

13.10

DECISION DOSSIER · CORPORATE ACTIONS

The election was permitted at 10:35. At 10:40 the mandate narrowed; the client deadline is 16:00.

A custodian lets an agent decide elections where a client's standing instruction settles the choice, up to €2m a position, under mandate AS-03.2. On 13 October the third referral in fourteen days for the same reason, a replacement notice dropped by one sub-custodian's feed, narrows the mandate to recommend. An election permitted five minutes earlier is in the 11:00 batch to the instruction gateway, its client deadline is 16:00, and if nothing is sent the issuer's default applies. The room decides what happens next.

Before the session, ten minutes: read pages 1 to 4; pages 7 and 8 are the record of the two acts, field by field, for the seats that read records. **In the session:** pages 5 and 6, the questions, in pairs, then together. Write down what you would do, who decides, and which evidence you would ask for. Where the dossier does not say, say what you would need to know.

In the dossier

- the timeline, 8 to 27 October
- event 6627, its notices, and the mandate
- release v1.6 and the record as at 11:00
- a message from a client
- the questions
- the record of the two acts, field by field

Where it comes from

The corporate actions case of the control plane map: event 6604 and the referred elections after it, the notice of 1 October against the replacement of 6 October, mandate AS-03, rule R-05, and the loop that narrows on the third referral. The dossier adds the election in the batch and the deadline that does not move.

THE SITUATION

Fourteen days, one feed, three replacements missed

The custodian handles 120,000 client positions a year on elective events; about 57,600 pass through the agent, some 230 a working day, three times that on a day in dividend season when several record dates fall together. Under AS-03.2 the agent decides where a standing instruction settles the choice and asks the instruction gateway to send; the gateway sends elections to the sub-custodians in batches on the hour. Rule R-05 narrows the mandate after three referrals for one reason in fourteen days, and at once if an election is found sent on a superseded notice. The event copy the agent reads takes new events from every sub-custodian's feed; one of those feeds drops replacement notices.

- 08.10 09:40 Event 6612, client C-126: the agent declares the notice of 01.10; the golden record holds the replacement of 06.10 with a corrected price. The check refers it. Referral 1. Specialist S-12 applies SI-126 to the replacement and elects shares; the election is sent at 10:20.
- 09.10 Event 6619, the same agent: a replacement missed again. Referral 2.
- 13.10 10:35 Event 6631, client C-204, a cash-or-shares dividend with no replacement: permitted under AS-03.2, shares on 40,000, €720,000, and queued for the 11:00 batch with 23 other elections.
- 13.10 10:40 Event 6627, client C-171: the agent declares the notice of 03.10; the golden record holds the replacement of 09.10, which changes the ratio. The check refers it. Referral 3. R-05 narrows AS-03.2 to AS-03.3, recommend only. The Head of Asset Servicing and the CRO are alerted.
- 13.10 11:00 The batch to the instruction gateway is due. The client deadline of event 6631 is 16:00 today; the issuer's default, cash, applies to any position not elected.
- 13.10 11:05 The Head of Asset Servicing is at a client conference until 15.10. Her deputy is the Head of Event Operations.
- 13.10 14:30 Specialist S-12 applies the client's standing instruction SI-171 to the replacement of 09.10: 22,500 rights for €247,500, to confirm with the client by 14.10, 16:00. Record line E6627-C171-2.
- 13.10 18:20 Client C-171 writes (page 5).
- 14.10 Review SR-044 finds the cause: one sub-custodian's feed drops replacements. The event data team fixes the mapping, replays 40 events, and all match.
- 15.10 Dividend season: 1,800 record dates fall between 20.10 and 31.10, and the elections are expected to triple.
- 27.10 After 50 clean elections, restoration to AS-03.4 is proposed for signature.

The capacity, from the case pack. While AS-03.3 is in force, every election the agent would have decided needs a specialist's decision: about 230 a day, at 10 minutes each, about 38 specialist-hours, five specialists. On a dividend-season day, about 115 hours and fifteen specialists. On a normal day the check refers about 23 elections, four hours of work.

EXHIBIT A · EVENT 6627

EVENT	a rights issue by issuer I-2340: subscribe at €11.00 a share, or lapse; record date 09.10; client deadline 16.10, 16:00 CET; market deadline 20.10, 12:00 CET
CLIENT	C-171 holds 90,000 shares · standing instruction SI-171: subscribe where the subscription price is at least 8% below the previous close, otherwise lapse
NOTICE READ	the notice of 03.10: ratio 1 new share for 5 held, €11.00 · the previous close on 09.10 was €12.20, so the price is 9.8% below it · the instruction says subscribe
NOTICE IN THE GOLDEN RECORD	the replacement of 09.10: ratio corrected to 1 for 4, €11.00; the cost of taking up the rights rises by a quarter
PROPOSAL	subscribe on 18,000 rights for C-171, €198,000 · declared basis: notice of 03.10 · operation E6627-C171
UNDER THE REPLACEMENT	22,500 rights, €247,500; the instruction still says subscribe, on a larger amount

EXHIBIT B · THE NOTICES, AS CLAIMS WITH THEIR SOURCE

CLAIM	SOURCE	OWNER	VALID
Event 6627 is 1 new share for 4 held at €11.00	replacement notice of 09.10, issuer I-2340	the event data team	from 09.10
~~Event 6627 is 1 new share for 5 held at €11.00~~	~~notice of 03.10~~	~~the event data team~~	~~to 08.10, superseded~~
C-171 subscribes where the price is at least 8% below the previous close	standing instruction SI-171, signed 02.2026	the client, through Asset Servicing	until withdrawn
The agent elects only where the standing instruction settles the choice	mandate AS-03 conditions	Head of Asset Servicing	in force
A client is told the terms elected on, and may change its instruction until the client deadline	client terms of business §9; SRD II, as the custodian reads it	compliance	in force

The issuer's latest notice is the binding source. The claims are what the agent may use, each traced to its notice; where the event copy and the golden record disagree, the golden record wins, and the copy is corrected.

EXHIBIT C · MANDATE AS-03, VERSION 03.2, SINCE 01.06.2026

OWNER	Head of Asset Servicing
AGENT	servicing-agent-04, acting for Asset Servicing
ACTION	decide elections where a client's standing instruction settles the choice, and send them through the instruction gateway
LEVEL	decide where a standing instruction settles the choice; every other choice goes back to the client through a specialist
LIMIT	€2m per position · €250m a day across the deployment
CONDITIONS	the latest notice of the event confirmed in the golden record · a standing instruction that covers this event type · position reconciled · client deadline not passed
ABOVE IT	the client's standing instruction on file, which the client can change or withdraw at any time
REVIEW TRIGGER	three referrals for one reason in fourteen days (R-05); an election found sent on a superseded notice narrows at once
RESTRICTION	rule R-05: restrict to recommendations and open a review
REVOCATION	the owner, or a revocation rule
CHALLENGER	Chief risk officer, operational risk as the second line
RESTORE	after 50 clean elections from a test chosen for the cause, sampled by operational risk, on the owner's signature; after a serious defect, operational risk signs as well
EXPIRY	31.12.2026, or the next release of the agent, whichever comes first; renewed on the evidence of the quarter
DEPUTY	the Head of Event Operations signs in the owner's absence, within the same limits

EXHIBIT D · RELEASE V1.6, THE MANIFEST

IDENTITY	servicing-agent-04, its own identity, tokens valid for 15 minutes
MODEL ROUTE	a small model (tier-1 model, version 2026.05.3, hash 4b8d12) reads every notice; a larger model (tier-2 model, version 2026.05.2, hash e9a3b7) reads about one in seven, the bespoke instructions · a provider change to either model under the same name is a new release
INSTRUCTIONS	prompt set servicing-elect 1.6
TOOLS	event copy (read) · golden record (read) · position and instruction record (read) · instruction request, through the check only (write)
RETRIEVAL	the event copy, fed by the sub-custodians; one feed drops replacement notices, a defect nobody had classed
DEPENDS ON	mandate AS-03 · control standard CS-5: refer any choice the instruction does not settle, any position not reconciled, and any mismatch of basis
VALIDATED	by model risk on 20.05.2026, report MRV-039 · a weekly evaluation on 200 elections, rechecked by specialists

EXHIBIT E · THE RECORD, AS IT STANDS AT 11:00:00 ON 13.10

E6612-C126 · 08.10 09:40 · servicing-agent-04 · release v1.6 · AS-03.2 · declared notice 01.10 / latest 06.10 · shares on 55,000 · REFER

E6612-C126-2 · 08.10 10:15 · specialist S-12, second check by S-07 above €1m · SI-126 applied to the notice of 06.10 · shares on 55,000 · PERMIT · sent 10:20, accepted 10:24

E6631-C204 · 13.10 10:35 · servicing-agent-04 · release v1.6 · AS-03.2 · notice of 02.10, latest · SI-204 settles the choice · shares on 40,000 · €720,000 · PERMIT

 six of six · permit bound to AS-03.2, release v1.6, and this exact action · valid for the next batch · queued for 11:00 · client deadline 13.10 16:00

E6627-C171 · 13.10 10:40 · servicing-agent-04 · release v1.6 · AS-03.2 · declared notice 03.10 / latest 09.10 · subscribe 18,000 rights · REFER

 owner: asset-servicing specialists · reason: basis mismatch (3)

R-05 · three referrals for one reason in fourteen days: E6612, E6619, E6627 · AS-03.2 → AS-03.3, recommend · 10:40:02

 alerts: Head of Asset Servicing, chief risk officer · review SR-044 opened

11:00:00 · batch to the instruction gateway · 24 elections in the queue, permitted between 10:02 and 10:35, among them E6631-C204

The instruction gateway holds the credential to send. The agent cannot send; it can only ask, through the check.

What the record does not yet show is what the instruction gateway did at 11:00 with the 24 permitted elections, and whether an election sent since the feed first dropped a replacement went out on a superseded notice. Those are questions 1 and 4.

EXHIBIT F · A MESSAGE FROM THE OPERATIONS HEAD OF CLIENT C-171, 13.10, 18:20

"We hold 90,000 shares of I-2340 and our instruction with you is clear. Your portal showed this morning that a subscription had been prepared on 18,000 rights, and this afternoon it shows 22,500, to be confirmed by us by tomorrow at 16:00. Which is it, which notice was it based on, and who decided? We need to fund the subscription. If a system prepared this, we want a person to confirm it."

1. Does the election on event 6631 go out at 11:00, and the other 23 in the batch? If not, what happens before the 16:00 client deadline, and what does the record show afterwards?

touches w3 · w4 · p4 · w5

2. The owner of AS-03 is away until 15.10 and dividend season starts on 20.10. Who may restore the mandate before then, who may stop that, and who decides if the CRO disagrees?

touches w3 · w6 · e3 · e4

3. From 10:40 until authority returns, with 1,800 record dates in the last ten days of October: who takes the queue, in which order, and what are clients told?

touches w4 · w6 · e6 · the customer

4. Which evidence, produced by someone who did not run the agent, shows that no election was sent on a superseded notice since the feed first dropped a replacement?

touches w5 · p2 · p5 · e5

5. What test must pass before AS-03.4 is signed? Are 50 clean elections enough, and who decides that?

touches w6 · p6 · e4 · w1

6. What does client C-171 receive, from whom, and by when? Which notice and which amount does the reply name, and who confirmed the election?

touches w5 · w4 · the customer

Afterwards, on your own workflow. For each question, mark the boxes it touches on the print map of your own workflow: not in place, designed, operating, or evidenced. Where the room disagrees, keep both marks and write down who resolves it.

THE RECORD, FILLED · EVENT 6604 · THE CLEAN ACT

Event 6604 08.10.2026 · permitted at 09:07, sent in the 10:00 batch, accepted by the sub-custodian at 10:03

The fourteen fields of the record line (part three, slide 9), filled for this act; Exhibit E on page 4 continues the record on the day of the dossier.

FIELD	WHAT IT HOLDS	EVENT 6604 · THE CLEAN ACT
BEFORE THE ACT · WHAT THE CHECK READ		
when	the second the check decided, and the second the act committed	decided 08.10.2026 09:07:21 · committed 10:00:00, the batch to the instruction gateway · accepted by the sub-custodian 10:03
the agent and its identity	which agent, acting for whom, under its own identity, and how long its credential lived	servicing-agent-04, acting for Asset Servicing · its own identity · token issued 09:05:02, valid 15 minutes
the release	the release id, each model by version and hash, the prompt set, the validation report	v1.6 · tier-1 model 2026.05.3 (4b8d12) · tier-2 model 2026.05.2 (e9a3b7) · prompt set servicing-elect 1.6 · validated by model risk, MRV-039, 20.05.2026
the basis	each claim the act relied on, its version, and its standing at that second on both axes: evidential warrant, and authority	The reinvestment price for event 6604 is €18.20 · the issuer's replacement notice of 06.10 · in the golden record · warrant validated · current · the latest notice of the event · authority: the issuer, through the market · the event data team The previous close of I-2207 on 07.10 was €19.40 on the primary exchange · the market data feed · the close of 07.10 · warrant validated · uncontradicted · authority: the exchange · the market data team Where the reinvestment price is at least 5% below the previous close, C-118 elects shares · standing instruction SI-118 · on file · warrant foundational · in force · authority: the client · the instruction record
the mandate version	the mandate in force at that second, with its level and its limit	AS-03.2 · since 01.06.2026 · decide under the client's standing instruction · €2m a position · €250m a day across the deployment
the control standard	the control standard version and the rule set the check applied	CS-5 v2026.2 · rule set RS-AS-03 r11
the consequence tier	the tier the act was classified into, and the version of the taxonomy that classified it	material · taxonomy CT-2026.1 · €1.16m, a client's position, irreversible after the market deadline, a third party's instruction
AT THE ACT · WHAT THE CHECK DECIDED		
the check's decision	permit, refer, or block, how many of the six inputs held, and the reason code	PERMIT · six of six · reason code OK
the exact act	what was done, to whom, for how much, under which id, once	elect shares on 60,000 shares for C-118 on event 6604 · E6604-C118 · once
the permit	its id and what it was bound to: the mandate version, the release, the basis version, the exact act; and how long it held	PR-6604-1 · bound to AS-03.2, release v1.6, the notice of 06.10 and SI-118, shares on 60,000 for C-118 · valid for the next batch to the gateway
AFTER THE ACT · WHAT CAME BACK		
the receipt	what the receiving system returned, and the reconciliation against it: one permit, one act, one receipt	ACK-6604-118 · election accepted by the sub-custodian 10:03 · confirmation to the client 10:10 · reconciled against the position record on the record date, 10.10: one permit, one election, one receipt
the human decision	where a person decided: who, under which authority, what they confirmed, and when	none needed
the cost	what the decision cost in tokens, and in a person's time where one was needed	€0.44 in tokens · no specialist time
retention	how long the record, the manifest, and the permits are kept, and personal data inside them by its purpose	the record, the manifest, and the permits: ten years from the act, the period the custodian sets for client instructions of this tier (illustrative) · personal data by purpose and retention rule · a corrected fact is a new, linked entry

control standard CS-5, version 2026.2 · rule set RS-AS-03 r11: refer any choice the instruction does not settle, any position not reconciled, any mismatch of basis · CT-2026.1 · the custodian's consequence taxonomy · proposed by the CRO with compliance and Asset Servicing, set by the board, 06.2026 · ids and figures invented

THE RECORD, FILLED · EVENT 6627 · THE REFERRAL

Event 6627 13.10.2026 · referred at 10:40, elected by a specialist at 14:30, sent on 14.10

The fourteen fields of the record line (part three, slide 9), filled for this act; Exhibit E on page 4 continues the record on the day of the dossier. The agent's line and the person's are marked C171 and C171-2.

FIELD	WHAT IT HOLDS	EVENT 6627 · THE REFERRAL
BEFORE THE ACT · WHAT THE CHECK READ		
when	the second the check decided, and the second the act committed	C171 referred 13.10.2026 10:40:00 C171-2 decided 13.10.2026 14:30:40 · client confirmed 14.10 11:05 · committed 14.10 11:10 CET · accepted 11:14
the agent and its identity	which agent, acting for whom, under its own identity, and how long its credential lived	C171 servicing-agent-04, acting for Asset Servicing · its own identity · token valid 15 minutes C171-2 specialist S-12, Asset Servicing · his own login · a second check by S-07 above €1m
the release	the release id, each model by version and hash, the prompt set, the validation report	C171 v1.6 · tier-1 model 2026.05.3 (4b8d12) · tier-2 model 2026.05.2 (e9a3b7) · prompt set servicing-elect 1.6 C171-2 none · a person's decision in the servicing system
the basis	each claim the act relied on, its version, and its standing at that second on both axes: evidential warrant, and authority	Event 6627 offers 1 new share for 5 held at €11.00 · declared: the notice of 03.10 · superseded by the replacement of 09.10 · warrant fails on currency · contradicted by the golden record · authority: the issuer, through the market · the event data team Event 6627 offers 1 new share for 4 held at €11.00 · applicable: the replacement of 09.10 · in the golden record · applied by S-12 at 14:30 · warrant validated · current · authority: the issuer, through the market · the event data team Where the subscription price is at least 8% below the previous close, C-171 subscribes · standing instruction SI-171 · on file · warrant foundational · in force · authority: the client · the instruction record
the mandate version	the mandate in force at that second, with its level and its limit	C171 AS-03.2 · decide under the instruction · €2m a position C171-2 the specialist's authority · to €5m a position, a second check above €1m
the control standard	the control standard version and the rule set the check applied	CS-5 v2026.2 · rule set RS-AS-03 r11
the consequence tier	the tier the act was classified into, and the version of the taxonomy that classified it	material · taxonomy CT-2026.1
AT THE ACT · WHAT THE CHECK DECIDED		
the check's decision	permit, refer, or block, how many of the six inputs held, and the reason code	C171 REFER · five of six · reason code BASIS-01: declared notice 03.10, latest 09.10 · basis mismatch (3) · owner: Asset Servicing specialists C171-2 PERMIT · the specialist's decision, to confirm with the client by 14.10 16:00
the exact act	what was done, to whom, for how much, under which id, once	C171 proposed: subscribe on 18,000 rights for C-171, €198,000 · E6627-C171 · not executed C171-2 subscribe on 22,500 rights for C-171, €247,500 · E6627-C171-2 · once
the permit	its id and what it was bound to: the mandate version, the release, the basis version, the exact act; and how long it held	C171 none · the proposal went to the specialists with the reason C171-2 PR-6627-2 · bound to the specialist's authority, the replacement of 09.10 and SI-171, 22,500 rights for C-171 · valid to the client deadline, 16.10 16:00
AFTER THE ACT · WHAT CAME BACK		
the receipt	what the receiving system returned, and the reconciliation against it: one permit, one act, one receipt	C171 none C171-2 ACK-6627-171 · election sent 14.10 11:10 CET · accepted by the sub-custodian 11:14 · reconciled: one permit, one election, one receipt
the human decision	where a person decided: who, under which authority, what they confirmed, and when	C171 none yet · referred to a person with the reason C171-2 specialist S-12 applied SI-171 to the replacement of 09.10 and elected 22,500 rights at 14:30; the client confirmed on 14.10 at 11:05
the cost	what the decision cost in tokens, and in a person's time where one was needed	C171 €0.44 in tokens C171-2 €11.67 of a specialist's time
retention	how long the record, the manifest, and the permits are kept, and personal data inside them by its purpose	the record, the manifest, and the permits: ten years from the act, the period the custodian sets for client instructions of this tier (illustrative) · personal data by purpose and retention rule · a corrected fact is a new, linked entry

ids and figures invented; the control standard and the taxonomy are on the page before