



The European
Money Markets
Institute



ACI
FINANCIAL MARKETS ASSOCIATION EST.1955

STEP Market Convention

19 October 2023

Version 2

Table of contents

Contents

Table of contents.....	2
1. Introduction	4
1.1. The STEP initiative.....	4
1.2. The STEP Institutional framework.....	4
1.2.1. The STEP Secretariat.....	4
1.2.2. The STEP Market Committee.....	5
2. The STEP Market Convention.....	5
3. Criteria and requirements of the STEP label.....	6
3.1. Type of issuers.....	6
3.2. The Notes.....	6
3.3. Issuance and settlement.....	6
3.4. Currency of issue.....	7
3.5. Minimum issuance amount.....	7
3.6. Maturity.....	7
3.7. The STEP information package.....	7
3.7.1. Content and format.....	7
3.7.2. Language.....	9
3.7.3. Certification of information.....	9
3.7.4. Availability of the STEP information package on the STEP Market website.....	9
3.8. STEP statistics.....	9
3.8.1. Statistical reporting requirements of issuers.....	9
3.8.2. Consequences of non-compliance with the statistical reporting requirements.....	10
3.9. Procedure for applying, updating and withdrawing a STEP label.....	11
3.9.1. Application for a STEP label.....	11
3.9.2. Duration of the STEP label.....	11
3.9.3. Updates of the STEP information package.....	11
3.9.4. Withdrawal of the STEP label.....	12
4. Fees.....	12
5. European Central Bank.....	13
5.1. Statement for the involvement of ECB.....	13
5.2. The production and publication of statistics relating to STEP.....	13
5.3. Status as a non-voting member of the STEP Market Committee.....	14
5.4. Liability of the ECB and the ESCB.....	14

5.5.	Statistical reporting requirements for eligible data providers	15
5.5.1.	The STEP statistics	15
5.5.2.	Reporting instructions.....	16
5.5.3.	Eligibility criteria.....	16
6.	Securities Settlement Systems	17
6.1.	Selection of STEP-compliant Securities Settlement Systems.....	17
6.2.	Obligations of eligible data providers to provide data to the ECB.	18
7.	Amendment of the STEP Market Convention.....	18
8.	Governing law and jurisdiction	18
	Annex 1.....	20
	Information Memorandum - single Issuer not guaranteed template.....	20
	Annex 2.....	28
	Declaration of Adherence.....	28

1. Introduction

1.1. The STEP initiative

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

The ACI Financial Markets Association (ACI FMA)¹ and The European Money Markets Institute (EMMI)² are the main promoters of the STEP initiative and have adopted the STEP Market Convention (as amended from time to time, the “Convention”).

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

ACI FMA and EMMI (the “adopting parties”) are confident that the adoption of the STEP standards laid down in the STEP Market Convention and the use of the STEP label will contribute to the integration and the development of the short-term paper market in the EU. They invite other market associations to support the STEP Market Convention and to recommend its use by their members. The adopting parties also invite players active in the European short-term paper market to adopt the standards of the STEP Market Convention.

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

1.2. The STEP Institutional framework

1.2.1. *The STEP Secretariat*

The STEP Secretariat is managed by EMMI. The STEP Secretariat is responsible for granting, withholding or withdrawing the STEP label at its own discretion in accordance with the criteria and requirements laid down in the STEP Market Convention.

The STEP Secretariat makes available the electronic format of the STEP-labelled programmes' information memoranda and related information on the STEP website, administers the STEP Market website, provides certain data to the ECB and the eligible

¹ Association internationale sans but lucratif, with its registered office at 8, rue du Mail, 75002 Paris, France, registration number 400 998 993.

² Association internationale sans but lucratif, with its registered office at 56 Avenue des Arts, 1000 Brussels, Belgium, registration number 0465.075.408.

data providers to produce STEP statistics and provides secretarial and administrative assistance to the STEP Market Committee.

The STEP Secretariat is composed of persons meeting high standards of integrity and these persons are not subject to instructions from the issuers or any other parties. The STEP Secretariat is under the direct supervision of the CEO of EMMI.

1.2.2. *The STEP Market Committee*

The STEP Market Committee shall consist of 12 voting members.

The Chief Executive Officer of EMMI shall be a member ex-officio and Chairman of the STEP Market Committee. Six voting members, including the CEO of EMMI shall be appointed by the General Assembly of EMMI and six voting members shall be appointed by the General Assembly of ACI FMA.

A representative of the ECB and a representative of Banque de France shall be invited to participate in the STEP Market Committee as nonvoting members.

STEP Market Committee members are persons of recognised standing and professional experience in the functioning of the European markets for short-term securities. They bring expertise from all the actors (investors, issuers, dealers, arrangers) of the largest European markets for Short-Term paper.

The composition of the STEP Market Committee shall ensure a fair representative of the major markets. The STEP Market Committee shall ensure a fair representativeness in terms of the diversity of the members' roles in the market.

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

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

The roles and responsibilities of the STEP Market Committee are governed by Terms of Reference of the STEP Market Committee. The document is publicly available on the STEP website.

2. **The STEP Market Convention**

The STEP Market Convention lays down the criteria which short-term paper programmes must fulfil to be STEP-compliant (section 3 of the Convention) and the procedures for granting and withdrawing the STEP label (point 3.9. of the Convention).

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

There are two annexes to the STEP Market Convention which form an integral part of the Convention: The Information Memorandum template and the Declaration of Adherence.

3. Criteria and requirements of the STEP label

3.1. Type of issuers

The issuer shall be assigned to one of the following categories:

- **1100:** non-financial corporation (corporate nonbank);
- **12A0:** monetary financial institution (for example, a corporate bank);
- **1230:** other financial intermediary. This category shall include special purpose securitisation vehicles which issue assets backed commercial papers (ABCP);
- **1250:** insurance corporation or pension fund;
- **1300:** general government (for example, central government or local authority);
- **2000:** supranational/international organisation.

3.2. The Notes

A short-term paper programme shall only be eligible for the STEP label if Notes governed by the laws of a EU Member State or one of the following Countries: Canada, Japan, United Kingdom, United States and Switzerland, or any other country which might in the future be included in this Convention through the unanimous vote of the STEP Market Committee members, may be issued thereunder. For the avoidance of doubt, the STEP label shall only apply to Notes governed by such laws and adherence to this STEP Market Convention or request for STEP label shall not affect the choice of law governing the Notes or the issuer's obligations to comply with any applicable laws. The STEP information package shall include a description of the Notes and the rights of the holder of such Notes.

3.3. Issuance and settlement

The Notes shall be issued in a SSS selected as STEP compliant as of the issue date of the Notes. The Notes shall be freely transferable by way of book-entries, settled electronically, and have an ISIN code attributed.

The list of SSSs selected as STEP compliant shall be made available by the STEP Secretariat on the STEP website and shall be regularly updated.

3.4. Currency of issue

The Notes may be issued in any currency which is, at the issue date of the Notes, freely convertible and permitted by the relevant authorities. The issuer shall ensure compliance with all applicable national currency and related rules.

3.5. Minimum issuance amount

The minimum issuance amount shall not be less than EUR 100,000 or equivalent in other currencies and shall be specified in the information memorandum. For non-euro-denominated issues, compliance with this requirement shall be assessed using the euro foreign exchange reference rates published on the website of the ECB on the date of issue.

3.6. Maturity

All Notes issued under a programme shall have a minimum initial maturity of one day and a maximum of one year. In the case of extendible Notes, the total length of all extensions at the issuer's option shall be of at least one day up to a maximum of one year. The original time to maturity including any extension may also ex post not exceed one year.

In case of a programme which is divided in categories based on maturities with one category of notes which may be issued with a maximum initial maturity of one year and another category of notes which may be issued with a maximum initial maturity of more than one year, the STEP label will apply only to the notes issued under the category with a maximum initial maturity of one year. Unless the context requires it otherwise, all references to Notes and programmes in this Convention (with exception of this point 3.7.1.2.) shall be deemed to be, in relation with this programme divided in categories based on maturities, references to such category of notes issued with a maximum initial maturity of one year and the relevant parts of the programmes relating to such notes, respectively. Consequently, the STEP statistics will only cover such notes issued within the category with a maximum initial maturity of one year.

3.7. The STEP information package

3.7.1. Content and format

The issuer shall provide the STEP Secretariat with the following documentation (the "STEP information package"):

- a completed **Information Memorandum** (including any applicable supplements), the content of which is set out in Annex I. The Information Memorandum shall follow the format set out in the templates made available on the date of the information memorandum by the STEP Secretariat on the STEP Market website, initially www.stepmarket.org;

- electronic copies of or active hyperlinks to the **last two approved annual reports and financial accounts**³ (consolidated, if any) or equivalent documents;⁴
- the **auditors' opinion on annual accounts** (or refer to the above documents if included in one of them)⁵;
- when the programme has been rated: the name of the rating agency(ies), the hyperlink to the **rating of the programme**;; and the **rating identifier** of the programme. Indication of the rating(s) is optional;
- the copy of full text of the **guarantee** (if any). If the guarantor belongs to the category of general government (e.g. central government or local authority), the text of the guarantee can be substituted, when appropriate, by the text of the relevant rules applicable to the guarantee;
- at the option of the issuer, any **other relevant information** (including but not limited to : legal opinion, rating hyperlinks regarding the issuer).

The STEP information package shall be submitted to the STEP Secretariat electronically. The STEP Secretariat may, at its sole discretion, request original copies (or certified copies) of all documents.

In the instance where hyperlinks are provided in the place of specific required documents, the non-availability of such a link (on anything other than a temporary basis) will be viewed as the non-provision of these documents and may jeopardise the status of the STEP label.

3.7.1.1. Multi-issuers programme

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

3.7.1.2. Multi-jurisdictions programme

Multi-jurisdictions programmes are programmes under which notes may be issued in more than one jurisdiction. In accordance with market practice, "Global programme" terminology will be used for multi-jurisdictions programmes including notes issued under US law. Issuers of notes under multi-jurisdictions programmes can apply for a STEP label for such programmes pursuant to the rules set out in this Convention provided that the STEP label shall only apply to the notes issued thereunder, which fulfil all the criteria and requirements laid down in the Convention. Unless the context requires it otherwise, all references to Notes and programmes in this Convention (with exception of this point 3.7.1.2.) shall be deemed to be, in relation to multi-jurisdictions programmes, references to such notes and the relevant parts

³ For Guaranteed and multi-issuers programmes, the annual reports, financial accounts, and auditors' opinion on annual accounts are required for each entity.

⁴ Annual documentation.

⁵ For Guaranteed and multi-issuers programmes, the annual reports, financial accounts, and auditors' opinion on annual accounts are required for each entity.

of the programmes relating to such notes, respectively. Consequently, the STEP statistics will only cover such notes.

3.7.2. *Language*

Apart from the Information Memorandum and the Declaration of adherence, the STEP information package can be provided to STEP Secretariat in another language than English. However, if the rating information or the text of the guarantee are not in English, a translation of these documents shall also be submitted to the STEP Secretariat. If documents are provided to STEP Secretariat both in English and another language, the English language version shall prevail unless the Issuers states that the English translation is only for the purposes of the STEP label. In this case the Issuer must make sure that the English translation provided adequately reflects any legally-binding version in another language.

The STEP Market Secretariat recommends to provide all the documents in the STEP information package in the usual language of the market (English).

3.7.3. *Certification of information*

Issuers shall certify that the information contained in the Information Memorandum is true and accurate and does not contain misrepresentation which would make it misleading. Signature of the Information Memorandum remains optional.

3.7.4. *Availability of the STEP information package on the STEP Market website*

The issuer shall agree that the information memoranda, and subsequently any supplemental information memoranda, for programmes that have been granted the STEP label shall be made publicly available on the STEP Market website (initially www.stepmarket.org). A list of all the programmes that have been granted a STEP label shall be displayed on the STEP Market website and shall be updated in accordance with the provisions of point 3.9.3 of the STEP Market Convention.

3.8. **STEP statistics**

3.8.1. *Statistical reporting requirements of issuers*

To obtain and maintain the STEP label, the issuer shall make the necessary arrangements with the Securities Settlement System (SSS), the issuing and paying agents (IPAs), the dealers, the arrangers or any other relevant entity for providing the eligible data provider (as defined in point 6.2.) with complete and accurate data necessary for the production of statistics by the ECB. In particular, the issuer shall arrange with any such entity that the eligible data provider receives the information to be communicated to the ECB regarding the trades transacted under a programme.

The issuer shall also arrange with any such entity that all relevant data about a programme shall be transmitted to the ECB in the form, frequency and timeliness necessary to compile and publish high quality STEP statistics, as set out in point 5.5. and the reporting instructions. The relevant data include information about issues outstanding at the date of application for the STEP label.

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

The issuer shall authorise the ECB to use these data for statistical purposes, in particular to produce and publish aggregated and individual statistical information on volumes and aggregated statistical information on yields⁶ while protecting the confidentiality of individual yield or price data.

The issuer shall authorise the ECB to load the data into the Centralised Securities Database (CSDB) and use the individual input data to derive CSDB output data. ECB shall make it technically impossible for CSDB users to trace back the CSDB output data to the individual data input of a data provider. The issuer also authorizes the ECB to use CSDB output data:

- for statistical purposes, in particular to produce and publish aggregated and individual statistical information on volumes and aggregated statistical information on yields' while protecting the confidentiality of individual yield or price data;
- for non-statistical purposes, at the level of detail needed to carry out its mandate and to cooperate with other EU institutions.

The issuer shall provide these authorisations when applying for the STEP label as indicated in the Declaration of adherence. Such authorisations shall remain in force without prejudice to a possible withdrawal of the STEP label in relation to the programme for which the issuer has applied.

3.8.2. Consequences of non-compliance with the statistical reporting requirements

In case of non-compliance with the statistical reporting requirements defined in point 3.8.1. of the STEP Market Convention, the STEP Secretariat reserves the right to withdraw the STEP label for the relevant STEP programme(s).

⁶The term "aggregated statistical information" means statistical information that does not allow reporting agents or any other legal person, entity or branch to be identified, either directly from their name, address or from an officially allocated identification code, or indirectly through deduction, thereby disclosing individual information, provided the individual information is of confidential nature.

3.9. Procedure for applying, updating and withdrawing a STEP label.

3.9.1. Application for a STEP label

In order to apply for the STEP label for the programme, the issuer shall submit the following documents to the Secretariat:

- an application form and Declaration of Adherence to the STEP Market Convention, as set out in Annex 2;
- the STEP information package as described in section 3.7.

The STEP Secretariat shall inform the relevant issuers or their representatives whether, on the basis of the information provided, the programme qualifies for the STEP label.

3.9.2. Duration of the STEP label

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

3.9.3. Updates of the STEP information package

3.9.3.1. Regular updates

The issuer shall update the information memorandum at least every three years + 90 days of the date of the last Information Memorandum. A new information memorandum shall be submitted by it to the STEP Secretariat within three years of the date of the last information memorandum.

The issuer shall update the other mandatory documents and submit them to the STEP Secretariat normally annually, and in any case as soon as they are approved, but no later than 90 days of the date of the approval.

The issuer shall urgently contact the STEP Secretariat if any delay is expected in providing the above-mentioned updates.

3.9.3.2. Exceptional updates

The issuer shall update the information memorandum and submit it to the STEP Secretariat every time there is a change in the programme.

Specifically and prior to any additional issue made under an amended programme, the issuer shall submit an updated version of the Information Memorandum to the STEP Secretariat (via full update or supplemental information memorandum, to the discretion of the issuer(s)).

In circumstances where a supplemental Information Memorandum is provided, it acts as an addendum to the original Information Memorandum. The supplemental Information Memorandum becomes part of the required disclosure for the programme and will be provided with the original Information Memorandum on the STEP website.

In the event of any change in one of the programme's ratings, the issuer must inform the STEP Secretariat (by e-mail) immediately after such change is notified to the issuer by the relevant rating agency.

3.9.4. *Withdrawal of the STEP label*

The STEP Secretariat may withdraw the STEP label granted to a programme on its own initiative and discretion if:

- the relevant issuer(s) fails to comply with the criteria laid down in the STEP Market Convention
- if the programme has not been updated for more than 150 days after 3 years + 90 days of the date of the last Information memorandum.
- if the annual invoice has not been paid

The STEP Secretariat shall withdraw the STEP label granted to a programme at the issuer's request if a withdrawal letter is provided.

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

4. Fees

When applying for a programme that is not STEP labelled yet, issuers are required to pay a flat contribution in order to cover administrative costs.

A label maintenance contribution is required annually for the programme maintenance, covering the period from January to December of each year (payable annually in January). This contribution is prorated based on the date of the label approval.

No refunds are possible in case a STEP labelled programme is withdrawn before the year end.

Fees are published on the STEP website: www.stepmarket.org

5. European Central Bank

5.1. Statement for the involvement of ECB

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

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

Moreover, in April 2008 the Governing Council of the ECB gave a favourable answer to a request of the European Banking Federation (EBF) and extended the ESCB's involvement in the STEP labelling process for a further two years until the end of June 2010.

As of 1 July 2010, the STEP initiative has entered into a new phase where the involvement of the ESCB in the STEP labelling process had come to an end. The STEP Market Secretariat took over sole responsibility for this process. Therefore the ECB's involvement in the STEP Market initiative is limited to: (i) the participation of the ECB as a non-voting member in the STEP Market Committee; and (ii) the production and publication by the ECB of STEP Market Statistics.

5.2. The production and publication of statistics relating to STEP

The ECB has agreed to provide STEP statistics in accordance with the conditions set out in point 3.8. and point 5.5. of the Convention. The involvement of the ECB is limited to the collection and processing of STEP market data and the publication of statistics on yields and volumes.

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

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

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

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

5.4. Liability of the ECB and the ESCB

The ECB does not participate in the granting, withholding or withdrawing of the STEP label, the responsibility for which rests with the STEP Secretariat.

The ECB's involvement in STEP statistics does not imply a view as to the financial soundness or creditworthiness of issuers or as to the accuracy of the information provided by them.

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

The involvement of the ECB in STEP statistics described in this point does not arise from any legal obligation and, in carrying out these activities in support of the STEP initiative, the ECB neither owes any duties nor assumes any rights or obligations vis-à-vis ACI FMA, EMMI, or any third parties whatsoever, beyond those expressly agreed in their contractual arrangements.

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

In addition, although the ECB makes reasonable efforts to obtain reliable content from eligible data providers, it shall not be liable for any errors, inaccuracies or delays in the content of the statistics it provides, or for any actions taken in reliance thereon, including, without limitation, any investment decision or the results of any investment made by a user of the data. The ECB expressly disclaims all warranties, expressed or implied, as to the accuracy of any of the content provided, or as to the fitness of the content provided for any purpose.

ACI FMA and EMMI shall indemnify the ECB and the national central banks of the ESCB against any liability which the ECB or any national central bank may incur as a result of producing and publishing STEP market statistics, including any liability or any claims arising from breaches or alleged breaches of confidentiality, or which may otherwise arise in connection with these activities and except for any liability arising from its own negligence.

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

5.5. Statistical reporting requirements for eligible data providers

The ECB's involvement is to collect and process STEP market data and to produce and publish statistics on STEP yields and volumes. The data on the basis of which STEP statistics are to be produced are to be supplied free of charge.

The obligations of issuers in relation to statistical requirements are set out in point 3.8. of the STEP Market Convention.

5.5.1. The STEP statistics

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

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

Aggregate volume statistics to be published on the ECB website:

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

Broken down by:

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

Yield indicators to be published on the ECB website:

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

- original maturity
- programme credit rating level
- issuer sector

Individual volume statistics to be published on the ECB website:

- individual outstanding amounts (per issuer or programme, broken down by currency)

Statistics on the STEP market are to be made available on the ECB's website (<http://www.ecb.europa.eu>) (hereinafter the 'ECB's site'). The ECB may provide national central banks of the ESCB with aggregated statistics and individual data on volumes for enabling them to publish statistics for their respective jurisdictions.

The ECB's site is maintained for information purposes only. The content thereof, including quotes, data and other information, is not intended to address any specific purposes (including, without limitation, trading purposes) or to constitute any form of advice (including, without limitation, professional, legal or investment advice) or to make any recommendations regarding particular financial instruments, investments or products.

While making reasonable efforts to obtain reliable content from eligible data providers, the ECB accepts no responsibility or liability for any errors or inaccuracies

or delays in the content of the ECB's site. The ECB accepts no responsibility or liability whatsoever with regard to the material on the ECB's site. In particular, without limitation, the ECB does not accept any responsibility or liability for any economic loss or any indirect or consequential loss or damage (including, without limitation, loss of business and loss of profits) as a direct or indirect consequence of, or in connection with, any actions taken in reliance thereon (including, without limitation, any investment decision or the results of any investment made by a user of the ECB's site).

The ECB expressly disclaims all warranties, expressed or implied, as to the accuracy of any of the content provided on the ECB's website and the ECB does not endorse or take responsibility for the content of any other site(s) of relevance to the contents of the ECB's site and that the ECB's site may be linked to.

5.5.2. *Reporting instructions*

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

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

Eligible data providers shall provide the ECB with the dynamic data and some static data according to the specifications contained in the Reporting instructions. When so deemed appropriate by the ECB, separate contractual arrangements are to be made between the ECB and each of the eligible data providers.

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

5.5.3. *Eligibility criteria*

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

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

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

6. Securities Settlement Systems

6.1. Selection of STEP-compliant Securities Settlement Systems

An eligible data provider shall be an SSS, a national central bank or any other entity which complies with the eligibility criteria set out in point 5.5.3. and with the ECB reporting instructions

In order to be STEP-compliant, Securities Settlement Systems (SSSs) shall be established in an EU Member State.

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

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

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

The ECB will assess that the SSSs comply with the eligibility criteria. The ECB will follow-up with them for any technical developments.

Upon recommendation by the ECB, eligible data providers shall be approved by the STEP Market Committee. The list of eligible data providers shall be published on the STEP website.

6.2. Obligations of eligible data providers to provide data to the ECB.

The specific obligations of eligible data providers shall, to the extent deemed appropriate by the ECB, be set out in separate agreements between the ECB and each eligible data provider.

7. Amendment of the STEP Market Convention

EMMI and ACI FMA may amend the Convention jointly following the subsequent procedure.

The Chief Executive Officer of EMMI, the President of ACI FMA or any member of the STEP Market Committee may propose to the STEP Market Committee an amendment to the STEP Market Convention. Proposed amendments shall be approved by at least half the voting members of the STEP Market Committee, except for changes in the Terms of Reference of the STEP Market Committee, which shall be approved by at least seven votes. Once these amendments are approved by the STEP Market Committee, each party will adopt the proposed amendments according to its own procedures.

By derogation to the above procedure, when the proposed amendments to the STEP Market Convention concern the criteria and requirements for the STEP label and the procedures for obtaining the STEP label, the Chief Executive Officer of EMMI and the President of ACI FMA shall validate the amendments on behalf of the decision-making bodies of the two associations.

In general, any amendment to the STEP Market Convention which may have an impact on the involvement of the ECB or of the national central banks of the European System of Central Banks shall require the ECB's prior approval. More particularly, section 5 of the Convention on the involvement of the ECB may only be amended following the prior approval by the ECB, and any amendments to point 3.8. or to point 5.5. relating to the involvement of the ECB in STEP statistics shall be approved by the ECB beforehand.

The STEP Market Convention is subject to annual review.

8. Governing law and jurisdiction

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

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

the STEP Market Convention which might be subject to other governing laws and jurisdiction.

This Convention was approved by The European Money Markets Institute and ACI FMA at the STEP Market Committee meeting of 19 October 2023.

Annex 1

Information Memorandum – single Issuer not guaranteed template.

Issuers wishing to obtain the STEP label must, among other requirements, provide the STEP Secretariat with an information memorandum in accordance with the STEP Market Convention. The information memorandum shall contain, as a minimum when not indicated as optional, the information listed below. The STEP Secretariat is authorised to create binding templates of information memoranda for various types of programmes, based on this STEP standard information memorandum. Such templates will neither impose any additional disclosure obligations on the issuers nor materially modify disclosure requirements set out in this Annex. Such templates will be made available by the STEP Secretariat on the STEP market website.

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

CONTENT OF THE STEP INFORMATION MEMORANDUM

Type of Information to be provided

Description

FRONT PAGE

Name of the Programme	The name of the programme shall be the name/s of the issuer/s and the type of the programme.
Name of the Issuer(s)
Type of Programme	<ul style="list-style-type: none"> - Dom CD/CP (e.g. French <i>Billets de Trésorerie</i>, French <i>Certificats de Dépôt</i>, Belgian <i>Billets de Trésorerie</i>, Belgian <i>Certificats de Dépôt</i>, German CP, Spanish CP and Italian <i>Programma di Cambiali Finanziare</i>) or Euro CP/CD (Euro Commercial Papers, Euro Certificates of Deposit); - Single Issuer or Multi-issuers; - Multi-jurisdictions (if relevant)
Programme size	(unlimited)
Guarantor(s)	If any – <i>if none, precise “None” or do not display this field</i>
Rating(s) of the programme	Indicate “Rated” or ”Not rated”. The rating is optional
Arranger(s)	If any
IPA(s)
Dealers	If any
Effective date of the Information Memorandum	...

Disclaimer clauses for dealer(s), IPA(s) and arranger(s)	Optional, if any
--	------------------

1	DESCRIPTION OF THE PROGRAMME	
	Name of the programme	The name of the programme shall be the name of the issuer and the type of the programme. (In case of multi-issuers programmes, a generic name can be provided)
	Type of programme	<ul style="list-style-type: none"> - Dom CD/CP (e.g. French Billets de Trésorerie, French Certificats de Dépôt, Belgian Billets de Trésorerie, Belgian Certificats de Dépôt, German CP, Spanish CP and Italian <i>Programma di Cambiali Finanziarie</i>) or Euro CP/CD (Euro Commercial Papers, Euro Certificates of Deposit); - Single Issuer or Multi-issuers. - Multi-jurisdictions (if relevant). In the case of a Multi-jurisdictions Programme as defined in point 3.7.1.2. of the STEP Market Convention, the information on the Notes requested below should be provided for each type of Notes under the Programme.
	Name(s) of the issuer(s)	...
	Type of issuer(s)	An issuer shall be in one of the following categories: nonfinancial corporation (corporate nonbank), monetary financial institution (for example, a corporate bank), other financial intermediary (for example special purpose securitisation vehicle), which issue ABCP, insurance corporation or pension fund, general government (for example, central government or local authority), supranational/ international organisation.
	Purpose of the programme <i>(optional)</i>	...
	Programme size (ceiling)	Currency code and Amount
	Characteristics and form of the Notes	Description of the Notes, including whether they are materialised or dematerialised, in bearer/registered form, etc.
	Yield basis	e.g. Fixed rate, floating rate, interest prepaid, (standard or complex method).
	Currencies of issue of the Notes	...
	Maturity of the Notes	If the notes are extendable/putable, this should be mentioned.
	Minimum Issuance Amount	...
	Minimum denomination of the Notes	In the currencies of issuance.

	Status of the Notes	...
	Governing law that applies to the Notes	...
	Listing	Yes/No; if yes, indicate the place of listing.
	Settlement system	For the issue of the notes, see Annex 6 and the list of STEP eligible SSS.
	Rating(s) of the Programme Ratings can come under review at any time by the rating agencies. Investors shall refer to the relevant rating agencies in order to have access to the latest ratings	Indicate “Rated” or ”Not rated”; if rated: <ul style="list-style-type: none"> • name(s) of the rating agency having rated the programme, • the hyperlink/s to the rating of the programme allowing investor to check the rating(s) • programme rating identifier • optional: indication of the rating(s) of the programme
	Guarantor(s) of the Programme	Indicate the name of the Guarantor(s) and the type of guarantee, otherwise indicate “n/a”
	Issuing and paying agent(s)
	Arranger(s)	If any
	Dealer(s)	If any
	Selling restrictions	If any
	Taxation (<i>optional</i>)	...
	Involvement of national authorities (<i>optional</i>)	Indicate if the programme is subject to a regulatory and/or supervisory regime
	Contact details	E-mail and telephone number
	Additional information on the programme	...
	Auditors of the issuer, who have audited the accounts of the issuer’s annual report	Name and address.

2	DESCRIPTION OF THE ISSUER(S) AND THE GUARANTOR(S) OF THE PROGRAMME	
	<p>The information requested below needs to be provided for the issuer(s) as well as for the guarantor(s), if the programme is guaranteed. This information can be obtained from the annual reports of the issuer(s) / guarantor(s), the other documents attached as appendices to the information memorandum or any other relevant source. The information to be provided below is to be adjusted according to the legal nature of the issuer and of the guarantor, if any. In particular, if the Guarantor belongs to the category of general government (e.g. central government or a local authority), the information concerning the Guarantor shall be adjusted to the Guarantor's legal and institutional nature.</p>	
	Legal name	...
	Legal form/status	...
	Date of incorporation/establishment	...
	Registered office or equivalent (legal address)	Full address
	Registration number/place of registration	...
	Issuer's mission	...
	Brief description of current activities	...
	Capital or equivalent	Amount and description of capital (or equivalent).
	List of main shareholders (<i>optional</i>)	Holding more than 5% of the capital of the Issuer, when applicable. Otherwise indicate "Not applicable".
	Listing of the shares of the Issuer	Information about the stock exchanges where the issuer's shares are listed. If the issuer's shares are not listed, indicate "Not applicable".
	Composition of governing bodies and supervisory bodies	At the effective date of the Information Memorandum.
	Accounting Method (<i>optional</i>)	...
	Accounting Year (<i>optional</i>)	Starting on [...], ending on [...].
	Fiscal Year (<i>optional</i>)	Starting on [...], ending on [...].
	Other short term programmes of the Issuer (<i>optional</i>)	...
	Optional: Rating/s of the Issuer/ Guarantor (when applicable)	Indicate "Rated" or "Not rated", if rated:

	<p>Ratings can come under review at any time by the rating agencies. Investors shall refer to the relevant rating agencies in order to have access to the latest ratings</p>	<ul style="list-style-type: none"> • name(s) of the rating agency having rated the Issuer/ Guarantor (when applicable) • the hyperlink/s to the the rating agency/ies ,having rated the the Issuer/ Guarantor (when applicable) allowing investor to check the rating(s)if not hyperlink available, contact details of the rating agency/ies. ,having rated the the Issuer/ Guarantor (when applicable) • optional: indication of the rating(s) of the Issuer/ Guarantor (when applicable)
	<p>Additional information on the issuer/guarantor of the programme</p>	<p>...</p>

3	INFORMATION CONCERNING THE ISSUER'S REQUEST OF THE STEP LABEL
----------	--

The following information needs to be provided in the information memorandum. The text in square brackets is to be used in case of multi-jurisdictions programmes as defined in point 3.7.1.2. of the Convention.

An application for a STEP label for this Programme will be made to the STEP Secretariat [in relation to the Notes eligible under the STEP Market Convention]. Information as to whether the STEP label has been granted for this Programme [in relation to such Notes] may be made available on the STEP market website (initially www.stepmarket.org). This website is not sponsored by the issuer and the issuer is not responsible for its content or availability. Please, read an important disclaimer on the STEP website regarding the use of this document (<http://www.stepmarket.org/directory/disclaimer.html>).

Unless otherwise specified in this Information Memorandum, the expressions “STEP”, “STEP Market Convention”, “STEP label”, “STEP Secretariat”, and “STEP market website” shall have the meaning assigned to them in the Market Convention on Short-Term European Paper dated 19 October 2023 and adopted by ACI FMA and The European Money Markets Institute (as amended from time to time).

4	CERTIFICATION OF INFORMATION	
	Person(s) responsible for the update of the Information Memorandum	Full name(s),title(s) and contact details
	Declaration of the person(s) responsible for the Information Memorandum:	<i>Example of wording:</i> To our knowledge, the information contained in this Information Memorandum is true and accurate and does not contain any misrepresentation which would make it misleading.
	Date, Place of signature(s), Signature(s)	

Annex 2

Declaration of Adherence

**FORM OF APPLICATION FOR THE STEP LABEL AND DECLARATION
OF ADHERENCE TO THE STEP MARKET CONVENTION**

Issuer's name and address

To The European Money Markets Institute and ACI FMA

For the attention of the STEP Secretariat

by e-mail : info@step-market.org

Date: [•]

Dear Sir,

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

For this purpose, the STEP Secretariat is requested to consider the attached STEP information package which has been compiled according to the requirements contained in the STEP Market Convention and the template available on the STEP Market website (www.stepmarket.org). Terms not otherwise defined herein shall have the same meaning as in the STEP Market Convention.

To the knowledge of the issuer, the information contained in the STEP information package submitted to the STEP Secretariat does not at the date hereof contain any misrepresentation which would make it misleading.

The most recent validation of the annual accounts of [NAME OF THE ISSUER] took place on [DATE].

The issuer(s) applying for STEP (Short-Term European Paper) label in relation to its/their programme hereby declare(s) that he has/they have been fully informed of the terms and conditions of the STEP Market Convention and undertake(s) to fully comply with its

provisions. The STEP Market Convention shall be subject to annual review and any relevant amendment will be notified to the Issuer without any delay.

In consideration of this application and declaration of adherence, _____(THE ISSUER) shall pay EMMI the Fees as described in section 4 of the Convention. Issuers are required to pay a flat contribution in order to cover administrative costs.

A label maintenance contribution will be paid annually for the programme maintenance, covering the period from January to December of each year (payable annually in January). This contribution shall be prorated based on the date of the label approval.

The administrative costs and the maintenance contribution fees are published on the STEP Market website: <https://www.stepmarket.org/>

EMMI may amend the Fees at any time, by giving the Issuer not less than three (2) calendar months' notice and provided that any change to said Fees would take effect no more frequently than once per calendar year. The issuer(s), by applying for the STEP label, accept(s) without reservation the obligations and other terms of the STEP Market Convention and agree(s) to operate its programme in accordance with the Convention.

If the STEP label is granted, and without prejudice to the possible withdrawal of STEP label, the eligible data provider, as defined in point 6.2. of the STEP Market Convention, and the STEP Secretariat are expressly authorised to receive, process and transmit to the European Central Bank (**ECB**) the data concerning the issuer and its programme, including the programme's credit rating, and the issues made under the programme.

On behalf of the issuer(s), I also expressly authorise the ECB to use such data for statistical purposes, in particular, to produce and publish aggregated and individual statistical information on volumes and aggregated statistical information on yields⁷ while protecting the confidentiality of the individual price data. The issuer(s) also authorize(s) the ECB to

⁷ The term "aggregated statistical information" means statistical information that does not allow reporting agents or any other legal person, entity or branch to be identified, either directly from their name, address or from an officially allocated identification code, or indirectly through deduction, thereby disclosing individual information, provided the individual information is of confidential nature.

use the data for non-statistical purposes contributing to the implementation of monetary policy or the analysis of financial stability.

The issuer shall authorise the ECB to load the data into the Centralised Securities Database (CSDB) and use the individual input data to derive CSDB output data. ECB shall make it technically impossible for CSDB users to trace back the CSDB output data to the individual data input of a data provider. The issuer also authorizes the ECB to use CSDB output data:

- for statistical purposes, in particular to produce and publish aggregated and individual statistical information on volumes and aggregated statistical information on yields' while protecting the confidentiality of individual yield or price data;
- for non-statistical purposes, at the level of detail needed to carry out its mandate and to cooperate with other EU institutions.

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

The issuer(s) acknowledge(s) and agree(s) that the involvement of ACI FMA, association internationale sans but lucratif, with registration number 400 998 993 (**ACI FMA**), The European Money Markets Institute, association internationale sans but lucratif, with registration number 0465.075.408 (**EMMI**) and the STEP Secretariat does not imply a view as to the financial soundness or creditworthiness of issuer as to the accuracy of the information provided by it.

The issuer(s) expressly acknowledge(s) and agree(s) that (i) ACI FMA, (ii) The European Money Markets Institute, (iii) the STEP Market Committee and the STEP Secretariat and (iv) their members, directors, officers, employees, agents, advisors and representatives (the **Relevant Entities**) shall not be liable to the issuer for any act, default, or omission in relation to the implementation, performance or the application of the STEP Market Convention (including, but not limited to, the procedure for the granting and withdrawal of the STEP Label), except in case of wilful misconduct or negligence. The Relevant Entities shall not, in any case, be liable to the issuer for any indirect, consequential loss or damage, for any missed profits or opportunities, for any increased costs or expenses or

more onerous conditions incurred in relation to transactions, ventures, investments or projects.

The Issuer hereby also declares that the information contained in EMMI's Privacy Notice as well as the more specific information below will be provided to the persons whose personal data is included in the information memorandum or whose personal data is otherwise transferred to the STEP Secretariat.

The STEP Secretariat attaches great significance to the protection of privacy and processes personal data in accordance with the European General Data Protection (GDPR) and all other applicable European and national regulations on data protection and privacy.

The STEP Secretariat processes personal data based on its contractual obligations under the Market Convention on Short-Term European Paper and based on its legitimate interests for the following purposes: assessing the Issuer's application for the STEP label, operation of the STEP Label (including without limitation, the publication of the STEP information memorandum) and assisting the ECB in collecting the data for the provision of the STEP statistics.

The legitimate interests of the STEP Secretariat in processing personal data is the proper operation of the STEP label.

For more information on the processing of your personal data and on your rights as data subjects, individuals whose personal data are set out in the Information Memorandum can consult the STEP Secretariat's privacy notice by clicking on this link: <https://www.stepmarket.org/step-privacy-notice.html>

Date, Place of signature, Signature

[Signed, on behalf of the issuer, or by a duly authorised person to represent the issuer]