

**MARKET CONVENTION
ON SHORT-TERM EUROPEAN PAPER
(STEP)**

9 June 2006

MARKET CONVENTION ON SHORT-TERM EUROPEAN PAPER (STEP)

Introduction

1. The STEP initiative

The Short-Term European Paper (STEP) initiative aims to foster the integration of the European markets for short-term paper through the convergence of market standards and practices. Integration will enhance market depth and liquidity and increase the diversification opportunities for issuers (both financial and non-financial institutions) and investors.

The ACI-The Financial Markets Association (ACI) and the Fédération Bancaire de l'Union Européenne (FBE) are the main promoters of the STEP initiative. In order to implement this initiative, Euribor ACI and Euribor-Fédération Bancaire Européenne (Euribor FBE), two international associations of Belgian law, have amended their respective statutes in order to take on STEP-related responsibilities and functions and to adopt the STEP Market Convention (the "STEP Market Convention").

The Convention lays down the criteria and requirements that an issuance programme needs to fulfil in order to be STEP-compliant. A label shall be granted to STEP-compliant programmes (the "STEP label"). The STEP criteria and requirements relate to the disclosure of information, the format for documentation, settlement, and the provision of data for the production of STEP statistics. A STEP label does not relate to the creditworthiness of issuers or the accuracy of the information provided.

Euribor ACI and Euribor FBE (the "adopting parties") are confident that the adoption of the STEP standards laid down in the STEP Market Convention and the use of the STEP label will contribute to the integration and the development of the short-term paper market in the EU. They invite other market associations to support the STEP Market Convention and to recommend its use by their members. The adopting parties also invite players active in the European short-term paper market to adopt the standards of the STEP Market Convention. However, the decision to apply for the STEP label and to comply with the requirements of the STEP Market Convention remains the choice of the issuer.

More information on STEP and on the STEP Market Convention is available at: www.stepmarket.org.

2. The STEP institutional framework

As part of the STEP institutional framework, Euribor FBE and Euribor ACI have set up the STEP Market Committee (the “STEP Market Committee”) and the STEP Secretariat (the “STEP Secretariat”), to implement the STEP initiative.

2.1 The STEP Market Committee

The STEP Market Committee monitors market developments and establishes and reviews the market standards on which the STEP label is based. The STEP Market Committee may amend the provisions of the Convention in accordance with the terms of the Code of Conduct of the STEP Market Committee (the “Code of Conduct”)¹. The STEP Market Committee also provides guidance on the appropriate and consistent interpretation of the Convention.

The Code of Conduct sets out the rules on the composition and functions of the STEP Market Committee, the appointment of its members and the procedures for amending the STEP Market Convention.

2.2. The STEP Secretariat

Euribor ACI and Euribor FBE have established the STEP Secretariat for the day-to-day management of the STEP label. As indicated in Article 4 of the Code of Conduct, the main functions of the STEP Secretariat are to grant, withhold or withdraw the STEP label on the basis of the criteria and requirements in the STEP Market Convention; to make available the electronic format of the information memoranda of STEP-labelled programmes and related information on the STEP website; to provide certain data to the ECB and the eligible data providers to produce STEP statistics; to act as the secretariat to the STEP Market Committee; and to administer the STEP Market website.

3. The STEP Market Convention

The STEP Market Convention lays down the criteria which short-term paper programmes must fulfil to be STEP-compliant (Chapter 1) and the procedures for granting and withdrawing the STEP label (Chapter 2).

In order to obtain and maintain the STEP label for a short-term paper programme, the issuer, the features of the programme and the Notes issued under the programme must comply with the requirements of the STEP Market Convention, including its Annexes.

There are seven Annexes to the STEP Market Convention which form an integral part of the Convention.

Annex 1 is the Code of Conduct.

Annex 2 describes the involvement of the European System of Central Banks (ESCB) in STEP.

Annexes 3, 4 and 5 contain guidance on the form of application, the STEP standard Information Memorandum and the declaration of adherence to the Convention, which must be provided by an issuer to the STEP Secretariat when applying for the STEP label.

Annex 6 describes the STEP statistics to be published on the website of the European Central Bank (ECB), an overview of the type of statistical data to be provided to the ECB for the production of the STEP statistics, and the principles for the reporting of these data. Annex 6 also includes the eligibility criteria for eligible data providers, referred to in Article 1.12 of the Convention.

Annex 7 specifies the user requirements for securities settlement systems (SSSs).

The procedures for amending the STEP Market Convention and its Annexes are contained in the Code of Conduct.

4. Involvement of the European System of Central Banks (ESCB)

The ACI and the FBE have proposed that the ESCB should play a role in implementing the STEP initiative. In view of the potential benefits of this initiative to the integration and development of the European financial system, the Governing Council of the ECB has agreed to help the STEP initiative in accordance with the specifications contained in Annex 2 to the Convention. In particular, this help consists of producing and publishing statistics relating to the STEP market on the ECB's website (www.ecb.int) as set out in Article 1.12 and Annex 6 to the STEP Market Convention.

¹ The Code of Conduct is in Annex 1.

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1. Criteria and requirements for the STEP label

1.1 Types of issuers

The issuer shall be in one of the following categories: non-financial corporation (corporate non-bank), monetary financial institution (for example, a corporate bank), other financial intermediary (for example special purpose securitisation vehicle), insurance corporation or pension fund, general government (for example, central government or local authority), supranational/international organisation.

1.2 The programme

Short-term paper programmes based on the law of an EU Member State shall be eligible for the Short-Term European Paper (STEP) label. The application of such law shall not be affected by the STEP Market Convention and the issuer shall remain subject to such law. The documentation defining the programme shall be publicly accessible to any interested party.

1.3 The Notes

The documentation defining the programme shall include a description of the Notes to be issued under the programme and the rights of the holder of such Notes.

1.4 Book entry form and electronic settlement

The Notes issued under the programme shall be issued in a securities settlement system (SSS), freely transferable by way of book-entries, settled electronically and be attributed an ISIN code.

1.5 Currency of issue

The Notes may be issued in any freely convertible currency permitted by the relevant authorities. The issuer shall ensure compliance with all applicable national currency and related rules.

1.6 Minimum issuance amount

The minimum issuance amount shall be no less than EUR 150,000. For non euro-denominated issues, compliance with this requirement shall be assessed using the euro foreign exchange reference rates published on the website of the European Central Bank (ECB) on the date of issue.

1.7 Maturity

All Notes issued under a programme shall have a minimum initial maturity of one day and a maximum of one year. In the case of extendible Notes, the length of the extension of the maturity shall also be of at least one day up to a maximum of one year.

1.8 The Information Memorandum

1.8.1 Content

Issuers shall provide the STEP Secretariat with a completed Information Memorandum, whose form and content is set out in Annex 4. The Information Memorandum shall contain all the information listed in Annex 4 (including Appendices 1 to 4) and shall follow the format set out in the templates made available by the STEP Secretariat on the STEP Market website (www.stepmarket.org).

Unless it is specified otherwise in the STEP Market Convention, the Information Memorandum shall mean the STEP standard Information Memorandum referred to in Annex 4 including its Appendices.

If the Programme benefits from a Guarantee, the Information Memorandum shall include information on the Guarantor and the text of the Guarantee, as requested in Annex 4. If the Guarantor belongs to the category of general government (e.g. central government or local authority), the information concerning the Guarantor shall be adjusted to the Guarantor's legal and institutional nature and the text of the Guarantee can be substituted, when appropriate, by the text of the relevant rules applicable to the Guarantee.

1.8.2 Format

The Information Memorandum shall be submitted to the STEP Secretariat electronically, as described in Chapter 2.

In addition to the electronic version, the STEP Secretariat may request an issuer to submit a signed paper copy of the Information Memorandum.

1.8.3 Language

The signed Information Memorandum shall be submitted to the STEP Secretariat in English. For the purposes of the STEP label, the English language version shall be the relevant version and prevail over the other languages which might be used in the Information Memorandum.

The Appendices to the Information Memorandum can be provided in another language than English. However, if Appendices 3 and 4 (i.e. the rating letter(s) and the text of the Guarantee) are not in English, a translation of these documents shall also be submitted to the STEP Secretariat.

1.8.4 Signature

At least one authorised signatory of the issuer shall sign the English version of the Information Memorandum attesting to the completeness and accuracy of the information contained in it.

Each update of the Information Memorandum shall be considered as a new request for the STEP label. Such updates shall also be signed as described above.

The signed page of the Information Memorandum shall be electronically scanned and shall form part of the electronic file submitted to the STEP Secretariat.

1.9 Multi-issuer programmes

When the programme has more than one issuer (multi-issuer programmes), each issuer shall provide the information requested in the standard Information Memorandum and its appendices. The Information Memorandum must clearly identify each entity entitled to issue Notes under the multi-issuer programme.

The signatory or signatories of the Information Memorandum for multi-issuer programmes must be authorised to guarantee the accuracy of the information provided in the entire programme documentation.

1.10 Global programmes

Global programmes (i.e. programmes for the issue of Notes in more than one jurisdiction) can in principle be STEP-compliant. However, the STEP label shall only apply to the types of Notes, issued under the global programme, which fulfil all the criteria and requirements laid down in the Convention (including the criteria on settlement and on the governing law). Consequently, the STEP statistics will only cover such Notes.

1.11 Issuance and settlement

All the Notes issued under a programme shall be issued in a securities settlement system (SSS) established in an EU Member State and complying with the requirements set out in Annex 7.

The list of STEP eligible SSSs will be made available by the STEP Secretariat on the STEP website and will be regularly updated.

1.12 STEP statistics

The ECB shall produce statistics on the STEP market and make them available on the ECB's website (www.ecb.int). Annex 6 and the ECB's "Reporting instructions for the electronic transmission of Short-Term European Paper (STEP) statistics" (the "Reporting instructions") contain details of the data requirements, relating in particular to the volumes and prices of individual primary market transactions involving STEP Notes issued under STEP-compliant programmes. The Reporting instructions are available on the ECB's website.

1.12.1 Statistical reporting requirements of issuers

To obtain and maintain the STEP label, the issuer shall make the necessary arrangements with the SSS, the issuing and paying agents (IPAs), the dealers, the arrangers or any other relevant entity for providing the eligible data provider (as defined in Article 1.12.3) with complete and accurate data necessary for the production of statistics by the ECB. In particular, the issuer shall ensure that the eligible data provider receives the information to be communicated to the ECB regarding the trades transacted under a programme.

All relevant data about a programme shall be transmitted to the ECB in the form, frequency and timeliness necessary to compile and publish high quality STEP statistics, as set out in Annex 6 and the reporting instructions. The relevant data include information about issues outstanding at the date of application for the STEP label.

The issuer shall authorise the eligible data provider and the STEP Secretariat to receive, process and transmit to the ECB data concerning the issuer and its programme, including the programme's credit rating and the issues made under the programme.

The issuer shall authorise the ECB to use these data to produce and publish aggregated and individual statistical information on volumes and aggregated statistical information on yields² while protecting the confidentiality of individual yield or price data.

The issuer shall provide these two authorisations when applying for the STEP label as indicated in Annex 3.

² The term "aggregated statistical information" means statistical information that does not allow reporting agents or any other legal person, entity or branch to be identified, either directly from their name, address or from an officially allocated identification code, or indirectly through deduction, thereby disclosing individual information, provided the individual information is of confidential nature.

1.12.2 Consequences of non-compliance with the statistical reporting requirements

The STEP Secretariat shall take the appropriate measures with respect to a programme in case of non-compliance with the statistical reporting requirements defined in Article 1.12 of the STEP Market Convention. As a last resort, the STEP Secretariat may decide to withdraw the STEP label to the relevant STEP programme(s).

1.12.3 Obligations of eligible data providers to provide data to the ECB

An eligible data provider shall be an SSS, a national central bank or any other entity which complies with the eligibility criteria set out in Annex 6 and with the ECB reporting instructions. Eligible data providers shall be nominated by the ECB and approved by the STEP Market Committee. The list of eligible data providers shall be published on the STEP website. The specific obligations of eligible data providers shall be set out in separate agreements between the ECB and each eligible data provider.

1.12.4 Transitional period

The STEP statistics shall cover all issues made under STEP labelled programmes. However, to allow data providers sufficient time to adapt their systems to provide the relevant data, there shall be a transitional period from the launch date of STEP. During such period, the requirements of Article 1.12 of the STEP Market Convention shall be suspended (except the requirements for authorisations mentioned in Article 1.12.1, third and fourth paragraphs, which shall be required also during the transitional period) and some issues made under STEP-labelled programmes may not be covered by STEP statistics. The rules applicable during the transitional period are detailed in Annex 6.

2. Procedure for the granting and withdrawal of the STEP label

2.1 Application for the STEP label

In order to apply for the STEP label for the programme, the duly authorised person(s) to represent the Issuer shall submit the following documents to the Secretariat:

- (i) an application form, as set out in Annex 3,
- (ii) the Information Memorandum, as set out in Annex 4, and
- (iii) a declaration of adherence to the STEP Market Convention, as set out in Annex 5.

The STEP Secretariat shall inform the duly authorised person(s) to represent the issuer whether, on the basis of the information provided, the programme qualifies for the STEP label.

2.2 Duration of the STEP label

The STEP label shall be granted for an indefinite period, as long as the programme complies with the Convention.

2.3 Updates of the Information Memorandum

2.3.1. Regular updates

Information Memorandum

The issuer shall update the Information Memorandum and submit it to the STEP Secretariat every three years, within 60 days of the approval of the annual accounts by the board of the issuer or its equivalent in the year of the requested update.

Appendices 1 and 2

The issuer shall update Appendices 1 and 2 of the Information Memorandum (i.e. the Annual report and financial accounts and the Report of independent auditors) and submit them to the STEP Secretariat annually, within 60 days of the approval of the annual accounts by the board of the issuer or its equivalent.

2.3.2. Exceptional updates

The issuer shall update the Information Memorandum and submit it to the STEP Secretariat every time there is a significant event which changes the substance of the programme or the nature or quality of the credit risk carried by the Notes issued under the programme.

Specifically and prior to any additional issue made under an amended programme, the issuer shall submit an updated version of the Information Memorandum to the STEP Secretariat at least in the following circumstances:

1. any change of the programme's ceiling,
2. any change of the programme's guarantee (if any),
3. any change of the programme's guarantor (if any),
4. any addition or change of IPA, or
5. any addition to or withdrawal of an issuer of a multi-issuer programme,

Furthermore, in the event of any change in one of the programme's ratings (if any), the Issuer must immediately inform the STEP Secretariat (by fax or e-mail) of such change. Furthermore, the Issuer shall update the Information Memorandum and the relevant Appendices and re-submit them to the STEP Secretariat within 21 calendar days of the event. However, if the programme's rating(s) are reported exclusively in the Rating Agencies' letters (i.e. exclusively in Appendix 3), only the new Rating Agencies letters shall be re-submitted to the STEP Secretariat within 21 calendar days of the event.

2.4 Availability of STEP-compliant information memoranda on the STEP Market website

The issuer shall agree that the information memoranda for programmes that have been granted the STEP label shall be made publicly available on the STEP Market website (www.stepmarket.org). A list of all the programmes that have been granted a STEP label shall be displayed on the STEP Market website and shall be updated in accordance with the provisions of Article 2.3 of the STEP Market Convention.

2.5 Withdrawal of the STEP label

The STEP Secretariat may withdraw the STEP label granted to a programme, either on the initiative of the STEP Secretariat or at the issuer's request.

In particular, the STEP Secretariat may withdraw the STEP label granted to a programme if the issuer(s), the SSS or the eligible data provider fails to comply with the STEP Market Convention.

If the STEP label for a programme is withdrawn, that programme shall immediately be removed from the list of STEP-labelled programmes.

If the withdrawal of the STEP label is made at the request of an issuer, this shall be specified on the STEP website, and the name of the issuer shall be withdrawn from the list referred to in Article 2.4.

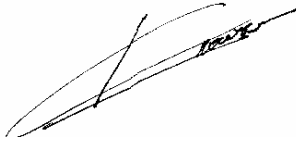
3. Governing law and jurisdiction

The terms of the Market Convention are governed by Belgian law and presented in the English language only.

Any matter in dispute in relation to the STEP Market Convention and the Adopting Parties shall be referred to the exclusive jurisdiction of the competent court in Brussels, Belgium []. This is without prejudice to the Agreements taken in application of the STEP Market Convention which might be subject to other governing laws and jurisdiction.

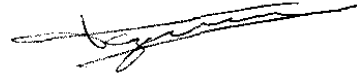
Done in Brussels, 9 June 2006

For Euribor FBE



The Secretary-General, Guido Ravoet

For Euribor ACI



The President, Thierry Cazaux

ANNEX 1 - CODE OF CONDUCT OF THE STEP MARKET COMMITTEE

Euribor FBE and Euribor ACI have adopted this Code of Conduct in order to ensure the transparency and efficiency of the work of the STEP Market Committee and of the STEP Secretariat.

ARTICLE 1

STEP Market Committee

1.1 Composition

The STEP Market Committee shall consist of 10 voting members.

The Secretary General of Euribor FBE shall be a member ex officio and will chair the STEP Market Committee.

Five voting members, including the Secretary General of Euribor FBE, shall be appointed by the General Assembly of Euribor FBE and five shall be appointed by the General Assembly of Euribor ACI.

A representative of the ECB shall be invited to participate in the STEP Market Committee as a non-voting member.

1.2 Selection criteria for STEP Market Committee members

The voting members of the STEP Market Committee shall be persons of recognised standing and professional experience in the functioning of the European markets for short-term securities.

All voting members of the STEP Market Committee shall declare their adherence to the principles set out in the Code of Conduct.

1.3 The representative character of the STEP Market Committee

The STEP Market Committee shall include at least two voting members who represent leading players in the largest European market for short-term paper and at least two voting members who represent leading players in the second-largest European market.

The Chairman of the STEP Market Committee shall also ensure that the Committee is adequately representative in terms of the diversity of the members' roles in the market.

1.4 Independence

All the voting members of the STEP Market Committee shall be independent and shall not seek or take instructions from public bodies, companies or from any other body.

1.5 Appointment and revocation rules

The voting members of the STEP Market Committee shall be directly appointed or removed independently by the General Assemblies of Euribor FBE and Euribor ACI, under the rules laid down in their respective articles of association. If a member of the STEP Market Committee leaves office before the expiry of a two-year term, a new member shall be nominated by the appropriate Association for a full two-year term.

1.6 Mandate

The Secretary General of Euribor FBE shall be a permanent voting member of the STEP Market Committee under the Euribor FBE quota.

The other voting members of the STEP Market Committee shall have a mandate of two years. This mandate is renewable.

1.7 Voting rules

Each voting member of the STEP Market Committee shall have one vote. Decisions of the Committee shall be taken by a simple majority of the votes of the members present at meetings. If there is a tied vote, the Chairman shall have the casting vote. Changes to the Code of Conduct shall be approved by at least seven votes of the members present at meetings.

1.8 Observers

When appropriate, the Chairman of the STEP Market Committee may invite observers to attend the meetings of the Committee and contribute to its working.

ARTICLE 2

Functions of the STEP Market Committee

The STEP Market Committee shall monitor market developments.

The STEP Market Committee shall establish and review the standards on which the STEP label is based. The STEP Market Committee may amend the provisions of the STEP Market Convention in accordance with the procedure set out in Article 5 below.

The STEP Market Committee shall provide guidance on the appropriate and consistent interpretation of the STEP Market Convention's provisions.

ARTICLE 3

Procedural rules

The STEP Market Committee shall meet at least twice a year.

The STEP Market Committee may adopt its own internal procedural rules.

ARTICLE 4

Functions of the STEP Secretariat

Under the joint responsibility of Euribor FBE and Euribor ACI, the STEP Secretariat shall be responsible for granting, withholding or withdrawing the STEP label in accordance with the criteria and requirements laid down in the STEP Market Convention.

The STEP Secretariat shall make available the electronic format of the STEP-labelled programmes' information memoranda and related information on the STEP website, administer the STEP Market website, provide certain data to the ECB and the eligible data providers to produce STEP statistics and provide secretarial and administrative assistance to the STEP Market Committee.

The STEP Secretariat is composed of persons meeting high standards of integrity and these persons are not subject to instructions from the issuers.

The STEP Secretariat shall be under the direct supervision of the Secretary General of Euribor FBE.

ARTICLE 5

Amendments to the STEP Market Convention

Euribor FBE and Euribor ACI may amend the Convention jointly following the subsequent procedure.

The Secretary General of Euribor FBE, the President of Euribor ACI or any member of the STEP Market Committee may propose to the STEP Market Committee an amendment to the STEP Market Convention. Proposed amendments shall be approved by at least half the voting members of the STEP Market Committee, except for changes in the Code of Conduct, which shall be approved by at least seven votes. Once these amendments are approved by the STEP Market Committee, each Association will adopt the proposed amendments according to its own procedures.

By derogation to the above procedure, when the proposed amendments to the STEP Market Convention concern the criteria and requirements for the STEP label and the procedures for obtaining the STEP label, the Secretary General of Euribor FBE and the President of Euribor ACI shall validate the amendments on behalf of the decision-making bodies of the two associations.

In general, any amendment to the STEP Market Convention which may have an impact on the involvement of the ECB or of the national central banks of the ESCB shall require the ECB's approval. Annex 2 to the Convention, on the involvement of the ECB and national central banks of the ESCB, may only be amended by the ECB, and any amendments to Article 1.12 or to Annex 6 shall be approved by the ECB.

ANNEX 2 - STATEMENT CONCERNING THE INVOLVEMENT OF THE EUROPEAN SYSTEM OF CENTRAL BANKS

In July 2004, the Governing Council of the European Central Bank (ECB) agreed to support the STEP initiative, and decided that the European System of Central Banks (ESCB) would, under certain conditions, accept the proposal of the ACI- Financial Markets Association (ACI) to be involved in the introduction of the STEP label during the first two years following its launch. In October 2005, the Governing Council agreed that the ECB would produce and publish STEP market statistics.

[In April 2006], the Governing Council of the ECB took note of the STEP Market Convention to be adopted by Euribor ACI and Euribor FBE and of the specific and clear commitments from the ACI and the FBE to launch and manage the STEP initiative. In view thereof, the Governing Council confirmed its previous decisions to support STEP and approved the ESCB's involvement in the STEP initiative as set out in this Statement.

The involvement of the ECB, and of several national central banks of the ESCB, in the activities described in this Statement does not arise from any legal obligation and, in carrying out activities in support of the STEP initiative, the ECB and the national central banks neither owe any duties nor assume any rights or obligations vis-à-vis the Euribor ACI or Euribor FBE beyond those expressly agreed in their respective contractual arrangements.

1. The production and publication of statistics relating to the STEP market

The ECB has agreed to provide STEP market statistics in accordance with the conditions set out in Article 1.12 and Annex 6 of the Convention. The functions of the ECB entail the collection and processing of STEP market data and the publication of statistics on yields and volumes.

The data on the basis of which STEP statistics are to be produced are to be supplied free of charge. The ECB does not assume any liability for the accuracy of this data or for any loss suffered by third parties by their reliance thereon as a guide for making investment decisions.

The ECB reserves the right to suspend, terminate or alter its involvement at any time and without having to give reasons, and without assuming any liability vis-à-vis ACI, Euribor ACI, the FBE, Euribor FBE or any other party.

2. The provision of technical assistance for introducing the STEP label

In addition to the ECB helping to provide STEP statistics, the Governing Council of the ECB has decided that, under certain conditions, the ESCB will also give limited help for the introduction of the STEP label in the first two years after its launch. The ECB and certain national central banks of the ESCB will provide technical assistance to the STEP Secretariat for specific tasks relating to the label of short-term paper programmes.

One of the conditions for the involvement of the ESCB is that the responsibility for granting, withholding or withdrawing the STEP label will rest with the STEP Secretariat. Neither the ECB, nor any of the national central banks of the ESCB involved in the technical assistance for the introduction of the STEP label, shall participate in the granting, withholding or withdrawing the STEP label.

The task of collecting and publishing STEP information memoranda on the STEP Market website is entrusted to the STEP Secretariat and is not a duty of the ECB and/or of the national central banks of the ESCB involved in the technical assistance for the introduction of the STEP label. The STEP label does not relate to the financial soundness or creditworthiness of issuers, or to the accuracy of information provided by them. Neither the ECB nor any of the national central banks of the ESCB involved in the technical assistance for the introduction of the STEP label express or imply a view as to such financial soundness, creditworthiness or accuracy of information.

3. Status as a non-voting member of the STEP Market Committee

A representative of the ECB shall be invited to participate in the STEP Market Committee as a non-voting member

4. Amendments to the STEP Market Convention affecting the ECB and/or the ESCB

Any amendment to the STEP Market Convention which may have an impact on the involvement of the ECB or of the national central banks of the ESCB shall require the ECB's approval.

In particular, Annex 2 to the STEP Market Convention, on the involvement of the ESCB, may only be amended by the ECB, and any amendments to Article 1.12 or to Annex 6 shall be approved by the ECB.

5. Liability of the ESCB

Neither the ECB, nor any national central bank belonging to the ESCB, shall be held liable by ACI, Euribor ACI, FBE, Euribor FBE or any other entity for any liability arising from activities relating to the implementation and application of the STEP Market Convention.

The ACI and the FBE shall indemnify the ECB and the national central banks of the ESCB against any liability which the ECB or any national central bank may incur as a result of producing and publishing STEP market statistics and the provision of technical assistance for tasks relating to the STEP label, including any liability or claim arising from breaches or alleged breaches of confidentiality or which may otherwise arise in connection with these activities.

This indemnity extends to all claims and actions of every kind, whether or not pursued to their conclusion, and shall extend to all costs and expenses incurred, including (without limitation) any legal fees.

ANNEX 3 - FORM OF APPLICATION FOR THE STEP LABEL

Issuer's name and address

For the attention of the STEP Secretariat

by e-mail : application@stepmarket.org

Date

Dear Sir,

On behalf of [NAME OF ISSUER], I hereby apply for the Short-Term European Paper label (STEP label) in relation to [NAME AND TYPE OF PROGRAMME] programme.

For this purpose, the STEP Secretariat is requested to consider the attached Information Memorandum, with its appendices, which have been compiled according to the requirements contained in Annex 4 to the STEP Market Convention and the template available on the STEP Market website (www.stepmarket.org).

A signed Declaration of adherence to the STEP Market Convention, as set out in Annex 5 to the Convention, is also attached.

The information contained in the Information Memorandum and related documentation is true and does not contain any misrepresentation which would make it misleading.

As indicated in the Appendices to the Information Memorandum, the most recent validation of the annual accounts of [NAME OF THE ISSUER] took place on [DATE].

If the STEP label is granted, the eligible data provider, as defined in Article 1.12.3 of the STEP Market Convention, and the STEP Secretariat are expressly authorised to receive, process and transmit to the European Central Bank (ECB) the individual data concerning the issuer and the programme, including the programme's credit rating(s), and the issues made under the programme.

On behalf of the issuer, I also expressly authorise the ECB to use such data to produce and publish aggregated and individual statistical information on volumes and aggregated statistical information on prices while protecting the confidentiality of the individual price data.

The ECB does not assume any liability for the accuracy of this data or for any loss suffered by third parties by their reliance thereon as a guide for making investment decisions. Furthermore, neither the ECB, nor any national central bank belonging to the European System of Central Banks, shall be held liable by the issuer for any liability arising from activities relating to the implementation and application of the STEP Market Convention.

Date, Place of signature, Signature

[Signed, on behalf of the issuer, by a duly authorised person to represent the issuer or, in case of a multi-issuer programmes, duly authorised persons representing the issuers]

ANNEX 4 - STEP STANDARD INFORMATION MEMORANDUM

Issuers wishing to obtain the STEP label must, among other requirements, provide the STEP Secretariat with an Information Memorandum in accordance with the STEP Market Convention. The Information Memorandum shall contain, as a minimum when not indicated as *optional*, the information listed below. The STEP Secretariat will make available on the STEP Market website templates of Information Memoranda for each type of programme.

The STEP Secretariat attaches great significance to the protection of privacy and processes personal data in accordance with the Data Protection Act of 8 December 1992 and all other applicable European and national regulations. The STEP Secretariat processes personal data only for the purposes of assessing the Issuer's application for the STEP label and for assisting the ECB in the provision of the STEP statistics. It is noted that, in case the STEP label is granted to the Programme, the related Information Memorandum is published on the STEP Market website. Individuals referred to in the Information Memorandum have the right to consult and correct their personal data. To exercise these rights, or to obtain further information concerning the STEP Secretariat's privacy policy, please contact the STEP Secretariat at www.stepmarket.org

CONTENT OF THE STEP INFORMATION MEMORANDUM	
<i>Type of Information to be provided</i>	<i>Description</i>
FRONT PAGE	
Name of the Programme	In case of multi-issuer programme, the multi-issuer programme must have a name. In case of single issuer programme, the name of the programme should be the name of the issuer.
Name of the Issuer(s)	
Type of Programme	
Maximum outstanding of the programme	
Guarantor(s)	If any.
Rating(s)	Yes/No; if yes indicate the rating agencies which have rated the Programme
Arranger(s)	If any; if none, indicate "None".
IPA(s)	
Dealers	If any; if none, indicate "None".
Date of signature of the Information Memorandum	

1	SUMMARY OF THE PROGRAMME	
	Name of the programme	Requested for multi-issuer programmes only. For single-issuer programmes, the name of the issuer is sufficient.
	Type of programme	In the case of a Global Programme as defined in Article 1.10 of the STEP Market Convention, the information on the Notes requested below should be provided for each type of Notes under the Programme.
	Name(s) of the issuer(s)	
	Type of issuer(s)	An issuer shall be in one of the following categories: non-financial corporation (corporate non-bank), monetary financial institution (for example, a corporate bank), other financial intermediary (for example special purpose securitisation vehicle), insurance corporation or pension fund, general government (for example, central government or local authority), supranational/ international organisation.
	Purpose of the programme	
	Maximum outstanding amount of the programme (ceiling)	Specification of amount and currency.
	Characteristics and form of the Notes	Description of the Notes, including whether they are materialised or dematerialised, in bearer/registered form, etc.
	Remuneration	e.g. Fixed rate, floating rate, interest prepaid, (standard or complex method).
	Currencies of issue of the Notes	
	Maturity of the Notes	If the notes are extendable, this should be mentioned.
	Minimum Issuance Amount	
	Minimum denomination of the Notes	In the currencies of issuance.
	Status of the Notes	
	Governing law that applies to the Notes	
	Listing	Yes/No; if yes, indicate the place of listing.
	Settlement system	For the issue of the notes, see Annex 7 and the list of STEP eligible SSS.
	Rating(s) of the Programme	Yes/No; if yes indicate the rating agencies which have rated the Programme
	Guarantor(s)	Yes/No; if yes, indicate the name of the Guarantor(s) and the type of guarantee.
	Issuing and paying agent(s)	
	Arranger(s)	If any; if none, indicate "None".
	Dealer(s)	If any; if none, indicate "None".
	Selling restrictions	If any; if none, indicate "None".
	Taxation	<i>Optional.</i>
	Involvement of national authorities	Indicate if the programme is subject to a regulatory and/or supervisory regime.

2	INFORMATION CONCERNING THE ISSUER(S) AND THE GUARANTOR(S)	
	This section includes additional information on the same items that are briefly illustrated in the Summary and other items that are not mentioned in the Summary.	
	The information requested below needs to be provided for the issuer(s) as well as for the guarantor(s), if the programme is guaranteed. This information can be obtained from the annual reports of the issuer(s) / guarantor(s), the other documents attached as appendices to the information memorandum or any other relevant source. The information to be provided below is to be adjusted according to the legal nature of the issuer and of the guarantor, if any. In particular, if the Guarantor belongs to the category of general government (e.g. central government or a local authority), the information concerning the Guarantor shall be adjusted to the Guarantor's legal and institutional nature and the text of the guarantee requested as Appendix 4 of the Information Memorandum can be substituted by the text of the relevant applicable rules.	
	Legal name	
	Legal form/status	
	Date of incorporation / establishment	
	Registered office	Full address and contact details.
	Registration number, place of registration	
	Company's purpose	
	Summarised description of current activities	
	Capital or equivalent	Amount and description of capital (or equivalent).
	List of main shareholders	Holding more than 5% of the capital of the Issuer, when applicable. Otherwise indicate "Not applicable".
	Listing of the shares of the Issuer	Information about the stock exchanges where the Issuer's shares are listed. If the issuer's shares are not listed, indicate "Not applicable".
	List of the members of the Board of Directors, or of the Supervisory Board and of the Directory	At date of signing of the Information Memorandum.
	Accounting Method	<i>Optional.</i>
	Accounting Year	<i>Optional: Starting on [...], ending on [...].</i>
	Fiscal Year	<i>Optional: Starting on [...], ending on [...].</i>
	Other short term programmes of the Issuer	<i>Optional.</i>

3	CERTIFICATION OF INFORMATION	
	Person responsible for the Information Memorandum	Full name and title.

	Declaration of the person(s) responsible for the Information Memorandum:	To our knowledge, the information contained in this document is true and does not contain any misrepresentation which would make it misleading.
	Date, Place of signature, Signature	
	Independent auditors of the issuer, who have audited the accounts of the issuer's annual report	Name and address.
	Disclaimer clauses for dealer(s), IPA(s) and arranger(s)	If any; if none, indicate "None".

4	INFORMATION CONCERNING THE ISSUER'S REQUEST OF THE STEP LABEL
This programme has been submitted to the STEP Secretariat in order to apply for the STEP label. The status of STEP compliance of this programme can be checked on the STEP Market website (www.stepmarket.org).	

5	APPENDICES
List of Appendices:	
<ol style="list-style-type: none"> 1. Annual report (if any) and financial accounts (consolidated if any) or equivalent documents, for the current (n-1) and the previous year (n-2). 2. Report of independent auditors (or refer to other appendices if included in one of the documents). 3. Copy of all rating agencies' letters of the programme (if any). 4. Copy of full text of the guarantee (if any). 	

**ANNEX 5 - DECLARATION OF ADHERENCE OF THE ISSUER TO THE STEP MARKET
CONVENTION**

The issuer applying for STEP (Short-Term European Paper) label in relation to its programme hereby declares that it has been fully informed of the terms and conditions of the STEP Market Convention and undertakes to comply fully with its provisions.

The issuer, by applying for the STEP label, accepts without reservation the obligations and other terms of the STEP Market Convention and agrees to operate its programme(s) in accordance with the Convention.

Date, place of signature, signature

[Signed, on behalf of the issuer, by a person duly authorised to represent the issuer or, in case of a multi-issuer programmes, persons authorised to represent the issuers]

ANNEX 6 - STATISTICAL REQUIREMENTS FOR ELIGIBLE DATA PROVIDERS

The statistics on the STEP (Short-Term European Paper) market will be produced by the European Central Bank (ECB) and made available on the ECB's website (www.ecb.int), as provided in Article 1.12 of the STEP Market Convention and its Annex 2. The obligations of issuers in relation to statistical requirements are set out in Article 1.12 of the STEP Market Convention.

The purpose of this Annex is to provide:

- a description of the STEP statistics to be published on the ECB website.;
- an overview of the type of statistical data to be provided to the ECB for the purpose of producing STEP statistics, and the principles for the reporting of these data; and
- the eligibility criteria applicable to eligible data providers as set out in Article 1.12 of the STEP Market Convention.

1. The STEP statistics

Only programmes that have received the STEP label shall be covered by the STEP statistics.

STEP statistics include volumes (stocks and flows) and yields (only for euro-denominated issues). Some of these statistics might only become available over time.

Aggregate volume statistics to be published on the ECB website:

- aggregate outstanding amounts
- new issues (aggregate issues settled the previous day)

Broken down by:

- original maturity (and residual maturity for outstanding amounts)
- currency
- programme credit rating level
- issuer sector.

Yield indicators to be published on the ECB website:

Weighted average yields of new euro-denominated issues (issues settled the previous day), broken down by:

- original maturity
- programme credit rating level
- issuer sector.

Individual volume statistics to be published on the ECB website:

- individual outstanding amounts (per issuer or programme).

Statistics on the STEP market shall be made available on the ECB's website (www.ecb.int). The ECB may provide national central banks of the ESCB with certain data enabling them to publish statistics for their respective jurisdictions.

2. Reporting instructions

The reporting instructions for the electronic transmission of Short-Term European Paper (STEP) statistics (the “Reporting instructions”) by eligible data providers focus on price and volume-related STEP data which are necessary for producing yield and volume statistics at aggregated level, and volume statistics at individual issuer or programme level. The Reporting instructions are available at: www.ecb.int.

The data to be provided for the production of STEP statistics relate, on the one hand, to primary market volumes, prices and outstanding amounts (“dynamic data”) and, on the other hand, to the issuer and the STEP programme (“static data”).

Eligible data providers shall provide the ECB with the dynamic data and some static data according to the specifications contained in the Reporting instructions. Separate contractual arrangements shall be made between the ECB and each of the eligible data providers.

The STEP Secretariat shall provide the ECB with the static data derived from the labelling process which is needed for producing STEP statistics. Separate contractual arrangements shall be made between the ECB and Euribor FBE and Euribor ACI for the provision of static data by the STEP Secretariat. With a view to ensure the proper data transmission from the eligible data providers to the ECB regarding the STEP-labelled notes, the STEP Secretariat may also communicate to or reconcile with eligible data providers some information relating to the static data .

3. Eligibility criteria and rules applicable to eligible data providers

3.1. Eligibility criteria

An eligible data provider shall be an SSS, a national central bank or any other entity which complies with the eligibility criteria set out below and with the ECB Reporting instructions.

For a data provider to be eligible, it shall be able to provide data on all Notes (issued under a STEP-labelled programme) that are settled in a given STEP-compliant SSS. The depository location of the securities shall be reflected in the ISIN code.

Data providers shall be deemed eligible to provide statistical data if the ECB assesses them as being able to comply fully with its Reporting instructions. Eligible data providers shall be nominated by the ECB and approved by the STEP Market Committee. The list of eligible data providers shall be published on the STEP website.

3.2. Rules applicable during the transitional period

The STEP statistics shall cover all issues made under STEP labelled programmes. To reduce the project risk and to allow data providers sufficient time to adapt their systems to provide the relevant data, there shall be a transitional period from the launch date of STEP. The end of this transitional period will be announced on the STEP website at least 6 months in advance.

During the transitional period, only a limited number of entities shall be considered eligible data providers and be invited to join the STEP reporting framework, subject to meeting the ECB's reporting requirements. Throughout the transitional period, a programme shall not be denied the STEP label on the grounds that there is no eligible data provider for that programme.

This means that the relevant requirements of Article 1.12 of the STEP Market Convention shall be suspended during the transitional period, so that some STEP-labelled programmes may not be covered by the STEP statistics.

After the transitional period, only programmes for which the relevant data can be made available to the ECB in the required form, frequency and timeliness shall be eligible for the STEP label.

ANNEX 7 - SELECTION OF STEP-COMPLIANT SECURITIES SETTLEMENT SYSTEMS

In order to be STEP-compliant, securities settlement systems (SSSs) shall be established in an EU Member State.

The selection of the STEP-compliant SSSs is based on the adequacy of settlement services provided. The aspects considered for the selection include, inter alia, operating days, cut-off times, procedures in place for the delivery of an ISIN code, existence of links with other European CSD/ICSD, settlement in Delivery-Versus-Payment mode, transparency on fees and operation in central bank money.

Moreover, for an SSS to be STEP-compliant, a single eligible data provider must be able to provide data on all STEP-labelled Notes settled in the SSS. The eligible data provider can be the SSS itself or any other entity referred to in Article 1.12.3 of the Convention.

The STEP Secretariat shall collect the applications of SSSs interested in applying for STEP eligibility. For this purpose, a questionnaire is available on the STEP Market website (www.stepmarket.org). Interested SSSs shall fill in the questionnaire and send it to the STEP Secretariat.

Upon recommendation of the STEP Secretariat, the STEP Market Committee shall select the STEP-compliant SSSs. The STEP Secretariat will make available and regularly update the list of STEP eligible SSS on the STEP Market website.