

Investment

Services

Information

Corporate actions,
expirations and
administrative actions

Introduction

In the Investment Services Information, DEGIRO provides the details of the contractual relation that DEGIRO has entered into with you in the Client Agreement and a more detailed explanation of its services and contracts. In this reference work, you can also read about the general and specific risks associated with investing in Financial Instruments. We recommend that you read the Investment Services Information and prepare well for investing, so that you can do this in a responsible manner.

The Investment Services Information forms part of the Client Agreement. Clients are expected to be informed of the contents thereof. In the Investment Services Information, capitalised terms have the meaning as defined in the Client Agreement or as defined in the Investment Services Information.

If you have any questions, comments and/or suggestions, please contact the DEGIRO Customer Service Desk. You can find the contact details and availability of the Customer Service Desk on the Website.

Documents

The Investment Services Information consists of the following documents:

- WebTrader
- Profiles
- Investment Funds
- Investment Services
- Orders and Order execution policy
- **Corporate actions, expirations and administrative actions (this document)**
- Fees
- Characteristics and risks of Financial Instruments
- Security Value, Risk, Debit Money and Debit Securities

Corporate actions, expirations and administrative actions

1. Corporate actions

1.1 Dividend and interest

On shares and bonds, dividend and interest may be paid out by the issuer thereof. DEGIRO will collect these amounts for you and add the received amounts to your Balance. In many countries, a withholding tax is withheld from the income that is paid out on Securities. Depending upon the tax treaty that applies between the country where you live and the country of the issuer, you may be entitled to a lower withholding rate than the (standard) rate that has been withheld. Requesting the application of a lower rate and reclaiming withheld tax, can be complex and time consuming, especially in cross-border situations. For that reason, it is not a service that DEGIRO agrees to provide as a standard. Depending upon amongst others, the country of the issuer, the applicable tax treaty and the number of clients per jurisdiction who invest in a certain Security, DEGIRO can, as a voluntary service, where automated or standardised processes apply, try to reduce or reclaim the withholding tax for its clients in relation to such Security. Whether this applies to you, depends mainly on the country where you live and the tax treaties that your country has entered into with other countries. A condition for this service is, that you timely provide to DEGIRO the information that DEGIRO will request from you for this purpose. Besides this, as a general rule, for reducing or reclaiming withholding tax it is necessary that the following three characteristics as specified by you in the onboarding process with DEGIRO, all see to the same single country:

- the country where you live or where you are established;
- your primary tax residence;
- the country of your Bank Account.

In addition to the above, whether a client that is not a natural person, can benefit from the relief or repayment of withholding tax, will also depend on the legal form of the client.

Requesting relief or repayment of withholding tax is a complex process of which the outcome is not certain. It may occur that an amount that has already been paid to you, is reclaimed again at a later moment. For example by the applicable tax authorities or by a custodian or other service provider. DEGIRO is at all times entitled to deduct amounts that have been added to your Balance, but that have eventually not been received by DEGIRO, from your Balance.

1.2 Corporate action information

Corporate action information

DEGIRO provides access to its clients to Financial Instruments on many different markets worldwide. DEGIRO endeavours to collect as much as possible relevant corporate action information from its network and data vendors so as to be able to inform its clients sufficiently in a timely manner. However, DEGIRO does not in any way guarantee that the information provided in relation to Corporate Actions is complete and correct. Therefore, Clients should be aware that it remains their own responsibility to check corporate action information with regard to the specific Financial Instruments they hold. Clearly, this is especially important when you hold more exotic or less liquid investments in your Balance.



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1.3 Corporate action Instructions

Email when you must make a choice

For corporate actions that require a choice from you, we will on a best effort basis endeavour to timely send you an email in which we invite you to provide us with your Instruction.

With DEGIRO you can submit corporate action Instructions in the following ways:

WebTrader (not yet fully available; see WebTrader):

You can submit your preferred choice for a corporate action through the WebTrader.

Submit via email:

You can submit your preferred choice for a corporate action by Email to our Orderdesk.

Submit via telephone:

If it is not possible to timely instruct the Orderdesk via email, you can submit your preferred choice for the corporate action by telephone to our Orderdesk.

Deadline

For some corporate actions, such as for example optional dividend or registering your shares for an acquisition, it is important that you timely are aware that you have to make a choice. Any Instruction for a corporate action must be received by DEGIRO before the deadline. The deadline is the date and time specified as such by DEGIRO before which you must have made your choice regarding the corporate action. The deadline that DEGIRO sets for corporate actions may differ from the date and time specified by the issuer. DEGIRO has imposed the deadline because our relevant departments will have to be able to process your Instruction(s). In order to avoid last-minute errors as much as possible, DEGIRO communicates the deadline to its clients well in advance. In principle, you can change the choice that you made for a corporate action until the deadline. When you haven't received a deadline from DEGIRO regarding a corporate action, you must send your Instruction to the Orderdesk of DEGIRO well before the deadline given by the issuer, so that DEGIRO can timely forward your Instruction to the issuer.

Unsettled positions

Please be aware that you cannot participate in a corporate action with unsettled positions. After execution of an order, it usually takes two days until SPV has received the Financial Instruments. For more information on this, please refer to point 8.9 of the Client Agreement.

1.4 Corporate actions

Optional dividend: Sometimes the issuer of a share offers the choice between dividend in the form of money ('cash' dividend) or in the form of securities ('stock' dividend). Irrespective of what type of dividend DEGIRO has received, DEGIRO Clients will generally receive the amount of the cash dividend minus the applicable dividend tax. Usually an amount of tax will be withheld on the payment of dividend in the form of money. The net amount that you receive may differ, depending upon the way DEGIRO has received and processed the dividend.

If you, as an exception to the above, wish to receive dividend in the form of Securities, then you must inform DEGIRO within three Trading Days after ex date (the date that the issuer pays out the



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dividend) of your preference. DEGIRO will then endeavour to procure that you receive dividend in the form of Securities. For this option, DEGIRO charges a fee. You can find the amount of this fee in the document [Fees](#).

Claim rights: As shareholder you may receive claim rights (also 'Claims' or 'Rights'). With the claim rights you can buy shares for a reduced price. In most cases you can choose whether to exercise the claim rights or to sell them. In any case you must act and inform DEGIRO before the deadline. If you want to exercise your claim rights, you must ensure that timely before the deadline you have sufficient money or the possibility to lend under the service Debit Money for the settlement.

Note well: if you do not sell or exercise your claim rights before the deadline, **these will expire with no value.**

Convertible bonds: These bonds can be converted into shares from the first exercise date until the expiry date. If you do not convert your bond into shares, you receive the par value on the expiry date (unless a credit event has taken place).

IPOs: You can subscribe for an initial public offering (IPO) until the deadline. You can subscribe by entering the number of Securities that you wish to buy at issuance. Your Order will always be a Market Order. DEGIRO then checks whether you have sufficient money or the possibility to lend under the service Debit Money for the number of Securities that you wish to buy multiplied by the maximum price specified by the issuer. This amount will be blocked in your Balance until the time when it becomes clear how many Securities you have been allocated, and for what price.

Share purchasing programmes: It is possible to register your wish to sell your shares under a share purchasing program until the deadline. Clients can register by entering the number of shares that may be sold. A registered position will be temporarily blocked and cannot be sold under any circumstance.

General meeting of shareholders: You can register for meetings of shareholders. Depending on the voting rights of the shares you hold, you can enter the number of shares that you wish to represent during the meeting. These shares are blocked until the date of the meeting and cannot, therefore, be sold. Arranging for the possibility to issue votes during a shareholders meeting can not be arranged in each jurisdiction and is not made possible by every issuer. DEGIRO arranges the possibility on a best effort basis. Further reference is made to document [Fees](#) for the applicable costs for the Client.

Acquisition in money: When there is a bid in money for Securities that you hold, you can register all or part of your Securities for the bid until the deadline. As a consequence, these Securities will be temporarily blocked. While these Securities are blocked it is not possible to sell them under any circumstances. After realisation of the bid, you receive the offered amount in exchange for the Securities that have been bought from you on the payment date.

Acquisition in Securities: When there is a bid in Securities for Securities that you hold, you can choose to register all or part of your Securities for that bid until the deadline. As a consequence, these Securities will be temporarily blocked. While these Securities are blocked it is not possible to sell the Securities under any circumstances. After realisation of the bid, you receive the offered Securities in exchange for the Securities that have been bought from you on the payment date.



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Acquisition in money & Securities: When there is a bid in money & Securities for Securities that you hold, you can choose to register all or part of your Securities for that bid until the deadline. As a consequence these Securities will be temporarily blocked. While these Securities are blocked, you cannot sell them otherwise. On realisation of the bid, you receive the offered money and Securities in exchange for the Securities that have been bought from you on the payment date.

NOTE WELL: Especially with the settlement of cross border corporate actions, human and technical errors are regularly made. It is very important that you closely monitor the timely delivery of the Financial Instruments that result from a corporate action. If you have not received the Financial Instruments on the purported settlement date, then you should contact DEGIRO within 24 hours. If you fail to do so, it may no longer be possible to receive the Financial Instruments you subscribed to.

DEGIRO: As Execution Only Client it is your responsibility to timely act on corporate actions relating to the Securities held by you. You acknowledge and agree that DEGIRO is entitled, but not obliged, to take any such actions for your risk and account if you fail to do so. If DEGIRO does this, DEGIRO is deemed to do so at your Instruction. When dealing with corporate actions, DEGIRO may deviate from the instructions of its customers where DEGIRO prefers to do so from a practical or commercial perspective. DEGIRO will take care that this will not be to the detriment of you as Client.

US Securities: for corporate actions (especially mergers and take overs) relating to Securities from which the issuing company is incorporated in the US, complex fiscal rules apply. DEGIRO will calculate any amount to be paid to you in relation to such corporate action under the assumption that neither you nor your spouse, partner, (adopted) children, grandchildren, parents, a partnership to which you are a partner, an estate to which you are a beneficiary, a trust for which you are the beneficiary or the owner, a legal entity in which you own 50% or more of the shares, or, if Client is a legal entity, the shareholder that owns 50% or more of your shares, holds any of the same Securities to which the corporate action relates, other than the Securities held by you with DEGIRO. If this assumption is not correct (taking into account that any person who has an option to acquire the Securities is deemed to own the Securities), you must inform DEGIRO hereof as soon as possible.

2. Derivatives and warrants

2.1 Instructions

With DEGIRO you can submit your Instructions with regard to the exercise of Derivatives and warrants in the following ways:

WebTrader (not yet fully available; see WebTrader):

You can submit your Instruction through WebTrader.

Submit via email:

You can submit your Instruction by email to our Orderdesk.

Submit via telephone:

When email is not available to you, you can submit your Instruction by telephone to our Orderdesk.



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Deadline

Any exercise Instruction must be received by DEGIRO before the deadline. The deadline is the date and time specified as such by DEGIRO.

2.2 Exercise of long positions in Derivatives and warrants

American style money settled options: American style money settled options can be exercised at any time. If you do nothing, the difference between the expiry price and the strike for these money settled options, if positive, will be credited to your Balance on expiry.

American style stock settled options: These options can be exercised at any time. If you do not exercise your long stock settled options, they expire with no value.

Early exercise call: holders of a long call option in shares wishing to qualify for **dividends** must exercise the call option before 17:40 C(E)ST on the day before the share goes EX. An exercise order that you place after 17:40 C(E)ST on the day before EX date will not be processed until the next trading day (the EX date). You then receive no dividend.

European style money settled options: These options can only be exercised towards the expiry date. If you do nothing, the difference between the expiry price and the strike price, if positive, will be credited to your Balance after expiration.

European style stock settled options: These options can only be exercised on the expiry date. If you do not exercise your long stock settled options, they expire with no value.

Physical and stock settled futures: If holding a position in the underlying instruments is not permitted at DEGIRO (for example, you cannot hold potatoes or gold at DEGIRO), this position will be closed automatically after the deadline has passed. This closure takes place 'at best'.

American style money settled warrants: These warrants can be exercised at any time. If you do nothing, the difference between the expiry price and the strike price, if positive, will be credited to your Balance on expiry.

American style stock settled warrants: These warrants can be exercised at any time. If you have not taken any action, they expire with no value at expiry date.

Early exercise: If you wish to qualify for **dividends**, you must exercise a warrant before 17:30 C(E)ST on the day before the share becomes EX. N.B. An exercise order that you place after 17:30 C(E)ST on the day before the EX date will not be processed until the next trading day (the EX date). You then receive no dividend.

European style money settled warrants: These warrants can only be exercised on the expiry date. If you do nothing, the difference between the expiry price and the strike price, if positive, will be credited to your Balance.

European style stock settled warrants: These warrants can only be exercised on the expiry date. If you have not exercised your long stock settled warrants, they expire with no value.



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Bermudan style stock settled warrants: These warrants can only be exercised between the first exercise date and the expiry date. If you have not taken any action, they expire with no value at expiry date.

DEGIRO: As Execution Only Client it is your responsibility to timely instruct DEGIRO in relation to the positions in Derivatives and warrants held by you. For example for the exercise of your options and warrants before expiration. You acknowledge and agree that DEGIRO is entitled, but not obliged or responsible to take any such actions for your risk and account if you fail to do so. If DEGIRO takes any such action, DEGIRO will be deemed to do so on your Instruction.

2.3 Short positions in Derivatives

A debit position in the underlying product not allowed

If you hold a short position in a Derivative for which having a debit balance in the underlying product is not permitted at DEGIRO without having a sufficient large long position of the underlying product in your Balance, we notify you of this before the expiry together with the deadline by which you must close the part of the position that is not covered. If you fail to do so, DEGIRO will close this position. DEGIRO closes the position 'at best', and costs are charged to Clients for this. We refer you to the document **Fees** for these costs.

If you do have a sufficient large long position of the underlying product in your Balance, then this position is blocked from the deadline until the day after expiry of the Derivative and the requirement to close the Derivative does not apply to you. At assignment, the product held in your Balance will be used for the required delivery.

A debit position in the underlying product allowed

With a short position in a Derivative for which having a debit balance in the underlying product is possible at DEGIRO, the underlying product or sufficient room under the service Debit Securities must be available in your Balance before expiry. If you have not closed the position before expiry, we will block an amount of underlying product in your Balance that is necessary for the delivery or the amount that is necessary as security for the resulting debit position in the underlying product. Insofar you do not have sufficient balance in the underlying product or room under the service Debit Securities, the Derivative will be closed before expiry. This closure will take place on an 'at best' basis and will involve costs which will be charged to you. These costs are specified in the document **Fees**.