portfolio securities accounts will be rolled out in future.

70. Do participants have access to affect their holdings, including confirming and affirming trades, movement of securities on their accounts, etc.?

Yes (please answer 70a)

70a. How is access given to participants? (Choose all that apply.)

Other (please answer 70c)

70b. Please select type of electronic link:

Secured, leased, dedicated telephone line, Internet

70c. Please explain:

Registration advices are issued on all credit or debit movements on the relevant securities accounts and statements of holdings are issued upon request. SWIFT instructions messages may also be implemented.

70d. If other, please explain:

71. Regarding data security:

71a. Are passwords used by participants to access their accounts?

Not applicable

71b. If other, please explain:

71c. Does each user have a unique user ID?

Not applicable

71d. If other, please explain:

71e. Are passwords regularly changed?

Not applicable

71f. How often?

71g. If other, please explain:

71h. Is there a user lock-out after a pre-set number of unsuccessful User ID attempts?

Not applicable

71i. How many?

71j. If other, please explain:

72. Does the depository communicate with other market entities such as stock exchanges, payment systems, clearing houses, etc., by secured linkages?

Yes (please answer 72a)

72a. Please explain:

The Malta Stock Exchange has a secure link with the CSD for trade feed reports matching of all securities transactions.

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

73a. Stock Exchanges (Choose all that apply.)

Internet

73b. Payment Systems (Choose all that apply.)

Internet

73c. Clearing Houses (Choose all that apply.)

Internet

73d. Registrars (Choose all that apply.)

Internet, Fax, Paper/other

74. How is access to the physical building controlled? (Choose all that apply.)

By guards, By electronic keys/personal ID card, By alarm system, Other (please answer 74a)

74a. Please explain:

Access to the Malta Stock Exchange/Central Securities Depository is also controlled by Camera Control Television (CCTV).

75. What are the vault security procedures for the safekeeping of physical paper? (Choose all that apply.)

Not applicable; no vault is maintained

75a. Please indicate frequency of vault counts:

75b. Please explain:

Participant Default Protections Resulting from a Participant Failure

76. If a participant defaults, how is the loss covered? (Choose all that apply?)

The depository guaranty fund covers the loss

76a. Please explain the process:

76b. Please explain the process of how the loss is shared: (Choose one.)

76c. If other, please explain:

76d. Please explain:

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

No

77a. How was the situation resolved? Or if you answered "Other," then please explain:

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

No (please proceed to 79), Other (please answer 78l)

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

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

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

78c. If other, please explain:

78d. How is the fund financed? (Choose one.)

78e. If so, what is the amount or percentage per owner?

78f. If so, what is the amount or percentage per participant?

78g. If other, please explain:

78h. Who is covered by the fund? (Choose all that apply.)

78i. If other, please explain:

78j. When is the guaranty fund used? (Choose all that apply.)

78k. If other, please explain:

78l. If other, please explain:

No, but each clearing participant sets up financial guarantees with the MSE.

79. Does the depository have forms of oversight management for assessing and monitoring of the following? (Choose all that apply.)

Participant eligibility requirements, Participant volumes, Blocking of securities movement before receipt of payment, Blocking payment until securities are moved

79a. Please explain other loss or default protections:

79b. Please explain the requirements:

79c. Please explain how these debit caps work:

79d. What type or types of settlement controls (Choose all that apply.)

79e. Please explain:

79f. Please explain:

79g. Please explain:

79h. Please identify and explain:

79i. Please explain briefly how these work:

80. Does the stock exchange have default protections that extend to the depository, such as the following? (Choose all that apply.)

Financial requirements for stock exchange membership, Other (please answer 80a)

80a. Please explain:

Financial requirements for stock exchange membership and clearing participation.

BUSINESS RECOVERY PLAN

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

81. Do you have a formal business recovery plan?

Yes (please answer 81a)

81a. Does your Business Recovery Plan include: (Choose all that apply.)

Back-up of all computer files, Off-site data storage, Back-up files stored and locked, Off-site operations facility

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

Depository participants/members

Testing takes place at random intervals -

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

Stock exchange

Testing takes place at random intervals -

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

Central bank

Testing takes place at random intervals -

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

Local brokers

Testing takes place at random intervals -

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

Any other third party

Upon market request

81g. If other, please explain:

81h. If other, please explain:

82. How quickly can the main system be reactivated in the event of an outage? (Choose one.)

1 - 4 hours

82a. If other, please explain:

83. If a back-up system exists, how quickly can the back-up system be activated in the event of the main system failing? (Choose one.)

1 - 4 hours

83a. If other, please explain:

84. Will the depository publicly announce any system interruption?

Yes (please answer 84a)

84a. To whom will the depository disclose any system interruptions? (Choose all that apply.)

To the depository regulators, To direct and indirect participants, To the public via the internet (please answer 84b), In the press (please answer 84c)

84b. If so, please list webpage address:

www.borzamalta.com.mt

84c. If so, please list all publications:

Selected prominent newspapers

84d. Please explain:

84e. How will the depository disclose any system interruptions? (Choose all that apply.)

By e-mail, Public announcement, Press release

84f. Please explain:

84g. If other, please explain:

85. In the past three years, has it been necessary to activate the recovery plan in a live situation?

No

85a. If yes, how much time was needed to implement the recovery plan? (Choose one.)

85b. How much time was needed to recover and restore business to normal operations? (Choose one.)

85c. What was the impact to the market? (Choose all that apply.)

85d. If other, please explain:

85e. If other, please explain:

PERFORMANCE, INSURANCE, AND LOSS

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

86. Has there been any material loss by the depository during the past three years?

No

86a. If there has been a loss, please describe the cause, the final impact and the action taken to prevent a recurrence:

86b. If other, please explain:

87. Has the depository been subject to any litigation involving a participant during the past three years?

No

87a. Please explain the circumstances and resolution:

87b. If other, please explain:

88. Has the depository realized revenues sufficient to cover expenses during the past three years? (Choose one.)

Yes for all three years

88a. If other, please explain:

89. Does the depository maintain a reserve for operating losses?

Not applicable

89a. Please describe and indicate reserve amount:

89b. If other, please explain:

90. Has the regulatory body with oversight responsibility for the depository issued public notice that the depository is not in current compliance with any capital, solvency, insurance or similar financial strength requirements imposed by such regulatory body?

No

90a. Please describe:

90b. In the case of such a notice having been issued, has such notice been withdrawn, or, has the remedy of such noncompliance been publicly announced by the depository?

Other (please answer 90e)

90c. If yes, please describe:

90d. If no, why not?

90e. If other, please explain:

NOT APPLICABLE

90f. If other, please explain:

91. Does the depository have insurance to cover losses in the event of Default on settlement commitments by the depository or a participant?

Yes (please answer 91a)

91a. What is the amount of the coverage?

Eur 5,000,000

91b. What is the amount of the deductible?

Eur 35,000 deductible

91c. If other, please explain:

92. Does the depository have Fidelity insurance (that is, insurance to cover loss of securities or money resulting, for example, from acts such as forgery, theft, fraud and/or employee dishonesty)?

Yes (please answer 92a)

92a. What is the amount of the coverage?

Euro 1,000,000

92b. What is the amount of the deductible?

Euro 15,000

92c. If other, please explain:

93. Does the depository have insurance for Operational Errors?

Yes (please answer 93a)

93a. What is the amount of the coverage?

Euro 1,000,000

93b. What is the amount of the deductible?

Euro 15,000

93c. If other, please explain:

94. Does the depository have Errors and Omissions insurance?

Yes (please answer 94a)

94a. What is the amount of the coverage?

Euro 1,000,000

94b. What is the amount of the deductible?

Euro 15,000

94c. If other, please explain:

95. Does the depository have insurance for the Premises?

Yes (please answer 95a)

95a. What is the amount of the coverage?

Euro 5,000,000

95b. What is the amount of the deductible?

Euro 25,000

95c. If other, please explain:

96. Does the depository have any other insurance?

Yes (please answer 96a)

96a. If so, what is it for?

The CSD forms part of the MSE which is covered by a number of policies apart from the Professional Indemnity and Fidelity Insurance and Premises, including Employee's Insurance, Director's, Fixtures and Fittings, Electronic Equipment, Officers' Health and Travel Insurance with adequate cover.

96b. What is the amount of the coverage?

Eur2,000,000

96c. What is the amount of the deductible?

Variable according to the particular policy

96d. If other, please explain:

The depository is currently operated by the Malta Stock Exchange plc which has taken out an adequate insurance cover.

97. Who is the insurance carrier? If more than one insurance carrier, please list each carrier here and provide your responses to questions 97a and 97b in corresponding order.

Chubb Insurance plc, UK

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

n/a

97b. What is the term of the policy?

Annual basis

97c. Who does the insurance cover? (Choose all that apply.)

Depository, Direct depository participants, Final investors

97d. If other, please identify:

98. If you feel that you would like to provide additional details on any of the given answers, feel free to provide any additional comments here (maximum of 5,000 characters) or prepare an additional document identifying the question(s) you are commenting on and upload the document under 98a:

14c. How frequently does the internal audit occur? Two or more times a year depending on the scope of the audit. 16. The last Operational audit was performed by the Malta Financial Services Authority and it was performed on the 11th and 12th February 2013 covering last twelve months. On the other hand, internal operational takes place regularly on a daily basis in respect of random audit checks on business covered the previous day to the date of audit. The Malta Financial Services Authority also conducted compliance visit of MaltaClear, MSE-CSD's securities clearing and settlement system, on 26th August 2013 while on 25th October 2013, the ECB confirmed that MaltaClear's link with Clearstream Banking AG's CASCADE system in Germany is an eligible link as officially published at <http://www.ecb.europa.eu/paym/coll/coll/ssslinks/html/index.en.html> . 21a. Custodians hold foreign investors' assets not just under no less favourable conditions to those of other participants, but also potentially on ad hoc customised conditions in the context of a contractual solution framework involving the MSE's CSD as a local custodian. 27. Is the use of the depository in your market compulsory by law or compulsory by market practice for the settlement or safekeeping of all instrument types in your market (e.g. equities, government securities, corporate bonds, money market instruments, warrants, derivatives etc). Yes by market practice as dictated by MSE Bye-laws for settlement of all instrument types transacted on the Exchange' trading system; Yes by market practice for safekeeping of all instrument types where the Issuer register is updated at the CSD. 35. Please indicate services you provide. In a custody context, the following services may be available information in advance on corporate (annual or special) meetings in order that owners can vote. Tax assistance where foreign holders may be entitled to tax relief at source or through a claim. In order to avoid fails, an automatic securities lending facility - if requested - may be provided under the terms of an ad hoc third party agreement. 42b. How does segregation occur? By separately designated participant accounts and if required by separately designated beneficial owner accounts. 73b. Payment Systems: Internet and SWIFT messages. 73c. Clearing Houses: Internet and SWIFT messages 73d. Registrars: Internet, Fax, digital files, Paper/other.

98a. Upload document here:

PUBLIC AVAILABILITY

99. The AGC encourages respondents/depositories to make their answers to this questionnaire publicly available. Will you be making your response publicly available? (For additional guidance, please review the help feature to this question.)

Yes (please answer 99a)

Question 99 Help: The AGC suggests that you consider making your completed questionnaire available to the public - either in response to requests or, if possible, by posting it on a web site. The information provided in response to the questionnaire will be used by the member banks of the Association in compiling Rule 17f-7 risk analyses and may also be furnished by members to U.S. investment companies. The information may also be furnished to other types of institutional investors, or to other parties who have an interest in the securities markets of various countries. However, the Association does not intend to release questionnaire responses directly to the general public. (For these reasons, the members of the Association cannot assure that responses will be treated as confidential or that responses will not become public.)

99a. If yes, how will you be making it publicly available: (Choose all that apply.)

Web site (please answer 99b), By individual request with depository (please answer 99c)

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

www.borzamalta.com.mt

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

The General Manager

99d. How would they prefer to be contacted? (Choose all that apply.)

By mail/air courier (please answer 99g)

99e. Please provide telephone number:

99f. Please provide facsimile number:

(+00356) 2569 6316

99g. What is the preferred street address for mailing requests?

Castille Place, Valletta VLT14 MALTA

99h. What is the preferred e-mail address for such requests:

csd@borzamalta.com.mt

99i. If other, please describe how you will be making the questionnaire publicly available:

100. Association members from time to time receive requests from their direct investor-clients for an informational copy of a depository's completed questionnaire. Such requests typically lead to interactions between personnel at the depository in question and member personnel or client personnel, or both. Those interactions take time and impose costs on both members and depositories.

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

Yes

Please provide any comments you have regarding the questionnaire.

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

Please also be sure to print your responses and review them prior to changing Datasheet Progress to "Completed" under Part Two. (To print, select the printer friendly link at the top of the questionnaire.) When you are prepared to submit your answers, please return to Part One and Part Two of the questionnaire and change Datasheet Progress to "Completed". The members of The Association of Global Custodians thank you for your time and for your helpful response.