

Banco de la República's Securities Lending RFP

Contents

REQUEST FOR PROPOSAL FOR SECURITIES LENDING AGENTS OF THE FOREIGN RESERVES - BANCO DE LA REPÚBLICA 2025	2
Scope of Services.....	3
The Bank's Securities Lending Agency Agreement.....	4
Schedule of the RFP	6
Terms and Conditions of the RFP	7
Certification as to Satisfaction of the Minimum Selection Criteria for Consideration	11
Required Minimum Selection Criteria:	11
Certification.....	13
Additional Documentation	14
The Questionnaire	14
SECTION A – CANDIDATE OVERVIEW AND CREDITWORTHINESS	15
SECTION C – SECURITIES LENDING PROCESS AND OPERATIONAL CAPABILITIES	19
SECTION D – BACK-OFFICE PROCEDURES AND OPERATIONAL CAPABILITIES.....	21
SECTION E – RISK MANAGEMENT	30
SECTION F – HISTORICAL PERFORMANCE, FEES AND COSTS	35
SECTION G – LEGAL AND COMPLIANCE.....	37
SECTION H – ENTERPRISE RISK MANAGEMENT	38
Annex 1. Instructions for the Proposal	40
Annex 2. Compliance Certification	42
Annex 3. Authorization for the processing of personal data (image) of a person of age for internal use by Banco de la República.....	44
Appendix 2. Sample securities for profit estimates.....	50

REQUEST FOR PROPOSAL FOR SECURITIES LENDING AGENTS OF THE FOREIGN RESERVES - BANCO DE LA REPÚBLICA 2025

The Colombian Political Constitution and Article 14 of Law 31 of 1992 of the Republic of Colombia sets forth that the central bank of Colombia, Banco de la República (the “Bank” or “BdIR”), is the administrator of the foreign reserves of the Republic of Colombia, which administration shall be made in compliance with the criteria of safety, liquidity, and profitability.

Pursuant to its management of the foreign reserves, the Bank is issuing this Request For Proposal (the “RFP”) for the purpose of requesting proposals from candidates to provide securities lending agency services to the Bank (the “Program”) as set forth in this RFP.

Under the Program, the Bank will enter into securities lending transactions through an agent (the “Agent”)¹ acting on behalf of the Bank. It is expected that the Bank will only lend, and not borrow, securities as part of the Program.

The securities that will be part of the Program are BdIR’s U.S. securities deposited in an account at the Federal Reserve Bank of New York.

All loans under the Program will be on a collateralized basis, with the Bank as lender receiving a commission expressed as a percentage of the value of the loaned security. The Bank as lender will also retain the right to collect all cash flows from the security, such as coupons. The Agent’s compensation for its services will consist of a percentage of the commissions received by the Bank under the Program. No Affiliate² of the Agent is permitted to be a borrower under the Program.

In order to participate in the selection process, set forth in this RFP each prospective participant (a “Candidate”) should submit a Proposal (as defined in Annex 1 attached hereto). The Candidate must be the legal entity that will, if its Proposal is selected, serve as the Agent. This specific legal entity must itself (a) satisfy the minimum eligibility criteria set forth in this RFP, (b) enter into the securities lending agency agreement (the “Agency Agreement”) with the Bank and (c) be responsible for the performance of all the Agent’s obligations under the Agreement (the “Responsible Party”). All material services that a Candidate proposes to be provided or included as part of a Proposal should be performed by the Candidate or its Affiliates; ancillary

¹ The Bank reserves the right not to appoint any, or to appoint more than one, Agent. All references herein to a selected Candidate include each such selected Candidate.

² In this RFP, “Affiliate” means any entity or legal organization that controls, is controlled by or is under common control, with another entity.

services may be provided by a third-party entity, subject to the Candidate being responsible for the acts and omissions of such third-party entity as if such acts or omissions were made directly by the Candidate itself.

Objective of the Program

The objective of the Program is to improve the performance and efficiency of the Bank's foreign reserves portfolio within a secure framework and in compliance with the criteria of safety, liquidity, and profitability.

Scope of Services

The Bank is seeking Proposals from qualified candidates with experience and expertise in securities lending and securities lending agency services. The selected Agent will be responsible for acting as agent of the Bank for transactions involving lending of the Bank's securities in accordance with established securities lending program guidelines ("Guidelines") and the terms of the Agency Agreement. The Guidelines that will apply to BdIR's Program are included in Appendix 1.

In this respect, the Agent shall be responsible for, among other activities, conducting securities lending activities as the Bank's agent, monitoring and reporting the securities lending transactions, providing detailed periodic reporting on performance and risk management together with robust risk management and collateral management solutions, and other customary services for agented securities lending arrangements.

The Bank is currently considering the custodian of the securities of the Bank to be lent under the Program. One possibility is that the Federal Reserve Bank of New York will serve as the custodian of such securities. In such event, it is the Bank's expectation that the Bank, the Agent and the Federal Reserve Bank of New York (or any other custodian the Bank selects in its sole discretion for the custody of the securities to be lent under the Program) will enter into a tripartite agreement covering relevant matters. In consideration of the compensation that it is receiving under the Program, the Bank expects the Agent to bear all costs related to the Program, including but not limited to custodian fees. Additionally, the Bank expects that it will not be responsible for custody fees for any (i) non-utilized securities that are part of the Program but are not lent or (ii) collateral received from borrowers. Candidates should take the Bank's expectations regarding fees and costs described above into account in formulating their economic proposal to the Bank to serve as Agent.

The Agent shall provide all services, materials, and personnel necessary to provide securities lending services to BdIR. The Agent shall comply with all applicable laws, rules, and regulations in the provision of its services to the Bank under the Program.

The Bank's Securities Lending Agency Agreement

As part of responses to this RFP, the selected finalists will be expected to provide the Bank with their proposed form of Securities Lending Agency Agreement (the "Agency Agreement"), including the proposed form of Securities Lending Agreement ("SLA") that the finalist(s) would propose to utilize in securities loan transactions for which it acts as Agent. Favorability of the proposed Agency Agreement and SLA to the Bank will be one factor considered by the Bank in reviewing Proposals.

The Agency Agreement will include provisions relating to, among other relevant matters, specific operational procedures and contractual provisions relating to the Program, including authorized securities to be loaned, authorized borrowers, authorized collateral levels, mark-to-market provisions, termination of securities loans, maintenance of collateral securities, loan premiums and rebates, reporting, revenue sharing, fees, indemnification provisions, termination provisions, and the Bank's Guidelines. In particular, the Bank expects that the Agency Agreement will contain provisions consistent with the below:

- Lending Requirements
 - Affirmative Obligations of the Agent:
 - Only enter into securities lending transactions on behalf of the Bank with borrowers that comply with the Bank's Guidelines.
 - Only make loans pursuant to SLAs that are substantially similar to the template SLA attached to the Agency Agreement.
 - Terminate any loan upon receipt of instructions from the Bank and recall loaned securities within the customary settlement period.
 - Negative Obligations of the Agent:
 - Not engage in securities lending transactions under the Program with any Affiliate of the Agent.
 - Not loan securities that will result in negative income.

- No collateral reinvestments by the Agent.
- Collateral Requirements
 - Affirmative Obligations of the Agent:
 - Ensure that all securities on loan are collateralized only with securities that comply with BdIR's Guidelines for the Program.
 - Ensure that the applicable collateral levels consider both competitive market levels and risk mitigation.
 - Collateralize and "mark to market" all loaned securities on each business day.
 - Require the borrower to deliver additional collateral in the event the market value of the collateral becomes less than the required percentage of the market value of the loaned securities (determined in accordance with the Investment Guidelines and the Agency Agreement).
 - Require loans with insufficient collateral to be adjusted within 1 business day after valuation of the collateral and in any event, prior securities being loaned again to the same borrower or any Affiliate of such borrower.
 - Maintain effective controls to ensure the identification of collateral received by the Bank in connection with securities lending transactions ("Received Collateral") from the collateral of any other clients of the Agent, so Received Collateral may be used only in connection with the Program.
- Reporting Requirements
 - The Agent shall provide the Bank with daily Program reporting which shall include, but not be limited to the following:
 - Lendable base, securities on loan, term, days out on loan, daily utilization, and net spread.
 - Collateral, including daily collateral required and pledged and collateralization levels by the borrower, asset class, and total Program.
 - Outstanding loans and loan details by the borrower.
 - Collateral portfolio details.
 - Daily, month-to-date, and year-to-date earnings detail.

- Other Matters
 - Require the Agent to bear all costs associated with the implementation of the Program.
 - Upon request by the Bank:
 - Hold meetings with the Bank every two (2) months to review the Program.
 - Provide the Bank with next-day liquidity for any securities on loan.
- Legal Provisions
 - The Agency Agreement and the SLAs shall be governed by the laws of the State of New York or England and provide that disputes will be resolved in courts of the State of New York or England and Wales, respectively.

Schedule of the RFP

The proposed schedule for the selection process of this RFP is as follows:

- **Questions about the RFP or the selection process:** any question should be sent by electronic mail to securitieslending2025@banrep.gov.co on or prior to June 6, 2025 (23:59 Bogotá time). The Bank will endeavor to respond to such questions by publishing the answers on its website approximately two (2) weeks later.
- **Submission of Proposals:** Candidates responding to this RFP must provide a Proposal to the Bank consisting of (i) Certification as to Satisfaction of the Minimum Selection Criteria for Consideration, (ii) Compliance Certification (in the form of Annex 2 attached hereto), (iii) Additional Documentation, and (iv) the Questionnaire. Proposals must be received by the Bank on or prior to July 9, 2025 (23:59 Bogotá time). Please refer to Annex 1 for specific instructions which must be strictly adhered to.
- **Evaluation of Proposals:** The Bank will evaluate the Proposals and will endeavor to inform each participant whether it has been chosen as a finalist on or prior to October 31, 2025 (23:59 Bogotá time).
- **Online sessions with Finalists:** Officers from the Bank will conduct telephone or video conferences with the finalists to gain a better understanding of the key aspects of their Proposal. The Bank expects such meetings to occur before April 2026, in each case based on the Bank's schedule. Prior to these online sessions, the Bank will also send the

finalists due diligence questions aiming to strengthen the Bank's understanding of the finalists' Proposal.

- **Proposed Agency Agreement and SLA:** Prior to the online sessions with finalists, each of the finalists will be required to provide copies of its proposed Agency Agreement and the SLA that it proposes to enter into with the Bank, and on behalf of the Bank in the case of the SLA, if selected as Agent.
- **Final Decision:** The Bank will endeavor to communicate the results of the process to the finalists by April 2026.

Terms and Conditions of the RFP

1. During this process Candidates shall refrain from directly contacting any officer of the Bank about this RFP or the selection process effective immediately upon the release of this RFP and continuing until the review and evaluation process is completed. We also ask that you do not include any generic marketing or sales information, or relying on cross-references to other documentation, in your responses.
2. **This RFP does not commit the Bank to award a contract.** The Bank reserves the right, in its sole discretion, to accept or reject any or all Proposals, to negotiate with any or all Candidates, or to cancel, amend or postpone this RFP in whole or in part, at any time. The Bank does not assume and shall not have any responsibility, liability or obligation to any person in connection with this RFP or its analysis or assessment of any or all responses (including Proposals) to the RFP, and the Bank reserves the right, in its sole discretion, not to appoint any securities lending agent, or to choose one or more securities lending agent(s) based on whatever criteria it deems necessary and appropriate at any time. The Bank will not have any obligation to specify the reasons, either in general or specific terms, at any stage in the process, for not accepting a particular Candidate's response or for terminating the selection process. If the Bank decides to award this RFP, in whole or in part, the Bank will then begin contractual discussions with the selected Candidate(s) and, contingent on the outcome of these contractual discussions, the Bank may or may not proceed with the execution of the Agency Agreement with the selected Candidate(s). Alternatively, the Bank may begin contractual negotiations with one or more Candidate(s) but determine to proceed to the execution of the Agency Agreement with different Candidate(s), including in circumstances where the first Candidate(s) is(are) not able to proceed with its Proposal on its previously indicated terms, without incurring any liability to any person. Such alternative selection of Candidates will not constitute an amendment, modification or termination of the RFP or any aspect of the selection process with respect thereto.

3. The Bank will not reimburse any Candidates for any expenses incurred in preparing or submitting Proposals or providing information to the Bank in connection with such Proposals.
4. The Bank reserves the right to retain all Proposals submitted and to use any ideas in any Proposal, regardless of whether such Proposal is selected by the Bank.
5. To the extent permitted by applicable law, the Bank and the Candidates will treat as confidential any information provided to each other in connection with this selection process, unless such information is otherwise made public by a person other than the Bank or the applicable Candidate.
6. When conducting interviews with the finalists, at its sole discretion, the Bank reserves the right to record the telephone or videoconference meetings. The Responsible Party shall be solely responsible and liable for ensuring that all the employees of the Responsible Party and other persons attending the meetings on its behalf have provided all consents and authorizations as required by applicable laws and regulations for the Bank to record such telephone or videoconference meetings/interviews³.
7. Prior to such meetings, the Responsible Party shall send to the Bank via e-mail to this e-mail address: securitieslending2025@banrep.gov.co, the executed form provided in Annex 3, duly executed by the employees of the Responsible Party and other persons attending the interview. Should applicable laws or regulations require that additional undertakings be made to effectuate the consents and authorizations contemplated herein, the Responsible Party shall ensure those undertakings are fully made, and to the extent necessary shall be addressed through appropriate language added to each executed Annex 3.
8. In the event that personal data is provided to the Bank in the course of this selection process (by written means or through telephone or videoconferences that would be recorded), the submission of a Proposal means that the Candidate is authorized by the respective data subjects and accordingly, the Candidate authorizes the Bank to receive this information as well as to its processing (collection, storage, use, circulation, or deletion) by the Bank of all information provided in the course of the selection process and in connection with the negotiation and fulfillment of the Agency Agreement derived from this selection process (including any subsequent amendment or termination thereof), as well as for surveys, the development of studies and analyses regarding this selection process including the

³ See Annex 3 to this RFP: "Authorization for the processing of personal data (image) of a person of age for internal use by Banco de la República."

construction of indicators and statistics for monitoring and control of these activities, and those within the competence of the Bank.

The Bank hereby informs Candidates that the processing of personal data will be made in accordance with the general policies or guidelines available at <https://www.banrep.gov.co/en/general-policies-and-guidelines-personal-data-protection>.

In the event that due to the participation in this selection process, the Candidate has access to or process (collection, storage, use, circulation, or deletion) third-party personal data, the Candidate shall comply with the corresponding personal data regulation applicable to the same.

9. Custody services are not being requested pursuant to this RFP.
10. Candidates may be requested to clarify the contents of their Proposal. Other than to provide such information as may be required by the Bank, no Candidate will be allowed to amend its Proposal or to add new information after the RFP due date, including to substitute the entity that is its proposed Responsible Party. If a prospective agent discovers any ambiguity, conflict, discrepancy, omission, or other error in this RFP, please immediately notify the Bank of such error before June 6, 2025, and request clarification or modification of the document. If it becomes necessary for the Bank to revise any part of this RFP or if a more exact interpretation of provisions of this RFP are required prior to the due date for Proposals, a supplement will be posted by the Bank on its website. If such addenda issuance is necessary, the Bank reserves the right to extend the due date of Proposals to accommodate such interpretations or additional data requirements.
11. Fee proposals provided by finalists will be firm for a period of 365 days following communication of the final decision by the Bank and may not be changed following submission. The term of the fee proposal may be extended upon request by the Bank. If a Candidate fails to notify the Bank of a known error in such Candidate's Proposal or in this RFP or such error could reasonably have been known prior to the final filing date for such Proposal, the Bank will evaluate the measures to be adopted. If awarded the contract, such Candidate shall not be entitled to any compensation by reason of such error or its correction at any time.
12. Notwithstanding any other provision of this RFP, the Bank reserves the right to reject any or all Proposals or to waive any informality in any Proposal. Please note that the Bank is not required or committed to accept the lowest bidder to this RFP. The Bank will consider each Candidate's experience in securities lending services and with similar clients on related

projects. Further, the Bank will consider each Candidate's detailed responses to each section of the RFP (including the Proposal), such Candidate's interviews with the Bank, and such Candidate's presentations to the Bank. Conditions described in these specifications should be closely adhered to.

13. Please note that non-responsive Proposals include, but are not limited to, such Proposals that:

- Are irregular or not in conformance with all RFP requirements and instructions.
- Are conditional, incomplete, indefinite or ambiguous.
- Are not submitted on time.

14. The Bank may waive minor informalities in any Proposal in a manner that the Bank, solely upon its own determination, has deemed would not be prejudicial to any other Candidate(s).

15. If more than one Affiliate of the same group participates in this RFP process as Candidates, only one of them will be eligible to be selected by the Bank as an Agent.

Certification as to Satisfaction of the Minimum Selection Criteria for Consideration

Each Candidate must meet all the criteria as listed in the “REQUIRED MINIMUM SELECTION CRITERIA” section for its Proposal to be considered.

The Candidate must be the party that will, if its Proposal is selected, enter into the Agency Agreement with the Bank and perform the functions described in the definition of “Responsible Party” above, and no substitutions of entities to be the “Responsible Party” will be accepted following submission of a Proposal to the Bank. If more than one affiliated entity participates in this process, only one affiliated entity will be eligible to be hired by the Bank.

Required Minimum Selection Criteria:

For each criterion, the Candidate must initial alongside such criterion indicating that the Candidate has met the conditions and providing the requested information.

1. The Candidate must be experienced in providing agent services in fixed income securities lending. _____ (Initial).
2. The Candidate's securities lending business unit/division must have more than 10 years of experience managing fixed income securities lending programs for institutional clients as of December 31, 2024. _____ (Initial).
 - Please indicate the Candidate's securities lending business unit/division years of experience managing fixed income securities lending programs for institutional clients:
3. The Candidate must have experience serving as an agent to central banks in securities lending transactions. _____ (Initial).
4. The Candidate must provide references from at least three (3) current clients of its securities lending agency business. At least one reference must be from a central bank. _____ (Initial).
 - Please indicate the names and contact details of your three (3) client references (at least one must be a central bank):
5. The Candidate must have the operational capabilities to transfer the securities available for lending, held under a segregated account at the designated custodian, to and from the custody accounts of the borrowers. _____ (Initial).
6. The Candidate must have the capacity to mark-to-market and collateralize all loaned securities on each business day and trigger the collateral adjustment by the borrower. _____ (Initial).

7. The Candidate must warrant next-day availability for any securities on loan required by the Bank. _____ (Initial).
8. The Candidate must confirm its capability to manage the Program based on the Securities Lending Program Guidelines provided by the Bank. _____ (Initial).
9. The Candidate must have all the operational procedures in place and authorizations required to start providing to the Bank all services as securities lending agent on the terms required under this RFP. _____ (Initial).
10. The Candidate must have an asset-liability ratio greater than one (1)⁴. _____ (Initial).
11. The Candidate must have a long-term credit rating equal or higher than A-/A3/A-⁵. _____ (Initial).
12. The Candidate must have a short-term credit rating equal or higher than A1/F1/P1⁶. _____ (Initial).
13. The parent company of the Candidate must be part of the Globally Systemically Important Banks (G-SIBs) according to the list published by the Financial Stability Board. _____ (Initial).

⁴ This ratio must be calculated with the most recent available audited financial statements. If the Responsible Party does not issue financial statements, the parent company audited financial statements are allowed.

⁵ The minimum credit rating corresponds to the lowest long term credit rating issued by S&P, Moody's and Fitch Ratings, considering the Candidate must be rated by at least two of these agencies.

⁶ The minimum credit rating corresponds to the lowest long term credit rating issued by S&P, Moody's and Fitch Ratings, considering that the Candidate must be rated by at least two of these agencies.

Certification

By signing below, the Candidate represents and warrants that the Candidate (i) meets all of the REQUIRED MINIMUM SELECTION CRITERIA as detailed above; (ii) is capable of performing all services as Agent as contemplated by this RFP; (iii) understands and agrees to the terms and selection process set forth in this RFP (including the Bank's expectations described under the "The Bank's Securities Lending Agency Agreement" heading above); and (iv) has carefully reviewed this RFP and has submitted accurate responses in the Proposal.

By: _____

Name:

Date:

Please provide (i) a Compliance Certification (in the form of Annex 2 attached hereto) duly signed and (ii) a Certificate of Incumbency attesting to the signatory's authority to sign the Compliance Certification and to make this certification.

Additional Documentation

Candidates must provide the following documents or their equivalent for the Responsible Party:

- Certificate of good standing⁷
- Certificate of incumbency for authorized signatories
- Compliance Certification duly signed (in the form of Annex 2 attached hereto)
- SOC 1 or ISAE 3402 report issued by an independent auditor on the effectiveness of your internal controls for [2024].
- Completed Questionnaire
- Latest audited financial statements⁸

Candidates are expected to send only the most recent documentation. If any of these documents cannot be provided, please provide a brief explanation.

The Questionnaire

Please include in your response to the Questionnaire the name and contact information of the persons who will be involved in this RFP process.

Please answer the following questions completely and avoid inaccurate, vague or partial answers. Be aware that any unanswered question or table and/or any incomplete response or table will receive the minimum score applicable.

For your information, the Questionnaire's sections will be evaluated as follows:

Category	Weight
Company size, experience, and Creditworthiness	15%
Customer Service	5%

⁷ A "Certificate of good standing" or its equivalent is an official document that certifies the legal existence of the Responsible Party, and that the entity is authorized to do business in the place where it is registered.

⁸ If the Responsible Party does not issue financial statements, the parent company audited financial statements are allowed.

Securities lending and Risk Management Processes	30%
Back Office Processes and Operational Capabilities	15%
Historical Performance and Fees and Costs	35%

SECTION A – CANDIDATE OVERVIEW AND CREDITWORTHINESS

- Please provide a brief description of the Candidate, including:
 - The legal name of the Responsible Party (including the relevant office location of such entity).
 - Ownership and capital structure, affiliated companies (including relevant relationship information, such as level of ownership and common management).
 - Any changes in corporate structure over the past three years, including but not limited to acquisitions, joint ventures, mergers, etc., that have directly impacted the securities lending business or materially impacted the parent company.
 - How many years has your firm been involved in the securities lending business?
 - What other financial services does the firm provide?
- Please describe your firm's line of businesses in which the securities lending activity is included and comment on the scope/importance of the former within the Agent's overall corporate structure.
- What improvements/investments has the Candidate recently made in its securities lending business? What is the Candidate's strategy for growing the securities lending business?
- In which jurisdiction are the Candidate and the Responsible Party incorporated? If the Candidate outsources securities lending operations to one or more Affiliates, please provide the name and jurisdiction of incorporation of each such Affiliate.
- Where is the Candidate's securities lending group headquartered? Please list all additional locations that conduct securities lending operations, and the functions performed at each of these locations.
- What is the approximate revenue and profit contribution of the Candidate's securities lending business as a percentage to the overall company's revenue and profits?

7. Please describe the personnel turnover in the securities lending business over the last five years.
8. Please describe how securities lending personnel are compensated. Provide the incentive basis for the bonuses.
9. Please provide an organizational chart of the overall securities lending business including a description of the relationship to the Responsible Party's overall organizational structure.
10. Would the Candidate utilize any Affiliates or third parties in the providing of services to the Bank? If so, please provide the name of the entities, their place of incorporation, and the location(s) from which services are expected to be provided.
11. Does your securities lending program have any capacity limitations?
12. Please provide client turnover information for the Candidate's securities lending clients for the last three years ending December 31, 2024, indicating the number of clients that ended and initiated their programs over such period (number of clients and as a percentage of the total number of securities lending clients).
13. Please provide contact information for three (3) to five (5) current client references which have contracted with the Responsible Party securities lending services similar to such requested by the Bank under this RFP. All information will be kept confidential.
14. Please describe the Candidate's standing securities lending programs for assets custodied by the Federal Reserve Bank of New York, during the last three years, if any.
15. Please provide additional information deemed relevant about the Candidate and the Responsible Party to support the Responsible Party's qualification to manage a securities lending portfolio for a central bank.
16. Please describe the scope of your securities lending program, including the range of assets available for lending and the markets in which you operate.
17. Please provide as of December 31, 2024, the amount of assets, years of experience, and number of clients in your securities lending program associated with each category of type of asset and client:

Category*	Market Value of Lendable assets in securities lending program (USD millions)	Years of firm's experience with securities lending programs	Number of clients of securities lending program
Total			

Fixed income			
Institutional clients			
Central bank clients			

* Each of the categories are independent from each other, meaning they are not necessarily subgroups of the other categories.

Please provide the following information as of December 31, for each year:

Category*	Market Value of Lendable assets in securities lending program (USD millions)					Number of clients of securities lending program				
	2020	2021	2022	2023	2024	2020	2021	2022	2023	2024
Total										
Fixed income										
Institutional clients										
Central bank clients										

* Each of the categories are independent from each other, meaning they are not necessarily subgroups of the other categories.

18. Please provide detailed information regarding the Responsible Party's credit rating from the internationally recognized credit rating agencies: S&P, Moody's and Fitch.

19. Please submit audited financial statements for the last three fiscal years, including balance sheets, income statements, and cash flow statements⁹.

⁹ If the Responsible Party does not issue financial statements, the parent company audited financial statements are allowed.

SECTION B – CUSTOMER SERVICE

20. The Bank expects the selected Candidate to have a dedicated and efficient customer service team that understands the Bank’s specific needs as a central bank. Additionally, the Candidate must be willing to prepare bimonthly performance and risk presentations, to regularly participate in conference calls with the Bank’s staff, and to prepare an annual review of the Program to be presented in meetings with the Bank’s staff.

Please confirm that the Candidate would be able and willing to provide the services described above.

21. Please describe the Candidate’s capabilities and strengths that will allow it to meet the aforementioned requirements and the Bank’s client service needs.

22. Please complete the following table with the information of the customer service employees who would be directly involved with the Bank’s account, including the most important point of contact and his/her/their location.

Person	Name	Title	Number of years working in securities lending	Education* (bachelor, masters, Ph.D., CFA)
1				
2				
3				
...				
N				

* For the Education column, if having more than one degree, please provide all of them.

23. Please provide an overview and samples of the performance and attribution reports available for the securities lending program.

- Are the reports available online?
- What is the frequency of those reports?
- Are those reports available in PDF and Excel formats? Which other formats are available?
- Are those reports customizable? And is there a cost for customization associated to the client’s requirements?

- 24.** Please briefly describe the level of support you provide to clients, both during the onboarding process, and ongoing operations basis.
- 25.** Please briefly explain your standard procedures to address the following situations:
- Breaches of the Bank’s securities lending program Guidelines.
 - Client requests/inquiries. What is your typical response time?
- 26.** Do you have a standard service level agreement in place for your securities lending program with clients? If yes, please provide a sample.

SECTION C – SECURITIES LENDING PROCESS AND OPERATIONAL CAPABILITIES

- 27.** Please describe the step-by-step process or workflow of a typical securities lending transaction, including the location of the securities involved in the loan and the collateral received.
- 28.** Please describe the decision-making process by which you decide the available securities under the Bank’s Guidelines, that would be used for loans and the quantity for each security
- 29.** How many quotes do you typically observe when deciding which counterparty to lend securities and receive collateral in exchange?
- 30.** Based on your experience and to have an efficient program, how often do you recommend rotating the list of available securities that you are holding for lending?
- 31.** Please provide an organizational chart identifying (i) the total number of professionals by function and (ii) roles and responsibilities of key personnel, within the securities lending team. Please complete the following table with information for the key individuals responsible for the fixed income lending function.

Person	Name	Title	Number of years working in Securities Lending	Number of years at the firm	Education (bachelor, masters, Ph.D., CFA) *
1					
...					

n					
---	--	--	--	--	--

*For the education column, if having more than one degree, please provide all of them.

32. Please explain how you seek to maximize revenues in your securities lending program for central bank clients like the Bank, given the Bank’s current Guidelines. Please provide a chart with the sources of revenue for your securities lending program (maturity mismatch, currency mismatch by currency, etc.).

33. Please describe your use of “term loans” including how often they are used, how you decide when to enter a term loan, and any other relevant factors.

34. Please describe how do you decide your maturity mismatch strategy. How wide is the maturity mismatch and which is the percentage of this strategy over all the strategies you use.

35. Please provide details about the Candidate’s technology infrastructure and systems used for securities lending operations, including trade execution, settlement, and reporting capabilities. Are the systems property of the Candidate or are they property of a third-party? Are the Candidate’s systems different from other systems used for securities lending operations? Is(are) the system(s) only for the securities lending program?

36. What are the Candidate’s plans and strategic initiatives in the securities lending industry, including potential enhancements to services, technology, or product offerings?

37. How do you stay updated of changes and developments in the securities lending industry, and what mechanisms are in place for adapting to evolving market trends and regulatory requirements?

38. What type of limits or restrictions can your securities lending systems automate, and which ones have to be manually supervised?

39. Please describe the Candidate’s queuing or loan allocation system in detail. Is the compensation split one factor evaluated by the Agent in determining allocation of securities lending opportunities?

(i) Is the queue pro-rated? Does the Candidate intervene in the allocation of the queuing process, and if so, under what circumstances?

(ii) Does the Candidate utilize “entitlement credits”? If so, please describe specifically how and on what basis those credits are assigned. Is the maintenance of the queue audited periodically?

(iii) Please provide details on how the Bank would rank within your system.

40. In adding new clients to your securities lending program, how do you ensure that increases in lendable assets do not impact diluting utilization and earnings for existing clients?

41. What is your process for allocating “specials” to a borrower when multiple lenders have the same or similar security(ies) to lend?

- 42.** Do you have 24-hour securities lending capabilities? If not, please describe during which hours you operate.
- 43.** How often and in which asset classes do you generally face greater security supply than demand?
- 44.** Does the Candidate currently have a relationship with the Federal Reserve Bank of New York as custodian of your securities lending program? If so, how many clients and what is the lendable asset base? Please indicate if any of these clients is a public sector entity or a foreign central bank.
- 45.** Please describe in detail any operational challenges the Candidate has encountered with the Federal Reserve Bank of New York as a custodian for securities lending operations.
- 46.** Regarding the notice for recalling securities, how much time do you typically need to recall securities on loan? And what would be the shortest notice period you would need to recall them?
- How often do you encounter problems recalling securities on loan by the target date? Please describe your ability to reallocate loans.
 - What competitive advantages do you have in this subject against your competition?

SECTION D – BACK-OFFICE PROCEDURES AND OPERATIONAL CAPABILITIES

- 47.** Please explain your back-office procedures for securities lending.
- 48.** Please describe the processes and systems the Candidate has in place to ensure efficient and accurate back-office operations.
- 49.** Please explain how the Candidate ensures data security and confidentiality in its systems.
- 50.** Please indicate the means you would use to communicate trades to the Bank's custodian. Please provide an example for each transaction type (loan, recalls, collateral activity). If all trades will be instructed to the Bank's custodian via SWIFT, please specify the message types used. Which means do you use alternatively in the case of a SWIFT contingency?

Post-trade activities

- 51.** Please describe your post-trade activities: trade confirmations, trade instructions, settlements.
- 52.** Please outline the Candidate's management of settlement processes in securities lending operations. Please describe how you ensure timely and accurate settlements, and the systems you use to manage these processes.
- 53.** Please describe in detail the Candidate's monitoring and reconciliation process for securities lending operations.

54. Do you make daily reconciliation with the custodian and collateral agents for cash and securities activity (balances, debits, and credits), exceptions identification, monitoring and escalation procedures? How is the daily reconciliation recorded and reported? How do you follow up the reconciliation accomplishment by the custodian and the collateral agents?

Securities Lending Process

55. Please explain the Candidate's approach to ensuring the availability of securities for lending, include how inventory of securities on loan is managed, the availability of securities is monitored, and the lending process is optimized.

56. Please describe the Candidate's process for managing loans, including their constitution and maturities. Include how the Candidate tracks and manages loan terms, renewals, and expirations.

57. Please describe the Candidate's process for loan recalls and the means of communication used, such as SWIFT, email, and any other methods. Include how the Candidate ensures timely and effective communication with counterparties.

58. Please explain the Candidate's cash flow management practices, particularly regarding coupon payments on securities on loan and collateral received. Include how the Candidate manages these cash flows to ensure accuracy and timeliness.

59. Please indicate the Candidate's capabilities to support a securities lending program and describe the advantages and levels of automation and connectivity for each of the following scenarios:

Item	Option A	Option B	Option C	Option D
Custodian of Securities	FED (US Treasuries)	FED (US Treasuries)	JP Morgan Chase or State Street Bank (US Treasuries)	JP Morgan Chase or State Street Bank (US Treasuries)
Collateral Account	Accounts in the name of the client held in JP Morgan Chase or State Street Bank.	Held in an account in the name of the securities lending agent. Please list the name(s) of the institution(s).	Accounts in the name of the client held in JP Morgan Chase or State Street Bank.	Held in an account in the name of the securities lending agent. Please list the name(s) of the institution(s).
Your capability to support the program. (yes/no)				

The advantages associated with each option. (List 3 at least)				
% of automation and connectivity you offer in each case				

Please list any other entity in which the Candidate has collateral accounts.

60. Does the Candidate perform back-office activities in-house or does the Candidate outsource/subcontract such activities to an Affiliate or a third party? If such activities are outsourced/subcontracted (either to an Affiliate or a third party), please provide the name of the entity to which such activities are outsourced/subcontracted and describe the Candidate's monitoring and tracking out procedures to assure that the entity to which such activities are outsourced/subcontracted complies with the Candidate's requirements? Are you considering outsourcing/subcontracting any applicable back-office activities (either to an Affiliate or a third party) in the next two years?

Management of Settlement Failures

61. How does the Candidate monitor trade matching and settlement status for securities lending operations and collateral exchange to avoid or minimize settlement failures?

62. Please describe the Candidate's escalation and revision procedures for failed trades for further analysis and risk management. Does the Candidate keep records of the settlement failures arising from operational risk? Please describe the Candidate's internal policy to resolve settlement failures, i.e., guidelines such as timeliness, proceeds amount of the failed trade, financial consequences, among others.

63. When overdrafts occur on cash accounts at the custodian, for example, arising from the late receipt of interest income on pay date:

- What is the Candidate's policy for recovering the financial consequences, if any?
- What market practices does the Candidate use to recover the financial consequences due to late receipt of interest income or due to settlement failures on recalls?
- Does the Candidate consider overdrafts as a financial impact associated with a settlement failure?

64. Please indicate if the Candidate can provide the following information for settlement failures upon BdIR request:

Category	Description	Yes/No	Exclusions, exceptions, conditions for valid request and comments
Transaction Type	Loans, maturity, recalls, collateral delivery, collateral receipt, sale, Funds transfer.		
Event type	<ul style="list-style-type: none"> - Settlement failure – Loan. - Settlement failure – Recall. - Late receipt of funds (income, fees). 		
Currency			
Amount	Net amount.		
Security ID	ISIN.		
Cause of the exception	<ul style="list-style-type: none"> - Short of shares. - Late receipt. - Wrong instructions. - Other. 		
Responsible for the exception	<ul style="list-style-type: none"> - Custodian. - Borrower. - Agent. - Other. 		
Market practice	<ul style="list-style-type: none"> - TMPG, CSDR, ISITC, other. 		

Improvement Actions	(If applicable)		
Event Status	<ul style="list-style-type: none"> - Pending for settlement. - Settled and closed. - Associated consequence. 		
Consequence	<ul style="list-style-type: none"> - TMPG Claim. - CSDR charges. - Overdraft charges. - Cost of doing business. - Write-off. - Other. 		
Charges	Net charges..		
Actions	<ul style="list-style-type: none"> - Custodian to reimburse. - Agent to approve reimbursement. - Borrower to reimburse. 		
Comments			

65. Please confirm if the Candidate uses any of the following market practices on settlement failures, and if the Candidate considers these market practices encompass all possible trades the Responsible Party will perform under the Program.

- ISITC
- TMPG
- JSDA
- ICMA
- BAFT-ISA Interbank Compensation rules
- European Interbank Compensation Guidelines

- Canadian Payments Association LVTS rule 14 Claims and Compensation.
- 66.** Does the Candidate apply other market practices or internal policies for settlement failures? Does the Candidate anticipate any of the markets in which the Program will be invested to have specific requirements related to settlement failures (for example, restricted market, collateralization, or a market practice such as TMPG in the USA or JSDA in Japan)?
- 67.** How is the Candidate monitoring settlement failures and potential cash penalties under applicable law or market practice (including without limitation CSDR)? Does the Candidate have systems in place to track failed trades?
- 68.** What processes has the Candidate implemented to minimize settlement failures that would trigger cash penalties under applicable law or regulation (including without limitation CSDR)?
- 69.** How are cash penalties for settlement failures addressed? What is the Candidate's reimbursement policy when a cash penalty impacts a client account?
- 70.** What is the Responsible Party's strategy to ensure alignment with securities lending operations counterparties and the Central Securities Depositories to avoid cash penalties under applicable law or regulation (including without limitation CSDR) derived from settlement failures?

Record Keeping

- 71.** Please describe the Candidate's record keeping practices for securities lending. Include how the Candidate maintains accurate and up-to-date records of all securities lending transactions, collateral, and other relevant information.
- 72.** Please describe the Candidate's keeping policies in terms of: timeliness, ability to provide supporting documentation to the client, and the availability for inspection and audit purposes by the Bank or any person designated by the Bank.

Reporting

- 73.** Please provide an overview and samples of the reports available for securities lending operations. Additionally, please briefly respond the following:
- Are those reports available online?
 - Are those reports updated daily? If not, please explain which is the frequency of those reports.
 - Are those reports as of the previous business day?
 - Are those reports available in PDF and Excel formats? Which other formats are available?
 - Are those reports customizable? And is there a cost for customization associated to the client's requirements?

74. Is the Candidate able to provide access to the Bank via the internet for information about the Candidate's securities lending program, including loans outstanding, shares on loan, days out on loan, term or open trades, borrowers for each block of securities lent, collateral portfolio details, collateralization levels, earnings, and other daily and monthly reporting requirements? If yes, please provide samples.

75. Please explain the types of reports the Candidate provides for securities lending activity. Include the frequency, format, and the key metrics or data points included in these reports.

76. Does the Candidate have the capability to develop, configure and generate reports resulting from specific requirements from the client? Please also consider in your answer the possibility of modifying your standard reports to meet specific requirements from the client, such as format, content, frequency, delivery method or special considerations (e.g. if there is no trading activity the Agent will send a report or message with a note: *"No trading activity to report for [date]"*, or if any changes in the format of the Agent's reports will be informed to the Bank with at least 1 month in advance considering that such reports may be interfaced as part of the Bank's automatic procedures).

77. Please describe the Candidate's IT security tools for protecting reports and other sensitive/confidential information and documents exchanged, including such as encryption or passwords. Your answer should describe whether these IT security tools are implemented automatically within the Candidate's systems or require additional non-automatic or human intervention.

78. Please indicate in the table below whether the Candidate can comply (Yes/No) with providing the below listed reports on the required format and indicate whether the reports will be delivered via email, web platform, SWIFT, fax, or other. If you consider necessary, please include any comment or additional specifications on the last column.

Daily reporting requirements	Preferred Format	Description	Yes / No	Current Delivery method(s) (email, web platform, swift, fax, other)	Alternate delivery method, additional comments or specifications
End of day activity report by 4 am EST of trade date plus one.	Excel	<p>Detailed report of all daily transactions, including any amendment or reversal.</p> <p>This report must Include: Transaction category (such as loans, recalls, collateral movements, cash transfers, etc.), quantity (original amount, current amount, principal amount), traded</p>			

		price, currency, trade date, value date, term date, fees amount, borrower's identification (where applicable) (BIC code, legal entity name, branch and city), security identifier (ISIN, CUSIP or TICKER), transaction description, transaction type, reference and status (New, Modified, Cancelled), trade country, settlement location, lending ID, lending due date, associated collateral ID (ISIN, CUSIP, TICKER).			
Collateral report by 4 am EST on value date plus one.	Excel-PDF	This report shows daily collateral balances (cash and securities) for the Program, at borrower and fund level, and description (currency, security ID, nominal amount, market value, etc.), trade country, settlement location, associated lending ID.			
Earnings loan report by 4am EST on value date plus one.	Excel	This report shows the detailed earnings by loan Includes: - security ID, daily earnings, trade country, settlement location, lending ID.			
Securities reconciliation report with the custodian Bank by 4 am EST on value date plus one.	Excel-PDF	This report must show securities balances of both the Agent and the Custodian and the exceptions or conciliatory items between the Agent's records and those of the Custodian.			
Securities on loan report holdings report by 4 am EST on trade date plus one.	Excel-PDF	This report includes Statement date, security identifier, shares on loan, market value, currency, borrower, loan age, market value, lending ID, collateral ID.			

Monthly reporting requirements	Preferred Format	Description	Yes / No	Delivery method(s) (email, web platform, swift, fax, other)
Consolidated definitive report by one business day after month end.	Excel-PDF	<p>Detailed report of all daily transactions, including any amendment or reversal.</p> <p>This report must Include: transaction category (such as loans, recalls, collateral movements, cash transfers, etc.), quantity (original amount, current amount, principal amount), traded price, currency, trade date, value date, term date, fees amount, borrower's identification (where applicable) (BIC code, legal entity name, branch and city), security identifier (ISIN, CUSIP or TICKER), transaction description, transaction type, reference and status (New, Modified, Cancelled), trade country, settlement location, lending ID, lending due date, associated collateral ID (ISIN, CUSIP, TICKER).</p>		
Summary of earnings loan report by one business day after month end	Excel -PDF	List of earnings paid on the month specifying: Lending ID, trade country, settlement location, earnings due date, earnings amount, currency, cumulative earnings by loan.		

Client Support and Service

79. Please describe the Candidate's client service model for back-office activities in securities lending.

80. Please describe how the Candidate addresses client inquiries, issues, and the support services the Candidate provides to ensure smooth back-office operations.

81. Please describe the Candidate's communication procedures with clients and with custodian banks. Please include in your response the degree of automation, timeliness, escalation procedures and controls in place and back-up structure for the Candidate's client service group to guaranty a timely and effective response.

82. How does the Candidate notify clients of changes in its internal back-office procedures? Does the Candidate take into consideration test stages with clients before the effective date of the implementation of those changes?

- 83.** How does the Candidate monitor and implement changes related to operational procedures (such as deadlines, settlement instructions, market, and regulatory requirements) with the custodian?
- 84.** Considering that BdIR as a client is either in Eastern or Central Standard Time (NY) as applicable, please indicate how and when can clients such as BdIR contact the Candidate.
- 85.** Please provide the Candidate's views on major issues facing securities lending activities and those the Candidate anticipates will demand attention in the short term in connection with the rendering of securities lending services (mainly relating to custody, settlements, accounting, and any other topic that can be considered as relevant to back offices).
- 86.** Does the Candidate publish bulletins or news flashes on the topics mentioned in question 86 which could be shared with BdIR?
- 87.** Does the Candidate provide clients with standard training programs on topics such as settlement, safekeeping, accounting, risk control, performance measurement, post trade market practices, regulatory updates? If affirmative, does the Candidate currently provide, or would consider providing, customized training on such topics for the staff of a client?

Taxes

- 88.** Please describe the procedures you have in place, or possibly will implement, to monitor the tax status of investments and which actions are taken when there is no available/updated documentation.
- 89.** Are you capable of implementing a procedure for the Bank such that the tax treatment of the coupon payments on lent securities remains to be exempted considering the tax status of the Bank as foreign central bank of issue under the W-8 EXP form and other applicable non-U.S. jurisdictions (based on eligible currencies described in the Guidelines)? Please describe the procedure.
- 90.** Are you capable of implementing a procedure for the Bank such that the tax treatment of the coupon payments on Received Collateral receive any tax benefit from BdIR's tax status.
- 91.** Please describe any additional tax considerations that the Bank should be aware of in connection with the Program, taking into account the Guidelines and eligible currencies.

SECTION E – RISK MANAGEMENT

- 92.** Please describe the Candidate's risk management oversight of its securities lending business.
- 93.** Please describe the Candidate's risk management framework, including procedures for assessing, mitigating, and monitoring risks associated with securities lending.
- 94.** How does the Candidate manage the following risks?
- Borrower/Counterparty Risk and Default Risk
 - Collateral/Reinvestment Risk

- Interest Rate Risk and Maturity mismatch
- Credit Spread Risk
- Trade Settlement Risk
- Operational Negligence
- Sovereign Risk
- Currency Fluctuation Risk

95. Please describe how the Candidate manages risk related to indemnification to clients on a program-wide basis.

96. Since the start of the Candidate's securities lending program, have you experienced any losses due to operational negligence or borrower default? If yes, please describe. What are the remedies for the client in the event of losses due to operational negligence or borrower default?

97. Does the Candidate have a dedicated compliance/officer team monitoring the securities lending program? What are their roles and responsibilities? Please describe the reporting structure for the compliance officer/team.

98. Does the Candidate perform stress tests on your securities lending program? Please describe the methodology and procedures utilized for stress testing, including the testing frequency.

99. Please describe the Candidate's strategy of asset/liability duration mismatches. How is this decided and controlled?

100. Please describe the Candidate's strategy of quality, credit and currency mismatch. How is it decided and controlled?

101. What are the remedies offered by the Candidate to its clients for potential losses incurred in securities lending operations?

102. Has the Candidate's risk management process experienced changes/improvements during the last five (5) years? Do you envision changes/improvements to such process in the short term? Please briefly elaborate if needed.

103. Please describe how the Candidate determines, adheres to, measures, and reports on standards for best execution with clients, borrowers, and other counterparties.

Counterparty Risk Management

104. What measures does the Candidate have in place to mitigate counterparty risks? Are special measures implemented in the Candidate's securities lending program apart from Candidate's broader business?

105. Please describe the Candidate's credit analysis process for approving and monitoring the borrowers participating in the securities lending program. How are credit limits determined for borrowers? How often do you review the limits? Are credit limits set in conjunction with other

areas of your organization? Have you ever dismissed or suspended a borrower within your securities lending program? Please describe.

106. Does the Candidate have an internal limit/restriction on the percentage of the client's portfolio of lendable assets that can be daily lent? Please describe your policy in detail.

107. Related to the question above, does the Candidate also have an internal limit/restriction on the percentage of the client's lendable assets that can be daily lent to a single borrower or single consolidated group of borrowers or guaranteed by a single guarantor or single consolidated group of guarantors?

- What is the exposure limit?
- Is it possible that an individual client can have exposure to an individual borrower or single consolidated group of borrowers at any given time?

108. Please provide information on any credit risk mitigation techniques used, such as collateral requirements, or concentration limits.

109. Please detail the procedures for monitoring and managing counterparty credit risk (both at the borrower and guarantor level) throughout the duration of securities lending transactions.

110. Please elaborate on the Candidate's policy relating to deteriorating creditworthiness of counterparties (both at the borrower and guarantor level).

111. Which team(s) of the Candidate is(are) responsible for counterparty's credit review and approval? How many professionals exist within this team? Are the members of this team exclusively dedicated to the securities lending program? Who does this team report to?

112. If possible, please provide a list of the Candidate's current approved borrowers and their credit rating. Please identify the top ten borrowers and what percentage of the total program they represent. Please indicate if a client can restrict/limit a program to borrowers selected by the client.

113. Does the Candidate have compensation arrangements with borrowers or their affiliates beyond the standard form of negotiating rebates/fees? If so, please explain.

114. Please describe the controls the Candidate will implement to comply with the borrower and guarantor requirements included in the Bank's Guidelines for the Program.

115. Does the Candidate monitor the jurisdictions to which lent securities are or may be transferred?

Default Management Procedures and Securities Lending Indemnification

116. Please describe the Candidate's procedures and protocols for managing defaults by borrowers and guarantors in securities lending transactions.

117. Please outline the steps taken in the event of a borrower's / guarantor's default, including the liquidation of collateral and communication with affected parties.

118. Please provide examples illustrating the Candidate's standard policies with respect to borrower and guarantor defaults.

119. Please elaborate on the indemnification Candidate offers to clients of its securities lending program, and describe the procedures, requisites and limitations/qualifications applicable for a client's compensation.

120. Does the Candidate provide additional types of indemnification beyond borrower or guarantor default (i.e., collateral, trade settlement, etc.)? Does your Proposal include the provision of different levels of indemnification for clients? If so, please describe in detail.

121. Are there any events in which the indemnification against borrower or guarantor default is not applicable? Does this have any impact on revenue sharing?

122. How would a force majeure event impact your clients' ability to recover indemnification (and/or timing limitations on clients' right to recover)?

123. What are the specific limitations of the indemnification offered by the Candidate to its clients? Please elaborate how the Candidate determines if a default has occurred and the indemnification is applicable, and on what valuation date the default amount is determined. Please explain the events in which the indemnification will not make a client whole on losses.

124. Does the Candidate's standard securities lending agency agreement specifically provide for cash or securities payment as remedy in the event of a borrower's or guarantor's default?

- If securities, is the Candidate responsible for re-purchasing loaned securities in the market after a borrower defaults?
- What is the applicable term for the Candidate to repurchase the security? Who bears the cost associated with security re-purchases?

125. How would declines in market value of lent securities impact client rights to indemnification?

126. Please indicate which entity within the Candidate is responsible for the indemnity offered to clients and provide the following information related to this entity:

- Credit rating
- Tier 1 capital ratio
- Tier 2 capital ratio
- Leverage ratio

Collateral Management

127. Please describe the Candidate's policy in case a security received as collateral becomes non-compliant with the client's Guidelines. Would the Candidate ensure that the borrower replaces the collateral for an eligible security no later than the next business day after the event?

128. Please describe the Candidate's collateral valuation methodologies, including frequency of valuation updates and independent verification processes.

- 129.** Please describe the concentration limits or restrictions on the types of collateral accepted to mitigate credit risk.
- 130.** Please provide details about the Candidate's collateral management infrastructure, including systems and processes.
- 131.** Please describe the segregation practices used for collateral received by a client as part of a securities lending program, including any relevant legal and regulatory considerations.
- 132.** Which types of collateral does the Candidate's securities lending program accept against loans? Where are these securities held in custody? What is the percentage breakdown of collateral types that your program has on average?
- 133.** What is the Candidate's minimum established collateralization levels by type of security? How far below the required collateralization percentages must the collateral dip before making a margin call?

Margining and Haircut Policies

- 134.** Please outline the Candidate's margining policies, including initial and variation margin requirements for securities lending transactions.
- 135.** Please provide details on the Candidate's calculation methodology for determining margin levels, including any haircut applied to collateral valuations.
- 136.** Please describe how margin calls are managed and the process for escalating actions in the event of margin breaches or deteriorating creditworthiness of counterparties.
- 137.** Is the mark-to-market process performed individually for each loan or in an aggregated manner for the borrower? Please explain.

Compliance Procedures

- 138.** What is the scope of the Candidate's compliance function? Does the Candidate have any additional or specific compliance policies or scope in connection with securities lending?
- 139.** What tools does the Candidate have in place to always monitor compliance with guidelines and internal policies and procedures? Describe below generally and in particular with respect to securities lending.
- 140.** Please describe how the Candidate would monitor and ensure compliance with the Bank's Guidelines.
- 141.** Does the Candidate have pre-trade and post-trade compliance systems to ensure compliance with the Program's Guidelines?
- 142.** If any portion of the Candidate's Proposal involves the usage of third parties, please describe the Candidate's compliance program to oversee vendors, such that usage of vendors by the Candidate in its Proposal does not present any additional risks to the Bank.

SECTION F – HISTORICAL PERFORMANCE, FEES AND COSTS

143. Given a securities lending program similar to such of the Bank under this RFP as regards to the type of securities available to lend, permitted collateral, and Guidelines, and assuming you would be able to choose the securities once every month, please provide responses to the following questions:

- What is your track record in terms of securities lending program performance, including returns generated for clients over the past three years?
- What is the average yearly utilization rate of that program? What are the yearly gross returns expected as a percentage (%) of the program before split? Please describe in detail the program used as reference for answering these questions (size, guidelines, eligible collateral, types of lendable securities, etc.), and complete the following table:

Category	2022	2023	2024
Average utilization rate (%)			
Gross returns (% - before split)			

- If you were given the opportunity to choose securities more often than once a month, what would be your preferred frequency? And what would be the effect on the utilization rate and expected profits? Please explain.

144. How does the Candidate compare the performance of its securities lending program against an industry benchmark? Which has been the historic performance of your program against this benchmark during the last three years?

145. In addition to fees charged by the Candidate to its clients for the rendering of securities lending services, are there any additional fees or costs that clients should be aware of? For example, are any other charges deducted from earnings remitted to the client before or after the earnings split? If so, please specify the amount(s).

- Are any amounts paid by the Candidate to third parties in connection with the securities lending services before or after the earnings split? If so, please specify the amount(s).
- Are there any costs associated to the custody of the collateral received? If so, please specify the amount(s).

146. To the best of your knowledge, how do your fees compare to those charged by other securities lending agents in the industry?

147. About the Candidate's profit split arrangement, please indicate if there are any different profit split arrangements depending on the size of the securities lending program.

148. Please provide a breakdown of your proposal of the profit split arrangement for BdIR's USD 1,000 million Program.

149. Does your program profit split arrangement has any variations associated to the size, types of securities lendable and acceptable as collateral of the program? If so, please provide the requirements for the different ranges of your profit split arrangements.

Levels of risk aversion	Size (USD Million)	Ranges (e.g. 70/30, 80/20, 90/10, etc.)
Low	500-1,000	
	1,000-2,000	
	>2,000	
Medium	500-1,000	
	1,000-2,000	
	>2,000	
High	500-1,000	
	1,000-2,000	
	>2,000	

150. Are there any extra fees or costs that clients should be aware of? For example, are any other charges deducted from earnings remitted to the client before or after the earnings split? If so, specify the amount(s). Are any amounts paid to third parties before or after the earnings split? If so, specify the amount(s).

151. Please provide a one-month gross profit estimate (before split) for BdIR's USD 1,000 million Program using the sample securities provided in Appendix 2¹⁰ and the Program's Guidelines provided in Appendix 1, your historical utilization rate, and assuming you would be

¹⁰ Please note this sample of securities is merely for illustrative purposes in the RFP. Accordingly, it is not mandatory for the Bank to include this sample of securities in the Program.

able to choose the securities once. List significant assumptions or comments that impact your lending estimates.

152. Please explain the methodology used for calculating the securities lending revenue profit stated in the question above. Please provide an example.

SECTION G – LEGAL AND COMPLIANCE

153. Please describe the regulatory regimes applicable to the Candidate's securities lending activities.

154. Please describe the Candidate's policies to monitor changes in regulation and implement the Candidate's compliance framework for those regulatory changes, relevant to the Candidate's securities lending program.

155. Please describe the Candidate's policies to ensure compliance with applicable laws, regulations, and industry best practices in its securities lending program.

156. Please confirm that the Candidate would agree to notify the Bank at the earliest possible time of (and thereafter update the Bank on) litigation, claims or any actions or investigations (including by governmental or regulatory agencies) that could adversely affect the Candidate's ability to fulfill its functions as securities lending agent.

157. What challenges have you observed, from a legal and compliance perspective, in implementing securities lending agency programs for other central banks?

158. How have you addressed challenges, if any, you described in Question 158.

159. Please confirm that there is no legal, regulatory, or administrative proceeding threatened or pending that could adversely affect your ability to perform or comply with your role as securities lending agent to the Bank.

160. Please confirm that there are no legal impediments or operational impediments that would reasonably be expected to prevent you from carrying out your responsibilities as securities lending agent to the Bank.

As described above under the "The Bank's Security Lending Agency Agreement" heading, the Bank will request finalists to provide their standard Agency Agreements and SLAs. Please confirm that you will have no potential issues with complying with the Bank's expectations described under "The Bank's Security Lending Agency Agreement" heading. Otherwise, we will expect finalists to comply with these expectations in their proposed Agency Agreement and SLA. Favorability of the proposed Agency Agreement and SLA to the Bank will be one factor considered by the Bank in reviewing Proposals.

161. Please provide a comprehensive description of your full collateral, and borrower default indemnification offerings, specifically, the indemnifications the Candidate is offering in response to this RFP. Please address the following in your response:

- Borrower's insolvency/bankruptcy.

- Failure to recall securities before the settlement date.
- Failure to secure additional collateral and margin requirements.
- Failure to receive coupons.
- Immediate use of non-cash collateral in the event of borrower insolvency/bankruptcy.
- The timeframe for declaring a borrower default upon a triggering event and the timetable for reimbursement to BdIR after such event.

162. If you offer indemnification, what changes to this policy do you foresee because of any pending regulations? Do you anticipate proposing any fee increase or adjusted program splits in the events that pending regulation makes it more expensive to offer indemnification?

163. Please provide the indemnity language for each type of indemnification you offer with your proposal. How does the Candidate's indemnification differ from your competition?

164. Please confirm whether the Candidate has an executed *Third-Party Access Agreement for Securities Transactions* in place between your client[s], the Federal Reserve Bank of New York, and the Responsible Party? Did the Responsible Party require any modifications to the standard agreement? If so, please describe the nature of the changes needed in detail.

SECTION H – ENTERPRISE RISK MANAGEMENT

165. Please describe the main elements of the Candidate's Operational Risk Management System. Which area within the Candidate is responsible for its administration?

166. Please describe the Candidate's enterprise-wide risk management, addressing, among other things, operation, legal, compliance and counterparty risk.

167. Do your Anti-Money Laundering (AML)/Combating the Financing of Terrorism (CFT) Program and AML policies and procedures comply with current AML legislation, regulations and guidelines issued by the regulatory bodies in the jurisdiction in which you operate?

168. Please explain how the Candidate manages AML/FT risks and how monitoring and reporting to senior management are conducted.

169. Do you have an Anti-Bribery and Corruption Compliance Program (ABC)?

170. Do your ABC Program, policies and procedures comply with current ABC legislation, regulations and guidelines issued by the regulatory bodies in the jurisdiction in which you operate and/or inter-jurisdictional systems (i.e. FCPA)?

171. Please describe your firm's code of ethics and how compliance with the code is monitored. Has it been approved by Senior Management? Is it periodically shared to all employees of your firm?

172. Are there committees within the Candidate to address enterprise risk management matters where members of the Board of Directors participate? Please mention which ones and describe their main functions.

173. Describe your firm's conflict of interest policy and how compliance with the policy is monitored.

174. Does your firm or its Affiliates have any real or potential conflicts of interest (personal or organizational) with the Bank? If so, how does your firm propose to avoid, mitigate or neutralize such conflicts of interest?

175. Please describe how (if at all) your proprietary interests or interests of your other clients might affect or conflict with your duties to the Bank.

176. Please describe your firm's confidentiality policies that would protect against both non-use and non-disclosure of confidential information of the Bank, including without limitation with respect to employees of your firm accessing confidential information of the Bank outside your offices (including as a result of remote work accommodations).

177. Describe the standards used by you to implement your cybersecurity system. Also, describe your due diligence related to cybersecurity programs of third- and fourth-party vendors you would utilize on behalf of the Bank.

178. Please describe the types of insurance coverage offered by the Candidate (carriers, risk coverage, levels, limits, deductibles, expiration dates, etc.) for the benefit of securities lending clients.

179. Does the Candidate maintain errors and omissions insurance or other potentially relevant insurance policies? If so, with which insurers and what are the policy limits?

180. Please describe your business continuity and disaster recovery plans. Has your business encountered any challenges related to securities lending that could potentially impact business continuity? If so, please provide details. Please provide an estimate of the expected recovery times and service levels for critical securities lending services in the event of a major disaster. Please describe the frequency with which plans are tested.

181. Please briefly describe the frequency of tests and the use of alternative computing and operational sites.

182. Please describe the Candidate's policy to control and supervise Affiliates and third parties involved in the performance of services under your securities lending program or that may have access to confidential information of the Bank.

183. What are the main elements of your Non- Financial Risk Management System? Describe them. Which area within the Candidate is responsible for their administration?

184. Please explain the audit area functions within the Candidate as regards to the securities lending program. Is it performed independently of the second and first line? What is the frequency of reports and information to senior management?

185. What methodologies does the Candidate implement for market risk and liquidity risk management? Please describe in detail the approaches used, including models, key metrics, and monitoring processes.

186. What methodologies and/or indicators does the Candidate employ for measuring and managing counterparty and issuer concentration risk? Explain how these risks are identified, assessed, and mitigated within your organization.

Annex 1. Instructions for the Proposal

Please keep in mind that the Bank will only consider Proposals that are delivered on time and received at the electronic address according to the procedure stated below.

The term “Proposal(s)” should be understood as the group of documents consisting of:

1. Responses to the Questionnaire
2. Certification as to Satisfaction of the Minimum Selection Criteria for Consideration
3. Compliance Certification duly signed (in the form of Annex 2 attached hereto)
4. Authorization for the processing of personal data (image) of a person of age for internal use by Banco de la República (in the form of Annex 3 attached hereto)
5. Additional Documentation:
 - Certificate of good standing¹¹
 - Certificate of incumbency for authorized signatories
 - SOC 1 or ISAE 3402 report issued by an independent auditor on the effectiveness of your internal controls for [2024].
 - Completed Questionnaire
 - Last audited financial statements¹²

Proposals should be submitted in written form in English. The instructions for sending the Proposal are as follows:

The Proposal should be submitted via e-mail only to the address:

DA-RecepcionOfertas@banrep.gov.co with the following subject matter: “RFP 2025 Securities Lending Program. Final Response”. The body of the e-mail shall visibly state the complete name and contact data of the Candidate, including its physical and electronic address. The responses to the Questionnaire must be received at the e-mail address indicated above no later than by 23:59 (Bogotá time), July 9, 2025. The Bank will not consider e-mails received after the date and time indicated above.

The size of each email must be equal or less than 10 MB because the e-mail server of the Bank does not accept files of larger sizes. If you need to send separate e-mails, please take into account that they should be numbered (for example, e-mail 1 of 5) and come from the same e-mail address. The email address provided above DA-RecepcionOfertas@banrep.gov.co is

¹¹ A “Certificate of good standing” or its equivalent is an official document that certifies the legal existence of the Responsible Party and that the entity is authorized to do business in the place where it is registered.

¹² If the Responsible Party does not issue financial statements, the parent company audited financial statements are allowed.

exclusively for sending the Proposal. Participants should refrain from using such email address for any other purpose.

The submission of the Proposal by the Candidate will be evidence of its understanding and acceptance of the conditions set forth in this RFP.

Annex 2. Compliance Certification

Form 01-A.

Affidavit Statement – Responsible Party

Date (dd/mm/yyyy):	
<p>Responsible Party / Legal Entity</p> <p>I, <<Name>>¹³,</p> <p>Acting as Legal Representative of the Responsible Party: <<Name>>¹⁴</p> <p>with ID No.<<ID number>>¹⁵ and</p> <p>ID No. of the Legal Representative <<identification number>>¹⁶</p>	<p>Individual / Natural Person</p> <p>I, <<Name>>¹⁷,</p> <p>with ID No. <<identification number>>¹⁸</p>

Hereby state under oath the following:

According to Article 7° of Banco de la República's¹⁹ Rules on Contracting²⁰; the undersigned, the Responsible Party that I represent and the Responsible Party's partners are not involved in any cause to be ineligible or unqualified, in accordance with the aforementioned Rules and Article 8° of Law 80 of 1993²¹ (Colombian Law), and with other provisions that modify, substitute or

¹³ Name of the Legal Representative of the Responsible Party signing the form.

¹⁴ Name of the Responsible Party signing the form.

¹⁵ Identification number or tax identification number of the Responsible Party signing the form.

¹⁶ Identification number of the Legal Representative of the Responsible Party signing the form.

¹⁷ Name of the Individual signing the form.

¹⁸ Identification number of the Individual signing the form.

¹⁹ Central Bank of Colombia.

²⁰ Resolution No. 2 of 2010 of Banco de la República's Board Directors. The Rules of Contracting can be consulted at <https://www.banrep.gov.co/es/marco-normativo-adquisiciones>.

²¹ Please refer to the following link: http://www.secretariassenado.gov.co/senado/basedoc/ley_0080_1993.html#8

add them, or that establish causes to be ineligible or unqualified to contract with the Colombian State, which I declare to know.

Note: It is necessary to verify that the Responsible Party's partners and executives do not have a kinship or patrimonial relationship with Banco de la República's employees that appear in the list available in the following link: <https://www.banrep.gov.co/sites/default/files/informacion-cargos-nivel-directivo-asesor-control-y-miembros-jd-planta.xlsx>.

Responsible Party's Legal Representative Signature

ID Number:

Responsible Party Name:

Annex 3. Authorization for the processing of personal data of a person of age for internal use by Banco de la República

Important information - Authorization for the processing personal data (image):

Reference: Request for Proposal for Securities Lending Agents of the Foreign Reserves Banco de la República 2025, [Name of Responsible Party].

In compliance with the Personal Data Protection Regulation²², I, _____, of legal age, domiciled at _____, holding ID/Passport No. _____ issued in _____, **hereby authorize BANCO DE LA REPÚBLICA** (the “Bank”) to carry out the processing (collection, storage, use, circulation, or deletion) of any personal data that I may provide during visits, telephone calls, video conferences, and other stages of this selection process conducted by the Bank, including my image (name, pseudonym, voice, identification, figure, physiognomy, etc.), which may be recorded in video and/or audio for the purpose of internal use in analyses, verifications, evaluations, and other procedures required by the Bank to carry out this selection process. This may include the storage of such data in internal repositories for archival purposes, as well as the construction of indicators and statistics for monitoring and controlling said processes and activities, legal controls, and the fulfillment of other constitutional and legal functions of the Bank.

For this purpose, the Bank hereby informs that: **(i)** The processing of personal data will be carried out in accordance with the Bank’s privacy policy available at <https://www.banrep.gov.co/en/general-policies-and-guidelines-personal-data-protection>, in the “Protection of personal data - Habeas Data” section; **(ii)** the Bank is committed to the security and protection of the personal data for which it is responsible. Its management systems for handling information have the current ISO 9001 and ISO/IEC 27001 certifications, the latter referring to information security. The policies and standards of the Bank’s information management system are focused on protecting the confidentiality of the information. Some mechanisms that support these policies and standards include network access control and/or authentication devices, and software to manage authorization levels and monitor system and registry activity, among others. Documents and information are preserved in compliance with the terms set forth in Article 55 of Law 31 of 1992; **(iii)** The answer to questions concerning sensitive data is optional and, if provided, their processing is authorized for the purposes mentioned above; **(iv)** You may access, know, update and rectify such data; be informed about

²² In Colombia, Law 1266 of 2008, Law 1581 of 2012, Decree 1074 of 2015, and other regulations that modify, complement or replace them.

the use given to them; submit inquiries and complaints about the handling of such data; revoke this authorization or request the deletion of the data where appropriate, and all other rights conferred by Law; **(v)** To exercise such rights, you may contact the *Citizen Services System* (SAC in Spanish): On-site service points, Call Center (national toll-free line: 01 8000 911745), or web-based service. For more information, please visit *Banco de la República's* website at <https://www.banrep.gov.co/es/transparencia/atencion-ciudadania>.

General Information – Data Controller: *BANCO DE LA REPÚBLICA*, TIN No. 8600052167, Main Office: Bogotá D.C. Contact: Through the *Citizen Services System* (SAC).

Signature: _____

Name: _____

ID/Passport No: _____

Appendix 1. SECURITIES LENDING PROGRAM GUIDELINES

1. AUTHORIZED AGENTS

There will be up to 2 authorized agents for the securities lending program that meet the following conditions:

- 1.1. Minimum long-term credit rating of A- (see note 1).
- 1.2. Minimum short-term credit rating of A1/F1/P1 (see note 1).
- 1.3. The parent company of the agent must be part of the Globally Systemically Important Banks (G-SIBs) according to the list published by the Financial Stability Board.

2. ELIGIBLE SECURITIES FOR LENDING AND PROGRAM SIZE

- 2.1. The securities eligible for lending are those issued by the United States government from the Passive portfolio of the Short-Term Tranche managed directly by Banco de la República that are kept in custody with the United States Federal Reserve, according to the list provided by Banco de la República to the authorized agents.
- 2.2. The maximum nominal value that can be lent of eligible securities amounts to US\$1,000 million per agent.

3. GUIDELINES FOR THE LOANS

- 3.1. The term of a loan must not exceed 95 calendar days.
- 3.2. Eligible borrowers must meet the following conditions:
 - 3.2.1. Minimum short-term rating of A1/P1/F1 assigned by at least two of the following rating agencies: Standard & Poor's, Moody's or Fitch Ratings (see Note 1).
 - 3.2.2. Minimum long-term rating of A-/A3/A- assigned by at least two of the following rating agencies: Standard & Poor's, Moody's or Fitch Ratings (see Note 1).
- 3.3. Firms that belong to the same parent company as the agent cannot be borrowers.
- 3.4. Eligible collateral for loans must be fixed income securities. Cash is not considered eligible.
- 3.5. Securities received as collateral cannot be lent in repurchase operations.
- 3.6. The market value in USD of the aggregate collateral per borrower cannot be less than 102% of the market value of the securities lent if the collateral is denominated in USD or 105% if the collateral is denominated in another currency. If it falls below these thresholds, the respective overcollateralization margin must be reestablished no later than the next business day after the event.
- 3.7. The received collateral and the lent security must not mature during the term of the loan.
- 3.8. The agent must send detailed daily reports with information on the securities lent to each borrower and the collateral received.

4. GUIDELINES FOR SECURITIES RECEIVED AS COLLATERAL (see Note 2)

- 4.1. Eligible currencies: USD, EUR, JPY, NOK, SEK, AUD, NZD, CHF, GBP, CAD, KRW, CNH/CNY, SGD, HKD.
- 4.2. Eligible sectors: collateral may be received in the eligible sectors presented in Table 1.

TABLE 1. ELIGIBLE SECTORS

Sector (see Note 3)	General Characteristics
Government	Sovereign debt in local currency
Government-related	Debt issued by: Supranationals, Sovereigns in foreign currency, Agencies (explicitly guaranteed, government owned/sponsored), Local authorities
Mortgage-backed securities (MBS)	100% guaranteed by <i>Fannie Mae, Freddie Mac or Ginnie Mae</i>

4.3. Eligible assets (see Note 4):

- 4.3.1. Money market: certificates of deposits, commercial paper, discount notes/bills.
- 4.3.2. Bonds / Notes: zero coupon, fixed and floating rate coupon, inflation linked and bonds with embedded optionality limited to callable and puttable options (see Note 5).
- 4.3.3. MBS: pass-through restricted to those in which the underlying asset is issued/guaranteed by Fannie Mae, Freddie Mac or Ginnie Mae and it affects the limit per issuer of the corresponding agency.

4.4. Limits / Restrictions:

- 4.4.1. Debt seniority: eligible debt must be classified as Senior (unsubordinated).
- 4.4.2. Minimum credit rating: all issues/issuers must be rated by at least two agencies, and each agency must provide a minimum credit rating of: A-/A3/A- for sovereigns, agencies, supranational entities, A+/A1/A+ for local authorities (see Notes 1 and 6).
- 4.4.3. In case one or more of the credit rating agencies (S&P, Moody's, Fitch) rates an issue or issuer with a short-term credit rating, this must be A1/P1/F1 or higher.
- 4.4.4. Maximum exposure per borrower: 30% of the program size.
- 4.4.5. The issuer of securities eligible as collateral must not be domiciled in prohibited jurisdictions. Prohibited jurisdictions are determined based on periodic statements issued by the FATF through the lists of *High-Risk Jurisdictions Subject*

to a Call for Action and Jurisdictions Under Increased Monitoring, as they are updated and/or modified periodically. This guideline applies both to the parent company and to the entity that directly guarantees the issuer or the issue (see note 7).

5. ADDITIONAL CONSIDERATIONS

- 5.1. All Guidelines apply at the time of receiving the collateral. In case a security becomes noncompliant after this (passive breach), the agent shall notify the client as soon as practicable. In the absence of instructions from the client regarding the affected asset, the agent must ensure that the borrower replaces the collateral for an eligible security no later than the next business day after the event.
- 5.2. If a borrower ceases to be eligible during the term of a loan, the agent must terminate the loan transactions with such borrower no later than the next business day on which the borrower ceases to be eligible.
- 5.3. The agent may not receive as collateral securities issued by itself or the borrower, as well as by their respective parent companies or any of its affiliates.

NOTES TO THE SECURITIES LENDING PROGRAM'S GUIDELINES²³

Note 1: The credit rating criteria corresponds to the lowest credit rating issued by S&P, Moody's and Fitch Ratings, taking into account that: the agent, the issuer/issue or the borrower must be rated by at least two of these agencies. In the case of securities, to determine which rating is used as reference for each agency: a) the rating of the issue should prevail and, only if the issue has no ratings, the ratings of the issuer can be used, and b) if the issue is guaranteed, the credit rating of the guarantor can be used. Lastly, if the issuer is an affiliate or a subsidiary that is not rated but its parent is, the credit rating of the parent may be used as a rating for the issuer if there is a guarantee over the operations of the affiliate or subsidiary.

Note 2: The Client retains, at its discretion, the right to prohibit specific securities even if they fully comply with the Program Guidelines. The Agent shall contact the Client before receiving a security as collateral if the Agent has any question regarding whether the proposed security is permissible under the Program Guidelines.

Note 3: The Bank for International Settlements is considered a supranational entity with the highest credit quality.

Note 4: Securities related to IBOR rates are not allowed. This includes indexed securities and/or securities whose coupon is determined by these rates.

Note 5: Private placements issued by government or government-related issuers are considered eligible investments. Private placements issued by other type of issuers are not considered eligible investments.

Note 6: For eligible central banks without a credit rating, the rating of the sovereign will be used as a proxy.

Note 7: This control is applicable to: (i) the country where the entity is legally registered (country of incorporation) and (ii) the country where it is physically located (location of the entity). Compliance with the Guidelines will be governed by the requirements established here and, unless otherwise specified, should not be governed by third-party criteria.

²³ These notes are an integral part of the Guidelines.

Appendix 2. Sample securities for profit estimates

For the one-month gross profit estimate (before split) please consider the size of Bank's proposed Program is USD 1,000 million and assume the Candidate can choose any allocation from the sample securities below, with a nominal value less or equal to such included on the following tables:

ISIN	Nominal
US91282CKB62	500,000,000.00
US91282CKH33	500,000,000.00
US9128286A35	400,000,000.00
US91282CJB81	400,000,000.00
US912828Y792	400,000,000.00
US91282CHV63	400,000,000.00
US9128284Z04	400,000,000.00
US91282CKK61	300,000,000.00
US91282CAT80	300,000,000.00
US91282CJL63	300,000,000.00
US9128285C00	300,000,000.00
US9128285J52	300,000,000.00
US9128285T35	300,000,000.00
US9128286F22	200,000,000.00
US91282CHN48	200,000,000.00
US91282CJC64	200,000,000.00
US91282CJS17	200,000,000.00
US9128285M81	100,000,000.00
US9128283W81	100,000,000.00
US91282CFT36	100,000,000.00
US912828YX25	100,000,000.00
US912810RL44	100,000,000.00

ISIN	Nominal
US91282CJG78	100,000,000.00
US9128285N64	100,000,000.00
US912828V988	100,000,000.00
US91282CCS89	100,000,000.00
US91282CEV90	100,000,000.00
US91282CFF32	100,000,000.00
US91282CJR34	100,000,000.00
US91282CJJ18	50,000,000.00
US912810QF84	50,000,000.00
US912810SM18	50,000,000.00
US912810QN19	50,000,000.00
US912810UH94	50,000,000.00
US91282CAV37	50,000,000.00
US912810RG58	50,000,000.00
US912810SG40	50,000,000.00
US91282CFU09	50,000,000.00
US912810FP85	50,000,000.00
US912810SP49	50,000,000.00
US9128287D64	50,000,000.00
US91282CDY49	50,000,000.00
US912810TZ12	50,000,000.00