



**EFDI** EUROPEAN FORUM  
OF DEPOSIT INSURERS

## COOPERATION AGREEMENT

under Article 14(5) of Directive 2014/49/EU of 16 April 2014

on deposit guarantee schemes

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## Background

According to Article 14(2) of Directive 2014/49/EU of the European Parliament and of the Council of 16 April 2014 on deposit guarantee schemes (“DGSD” or the “Directive”), depositors at branches set up by credit institutions in another Member State shall be repaid by a DGS in the host Member State on behalf of the DGS in the home Member State. The DGS of the host Member State shall make repayments in accordance with the instructions of the DGS of the home Member State. The DGS of the host Member State shall not bear any liability with regard to acts done in accordance with the instructions given by DGS of the home Member State. The DGS of the home Member State shall provide the necessary funding prior to payout and shall compensate the DGS of the host Member State for the costs incurred.

The DGS of the host Member State shall also inform the depositors concerned on behalf of the DGS of the home Member State and shall be entitled to receive correspondence from those depositors on behalf of the DGS of the home Member State.

According to the first subparagraph of Article 14(3) of the Directive, if a credit institution ceases to be a member of a DGS and joins another DGS, the contributions paid during the 12 months preceding the end of the membership, with the exception of extraordinary contributions, shall be transferred to the other DGS. This shall not apply if a credit institution has been excluded from a DGS pursuant to Article 4(5).

According to Article 12 of the Directive, Member States may allow DGSs to lend to other DGSs within the Union on a voluntary basis and under various conditions.

Article 14(5) of the Directive states that the DGS or, where appropriate, the designated authorities, shall have written agreements in place in order to facilitate an effective cooperation between them in the above-mentioned fields.

## Parties to this Agreement

Developed by the European Forum of Deposit Insurers (EFDI), fully integrating the terms of the **Multilateral Framework Cooperation Agreement** between deposit guarantee schemes and designated authorities in the European Union (“EBA MFCA”) which have been established in Annex 1 to the **EBA Guidelines on cooperation agreements between deposit guarantee schemes under Directive 2014/49/EU** and in accordance with Section 4.2 of the EBA Guidelines, *this Cooperation Agreement (the “Agreement”) is agreed to by DGSs and, where appropriate, designated authorities, as defined in Article 2(1)(1) and (18) of Directive 2014/49/EU, respectively. The terms apply to and between all the DGSs and designated authorities who subscribe to this Agreement by signing a letter of adherence to it included in Schedule 1, without any reservation, and sending it to EFDI with a copy sent to the EBA.*

EFDI shall not be considered a Party to this Agreement, and any provision thereof shall not create any legal obligations in respect with EFDI. Where EFDI does not carry out functions envisaged in this Agreement, the Parties will make alternative arrangements.

*The list of DGSs and designated authorities subscribing to this Agreement is specified on the EFDI's website. The Parties agree that this list may also be published on the EBA's website.*

*Additional DGSs and/or designated authorities may subscribe to this Agreement from time to time. EFDI will keep that list updated and a copy will be sent to EBA.*

For the purposes of this Agreement, any reference to the territory of the "European Union" or a "Member State of the European Union" shall be understood as applying also to the territories of the other contracting parties of the Agreement on the European Economic Area.

## Content

The Agreement comprises:

- The main body of the Agreement, which is divided in five (V) parts:
  - o General provisions in **Part I**
  - o The provisions applicable to a cross-border payout in **Part II**;
  - o The provisions applicable to the transfer of contributions between two DGSs in **Part III**;
  - o The provisions applicable to the lending between two DGSs in **Part IV**;
  - o Final provisions in **Part V**;
- **Schedule 1** is a **letter of adherence** template to be signed by a DGS or a designated authority;
- **Schedule 2** provides for a template of **bilateral specifications** to complete Part II. It comprises supplemental or alternative provisions, to be agreed bilaterally by a Home DGS and a Host DGS and/or a Designated Authority. This part of the Agreement or any similar arrangement already signed by a Home DGS and a Host DGS and/or a Designated Authority bilaterally and which comprises those provisions is further named "**Bilateral-Spec**". A **Bilateral-Spec** may make supplemental or alternative provisions to the other parts of this Agreement, provided that it is not inconsistent with the parts of the main body of the Agreement incorporated from Annex 1 of the EBA Guidelines, and does not affect the rights and obligations of the other Parties under this Agreement.
- **Schedule 3** provides for a template of bilateral transferring specifications to complete Part III. Those specifications may make supplemental or alternative provisions to Part III of the Agreement, provided that it is not inconsistent with the parts of the main body of the Agreement incorporated from Annex 1 of the EBA Guidelines, and does not affect the rights and obligations of the other Parties under this Agreement.
- **Schedule 4** provides for a template of bilateral lending specifications to complete Part IV. Those specifications may make supplemental or alternative provisions to Part IV of the Agreement, provided that it is not inconsistent with the parts of the main body of the Agreement incorporated from Annex 1 of the EBA Guidelines, and does not affect the rights and obligations of the other Parties under this Agreement.

- **The H2C Rulebook** issued by EFDI to be used by Parties as common terms of reference, standards, tools, information or templates for the operational, technological, financial and communication aspects of a cross-border payout, as well as for the transfer of contributions and the mutual lending if needed. The main body shall prevail over the H2C Rulebook.

IT IS HEREBY AGREED AS FOLLOWS:

## PART I – GENERAL PROVISIONS

### 1. OBJECTIVE

*In accordance with Article 14(5) of Directive 2014/49/EU, the objective of this Agreement is to facilitate an effective cooperation between DGSS and, where appropriate, the designated authorities, in the EU.*

*In particular, it specifies ex ante various aspects for repayment of depositors at branches, transfers of DGSS' contributions and mutual lending between DGSS, which otherwise would have to be agreed upon very quickly at a time of stress which would divert the DGSS' attention and resources away from other difficult decisions.*

As expressly permitted in paragraph 16 of the EBA Guidelines, this Agreement contains terms which go beyond the level of detail required by the EBA Guidelines in order *to provide further practical or detailed implementation* provisions. The Parties acknowledge that, *in the event of any inconsistency between the* text of Annex 1 of the EBA Guidelines *and the terms of this Agreement*, the provisions of this Agreement shall be construed in accordance with the text of Annex 1 of the EBA Guidelines.

### 2. DEFINITIONS

In this Agreement, the singular includes the plural and vice versa and reference to one gender includes any gender and the neuter.

*For the purposes of this Agreement, the terms and definitions contained in Directive 2014/49/EU shall apply and will appear in capital initial letters. In addition, the following definitions shall apply:*

**“Applicable Laws”** means (i) any law, statute, regulation in force from time to time to which a Party is subject, (ii) the common Law as applicable to each Party from time to time, (iii) any binding court order, judgement or decree; and (iv) any applicable policy, rule or order that is binding on a Party and that is made or set by local government or a regulatory body.

**“Best Efforts”** means taking such steps and performing in such manner as a well-managed deposit guarantee scheme would undertake where such deposit guarantee

scheme was acting in a determined and prudent manner to achieve particular desired result for its own benefit.

**“Branch”** means a place of business which forms a legally dependent part of an institution and which carries out directly all or some of the transactions inherent in the business of institutions.

**“Communication Messages”** means all information that circulates between the Host DGS and the Host media and Depositors for the purpose of the Payout Event and all along the Payout Process.

**“Communication Tools”** means tools developed to make available and to circulate the Communication Messages between the Host DGS and the Host media and depositors in respect of a Payout Process. These tools include correspondence, telephone contact, information published on web sites, via media, at branches or at the agent bank. A tool is described by its function, content, template and instructions.

**“Compensation Claim”** means any right of a Depositor to get payment from the Home DGS.

**“Cooperation Language”** means the language defined in Provision 3.5.

**“Costs”** means costs incurred by the Host DGS in performing any function or obligation under the Agreement. Costs may include a proportion of any cost.

**“Decision”** means a determination or ruling as referred to in points 8(a) and 8(b) of Article 2(1) of the Directive by means of which a deposit is established as an Unavailable Deposit.

**“Dedicated Account”** means a separate account of the Host DGS, endowed with a BIC code, with either the central bank in the Host country, a Credit Institution or itself when it has such capacity, in order to receive and hold funds for making Repayments.

*“DGS” or “Deposit Guarantee Scheme” means a Deposit Guarantee Scheme introduced and officially recognised in a Member State of the European Union.*

**“DGSD” or “Directive”** means the Directive 2014/49/EU of the European Parliament and of the Council of 16 April 2014 on deposit guarantee schemes referred to in the Background.

**“EBA Guidelines”** means the Guidelines on cooperation agreements between deposit guarantee schemes under Directive 2014/49/EU, issued by the European Banking Authority.

**“EFDI”** is an international non-profit association, incorporated in Belgium, whose members represent depositor insurers across Europe. The purpose of EFDI is to contribute to the stability of financial systems by promoting European co-operation

in the field of deposit insurance and facilitating discussion and exchange of expertise and information on issues of mutual interest and concern.

**“Effective Date”** means in relation to a particular Party the date when the letter of adherence provided in Schedule 1 by such Party becomes effective.

**“Exchange Mechanism”**: means the tool used to exchange data and Instructions between the Home DGS and the Host DGS.

**“H2C Payment Instructions Process”** means the Payment Instructions Process specified within H2C Rulebook.

**“H2C Payout Process”** means the Process specified within H2C Rulebook.

**“H2C Rulebook”** means the Rulebook elaborated and maintained by EFDI and updated from time to time, which details the practices, formats, templates and specifications of the cross border Payout Process as well as for the transfer of contributions and the mutual lending if so needed, that the DGSs shall use, unless otherwise agreed and specified in the **Bilateral-Spec.** or any other bilateral specification, to ensure a smooth and coordinated implementation.

**“Home Country”** means the jurisdiction of the Home DGS.

**“Home Depositors”** means depositors of the Relevant Credit Institution whose accounts are held by branches located in the Home Country.

*“Home Designated Authority” means the designated authority of the Member State where the Home DGS is established.*

*“Home DGS” means the Deposit Guarantee Scheme established in the Member State in which a Member Institution has been authorised pursuant to Article 8 of Directive 2013/36/EU.*

**“Host Country”** means the jurisdiction of the Host DGS.

**“Host Depositors”** means depositors of the Relevant Credit Institution in the Relevant Branch, as defined in paragraph (6) of Article 2 (1) of the Directive.

*“Host Designated Authority” means the designated authority of the Member State where the Host DGS is established.*

*“Host DGS” means the Deposit Guarantee Scheme established in the Member State in which territory a Member Institution, authorised in another Member State pursuant to Article 8 of Directive 2013/36/EU, has established a branch, as notified by the Home DGS for the Repayment.*

**“Instructions”** means any instructions given by the Home DGS to the Host DGS concerning the Payout Process.

*“Member Institution” means a credit institution affiliated to a DGS.*

**“Notification”** means the notification of unavailability of deposits from the Home DGS to the Host DGS following a Payout Event, as referred to in Provision 6.

**“Parties”** means whichever DGS or Designated Authority subscribed to the Agreement by signing a letter of adherence to it in the form included in Schedule 1.

**“Payment Date”** means the date on which the Repayment is made available to depositors.

**“Payment Instructions”** means any instruction of the Home DGS to the Host DGS for the payment of compensation to an eligible depositor by the Host DGS on behalf of the Home DGS.

**“Payment Instructions File”** means a file provided by the Home DGS to the Host DGS pursuant to Provision 9 setting out the Payment Instructions of the Home DGS.

**“Payment Instructions Process”** means a set of formats, contents and processes for the exchange of cross border payment instructions between a Home DGS and a Host DGS both ways.

**“Payment Method”** means the method or methods used by the Host DGS to make the Repayment available to Host depositors.

**“Payment Status Report”** means a file provided by the Host DGS to the Home DGS setting out the status of payments included in a Payment Instructions File.

**“Payout”** means payment to eligible depositors by the Host DGS on behalf the Home DGS and following Instructions.

**“Payout Amount”** means the total amount of money in the Payout currency corresponding to the Payment Instructions.

**“Payout Currency”** means the currency for the Payout as specified in provision 11.

**“Payout Event”** means a situation where a Relevant Credit Institution has been identified to be the object of a Decision.

**“Payout Process”** means the procedure by which the Repayment is effected, in all aspects, including (among others) the accompanying communications and all needed interactions between the Home DGS and the Host DGS.

**“Relevant Credit Institution”** means a credit institution established in one Member State that has at least one branch located in a different Member State.

**“Relevant Branch”** means the branch of a Relevant Credit Institution located in the different Member State.

**“Repayment”** means payment to eligible depositors up to the coverage level laid down in Article 6 of the Directive, done by the Host DGS on behalf the Home DGS in accordance with Article 14(2) of the same Directive, and following its Instructions.

**“Schedule Effective Date”** means the 8<sup>th</sup> day after the acknowledgement by EFDI of the receipt of the signed version of that schedule sent by the Parties.

**“Services”** means the services which will be executed by the Host DGS for the Home DGS in connection with its duties under the Directive.

*“Single Customer View (SCV)” means the file containing the individual depositor information necessary to prepare for a repayment of depositors, including the aggregate amount of eligible deposits of every depositor.*

**“Temporary High Balances”** or **“THB”** means a deposit covered under the law of the Home DGS pursuant to the transposition of Article 6(2) of the Directive.

**“Third Party”** means a contractor or sub-contractor used by a DGS to execute some operational or technical aspects of the Payout.

### **3. PRINCIPLES OF COOPERATION**

#### **3.1 Best Efforts**

The Parties acknowledge that the Agreement is to be construed under a general frame of cooperation governing the duties and obligations among themselves. In addition to the commitments enforced by the Agreement, in any circumstances, the Parties shall make their Best Efforts to execute their obligations.

#### **3.2 Compliance with the Directive and EBA Guidelines**

Each Party agrees that it shall perform its duties and obligations in accordance with the principles established in the Directive.

Each Party also acknowledges that by means of this Agreement they also aim to ensure full compliance with the EBA Guidelines.

#### **3.3 Law**

Notwithstanding any obligation on the Host DGS under the Agreement, the Host DGS is not required to do anything that it reasonably considers would or would likely make it liable under any Applicable Law.

For the avoidance of doubt, Compensation Claims will be dealt with under the law of the Home DGS.

### **3.4 Working Language**

*The working language of this Agreement shall be English. Where necessary, each Party is responsible for translation into its own language.* The working language shall be used, *inter alia*, for interpreting or amending the Agreement.

### **3.5 Cooperation Language**

The Cooperation language shall be used for all communication between the Parties including all documents and reports issued by the Parties in the context of the Agreement.

Unless the Parties agree otherwise, the Cooperation Language is the Working Language. If different, the choice of the Parties is indicated in **Bilateral-Spec**.

### **3.6 Points of contact**

*The DGSs and the designated authorities shall nominate contact details of persons who represent them in the activities covered by the present Agreement, including names, positions, postal addresses, email addresses and direct dial phone numbers, and communicate them to EFDI and a copy will be sent to the EBA, either through EFDI or directly. Those points of contact shall be a senior, permanent full-time officers or employees of the DGS where possible.*

The Parties agree to regularly send information to EFDI to update the contact details in the appropriate section of the H2C Rulebook.

## **PART II – CROSS-BORDER PAYOUT OF DEPOSITORS AT BRANCHES**

*Part II shall apply bilaterally between a Home DGS and a Host DGS provided that a branch of a Home DGS's Member Institution has been established in the territory of the Member State of the Host DGS.*

### **4 EXCHANGE OF INFORMATION BETWEEN PARTIES**

The Parties agree that it is in their common interest to exchange non-confidential information, experiences and views with regard to their obligations, in particular obligations under Article 14 of the Directive, where this is appropriate and practicable.

The Parties agree that each Home DGS will provide all potential Host DGSs with a standing list of Relevant Credit Institutions and Branches in the Host Member State, including any extra data fields specified in a [Bilateral-Spec](#). The list and data can be updated by the relevant Home DGS at any time by notice to the relevant Host DGS

## 5 PREPAREDNESS AND TESTS

The Parties agree to cooperate in carrying out regular tests of their systems and processes as related to a Payout Event.

In that context and for the purpose of complying with the Guidelines on stress tests of deposit guarantee schemes under Directive 2014/49/EU issued by EBA, the Parties agree in particular to:

- (i) test Payment Instructions Files through the Exchange Mechanism; and
- (ii) carry out crisis management exercises on test Payout Events.

The timing, frequency and extent of the above tests shall take into account the characteristics and features of the Relevant Credit Institutions and Relevant Branches. This timing, frequency and extent are further specified in [Bilateral-Spec](#).

For those tests, unless otherwise agreed and specified in [Bilateral-Spec.](#), the Parties shall use the specifications in the H2C Rulebook, if any.

## 6 PRIOR NOTIFICATION OF PAYOUT EVENT

### 6.1 Potential Payout

To the extent permitted by the Applicable Law in the Home Country, if the Home DGS becomes aware of circumstances in relation to a Relevant Credit Institution that are likely to result in the occurrence of a Payout Event in respect of such Relevant Credit Institution – a potential “Payout Event” –, the Home DGS shall notify the Host DGS without delay and in advance of the possible occurrence of the Payout Event and provide the Host DGS with all available information (as defined in the H2C Rulebook) in order for the Host DGS to make preparations for the relevant Payout Event.

### 6.2 Payout Event

*Upon the Home DGS becoming aware that a relevant administrative authority has made a determination as referred to in point (8)(a) of Article 2(1) of Directive 2014/49/EU or a judicial authority has made a ruling as referred to in point (8)(b) of Article 2(1) of that Directive in respect of a DGS's Member Institution having branches in another Member State, the Home DGS shall immediately notify, by any available means, the Host DGS and, in addition, where the Host DGS is not the Host Designated Authority, the Host Designated Authority, that the unavailability of deposits has been*

*determined and the identity of the affected Member Institution and the Relevant Branch.*

*The notification shall also include:*

- *general information about the Member Institution in relation to which the determination of unavailability of depositors or the ruling referred to in previous paragraph has been made,*
- *the currency of repayment,*
- *an estimate of the magnitude of the amount of the expected payout, including the number of covered deposits and the number of eligible depositors in the branch, and*
- *any other general information the Home DGS considers useful for the Host DGS in preparation for the payout.*

In addition, the Home DGS shall update the Host DGS with any information it may consider relevant for the payout on an ongoing basis.

Unless otherwise agreed and specified within [Bilateral-Spec.](#), the Parties shall follow as closely as possible the process prescribed in H2C Rulebook for the prior notification of a Payout Event.

## **7 THE PAYOUT PROCESS**

### **7.1 Execution**

The Parties agree that the Payout Process shall be carried out by:

- (i) performing all their duties set out in the Agreement and notably in Provision 8;
- (ii) using the means identified in the Agreement as the Payment Instructions Process (further specified in Provision 9) and the Exchange Mechanism (further specified in Provision 10);
- (iii) using the Method and Currency of Payment (further specified in Provision 11);
- (iv) using the Communication Tools agreed along the prescriptions set out in the Agreement (further specified in Provision 12)
- (v) using the additional services specified in Provision 13, if any, and
- (vi) following the financial rules and handling the assessment, funding and reimbursement of costs as specified in Provision 14.

Unless otherwise agreed and specified in [Bilateral-Spec.](#), the Parties shall follow as closely as possible the Payout Process prescribed in H2C Rulebook.

## 7.2 End of the Payout

If the Home DGS informs the Host DGS in writing that it has sent all the Payment Instructions it intends to send, and if the Host DGS has executed and reported the final status of all those Payment Instructions to the Home DGS, the Home DGS may put an end to the Payout Process and advise the Host DGS accordingly.

All Payout Process operations are then suspended, with the exception of the operations needed for closing and auditing the Payout, reimbursing the Costs and excess funding, and making an assessment of the Payout.

*The Home DGS and the Host DGS may bilaterally agree that, on a case-by-case basis and no earlier than three months from the notification of unavailability of deposits, they will review the functioning and scope of the practical arrangements and infrastructure needed for proportionate, continued operationalisation of payouts by the host DGS in accordance with Part II of this Agreement, making the necessary adjustments to it.*

In any event, following such suspension or adjustment, the Host DGS will continue to refer Host Depositors to the Home DGS as a minimum.

## 7.3 Due care – Same care principle/ Timeframe and delays

### a. Due Care – Same Care principle

In order to reduce delays in the Payout Process and achieve the best results for all depositors, the Parties agree that they shall perform the Payout Process, including partial payouts as referred to in Provision 7.4 and temporary high balances as referred to in Provision 7.5, with due care and in no case with less care than they use to manage the repayment of depositors in a payout case in their own jurisdiction.

The Parties agree that:

- The Home DGS shall facilitate the Payout Process with no less diligence and promptness than it would for Home Depositors;
- In particular and without prejudice to Provision 7.3.b., the Home DGS shall provide the Payment Instructions to the Host DGS at the latest when it carries out the equivalent step for Home Depositors;
- Without prejudice to Provision 14.1, the Home DGS shall provide the Payout Amount to the Host DGS at the latest when it begins paying Home Depositors; and
- The Host DGS will handle the Payout Process with no less diligence and promptness than for a similar event involving one of its member banks.

### b. Payout timeframe for the Home DGS

*The Home DGS shall make every reasonable effort to provide the Host DGS with all necessary information on deposits and depositors in order to make a repayment to depositors on behalf of the Home DGS by no later than two working days of the*

*Member State of the Home DGS prior to the end of the repayment period set out in accordance with the Home DGS's national legislation transposing Directive 2014/49/EU.*

*However, the Home DGS may defer the transfer of information where, in spite of all reasonable efforts, the Home DGS is not able to comply with the deadline, due to the need to obtain additional information on deposits and depositors to calculate the repayment amount or the entitlement to the sum held in an account, or because its internal processes make it impossible to obtain the information within the deadline or to process the host depositors' information within the deadline without significantly delaying the process for domestic payout. In such instances, the Home DGS shall inform the Host DGS of the delay as soon as possible and bilaterally agree on a new estimated deadline, which shall be no later than the deadline for transferring the funds pursuant to Provision 14.1. When such circumstances are predictable, for instance because of the Home DGS's internal process, the estimated deadline shall be mentioned in the appropriate section of H2C Rulebook.*

*For these purposes, the Home DGS shall obtain the SCV in line with domestic deadlines for receiving this information from its Member Institutions.*

**c. Payout timeframe for the Host DGS**

*The Host DGS shall strive to ensure that the repayable amount is available to depositors as soon as possible, within three working days of the Member State of the Host DGS after receiving all the necessary information, instructions for payment and funding from the Home DGS prior to payout. The repayable amount shall be made available to depositors without a request to the Home or the Host DGS being necessary.*

**7.4 Partial payouts in the transitional period until 31 December 2023**

*The Home DGS shall state in the appropriate section of H2C Rulebook the Home DGS's deadline for making the repayable amount available in case, as allowed under Article 8(2) of Directive 2014/49/EU, if it is longer than seven working days.*

*Where this is the case, the Host DGS shall inform the depositors, either directly or by advertising in the media, about the possibility of a payout of costs of living upon request.*

*The Host DGS shall, within one working day, notify the Home DGS of a depositor request for a cost of living payout. This notification shall include all relevant information, including:*

- The clear and complete identification of the depositor, including relevant account details;*
- The date of receiving the request by the Host DGS;*
- The amount claimed (if applicable).*

*When a depositor requests a payout of a cost of living amount through a Host DGS, either directly to the Home DGS or to the Host DGS, the Home DGS shall strive to provide the Host DGS with all the necessary information and funds within five working days of the Member State of the home DGS after receiving the request or being notified by the Host DGS, for the Host DGS to be able to ensure that depositors have access to the appropriate amount of their covered deposits to cover their costs of living while waiting for full payout, in accordance with the Home DGS's national law.*

*Where the full payout is imminent, or where a partial payout would significantly delay the full payout process, the Home and the Host DGSs may agree to forgo partial payout in the interest of ensuring prompt full payout. When such circumstances are predictable, for instance because of the Home DGS's internal process, their estimated consequence as for partial payout shall be mentioned in the appropriate section of H2C Rulebook.*

### **7.5 Treatment of temporary high balances**

*The Host DGS shall assist the Home DGS with the handling of claims related to temporary high balances in its jurisdiction in the manner prescribed below.*

*Claims related to temporary high balances may be submitted either to the Host or to the Home DGS. Where the claim is submitted to the Host DGS, this DGS shall forward it to the Home DGS.*

*The Home DGS shall verify the claim. Upon request by the Home DGS, the Host DGS shall lend the necessary assistance, such as in dealing with the language or legal issues from the law applicable in the Host DGS's jurisdiction.*

*Upon verifying the claim, the Home DGS shall send the necessary instructions for repayment of depositors and funds, either as a package with other claims if done in a reasonable timeframe or individually. For these purposes, Provisions 9.1, 9.2, 11.1, 11.2 and 14.1 shall apply accordingly.*

*Upon receiving the instructions for payment and the funds, the Host DGS shall repay the depositors. For this purpose, Provisions 7.3 and 8.2 shall apply accordingly.*

*For the purposes of this Provision 7.5, the Home DGS shall regularly update in H2C Rulebook, as well as at the time of the Notification, any information on deadlines for accepting repayment claims, repayment period and coverage limit, regarding temporary high balances set out in the Home DGS's national legislation. The Host DGS shall communicate this information to the depositors.*

## **8 DUTIES RELATED TO THE PAYOUT**

In addition to the Parties' duties under other provisions of the Agreement, each Party shall perform all obligations set forth in Provision 8.

## 8.1 The Home DGS's duties

With respect to the Decision in relation to a Relevant Credit Institution established in the Home Country and following the identification of the Relevant Branch, the Home DGS shall:

- Notify, as prescribed in Provision 6.2, the identity of the Relevant Branch to the Host DGS following the Payout Event.
- Inform, as prescribed in Provision 6.2, the Host DGS of the characteristics of the Payout Event (including, as far as possible, a date for the provision of the Payment Instructions File;
- identify and assign the appropriate and necessary resources including a contact person for the Payout Process;
- prepare, test and secure the Exchange Mechanism for its part including through a test Payment Instructions File, to ensure the integrity of the Payment Instructions File transfer;
- send the Payment Instructions File with accurate data through the Exchange Mechanism;
- validate and transmit to the Host DGS the contents, tools and instructions for the communication with Host Depositors and media as defined in the Provision 12 hereinafter;
- send the Payout Amount to the Host DGS in line with the process set forth in Provision 14;
- handle and assess claims received from Host Depositors at Branch;
- take all decisions in relation to the Compensation Claims;
- take all decisions related to Temporary High Balances and provide the relevant information to the Host DGS for the completion of the Repayment; and
- reimburse all Costs incurred by the Host DGS as required in the conditions defined in Provision 14.

If any duties are necessarily required to be performed by the Home DGS for the proper performance of the Payout Process regardless or whether they are specifically described herein, they shall be deemed implied by an inclusion in the scope of the Home DGS's duties.

## 8.2 The Host DGS's duties

Following the Notification by the Home DGS, the Host DGS shall:

- *start preparing for a payout, as soon as the notification is received, ahead of receiving all the necessary information and funds;*
- provide a reasonable assessment of the payout costs as detailed in the H2C Rulebook;

- prepare, test and secure the Exchange Mechanism for its part, including through a test Payment Instructions File;
- carry out the Repayment of Eligible Depositors at the Relevant Branch as quickly as possible in the circumstances, following the Home DGS's Payment Instructions and using the Payment Method;
- strictly follow Payment Instructions and other instructions given by the Home DGS;
- not pay compensation in respect of the Payout Event to any eligible depositor not included in a Payment Instructions File provided by the Home DGS;
- identify and assign sufficient internal resources or subcontractors to execute the Repayment;
- deploy the Communication Tools to Host media and Depositors in the Host Member State;
- receive correspondence from Host Depositors on behalf of the Home DGS and forward it to the Home DGS;
- answer to Host Depositors (as instructed by the Home DGS);
- *regularly communicate to the Home DGS in a documented manner about progress in relation to further repayments made after the expiration of the deadline set out in Provision 7.3c;*
- immediately inform the Home DGS of any event likely to prevent the Host DGS from executing the Payout Process or likely to result in a delay or in significant extra-costs;
- after the Payout, *document the results of the Payout, including the distribution and making of payments to depositors, communicate them to the Home DGS, report on any issues encountered with the payouts and provide the Home DGS with an assessment of areas of the process and of the Agreement or its supplemental terms to be improved for the future;* and
- provide reasonable access to its premises or other places of work to Home DGS's representatives during the Payout Process.

The Home DGS may request the Host DGS to provide additional Services as set forth in Provision 13.

### **8.3 Use of Third-Parties by the Host DGS:**

The Host DGS may subcontract for steps of the Payout Process.

The outsourcing does not relieve the Host DGS of its regulatory obligations and its responsibilities under this Agreement. The Host DGS shall remain fully responsible for all outsourced services and activities and management decisions arising from them.

The Host DGS shall provide in **Bilateral-Spec.** the list of Third Parties to the Home DGS. There is no need for prior approval for the execution of certain duties by the Third-

Parties, except when the Third-Party is not located in an EU or EEA Member state. In that case, the Home DGS may request for a replacement of the relevant Third-Party.

The Costs of the Third Parties, including the possible costs of the replacement of a Third-Party, shall be allocated according to the conditions defined in Provision 14 hereinafter.

## 9 PAYMENT INSTRUCTIONS PROCESS

### 9.1 Providing Payment Instructions

Following the occurrence of a Payout Event, *the Home DGS shall then process the SCV in order to provide the Host DGS with the relevant Payment Instructions including:*

- *the amounts to be paid out to each depositor;*
- *all other information needed depending on the method of payout (for example, addresses of depositors and bank account numbers for electronic transfers).*

The Home DGS is responsible for the accuracy and validity of the Payment Instructions File. The Host DGS is entitled to rely on the accuracy and validity of any Payment Instructions File provided by the Home DGS. The Host DGS is entitled to reject a Payment Instructions File that does not comply with the agreed specifications and format.

*The Home and the Host DGS shall inform one another promptly of any updates to the data.*

### 9.2 Format and process

Unless further specified in *Bilateral-Spec.*, *the Payment Instructions shall be provided and processed in the manner, format and with the content as specified in the H2C Rulebook.*

The Host DGS shall process each Payment Instruction contained in a Payment Instructions File only once.

If the Parties agree formats and processes other than those set out in the H2C Rulebook, they shall endeavour to keep any deviation to a minimum.

### 9.3 Frequency and Timeframe

Subject to Provision 7.3, the Parties shall indicate in the *Bilateral-Spec.* the planned frequency of their exchanges of files (including provision of the Payment Instructions File by the Home DGS to the Host DGS, and of the Payment Status Report by the Host DGS to the Home DGS).

## 10 EXCHANGE MECHANISM

The Parties shall follow the H2C Rulebook in relation to the Exchange Mechanism.

### 10.1 Choice of the Exchange Mechanism

Unless otherwise agreed by the Parties in the [Bilateral-Spec.](#), the default Exchange Mechanism is peer to peer file transfer through a Secure File Transfer Protocol ("SFTP").

Without any limitation, alternative solutions may include sending an electronic file over an internet or other electronic network connection or sending the electronic file stored on physical media or joining a centralised exchange mechanism.

### 10.2 Security

The channels used to exchange data and Instructions shall be secured in a proper and sufficient manner.

The Parties agree that:

- (i) a two-level encryption (i.e. encryption of each file and the transfer of such file) shall be used;
- (ii) the Home DGS is responsible for ensuring the security of the transfer of the Payment Instructions File to the Host DGS and the Home DGS may place whatever reasonable obligations and/or restrictions on the Host DGS as it sees fit in order to ensure the security of the transfer and/or to fulfil domestic legal obligations on the Home DGS with regard to data protection; in such a case the Home DGS shall pay the Host DGS for any costs incurred by the Host DGS to meet the Home DGS's requirements in this respect;
- (iii) those reasonable obligations or restrictions imposed by the Home DGS may include, without restriction, a requirement for the Host DGS to establish a Secure File Transfer Protocol ("SFTP") for a peer to peer file transfer.

Unless otherwise agreed by the Parties in the [Bilateral-Spec.](#), the default solution which the two Parties shall use for the encryption of electronic data and files is the PGP solution.

## 11 CURRENCY AND PAYMENT METHOD

The Host DGS shall make payments available to the Host Depositors in the Payout Currency, using the Payment Method.

### 11.1 Currency

The Payout Currency shall be used:

- by the Home DGS to determine the balances of covered deposits of Depositors and to generate the Payment Instructions;
- by the Home DGS to calculate and send the Payout Amount; and
- by the Host DGS to carry out the Repayment.

The Payout Currency shall be *determined by the Home DGS's national legislation and communicated by the Home to the Host DGS.*

*Where the law of the Home DGS allows choosing between several currencies of repayment, and where such choice includes the option to use the currency of the Host DGS's Member State, that option shall be used primarily. Where practical, and legally allowed, the Home and the Host DGS may bilaterally agree to make the repayable amount available in multiple currencies.*

When, under the Home DGS's Applicable Law, the Payout Currency is not the official currency of the Host DGS's Member State, or is not the only official currency of the Host DGS's Member State, the Payout Currency shall be specified in the **Bilateral-Spec**.

By exception to the above and if allowed by the Applicable Law, the Parties may also choose another currency for a specific Payout, taking into account the circumstances, as long as they both specifically agree in writing in advance.

*Where there is a need for a currency exchange, the rate to be applied shall be the spot rate published by the central bank of the Home DGS's Member State at the date of the Payout Event or, if that rate is not published, the cross rate based on the spot rates published by the central bank of the Home DGS's Member State at the date of the Payout Event.*

## **11.2 Payment Method**

The Payment Method shall be selected by the Host DGS, though the Host DGS may consult the Home DGS in this regard.

The Host DGS shall use a Payment Method that is at least as practical, fast and secure as the payment methods it uses in domestic payout scenarios. It may select the method according to the specificities of the Payout Event.

Where the Host DGS decides to carry out Repayments by credit transfer or agent bank and *the Home DGS cannot provide all information needed by the Payment Method selected by the Host DGS* (e.g. destination bank account details or national identity number), *the Home DGS shall request the Host DGS to collect the necessary additional information and, if needed, assist the Host DGS by transmitting any necessary information.* The Host DGS shall make its best efforts to obtain the necessary information as soon as practicable to carry out such Repayments.

The Payment Method used by the Host DGS shall be mentioned and regularly updated in the appropriate section of H2C Rulebook. In case several methods could be used by the Host DGS and in case of a Payout Event the Host DGS shall indicate the Home DGS the Payment Method it will use for the relevant Payout.

## 12. COMMUNICATION WITH DEPOSITORS AND MEDIA

The Parties shall provide depositors and media with information in a clear and comprehensible language.

### 12.1 Communication principles

For each Payout the Parties shall comply with the following principles throughout the Payout Process:

- (i) the Parties shall ensure that depositors and media of both the Home and the Host countries receive harmonised messages in harmonised time (“same day – same hour – same message” principle);
- (ii) the Host DGS shall make the information related to a Payout Event public in a manner likely to bring it to the attention of depositors of the Relevant Branch and to cope with their possible concerns;
- (iii) the Home DGS shall provide and update the Host DGS with the Communication Messages and Tools. *The language to be used in all communication between the Home and the Host DGS shall be the Cooperation Language;*
- (iv) *the communication channels established to communicate with the depositors at branches, and between the Home and the Host DGS shall guarantee a sufficient level of confidentiality and security;*
- (v) the Host DGS shall provide the Communication Messages and Communication Tools to Host media and Depositors; and
- (vi) the Host DGS shall ensure that it has sufficient resources and personnel in place to deal with the volume of inquiries being received.

Furthermore, and unless otherwise agreed and specified in the [Bilateral-Spec.](#):

- (vii) for all Communication Messages and Communication Tools, the Parties shall follow the prescriptions specified in H2C Rulebook;
- (viii) the Host DGS shall interpret and translate all Communication Messages and Communication Tools from the Cooperation Language version into the Host language;
- (ix) the Host DGS may comment to the media in the Host DGS Country in relation to Communication Messages, i.e general information. The Host DGS shall consult the Home DGS in relation with to any media enquiry that cannot be addressed through the Communication Tools transmitted by the Home DGS; and

- (x) the Host DGS shall translate claims received from Depositors into the Cooperation Language and shall re-translate the Home DGS's response before transmission to the Depositor.

Beside the provisions above, the Parties agree to inform each other without any delay if any *force majeure* event or information occurs especially in the media during the Payout Event that may result in reputational damages for the entire payout process, the Home DGS or the Host DGS as acting organizations.

## 12.2 Minimum communication set of tools

Unless otherwise agreed by the Parties in the [Bilateral-Spec.](#), the Parties shall use the following *minimum* set of communication tools in the course of the Payout Process:

- (i) Payout Announcement document;
- (ii) Press Release document (for Journalists and press agencies);
- (iii) Questions and Answers (Q&A) Document (for depositors and media information);
- (iv) Queries and Claims handling form;
- (v) phone number and servicing hours/days for incoming calls; and
- (vi) webpage on the Host DGS website.

Their contents, templates and instructions are further detailed in H2C Rulebook.

## 12.3 Handling correspondence and language used

*In accordance with Article 14(2) of Directive 2014/49/EU, the Host DGS shall handle communication with depositors at branches in the Host DGS's Member State, including informing depositors about the determination of the unavailability of deposits and the payout by the Host DGS on behalf of the Home DGS.*

*When the Home DGS has the capability to effectively handle communication with depositors at branches in the Host DGS's Member State, including the capability to communicate in the official language or languages of the Host DGS's Member State, and upon the Home DGS's request to the Host DGS, depositors shall be explicitly offered the additional option to communicate directly with the Home DGS.*

*The language to be used in communicating with the depositors at the branch in the context of a repayment shall be the official language or languages of the Host DGS's Member State. However, this shall not preclude both Home and Host DGSs from answering correspondence addressed to them by depositors in the official language or languages of the Home DGS's Member State or another language where they have the capability to do so or to communicate in those languages with depositors who have accepted to receive information in a given language.*

## **12.4 Other Communications Tools**

The Parties may bilaterally agree on other tools to communicate with depositors, media and interested stakeholder groups. The list of these communication tools is specified in [Bilateral-Spec](#).

## **12.5 Extra Communications Tools during a specific Payout Event**

Beyond what they agree in Provisions 12.3 and 12.4, the Parties may also agree to use extra communication tools upon a specific joint written decision to be taken for each Payout when it occurs, taking into account its specificities, the volume of resources asked and the costs of those tools.

The services corresponding to other and extra communication tools are additional services within the meaning of Provision 13.

## **13 ADDITIONAL SERVICES RENDERED BY THE HOST DGS**

The Home DGS may request the Host DGS to provide additional Services not described in this Agreement but related to its implementation.

For those additional Services, the Host DGS shall use its best efforts to meet the Home DGS's requests to execute the Services as described in [Bilateral-Spec](#). All prescriptions of Provision 14 are applicable to any associated costs.

The Parties agree that those additional Services may vary in volume according to Payout Event. They may also vary in scope in an extent to be agreed when the Payout occurs.

## **14 FINANCIAL SPECIFICATIONS AND COSTS**

The Parties agree that the following principles shall govern their relationships, and to follow H2C Rulebook Finance chapter principles.

### **14.1 Financial rules for the Repayment to Host Depositors**

*The Home DGS shall provide the Host DGS with the necessary funding no later than on the day when the repayable amount should be made available to domestic depositors after the determination of the unavailability of deposits in the Member institution in accordance with the Home DGS's national legislation transposing the Directive 2014/49/EU.*

#### **a. Dedicated Account**

As soon as reasonably practicable and following the Notification, the Host DGS shall select or open a Dedicated Account for that Payout. This account shall be and remain

segregated from other Host DGS accounts. If more than one default occurs, separate accounts shall be opened per default. The currency of the account shall be the same as the Payout Currency.

*The Host DGS shall provide the Home DGS with all the necessary information (including, if applicable, bank account details – IBAN, BIC, code) about such account, promptly after receiving the notification of unavailability of deposits.*

*Such account(s) and the transfer method used shall ensure the utmost security of the funds from the Home DGS to the Host DGS.*

**b. Repayment Amount transfer**

Upon receipt of an acknowledgement from the Host DGS stating that it is ready to perform the Depositors' Repayment, the Home DGS shall transfer either:

- (i) the full estimated amount of the Repayment. Additional transfers shall be made if the amount has been under estimated; or
- (ii) several amounts matching the Repayment amounts included in the corresponding Payment Instructions Files sent to the Host DGS.

The Home DGS shall provide the Host DGS with the funds required for repaying compensation to eligible depositors prior to Repayment. The Host DGS is under no obligation to make any payment to Host Depositors (or to continue making payments) unless the Home DGS has provided the Host DGS with cleared funds at least equal to the total amount of Repayment due to Host Depositors according to all Payment Instruction Files received from time to time by the Host DGS.

Unless otherwise agreed and specified in **Bilateral-Spec.**, the Parties shall use the receipt of acknowledgement template prescribed in the H2C Rulebook.

**c. Reconciliation between the Home DGS cash transfers and depositors payout**

The Host DGS shall monitor closely the balance between cash received from the Home DGS and cash paid to Depositors.

The Host DGS shall provide to the Home DGS with a report showing balance of funds remaining and, unless otherwise agreed and specified in **Bilateral-Spec.**, shall use the cash reconciliation report format prescribed in the H2C Rulebook.

The Host DGS shall pay all funds received for the purpose of the Repayment to Eligible Depositors. *Any funds advanced in excess to the Host DGS shall be refunded by it to the Home DGS no later than three working days of the Member State of the Host DGS after the finalisation of the payout* according to Provision 7.2.

**d. Currency risk**

The Host DGS shall not bear any currency exchange risk in relation with the Repayment. *The Home DGS shall handle the necessary currency exchange and bear the necessary currency exchange costs.*

The Parties may agree, exceptionally, that the Host DGS will assist the Home DGS in handling the currency exchange. In such case, the Home DGS shall continue to bear the currency exchange costs.

## 14.2 Costs related to the Payout Process

### a. Principle

*In accordance with Article 14(2) of Directive 2014/49/EU, the Home DGS shall compensate the costs incurred by the Host DGS attributable to the assistance provided to the Home DGS in good faith.* The scope of the Payout Process is defined either under this Agreement or approved subsequently between the Home DGS and the Host DGS for Services in Provision 13.

### b. Commitment

As a consequence, the Host DGS is entitled to incur any costs required in order to perform the Payout Process. For that purpose, it shall provide the Home DGS the cost matrix as described in the H2C Rulebook and update that matrix on an annual basis.

### c. Billing

The Host DGS is entitled to bill to the Home DGS all types of costs referred to in paragraph (a) above, as long as they *meet the following criteria:*

- *Be necessary for carrying out the payout;*
- *Be actual costs, reasonable, justified and comply with the principle of sound financial management;*
- *Be identifiable, in particular, be recorded in the accounting records of the Host DGS and backed by effective supporting evidence.*

Those costs *shall include, but shall not be limited to, the costs incurred in performing the following tasks:*

- *Communication with depositors, including setting up the necessary infrastructure, hiring staff and media publications;*
- *Communication with the Home DGS, including providing feedback information about claims paid;*
- *Collection of additional information needed for the payout, including setting up the necessary infrastructure and hiring staff;*
- *Translation of documents;*
- *Acquisition of information;*
- *Transaction costs of payouts;*
- *Relevant legal costs.*

If invoices by suppliers related to the Payout Process bear taxes, including VAT, for the Host DGS, those taxes shall also be charged to the Home DGS.

Those costs, under the above conditions, may fall (without limitation) in any of the following categories:

*i/ Third Party Contractors costs*

The Host DGS shall bill to the Home DGS all the costs invoiced by suppliers related to the Payout Process, including the banking fees for all transactions related to the Payout. The Host DGS shall request from suppliers that invoices related to the Payout Process are itemised and separate from other general invoices.

*ii/ Internal costs*

The Host DGS shall charge to the Home DGS the salary costs of DGS staff working on the payout. Other standing internal costs such as office, administration or any overheads costs shall not be charged to the Home DGS. The Host DGS shall provide at the end of the Payout Process a report itemising the number of days DGS staff has worked on the payout with a split between managers and staff.

*iii/ Requested changes on Payout Process costs*

When the Home DGS requests changes from the Host DGS normal payout procedure, those changes should be stated in **Bilateral-Spec**. The Home DGS shall pay upfront for all costs incurred by the Host DGS to comply with those specific requirements.

**d. Treatment of delays**

*Any costs arising from delays in the Home DGS providing the Host DGS with the instructions for payment, the necessary information and the funds, shall be borne by the Home DGS, including where the delays impose operational costs on the Host DGS.*

*Where the delay is attributable to Host DGS actions, the Host DGS shall bear the costs arising from this delay.*

**e. Best efforts**

In return for the Home DGS meeting its Costs, the Host DGS shall:

- (i) use and engage resources in an effective, efficient and financially prudent manner and extent, subject to its other statutory responsibilities, in order to meet its duties and obligations under the Agreement;
- (ii) use its best efforts, when incurring external costs, to obtain the most favourable commercial rates in the circumstances;
- (iii) use its best efforts to keep the costs within the estimates provided to the Home DGS and inform promptly the Home DGS if actual costs exceed estimated costs significantly; and
- (iv) provide all necessary evidence in order for the Home DGS to verify costs, the billing process and also perform its own accounting duties

**f. Definition and assessment**

For the definition and assessment of costs, unless otherwise agreed and specified in **Bilateral-Spec.**, the Parties shall follow the H2C Rulebook.

**14.3 Funding and reimbursement of costs**

**a. Principles**

*The Home and the Host DGSs shall agree on whether:*

- *the Home DGS shall provide a lump sum amount, based on estimates, ahead of the Host DGS incurring costs followed by reconciliation of accounts (paragraph b below); or*
- *the Host DGS shall be reimbursed for costs incurred following the payout (paragraph c below).*

Unless otherwise agreed by the Parties in writing and in advance, the Home DGS shall provide all funding for Costs in the legal currency of the Host Country.

For Services not previously agreed in the cooperation agreement but which the Parties consider needed in the course of a specific Payout Event, the Host DGS shall get from the Home DGS a formal approval of the associated costs before committing to any of these services or costs. The Host DGS shall therefore provide the Home DGS with a detailed estimate of the costs for this purpose.

The Host DGS shall provide at the end of the Payout Process a detailed report of the Costs.

**b. Prefunding of the costs**

As a default solution and unless otherwise agreed and specified in [Bilateral-Spec.](#), the Costs shall be prefunded by the Home DGS. In order to assess the amount of prefunding, a fee per depositor calculated using the cost matrix mentioned hereinabove shall be paid by the Home DGS to the Host DGS before the Host DGS starts the Repayment. The Host DGS is under no obligation to start the Repayment unless and until the funding of Costs has been provided by the Home DGS to the Host DGS.

This payment shall be considered as an advance. It does not release the Home DGS from its duty to meet any Costs related to the Payout Process and to pay without delay Costs which are exceeding initial advance payment. The Host DGS is entitled to request further advance payments as long as it provides sufficient supporting documents.

The Host DGS shall provide at the end of the Payout Process a report detailing the costs it has incurred and advance payments received. Any surplus shall be returned by the Host DGS to the Home DGS as soon as it has been properly assessed.

For the funding and reimbursement of Costs, unless otherwise agreed and specified in [Bilateral-Spec.](#) the Parties shall use the prescriptions of the H2C Rulebook.

**c. Reimbursement of the costs following the payout**

*Where the Host DGS is reimbursed following the payout, reimbursement details, such as time to reimburse the costs or the applicable interest rate, shall be agreed upon between the Home and the Host DGS in [Bilateral-Spec.](#) or no later than seven working days of the Member State of the Host DGS after the initial payout.*

#### **14.4 Financial audit**

*Subject to subsequent bilateral agreement within Bilateral-Spec. between the Home and the Host DGS or, where relevant, the Home and the Host designated authorities, the DGSs shall have the right of audit of the other DGS's activities related to the payout according to the terms agreed to by both DGSs.*

*Such an audit may take the form of, for example, oversight, post-payout review, audit of costs and seconding staff during payout, and may be performed either on-site or remotely. In particular, the Home DGS may request the Host DGS to conduct an audit of the Host DGS's activities related to the payout paid for by the Home DGS.*

All Costs incurred by the Host DGS as a result of this audit will be met by the Home DGS.

### **15. LIABILITY**

#### **15.1 General principle of liability:**

*In accordance with Article 14(2) of Directive 2014/49/EU, the Host DGS shall not bear any liability with regard to acts undertaken in accordance with the instructions given by the Home DGS.*

Similarly, the Host DGS shall not bear any liability with regard to omissions in respect of the instructions given by the Home DGS.

#### **15.2 Liability for wilful misconduct:**

The general principle in Provision 15.1 shall not preclude the Host DGS from being liable in respect of wilful misconduct including that of the Third-Parties, and from indemnifying the Home DGS for all financial losses incurred by the Home as a result of the wilful misconduct of the Host DGS or the Third-Parties.

### **16 DATA PROTECTION AND CONFIDENTIALITY**

#### **16.1 Data Privacy and Depositors protection**

*In accordance with Article 14(4) in connection with Article 4(9) of Directive 2014/49/EU, the Home and the Host DGS shall ensure the confidentiality and the protection of the data pertaining to depositors' accounts. The processing of such data shall be carried out in accordance with the laws of their countries in relation to data privacy implementing Directive 95/46/EC or any other Regulation or Directive replacing Directive 95/46/EC in the future.*

The Parties acknowledge their respective roles as the controller and/or processor of personal data of Depositors in respect of which each will comply with its data protection obligations. This Agreement does not override or require any Party to act in breach of applicable confidentiality or data protection laws.

The Host DGS shall ensure the confidentiality and the protection of any data provided to it by the Home DGS and/or by Depositors in relation to the Payout Event.

The Parties also acknowledge that they will comply with all security measures required to provide the appropriate integrity of data concerning Depositors who are covered by the highest level of confidentiality and protection which means any legal requirement that limits, restricts, prohibits or places under conditions on the disclosure or transfer to or use of customer banking information.

The Host DGS agrees that it shall protect the Depositors' information against unauthorized use or disclosure using at least all those measures that it takes to protect its the information it receives for a domestic payout. The Host DGS shall not use Depositors' information for any purpose except in connection with its performance of the Agreement.

#### **16.2 Records retention**

During the term of the Agreement the Host DGS agrees to maintain such records for financial or tax purposes as required under any Applicable Laws in connection with any Repayment and to keep such records for ten years following the end of a Payout or such longer period as is necessary for the Host DGS to comply with the Applicable Laws.

On the reasonable request of the Home DGS, the Host DGS shall maintain at the costs of the Home DGS the records and documents or other information connected to the Agreement for a longer period.

### **17 GOVERNING LAW**

In case of a Payout Process and notwithstanding any 'conflict of law' principle to the contrary the relations between a Home DGS and a Host DGS under the Agreement shall be construed in accordance with, and governed by, the law of the Host Country.

## **PART III – TRANSFER OF DEPOSIT GUARANTEE SCHEMES' CONTRIBUTIONS**

*Part III shall apply in relation to the transfer of DGS contributions between two DGSs, including cross-border and domestic transfers, where a Member Institution affiliated to one DGS ceases*

*to be a member of such DGS (the Transferring DGS) in order to join another DGS (the Receiving DGS).*

Unless otherwise agreed in bilateral transferring specifications, the Parties shall endeavour to use the terms of reference, standards, tools or templates featured for the transfer of contributions in the H2C Rulebook, if any.

## **18 TRANSFER OF DEPOSIT GUARANTEE SCHEMES CONTRIBUTIONS**

### **18.1 Exchange of information related to the transfer of contributions**

*Within one month of becoming aware of the intention of a Member Institution to cease to be a member of the Transferring DGS, the Transferring DGS shall notify such circumstance to the Receiving DGS, provided that the Transferring DGS knows the identity of the Receiving DGS.*

*Similarly, where a Member Institution communicates to the Receiving DGS its intention to become a Member Institution of that DGS, the Receiving DGS shall notify such circumstance to the Transferring DGS, provided that the Receiving DGS knows the identity of the Transferring DGS. Such information shall be provided by the Transferring DGS within one month of such a request.*

*The exchange of information referred to in the two first paragraphs shall take place in any event before the termination of participation of the Member Institution in the Transferring DGS takes effect and that Member institution joins the Receiving DGS.*

*The information to be communicated referred to in the two first paragraphs shall include any information that the Transferring DGS and the Receiving DGS jointly consider as relevant, including, where available:*

- *Aggregate Information on all the regular contributions (and related deposits) being transferred from the Transferring DGS to the Receiving DGS, including where relevant, aggregate information on deposit flows in the Member Institution for a period agreed to by both DGSs.*
- *Any audits, assessments and tests previously done on the capability of the institution to produce SCV files and other information previously requested by the Transferring DGS, particularly on the quality of data provided by the Member Institution,*
- *Any other relevant information, including information on near misses related to that Member Institution.*

*The Transferring DGS shall not be required to obtain new information for the purpose of transferring it to the Receiving DGS.*

*The Transferring DGS shall have the right to refuse to share information which, due to its sensitive nature, may not be shared under national or EU law.*

### **18.2 Execution of the transfer of contributions**

*In accordance with Article 14(3) of Directive 2014/49/EU, the contributions paid during the 12 months preceding the end of the membership of a Member institution, with the exception of the extraordinary contributions under Article 10(8) of that Directive, shall be transferred by the Transferring DGS to the Receiving DGS.*

*Where the Transferring DGS needs to collect additional funds, for example following a recent payout, to be transferred to the Receiving DGS, any costs of raising such funds shall be borne by the Transferring DGS.*

*The Receiving DGS shall provide the Transferring DGS with the account details and any other relevant information to allow the transfer of the funds. The chosen accounts, and funds transfer method, shall ensure utmost security of the funds and timeliness of the transfer.*

*The Transferring DGS shall transfer the funds in the currency in which the contributions had originally been provided to the Transferring DGS. The Receiving DGS shall bear the costs of any operations related to currency exchange operations.*

### **18.3 Treatment of payment commitments**

*Where a member Institution ceases to be a member of the Transferring DGS and joins the Receiving DGS, the Transferring DGS shall ensure that the Member institution's payment commitments to this DGS corresponding to the 12 months preceding the end of the membership in the Transferring DGS are transferred to the Receiving DGS either*

- *by enforcing the payment commitments and transferring the proceeds to the Receiving DGS; or*
- *by reassigning the payment commitments arrangements to the Receiving DGS in agreement with the latter and the Member Institution.*

*Within seven working days of first becoming aware of the intention of the Member Institution to cease its membership, the Transferring DGS, where relevant in agreement with the Member Institution, shall decide which of the two options to pursue and shall communicate its decision to the Receiving DGS.*

*Where the Transferring DGS decides to enforce the payment commitments and transfer the proceeds to the Receiving DGS, the provisions laid down in **Provision 18.2** on execution of the transfer of contributions shall apply.*

*Where the Transferring DGS decides not to enforce the payment commitments, the Transferring DGS shall engage with the Receiving DGS to establish whether the Receiving DGS is willing to accept the reassignment of the payment commitments. The reassignment shall take place only when both DGSs agree. Where the Receiving DGS refuses the reassignment, the Transferring DGS shall enforce the payment commitments and transfer the funds to the Receiving DGS.*

#### **18.4 Timeline for transferring the contributions**

*The transfer of contributions (whether funds or payment commitments) from the Transferring DGS to the Receiving DGS shall take place on the same day as the Member Institution leaving the Transferring DGS joins the Receiving DGS.*

*By way of exception to previous paragraph, where the Receiving DGS accepts to take the risk of accepting the new Member Institution without receiving the transfer on the same day, both DGSs shall bilaterally agree the deadline for the transfer.*

#### **18.5 Language used by Transferring and Receiving DGSs**

*The Transferring and the Receiving DGS shall communicate in English, unless they agree bilaterally to use another language for the transmission of information from one DGS to the other.*

#### **18.6 Costs associated with the transfer of contributions**

*Any costs associated with transferring the contributions from the Transferring DGS, and any other costs associated with the transfer, including translations of requested information, shall be borne by the Receiving DGS. However, where necessary, the costs of raising funds in the Transferring DGS shall be borne by the Transferring DGS.*

*Without prejudice to previous paragraph, any costs arising from delays in the provision of information or transfer of contributions in accordance with Part III of this Agreement shall be borne by the DGS which had to provide such information or funds.*

## **PART IV – MUTUAL LENDING BETWEEN DEPOSIT GUARANTEE SCHEMES**

*Part IV shall apply to the borrowing between two DGSs provided that the national legislation transposing Directive 2014/49/EU in the jurisdiction of the DGS lending the funds (the Lending DGS) to the other DGS (the Borrowing DGS) allows for such possibility and the conditions referred to in Article 12(1) of Directive 2014/49/EU have been met.*

Unless otherwise agreed in bilateral lending specifications, the Parties shall endeavour to use the terms of reference, standards, tools or templates featured for the transfer of contributions in the H2C Rulebook, if any.

### **19 PROCEDURE FOR THE INSTRUMENTATION OF THE BORROWING**

*Where the Lending and the Borrowing DGSs intend to lend to one another, the Borrowing DGS shall send to the Lending DGS a loan request. The request shall include the following:*

- *the amount of money requested;*

- a statement indicating that the Borrowing DGS is not able to fulfil its obligations under Article 9(1) of Directive 2014/49/EU because of a lack of available financial means as referred to in Article 10 of that Directive;
- a statement indicating that the Borrowing DGS has made recourse to extraordinary contributions referred to in Article 10(8) of Directive 2014/49/EU;
- a legal commitment that the borrowed funds will be used in order to pay claims under Article 9(1) of Directive 2014/49/EU;
- a statement indicating that the Borrowing DGS is not currently subject to an obligation to repay a loan to other DGSs under Article 12 of Directive 2014/49/EU;
- a statement indicating that the total amount requested does not exceed 0.5 % of covered deposits of the borrowing DGS.

The Lending DGS shall communicate its decision to the Borrowing DGS as soon as possible and in any event within seven working days of the Member State of the Lending DGS from the date of the loan request.

Within five working days of the Member State of the Receiving DGS receiving the communication from the Lending DGS, the Lending DGS and the Borrowing DGS shall formalise such a lending agreement.

## PART V – FINAL PROVISIONS

### 20 TERM, ENFORCEABILITY AND TERMINATION

The Agreement has an indefinite term and is effective as of the Effective Date *provided that at least three Parties have subscribed to it*. The schedules will be effective as of the Schedule Effective Date.

*New DGSs or designated authorities may become Parties to this Agreement by signing the letter of adherence included in Schedule 1, without any reservation, and sending it to EFDI, with a copy to the EBA. The Parties shall notify their bilateral specifications under Schedule 2, 3 or 4 to EFDI, with a copy to EBA.*

By way of exception from the previous paragraphs, DGSs or designated authorities from the territory of a contracting party of the Agreement on the European Economic Area, which is not a Member State of the European Union, must submit to EFDI alongside its letter of adherence a signed statement that its State has brought into force the laws, regulations and administrative provisions necessary for them to comply with the Directive.

*Any Party may at any time withdraw from this Agreement by sending written notification thereof to EFDI, with a copy to the EBA, at least six months in advance,*

*specifying the effective date of its withdrawal. Withdrawal from this Agreement shall not affect its application among the remaining Parties.*

When providing such a notice of termination, a Party will provide EFDI, and on request, other Parties, with a written proposal as to how it intends to meet its obligations under Article 14 of the Directive.

## **21 ACT OF GOD – FORCE MAJEURE**

No Party shall be in default or otherwise liable for any delay in, or failure of its performance under the Agreement directly or indirectly by reason of any act of God, or any government or government body, war, insurrection, the elements, the fire, flood, national strikes, official labour disputes or other similar or dissimilar cause beyond the control and without the negligence of such Party. These Force Majeure events are also applicable to third-parties engaged by a Party as contractors or subcontractors to perform certain duties and obligations described in the Agreement.

## **22 DISPUTES**

### **22.1 Settlement of disputes**

*In accordance with Article 14(5) of Directive 2014/49/EU, any Party may refer any dispute about the interpretation of this Agreement to the EBA in accordance with Article 19 of Regulation (EU) No 1093/2010.*

### **22.2 Amicable solution:**

Notwithstanding Provision 22.1, and prior to referring the dispute to the EBA, without prejudice to the right granted to the Parties by Article 14(5) of the Directive to refer this dispute to the EBA:

- a. In the event of any dispute between the Parties hereto arising from or relating to The Agreement, then upon a written request from either Party, each of the Parties shall enter into negotiations in order to seek an amicable solution to the dispute;
- b. If the Parties are not able to resolve the dispute within a reasonable period (in any case not exceeding thirty (30) calendar days from the date of receipt of the written request for amicable solution, then the dispute may be referred by either Party (or both) to the EBA according to Provision 22.1;
- c. This period is reduced to two (2) days if the dispute arises in the course of a Payout Process between the Parties and risks delaying the Payout Process.

## **23 MISCELLANEOUS**

### **23.1 Effect**

Unless the parties agree otherwise in writing, the following shall apply.

The Agreement constitutes the entire agreement of the Parties relating to the subject matter addressed in this Agreement. This Agreement supersedes all prior contracts, or agreements between the Parties with respect to the subject matter addressed in this Agreement, whether oral or written.

### **23.2 Severability**

If any of the provisions of this Agreement is or becomes invalid or unenforceable in whole or in part, the validity of the other provisions hereof shall not be affected. In that case the invalid or unenforceable provision is deemed to be replaced by such valid or enforceable provision or arrangement, which corresponds as closely as possible to the invalid, unenforceable or impractical provision and to the Parties' economic aims pursued by and reflected in this Agreement.

### **23.3 Amendment procedures**

**23.3.1** The main body of *the Agreement may be amended in accordance with the following procedure:*

- *Any Party may propose an amendment to this Agreement.*
- *Any Party proposing an amendment of this Agreement shall notify EFDI of its proposal.*
- *EFDI will notify the other Parties to this Agreement of the amendments proposed by any Party to this Agreement.*
- *An amendment shall enter into force 30 days after the date on which EFDI has received the last written notification from the Parties confirming their acceptance to the proposed amendments.*
- *This Agreement shall be subject to a joint examination by all the Parties to this Agreement following changes in the EU regulatory framework, including Guidelines issued by the EBA in accordance with Article 16 of Regulation (EU) 1093/2010.*

For the purpose of the amendment procedure, the Parties shall endeavour to agree any future proposed amendments through EFDI, and EFDI will notify the EBA of the proposed amendments with a written notification from all Parties confirming their acceptance to the proposed amendments, other provisions being the same.

**23.3.2** Once bilateral specifications under Schedule 2, 3 or 4 have been agreed between two Parties, they may be amended by those two Parties in accordance with the following procedure:

- the concerned DGs shall notify to EFDI, with a copy to EBA, the bilateral specifications as amended;

- an amendment shall enter into force 7 days after the date on which EFDI has acknowledged receipt of the written notice.

**23.3.3** The H2C Rulebook is an EFDI publication and it is acknowledged that it may be amended by EFDI in accordance with its internal procedures. Once published by EFDI on its website, the H2C Rulebook and updated versions of the H2C Rulebook are applicable immediately unless otherwise agreed and specified in the **Bilateral-Spec**.

The Parties agree to provide to EFDI, on sending a letter of adherence to EFDI and at any time thereafter, any information (if available to the Party) reasonably required by EFDI for inclusion in the H2C Rulebook.

#### **23.4 Confidentiality**

*Without prejudice to the information to be provided to the relevant Member institution for the purposes of this Agreement, the Parties to this Agreement shall maintain the confidentiality of all information exchanged in connection with this Agreement and shall not disclose it to third parties without obtaining the prior consent of the Party that provided the information. This Provision 23.4 shall not prevent the Parties to this Agreement from sharing such information where permitted by applicable legislation or required by competent, designated or resolution authorities, the EBA and other relevant administrative authorities having jurisdiction over them.*

Notably, the Host DGS's and/ or the Host Designated Authority's members of their Board and/ or Management Board, their directors, officers, employees and any other person engaged by or acting on behalf of the Host DGS and/ or the Host Designated Authority shall not reveal any information provided under the above specified provisions except to the extent required by Host DGS's government and regulatory authorities, professional advisers or as may otherwise be required by law.

#### **23.5 Publication**

*All Parties to this Agreement shall publish this Agreement and any amendments thereof on their respective websites and agree they may also be published on the EBA's website.*

## **24 LIST OF THE SCHEDULES OF THE AGREEMENT**

The Schedules attached to the Agreement are the following:

- Schedule 1: letter of adherence template
- Schedule 2: Bilateral Specifications ("**Bilateral-Spec**")
- Schedule 3: bilateral transferring specifications
- Schedule 4: bilateral lending specifications

**SCHEDULE 1: LETTER OF ADHERENCE TO THE AGREEMENT BETWEEN DEPOSIT  
GUARANTEE SCHEMES AND DESIGNATED AUTHORITIES IN THE EUROPEAN UNION**

To EFDI

[Date]

[Name of subscribing deposit guarantee scheme or designated authority]

[Address]

Cc : the European Banking Authority

*Reference is made to* the Cooperation Agreement under Article 14(5) of Directive 2014/49/EU of 16 April 2014 on deposit guarantee schemes (the Agreement”) whose terms and conditions are published on the European Forum of Deposit Insurer’s (EFDI’s) website.

*The [insert name of subscribing deposit guarantee scheme or designated authority] hereby agrees to the terms of the Agreement as a Party thereof.*

*This Letter of Adherence shall become effective and the [insert name of subscribing deposit guarantee scheme or designated authority] shall become a Party to the Agreement as of the date of signature of this Letter of Adherence by the European Forum of Deposit Insurers in acknowledgment on this Letter of Adherence.*

In accordance with Provision 23.3.3. of the Agreement, [insert name of subscribing deposit guarantee scheme or designated authority] hereby encloses the information required by EFDI for inclusion in the H2C Rulebook.

Sincerely yours,

[Name of the subscribing deposit guarantee scheme or designated authority]

\_\_\_\_\_ [Name]

[Title]

Date: \_\_\_\_\_

Acknowledged:

European Forum of Deposit Insurers

\_\_\_\_\_ [Name]

[Title]

Date: \_\_\_\_\_

Administrative details are the following :

Address :

Fax

Attention

**SCHEDULE 2: BILATERAL SPECIFICATIONS UNDER THE COOPERATION AGREEMENT ON DEPOSIT GUARANTEE SCHEMES (THE “AGREEMENT”) – CROSS-BORDER PAYOUTS**

**I – PARTIES**

1 \_\_\_\_\_

[Address and legal information of the Home Deposit Guarantee Scheme/ the Home Deposit Guarantee Scheme designated authority] (the “**Home DGS**”);

And

2 \_\_\_\_\_

[Address and legal information of the Host Deposit Guarantee Scheme/ the Host Deposit Guarantee Scheme designated authority] (the “**Host DGS**”).

**II – PRINCIPLES**

In application to Part II of the Agreement, the Home DGS and the Host DGS as stated above convene the following as operational conditions applicable between them (**Bilateral-Spec.**). These bilateral specifications shall apply in addition to the principles and duties as specified in the Agreement.

**III – COOPERATION LANGUAGE**

In application of Provision 3.5 of the Agreement, rather than English the Home DGS and the Host DGS decide to use the following Cooperation language: [.....]

**IV – EXCHANGE OF INFORMATION BETWEEN PARTIES**

In addition to Provision 4 of the Agreement, the Home DGS agrees to provide the Host DGS with the following data fields in relation to each Relevant Credit Institution and Branch:

- Number of depositors
- Total covered deposits
- Other relevant data (to be further specified)

## V – PREPAREDNESS AND TESTS

A - Further to Provision 5 of the Agreement, the Home DGS and the Host DGS agree to:

- Make exchanges of a Test Payment Instruction File through the H2C Exchange Mechanism at least once every [...] year(s);
- Organise a crisis management exercise on a Test Payout at least once every [...] year(s).

B - For those tests and as an alternative to the Rulebook, the Parties convene to use the following prescriptions [ please describe]:

- ...

## VI – PRIOR NOTIFICATION OF THE PAYOUT EVENT

Further to Provision 6 of the Agreement and as an alternative to the Rulebook, the Home DGS and the Host DGS agree to amend the process according to the manner as described [ please describe]:

- ...

## VII – PAYOUT AND TIMEFRAME

Further to Provision 7.1 of the Agreement, the Parties agree as an alternative to the Rulebook, to amend the process according to the manner as described [please describe]:

- ...

## VIII – USE OF THIRD PARTIES BY THE HOST DGS

As specified in Provision 8.3 of the Agreement, the Host DGS may have to use the services of the following third-parties in the course of the Payout:

- XXXX – name, activity and address of the third party
- XXXX – name, activity and address of the third party
- XXXX – name, activity and address of the third party

The Home DGS has asked for the replacement of a Third Party in favour of XXXX – name, activity and address of the third party. The costs of this replacement are to be reimbursed by the Home DGS to the Host DGS.

**IX – PAYMENT INSTRUCTIONS**

A - Further to Provision 9.2 and as an alternative to the Rulebook, the Home DGS and the Host DGS agree to amend the process and to use the following alternative Payment Instruction format and process:

- (i) (feature of the alternative format)
- (ii) (feature of the alternative format)
- (iii) (feature of the alternative format)

B - As for the application of Provision 9.3 of the Agreement, to the extent the Parties can set those parameters ahead of any Payout Event :

- The Home DGS plans to provide the Host DGS with a Payment Instruction File every [xx] business days
- The Host DGS shall provide the Home DGS with a Payment Status Report at least every [xx] business days.

**X – EXCHANGE MECHANISM**

A – As an alternative to Provision 10.1 of the Agreement and in accordance with the prescriptions in the relevant section in H2C Rulebook, the Parties define their bilateral Exchange Mechanism as follows:

- Using a Central exchange mechanism (CEM)
- using the HOME’s platform
- Using the HOST’s platform
- Using a electronic file stored on physical media
- Other

B – As an alternative to Provision 10.2 of the Agreement, the method the used by the Parties for the encryption of electronic data and files is defined as follows:

- .....

In the extent needed, the Parties describe and specify below the elements of the Exchange Mechanism and Method for securing transfer of data and files:  
[.....]

**XI – CURRENCY AND METHOD OF PAYMENT**

- As an alternative to Provision 11.1 of the Agreement, the Home DGS and the Host DGS agree to take the [.....] as the Payout Currency .

## XII- COMMUNICATION

A – As an alternative to Provision 12.1 viii) of the Agreement, the Parties also convene that:

- The Home DGS is in charge of interpreting and translating the messages into the Host language and vice versa
- No translation is needed.

B – As an alternative to Provision 12.1(ix) of the Agreement, the Parties convene that the Host DGS

- shall consult the Home DGS prior to communicating anything to the media in the Host Country and shall seek to obtain the approval of the Home DGS if practicable
- or shall transfer the enquiry to the Home DGS in charge of answering it
- no exception is sought.

C – As an alternative to Provision 12.1(x) of the Agreement, the Parties convene that:

- The Home DGS translates claims received from Depositors and re-translates its response before transmission to the Host DGS
- The Home DGS does not ask for translation
- Other option (to be further described): [...]

D - As an alternative to Provision 12.2 of the Agreement, the Home DGS and the Host DGS agree to use an alternative set of communication tools as specified below

- (feature of the alternative set)
- (feature of the alternative set)
- (feature of the alternative set)

E - Further to Provision 12.4, the Parties convene to make use along the Payout Process of the following tools or documents:

- Activation of a call centre
- Sending letters to depositors with general content
- Sending letters to depositors with detailed SCV data

- Publication of documents in the failed bank's branches or websites
- Publication of documents in the agent bank's branches or websites
- Media buying (press, radio...)
- Press relations management
- Social media management (at the Host DGS's, the failed bank's, the paying agent bank's platforms)
- Use of tools required by the method of payment
- Any other tool (please describe)

### **XIII – ADDITIONAL SERVICES RENDERED BY THE HOST DGS**

In application to Provision 13 of the Agreement, the Home DGS and the Host DGS convene that the Host DGS will render to the Home DGS the following services:

- Assistance for receiving and answering general queries by Host Depositors
- Contact assistance between Host Depositors and the Home DGS for specific queries
- Translation of Documents from the Host language to i/ the English language or ii/ to the Home language
- Interpreting services
- Analysis of Temporary High Balances claims
- Analysis of other claims
- Media buying
- Others (to be specified)

### **XIV – FINANCIAL SPECIFICATIONS AND COSTS**

A - In application of Provision 14.1.b of the Agreement, and as an alternative to the Rulebook the Parties agree to use the acknowledgement form specified below (please attach):

- ...

B - As an alternative to Provision 14.1.c of the Agreement, the Parties convene that

- The Host DGS uses another cash reconciliation report format specified below (please describe) .....

C - To the extent the Parties can set this parameter ahead of any Payout Event, the frequency of the cash reconciliation report shall be:

- Daily
- 2 times a week
- Weekly
- Every 2 weeks
- [.....]

D - Further to Provision 14.2.c, the Home DGS requires specific changes from the normal Host DGS Repayment process (please specify):

- ...
- ...

E - As an alternative to the Rulebook and further to Provision 14.2.f, the Parties agree another way hereafter specified (please describe)

- ...

F – If not already provided for, the cost matrix of the Host DGS, filled with all the needed data is attached to the present Schedule. This cost matrix shall be updated every year. If not, it will be updated at least:

- every [...] years

G - As an alternative to the Rulebook and further to Provision 14.3.b, the Parties convene that costs will be funded and reimbursed as hereafter specified [please describe)

- ...

H - As an alternative to Provision 14.3.b and further to Provision 14.3.c, the Parties opt for a reimbursement of costs following the Payout and agree to apply the following reimbursement specifications:

- Time to reimburse the costs: ...
- Applicable interest rate: ...
- Other specifications: ...

I - Further to Provision 14.4, the Parties agree to define the right of audit and its modalities as follows:

- ...

**XV – OTHER BILATERAL PROVISIONS**

*(all other provisions bilaterally agreed in order to facilitate the fulfilment of the objective under the Agreement, including exemption to Provision 23.3.3 and any other exemption to the Rulebook)*

**XVI AMENDMENT**

These bilateral specifications shall be amended upon Provision 23 of the Agreement..

**XVII ENFORCEMENT AND TERMINATION**

Those bilateral specifications shall enter into force as provided for by Provision 20 of the Agreement.

Those bilateral specifications shall only terminate in the form as requested by Provision 20 of the Agreement.

By [Home DGS ] Authorized Representative Name: _____ _____ Title: _____ Date: _____	By: [Host DGS] Authorized Representative Name: _____ _____ Title: _____ Date: _____
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**SCHEDULE 3: BILATERAL TRANSFERRING SPECIFICATIONS UNDER THE COOPERATION AGREEMENT ON DEPOSIT GUARANTEE SCHEMES (THE “AGREEMENT”)**

**I – PARTIES**

1 \_\_\_\_\_

[Address and legal information of the Transferring Deposit Guarantee Scheme/ the “**Transferring DGS**”];

And

2 \_\_\_\_\_

[Address and legal information of the Receiving Deposit Guarantee Scheme/ the “**Receiving DGS**”].

**II – PRINCIPLES**

In application to Part III of the Agreement, the Transferring DGS and the Receiving DGS as stated above convene the following as operational conditions applicable between them (bilateral transferring specifications). These bilateral transferring specifications will apply in addition to the principles and duties as specified in the Agreement.

**III – BILATERAL PROVISIONS**

*(all provisions bilaterally agreed in order to facilitate the fulfilment of the objective under the Agreement)*

**IV - AMENDMENT**

These bilateral transferring specifications shall be amended upon Provision 23 of the Agreement.

**V – ENFORCEMENT AND TERMINATION**

Those bilateral specifications shall enter into force as provided for by Provision 20 of the Agreement.

Those bilateral transferring specifications shall only terminate in the form as requested by Provision 20 of the Agreement.

By [Transferring DGS ]	By: [Receiving DGS]
Authorized Representative	Authorized Representative
Name: _____ _____	Name: _____ _____
Title: _____	Title: _____
Date: _____	Date: _____

OFFICIAL - SEPT 2016

## SCHEDULE 4: BILATERAL **LENDING** SPECIFICATIONS UNDER THE COOPERATION AGREEMENT ON DEPOSIT GUARANTEE SCHEMES (THE “AGREEMENT”)

### I – PARTIES

1 \_\_\_\_\_

[Address and legal information of the Transferring Deposit Guarantee Scheme/ the “**Lending DGS**”];

And

2 \_\_\_\_\_

[Address and legal information of the Receiving Deposit Guarantee Scheme/ the “**Borrowing DGS**”].

### II – PRINCIPLES

The Lending DGS agrees in principle to lend to the Borrowing DGS on a voluntary basis.

In application to Part IV of the Agreement, the Lending DGS and the Borrowing DGS as stated above convene the following as operational conditions applicable between them (bilateral lending specifications). These bilateral lending specifications in section III below will apply in addition to the principles and duties as specified in the Agreement.

### III – BILATERAL PROVISIONS

A - Number of working days in which the Lending DGS shall reach a decision after receiving a loan request from the Borrowing DGS.

B – Information the Borrowing DGS shall provide in the loan request.

C – Repayment deadline and interest rate charged (under the conditions set out in Article 12(2) of Directive 2014/49/EU).

D - *all other provisions bilaterally agreed in order to facilitate the fulfilment of the objective under the Agreement.*

### IV - AMENDMENT

These bilateral lending specifications shall be amended upon Provision 23 of the Agreement.

### V – ENFORCEMENT AND TERMINATION

Those bilateral specifications shall enter into force as provided for by Provision 20 of the Agreement.

Those bilateral lending specifications shall only terminate in the form as requested by Provision 20 of the Agreement.

By [Lending DGS ]	By: [Borrowing DGS]
Authorized Representative	Authorized Representative
Name: _____ _____	Name: _____ _____
Title: _____	Title: _____
Date: _____	Date: _____

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