

# **EURONEXT SECURITIES COPENHAGEN**

## **Rule Book – Part 6 FundHub Rules**

Date: 28 February 2024

## **1. Scope**

- 1.1. These FundHub Rules being Part 6 of the VP Rule Book apply in addition to the terms and conditions contained in Part 1 to Part 5 of the VP Rule Book to a Participant that participates in the additional service, FundHub, as Distributor, Fund Platform Provider, Transfer Agent, or FundHub Securities Account Controller (collectively "Participants in FundHub"). All Participants in FundHub must comply with all parts of the VP Rule Book relevant to the services the respective Participants participates in.
- 1.2. The general terms and conditions set out in Part 2 of the VP Rule Book (General Terms and Conditions) applies to the participation in the FundHub services with the necessary adjustments. In the event of any inconsistency between the FundHub Rules and other parts of the Participation Agreement, the FundHub Rules shall prevail.
- 1.3. Terms defined in Part 1 of the VP Rule book (Definitions) have the same meaning when used in these FundHub Rules, unless otherwise stated herein or the context otherwise requires.
- 1.4. Operational and technical requirements and guidance hereto is set out in the User Guidelines relevant to the participation in FundHub.

## **2. General provisions**

- 2.1. FundHub assists Single Price Mutual Funds and their Transfer Agents, in order routing settlement with Distributors and Fund Platform Providers approved by the Transfer Agent. The FundHub system is used to process requests for subscription and redemption ("Subscription Orders" and "Redemption Orders" respectively and "Subscription and Redemption Orders" collectively) in units of a Single Price Mutual Fund ("Units") that are issued and Book-entered as Dematerialised Securities in the VP's Clearing & Settlement System. Such Units are the only securities eligible for order routing settlement in the FundHub system.
- 2.2. The Units may be issued and Book-entered in the VP Clearing and Settlement system in amounts, including with up to six (6) decimals, and will be redeemed at the net asset value ("NAV") for the Single Price Mutual Fund.
- 2.3. FundHub ensures that after satisfactory validation and processing of Subscription and Redemption Orders instructed to the FundHub system, issuance or redemption (as the case may be) of the relevant Units are automatically registered in VP's system.
- 2.4. From the date VP decides to give a Participant access to the FundHub system as Transfer Agent, a Distributor, a Fund Platform Provider or a FundHub Securities Account Controller, VP authorises the Participant's access to the FundHub system.

## **3. Participation in FundHub**

### **3.1. Scope**

- 3.1.1. This clause 3 sets out the terms and conditions for participation in the FundHub service and applies in addition to the terms and conditions for the Book-entry

and Issuance services and the Settlement services to a Participant to the extent that it participates in FundHub as Distributor, Fund Platform Provider, Transfer Agent, or FundHub Securities Account Controller.

- 3.1.2. The Participants in FundHub must have signed a Participation Agreement with VP on access to the functions as the Distributor, Fund Platform Provider, Transfer Agent, or FundHub Securities Account Controller and such other functions as required in Part 2 of VP Rule Book (General Terms and Conditions).
- 3.1.3. Participation in FundHub must be done in accordance with applicable law, and the Participation Agreement, including the VP Rule Book and the User Guidelines.
- 3.1.4. Issuance of Units in VP's system is subject to the condition that an Issuer Agreement is entered into between the Single Price Mutual Fund as Issuer, the Transfer Agent as Issuing Agent and VP in its capacity as Central Securities Depository. According to the Issuer Agreement, the Single Price Mutual Fund appoints the Transfer Agent to act as Transfer Agent in the FundHub system and as Issuing Agent in VP's system.

### **3.2. Distributor**

- 3.2.1. The FundHub system allows the Distributor to send Subscription and Redemption Orders - in number of Units or in amounts - in the Single Price Mutual Funds, which the Distributor has been given access to instruct such Subscription and Redemption Orders in FundHub by the relevant Transfer Agent. As Distributor, the Participant can send Subscription Orders and Redemption Orders on its own behalf and in case the Distributor has the necessary regulatory licences and is duly authorised to also send orders on behalf of its clients for order routing settlement in FundHub.
- 3.2.2. The Distributor is required to:
  - 1. to have all necessary licences and authorisations in place relevant to the services provided by Distributor to and on behalf of its clients and comply with all relevant rules and regulations, including related to anti-money laundering and sanctions, relevant to the provision of such services;
  - 2. be authorized by one or more Transfer Agents to send orders via FundHub in respect of one or more Single Price Mutual Funds;
  - 3. open and maintain one or more FundHub Securities Accounts in the name of the Distributor or in the name of the Distributor on behalf of the Distributor's clients (as the case may be) either through a Participant that participates in FundHub as a FundHub Securities Account Controller or by the Distributor itself if the Distributor fulfils the requirement to be a FundHub Securities Account Controller;
  - 4. provide information on cash accounts per currency for VP to know where cash amounts from the settlement of Redemption Orders shall be deposited and for payments related to Corporate Actions;

5. maintain a register of the Distributor's clients' holdings on the FundHub Securities Accounts mentioned in point 3. above if the Distributor send orders on behalf of its clients.

### **3.3. Fund Platform Provider**

- 3.3.1. The FundHub systems allows the Fund Platform Provider to send Subscription and Redemption Orders – in numbers of Units or in amounts – in the Single Price Mutual Funds which the Fund Platform Provider has been given access to instruct such Subscription and Redemptions Orders in FundHub by the relevant Transfer Agent.
- 3.3.2. The Fund Platform Provider can send Subscription and Redemption Orders on its own behalf. Furthermore, the Fund Platform Provider can through its own system give its clients access to instruct for Subscription and Redemption Orders via FundHub in Single Priced Mutual Funds approved by the relevant Transfer Agent of such funds. Such instructions are considered to be sent by the Fund Platform Provider on behalf of underlying clients.
- 3.3.3. The Fund Platform Provider is required to:
  1. have all necessary licenses and authorisations in place to offer fund platform services and comply with all relevant rules and regulations, including related to anti-money laundering and sanctions, relevant to the provision of such services;
  2. be authorized by one or more Transfer Agents to send orders via FundHub in respect of one or more Single Price Mutual Funds;
  3. open and maintain one or more FundHub Securities Accounts in its own name, if relevant, and in the name of the Fund Platform Provider on behalf of the underlying clients either through a Participant that participates in FundHub as a FundHub Securities Account Controller or by the Distributor itself if the Fund Platform Provider fulfils the requirements to be a FundHub Securities Account Controller;
  4. provide information on cash accounts per currency for VP to know where cash amounts from the settlement of Redemption Orders shall be deposited and for payments related to Corporate Actions;
  5. maintain a register of the underlying client's holdings and ensure it reconciles with the holdings on the relevant FundHub Securities Accounts open at any given time;
  6. perform know-your-customer due diligence and approve all clients of the Fund Platform Provider that are able to send Subscription and Redemption Orders for Units in Single Price Mutual Funds via participation in the Fund Platform Provider's fund platform; and
  7. ensure that the underlying clients are compliant with all applicable anti-money laundering and sanctions rules and regulations in force.

### **3.4. Transfer Agent**

- 3.4.1. Participation in FundHub as a Transfer Agent for Single Price Mutual Funds is conditional upon the Participant also participating as a FundHub Securities Account Controller and Issuing Agent in the VP system. The Transfer Agent may also participate as a FundHub Securities Account Controller for a Distributor or a Fund Platform Provider. The Transfer Agent will, as relevant and in addition to this Part 6 of the VP Rule Book (FundHub Rules), be bound by the same terms in the VP Rule Book as a Participant acting as Issuing Agent and Securities Account Controller in the VP system, as the case might be, unless these FundHub Rules provides otherwise.
- 3.4.2. A Participant that participates as Transfer Agent may send instructions to the FundHub system on the Participant's own behalf and on behalf of third parties, when such instructions relate to those Single Price Mutual Funds that have appointed the Participant to act as Transfer Agent in the FundHub system and as Issuing Agent in VP.
- 3.4.3. As further described in the User Guidelines, the Transfer Agent is required to:
1. have entered into an Issuer Agreement with the Single Price Mutual Funds in question and VP for issuance of every ISIN;
  2. maintain and disclose to VP information concerning each registration of ISINs, including information on days, on which the respective ISINs are eligible for FundHub Order Routing Settlement; which settlement convention (T+x) is applied; and which legal effect times are applied for the FundHub Order Routing Settlement cycles as described in this Part 6 of the VP Rule Book;
  3. define and disclose to VP information on the cut-off time for receipt of Subscription and Redemption Orders for each Single Price Mutual Fund in accordance with the relevant fund documents (the "Cut-Off time");
  4. maintain and disclose to VP details of the Single Price Mutual Funds' cash account numbers per ISIN in a bank, where the respective Single Price Mutual Funds deposit/receive cash payments related to the FundHub Order Routing Settlement;
  5. in respect of each cash account mentioned in point 3. above, obtain and deliver to VP an authorisation that provides VP (i) access to information regarding the balance of the account etc., and (ii) a right to deliver cash settlement amount instructions to the clearing bank (i.e. withdrawals and deposits instructions);
  6. approve and authorise to VP one or more Distributors or Fund Platform Providers to send orders and instructions via FundHub in respect of the Single Price Mutual Funds, which the Transfer Agent is Issuing Agent for, and to inform VP of changes in, who the Transfer Agent accepts Subscription and Redemption Orders from;
  7. ensure that the Transfer Agent is compliant with all applicable anti-money laundering and sanctions rules and regulation in force; and
  8. maintain and disclose to VP a cash clearing account for payments of Subscription Orders for each Single Price Mutual Fund. Before an issuance, the

Distributor or Fund Platform Provider must deposit the cash amount on the cash clearing account. After the issuance the Transfer Agent sends the cash settlement amount to the cash account mentioned in point 3. above.

3.4.4. By agreeing to participate in FundHub as a Transfer Agent and Issuing Agent for Single Price Mutual Funds, the Transfer Agent acknowledges and accepts on behalf of the Single Price Mutual Funds that VP is authorised via the FundHub system to:

1. automatically generate issuance and redemptions of Units in VP's system;
2. book-enter the FundHub Order Routing Settlement results on the FundHub Securities Accounts mentioned in clause 3.2.2 (3) and clause 3.3.3 (3), and
3. do book-keeping for the Transfer Agent on its general ledgers of the Single Price Mutual Funds.

3.4.5. The Transfer Agent must ensure that all Distributors and Fund Platform Providers, which the Transfer Agent has approved and authorised to send order instructions for the Single Price Mutual Funds via FundHub, have the necessary regulatory licences and authorisations and comply with all relevant legislation if the respective Distributors and Fund Platform Providers create instructions on behalf of itself or its clients.

### **3.5. FundHub Securities Account Controller**

3.5.1. The FundHub Securities Account Controller must also participate as a Securities Account Controller in the VP system. The FundHub Securities Account Controller will, in addition to this Part 6 of the VP Rule Book (FundHub Rules), be bound by the same terms in the VP Rule Book as a Participant acting as Securities Account Controller in the VP system, as the case might be, unless this Part 6 of the VP Rule Book (FundHub Rules) provides otherwise.

3.5.2. In order to participate in FundHub, the FundHub Securities Account Controller is required to:

1. open and manage FundHub Securities Accounts, where the Units may be credited or debited by Book-entry with six (6) decimals;
2. only open such FundHub Securities Accounts for and on behalf of Distributors or Fund Platform Providers in FundHub;
3. only transfer Units to FundHub Securities Accounts held by Securities Account Controllers, who have also signed up for participation as a FundHub Securities Account Controller, and only with the consent of such FundHub Securities Account Controller and the Transfer Agent for the relevant Single Price Mutual Fund; and
4. ensure that VP has authorised the registration of FundHub Order Routing Settlement results on the relevant FundHub Securities Accounts mentioned above.

#### **4. FundHub Order Routing Settlement**

##### **4.1. Technical and operational requirements**

- 4.2. The Participants in FundHub must connect to the FundHub system.
- 4.3. The FundHub system will deliver data in addition to data delivered by VP's system, at such times, in such formats and through such communication channels as described in the User Guidelines. Further, the Participants in FundHub must deliver such data and information to the FundHub system (incl. in such format and at such times) as required in these FundHub Rules and the User Guidelines.
- 4.4. The Participants in FundHub must perform all such acts and tests of the FundHub system as may be reasonably requested by VP from time to time. The tests must be performed successfully to a level satisfactory for VP.
- 4.5. The Participants in FundHub, respectively, may want to perform its own tests, which could require assistance from VP. VP will assist in performing such tests on a best effort basis. The payment for performing such test will be agreed bilaterally.
- 4.6. The Participants in FundHub must adapt to any technical and operational change instruction from VP in respect of a change of the FundHub system, which VP, in its own discretion, finds reasonable or necessary to implement. To the extent possible, VP will give the Participants in FundHub due notice of such changes. If necessary due to urgent circumstances to ensure that FundHub system and/or VP's system operates safely and efficiently, changes may be implemented with immediately effect and subsequent notice will be provided as quickly as possible.
- 4.7. If the Participants in FundHub identifies an error or an inconvenient matter in the connectivity to the FundHub system, it must immediately notify VP. If VP finds it relevant, VP will enter into a good faith discussion with the relevant party with a view to whether and how the error or inconvenient matter should be solved. VP may in its own discretion, decide whether the error or inconvenient matter needs to be solved, and which actions need to be performed by VP and/or the relevant Participants in FundHub .
- 4.8. In connection with delayed or incorrect deliveries from VP to the Participants in FundHub, VP has a right to postpone the completion of the FundHub Order Routing Settlement.
- 4.9. The Participants in FundHub, as relevant, must contact VP in order to identify and instruct VP to assist with correction and/or rectification measures.
- 4.10. Instructions for order routing and issuance of Units must be conducted via the FundHub system.

##### **5. Data from the participants in FundHub**

- 5.1. The Participants in FundHub are solely responsible for the correctness and completeness of all orders, instructions and information provided by it to FundHub. This includes responsibility for completing all relevant fields, data boxes, etc. correctly in accordance with the User Guidelines.

## **6. FundHub Order Routing Settlement**

- 6.1. Subscription and Redemption Orders from a Distributor or a Fund Platform Provider, and NAV calculations from the Transfer Agents for the Units, can be reported to FundHub on VP Business Days. Processing of Subscription and Redemption Orders received on a VP Business Day will take place on a "FundHub Settlement Day". FundHub Settlement Days are VP Business Days, that are also opening days for:
1. the individual Single Priced Mutual Funds; and
  2. the relevant commercial banks that hold the Single Price Mutual Funds' cash accounts and the Distributors' and Fund Platform Providers' cash clearing accounts that are used for the FundHub Order Routing Settlement.
- 6.2. On each FundHub Settlement Day, FundHub Order Routing Settlement takes place in two order routing settlement cycles:
1. the daily order routing settlement cycle at 11:30 hours, and
  2. the secondary order routing settlement cycle at 14:30 hours.
- 6.3. Subscription and Redemption Orders for Units must be received by FundHub before the Cut-Off time in order for such orders to be processed and included in the FundHub Settlement Day indicated by the Distributors and Fund Platform Providers.
- 6.4. Subscription and Redemption Orders received after the Cut-Off time for a specific FundHub Settlement Day are deferred until the following FundHub Settlement Day for the relevant Single Priced Mutual Fund.
- 6.5. Based on the information on the Subscription and Redemption Orders received, the Transfer Agent must send the NAV of the relevant Single Price Mutual Fund to FundHub in accordance with the User Guidelines in order for the FundHub Order Routing Settlement process to take place on the FundHub Settlement Day relevant for the orders received. By reporting the NAV to FundHub, the Transfer Agent approves that all received Subscription and Redemption Orders are ready for FundHub Order Routing Settlement.
- 6.6. Subscription and Redemption Orders cannot be cancelled after the Cut-Off time.
- 6.7. In order for the FundHub Order Routing Settlement to take place, statements showing the balances of the cash clearing account and other relevant information must be send to FundHub in respect of each Distributor, Fund Platform Provider and Transfer Agent as further described in the User Guidelines.
- 6.8. On each FundHub Settlement Day, FundHub Order Routing Settlement takes place in two order routing settlement cycles:
3. the daily order routing settlement cycle at 11:30 hours, and



4. the secondary order routing settlement cycle at 14:30 hours.

#### **6.9. The order routing settlement cycle**

- 6.9.1. In respect of each Single Price Mutual Fund, FundHub checks if each Participant in FundHub holds, respectively, sufficient Units and cash, to complete the settlement of Subscription and Redemption Orders. If there are sufficient holdings of Units and cash, respectively, the process and automatic issuance or redemption (as the case may be) of Units takes place in accordance with the User Guidelines.
- 6.9.2. In case of insufficient holdings of Units or cash (as the case may be), the affected Subscription or Redemptions Order will be settled in accordance with the settlement priority for the FundHub Order Routing Settlement system and, where relevant, postponed to a later settlement cycle within the time period defined by the Transfer Agent as further described in the User Guidelines.
- 6.9.3. The Single Price Mutual Fund can in agreement with the Transfer Agent decide to issue Units related to Subscription Orders despite the lack of cash. In this case, the Units will be issued to the Transfer Agent's FundHub Securities Account. The following exchange of Units and cash will be handled directly between the Transfer Agent and the Distributor or Fund Platform Provider in question via cash transfer and a bilateral transfer of Units in the FundHub web module in accordance with the User guidelines.
- 6.9.4. In the event of lack of cash for Redemption Orders, the affected Redemption Orders will be postponed due to lack of money as further described in the User Guidelines. The FundHub system will persist to complete the settlement of the affected Redemption Orders in the forthcoming settlement cycles. In case of continued lack of cash, the affected orders will be rejected after a specified number of days defined by the Transfer Agent and must be instructed again.

#### **7. Transfer restrictions**

- 7.1. Transfers of Units between FundHub Securities Accounts are restricted and may only be instructed between FundHub Securities Accounts by FundHub Securities Account Controllers and the receiver of the Units must be a Distributor or Fund Platform Provider approved by the relevant Transfer Agent.

#### **8. Costs**

- 8.1. VP charges fees for the FundHub services provided to the Participant. All fees are charged in accordance with the terms contained in Part 2 (General Terms and Conditions).

#### **9. Suspension and termination**

- 9.1. A Participant may only terminate its participation as Transfer Agent under the Participation Agreement by giving six months' written notice to VP, with the six-month's notice period to take effect from the first day of the next calendar month, provided that before the notice period has expired, it has agreed with one or more participating Transfer Agents for them to take over the full issuance responsibility for the Single Price Mutual Funds for which the Participant has been recorded as the Transfer Agent. Each Transfer Agent that

takes over responsibility must have concluded the necessary Issuer Agreements with VP and the relevant Single Price Mutual Funds.

- 9.2. A Participant may terminate its participation as Distributor or Fund Platform Provider under the Participation Agreement by giving six-months' notice to VP, with the six-month's notice period to take effect from the first day of the next calendar month, provided that the Participant does no longer maintain FundHub Securities Accounts with Units in the Participant's name or on behalf of the Participant's clients at the expiry of the notice period.
- 9.3. A Participant may terminate its participation as FundHub Securities Account Controller for Distributors or Fund Platform Providers by giving six months' notice to VP, with the six-months' notice period to take effect from the first day of the next calendar month, provided that the Participant does not hold any FundHub Securities Accounts with Units at the expiry of the notice period and that all FundHub Securities Accounts for, which the Participant is registered as FundHub Securities Account Controller, have been transferred another FundHub Securities Account Controller.
- 9.4. VP may terminate the FundHub services provided to the Transfer Agent or in its sole discretion suspend the provisions of the services, if the Transfer Agent materially or repeatedly is in breach of, violates or disregards the Issuing Agreement covering issuance of Single Price Mutual Funds, the rules in this Part 6 of the VP Rule Book (FundHub Rules) or the User Guidelines applicable to the FundHub services.
- 9.5. In case the Transfer Agent ceases to participate in VP as FundHub Securities Account Controller and/or Issuing Agent – e.g., due to insolvency proceedings - the FundHub services delivered to the Transfer Agent and to Distributors and Fund Platform Providers approved and authorised by the Transfer Agent will be suspended immediately. A dialogue with each Single Price Mutual Fund that have appointed the Transfer Agent will be initiated, as the Single Price Mutual Funds must appoint a new Transfer Agent in order for the services to be activated again. If a new Transfer Agent has not been appointed within four (4) months, the Units issued under an Issuer Agreement entered into by the Transfer Agent will be deregistered from VP's System, unless otherwise agreed with VP.
- 9.6. VP may terminate the FundHub services provided to a Distributor or Fund Platform Provider by giving six-months' written notice, with the six-months' notice period to take effect from the first day of the next calendar month. The Distributor or Fund Platform Provider must ensure that at the expiry of the notice period, no FundHub Securities Accounts is maintained in the Distributor's or the Fund Platform Provider's name or on behalf of the Distributor's or the Fund Platform Provider's clients
- 9.7. VP may terminate or in its sole discretion suspend the provisions of the FundHub services to a FundHub Securities Account Controller, a Distributor or a Fund Platform Provider, if the FundHub Securities Account Controller, Distributor or Fund Platform Provider materially or repeatedly is in breach of, violates or disregards the rules in this Part 6 of the VP Rule Book (FundHub Rules) or the User Guidelines applicable to the FundHub Services.