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8 ISSUE SYSTEM

8.1 General

Issue system refers to systems for

- rights issue of shares and other securities
- private placement of shares and other securities
- issue in kind/tender offer
- conversion
- purchase offers
- withdrawals of securities
- lottery rights, extra lottery draw in premium bond loans

History of the versions

Date	Ver.	Description
2004-05-19	1.0	New translation, published on www.vpc.se .
2010-03-18	2.0	Removal of EGBB and EGBT

8.2 Rights issue

A rights issue is effected in several phases, first the allocation of rights, followed by subscription, then payment for subscribed securities, and finally the book-entry of subscribed securities.

The issuing institution and account operator (AO) are involved primarily in the subscription and payment phases.

Subscription takes place during the subscription period of the issue. There are two different methods of subscription, by payment or by application. 'Subscription by payment' means that subscription is made on the basis of payment effected, whereas 'subscription by application' means that subscription is made on the basis of a written application. Special payment slips and application forms are produced for this purpose. These are distributed according to pre-determined rules.

The payment slips are created in the VPC system and are intended for payment for all the securities in a VPC account that the owner has the right to subscribe for. One payment slip is produced per VPC account. A 'payment identity' in the form of a serial number is printed on the payment slip. The payment slip is either produced as a bank giro slip (BGC), data clearing (DCL) or as a postal giro slip (PG). The BGC and PG slips are produced with an optically readable code line in which the 'payment identity' is included.

The application forms, on the other hand, are produced by the issuing institution. The design of the slips is adapted to each issue and the owner has to specify on the application form which securities are being subscribed for.

Even when subscriptions are made via payment, the issuing institution has to produce special application forms. These are used when the owner does not want to subscribe for the entire holdings in an account and VPC's pre-printed payment slip can therefore not be used. In such cases, the lower part of the application form consists of a payment slip. This should be pre-printed with the bank giro no./bank account no./postal giro no. to which the payment is to be made. The number should be different from the one that is printed on the payment slips produced by the VPC system, so that the issuing institute is able to distinguish between the different payment methods. Registration of the subscriptions in the VPC system is made differently depending on the method of payment.

Where subscriptions deviate, the investor must specify on the application form which securities are being subscribed for and the amount to be paid.

Where rights issues of equities (issue type = NE) are concerned, both 'subscription by application' and 'subscription by payment' can be used. On the other hand, all rights issues of other securities, such as convertible loans, interest-bearing loans (issue type = NK), are made by payment only.

In the case of subscription by payment, all payments made are reported to the issuing institution either from BGC (the Swedish bank giro system), PG (the postal giro system) or from the data clearing system utilised. As regards BGC/PG payments, the payment details have been read optically or else entered manually (where the payment slip

on the application form has been used). In the case of DCL payments, the payment details are registered in the bank's cash terminal, after which the data is 'collected' in the bank's computer system. These data are subsequently reported to the issuing institution.

The issuing institution then has to register the subscriptions in the VPC system, based on payment reports received. Each issuing institution designs its own internal routines for the processing of reports received and the registration of subscriptions. Where there are few subscriptions, the registration can be made via terminal.

Where there are larger volumes, the issuing institution should have a system whereby reports from BGC, bank or PG generate subscription transactions. These are then transmitted to the VPC system via file transfer (transaction type = 1).

If payment is made via VPC's pre-printed payment slips, the subscriptions are registered using transaction EGHT. For other forms of payment, the subscriptions are registered using transaction EGRT (for rights issue of equities, issue type = NE) or by using EGNT (for rights issues of other securities, issue type = NK).

In the case of 'subscription by application', both account operators (AO) and issuing institutions may register the subscriptions. Registration by the AO is preferably made via terminal. Where there are larger volumes of subscriptions, the AO may prefer to hand over the applications to the issuing institution for registration. Issuing institutions may also register subscriptions via terminal, but, in the case of larger volumes, should possess a system for the registration of applications that creates subscription transactions and transfers these to the VPC system via file transfer.

Subscriptions are registered via transaction EGRT.

Subscriptions for rights issue of equities, issue type = NE, can be withdrawn using transaction EGBT via terminal only. Subscriptions for rights issue of other securities, issue type = NK, can be withdrawn using transaction EGNB via terminal or via file transfer (transaction type = 1).

As regards 'subscription by application', payment for the subscribed securities must be made at the end of the subscription period. VPC will print out a payment slip for this. Such slips are designed in the same way as for 'subscription by payment' – as a BGC payment slip, a PG payment slip or as a DCL slip. One slip is produced per VPC account. This slip applies to the payment of all the securities subscribed for in a VPC account. All payments are reported to the issuing institution via BGC, PG or the DCL system utilised, The issuing institution deals with these payments in the same way as for 'subscription by payment'. All payments must also be registered in the VPC system. Where there are few payments, the registration can be made via terminal, whereas for larger volumes, the issuing institution should possess a system that enables payment reports from BGC, PG or bank to create registration transactions. These are then transferred to the VPC system via file transfer. The payments are registered via transaction EGHT. If the payment has been made other than via VPC's pre-printed payment slip, the payments must be registered using transaction EGRB.

Payments can be withdrawn using transaction EGBB. Withdrawals are possible via terminal only.

8.3 Issue without preferential rights

Subscription to an issue preferential rights takes place without any involvement of the VPC system. As soon as subscription is complete, the subscriptions made are reported in to the VPC system. The reporting is carried out by the transfer of subscribed securities, via ATOV or bulk transfer, from the issuing institution's VPC account to the VPC accounts of those that have subscribed to the issue.

Subscribed securities can be either paid or unpaid. If the subscription has been made for unpaid securities, such as unpaid subscription shares, then payment becomes due. VPC prints payment slips for this purpose. These slips are created in the same way as for 'subscription by payment' in rights issues (see above). One payment slip is produced per VPC account. This slip is intended for the payment of all subscription securities that were booked in the account. All payments made will be reported to the issuing institution. The issuing institution deals with these payments in the same way as for 'subscription by payment' in rights issues. All payments must also be registered in the VPC system. Where there are few subscriptions, the registration can be made via terminal, but in the case of larger volumes, the issuing institution should possess a system whereby payment reports from BGC, bank or PG generate subscription transactions. These are then transmitted to the VPC system via file transfer. Payments are registered using transaction EGHT. If payment has been made other than by VPC's pre-printed payment slip, payments should be registered via transaction EGRB. Payments can be withdrawn using transaction EGBB via terminal only.

8.4 Transactions for new issue

The key fields (ID-SEARCH-CODE) in the transactions should be blank, while the action code (CODE-ACTION) should be UP (update).

Terms in the ingoing transactions can, generally speaking, be stated in two alternative ways, by specifying issuer, security type and security sort and/or the ISINs for the securities concerned.

In transactions where ISINs are specified, this should be right-aligned and zero-filled.

Transactions should be sorted by issue, and by transaction code within each issue.

8.4.1.1 EGHT - Register payment of whole allocation

See layouts for - EGHT

To VPC [ENTF110I](#)

From VPC [ENTF110O](#)

To VPC

Field of application:

Used to register subscription by payment, where VPC's pre-printed payment slips are used and where a subscription is made for a complete allocation.

The fields in the transaction header must contain the following values.

ID-SEARCH-CODE blank

CODE-ACTION UP

This applies both to new issue of shares (issue type = NE) and to new issue of other securities (issue type = NK).

The transaction is also used to register payment of subscription securities where the subscription has taken place via application.

Further information:

The payment identity (ID-PAY) should be right-aligned and zero-filled.

The transaction reference number (ID-UNIQUE-IDENT) must be unique for each subscription.

An example of a transaction reference number could be BGC's serial number for an optically scanned payment slip.

From VPC

Field of application:

Used to acknowledge how the registration of a subscription/payment has been handled in the VPC system. The transaction also contains various details about the account holder, which VPC account is concerned and which subscribed/paid securities have been entered in this account.

Further information:

The acknowledgement shows how the subscription/payment has been handled in the VPC system, that is, either accepted or rejected.

From the transaction reported in, several registrations are often created in the daily journal. In order to make these unique with respect to the 'transaction reference number', each registration in the daily journal is complemented with a two-digit serial number. The acknowledgement shows the lowest and highest serial numbers that have been set on the registrations.

Where a subscription has been accepted, the subscription rights are changed in the VPC account to 'paid subscription shares' (for issue type = NE) or to 'final security' (for issue type = NK).

Upon payment of subscription securities, 'unpaid subscription shares' is changed to 'paid subscription shares'.

8.4.1.2 EGRT – Register subscription by payment/by application

See layouts for - EGRT

To VPC [ENTF100I](#)
From VPC [ENTF100O](#)

To VPC

Field of application:

Used to register subscription by application in a rights issue of equities. It is also used to register 'subscription by payment' whenever VPC's pre-printed payment slips have not been used.

The fields in the transaction header must contain the following values:

ID-SEARCH-CODE blank
CODE-ACTION UP

A transaction is needed for each security to be subscribed for.

Further information:

The application form number may be used as the transaction reference number. The same transaction reference number is then added on all subscriptions from the same application form.

From VPC

Field of application:

Used to confirm how the subscription registration has been processed in the VPC system. The transaction also contains various details concerning the account holder.

Further information:

The acknowledgement shows how the subscription has been handled in the VPC system, that is, either accepted or rejected. Where a subscription has been accepted, the subscription rights are changed in the VPC account to 'paid subscription shares' (for 'subscription by payment') or to 'unpaid subscription shares' (for subscription by application).

Upon registration in the daily journal, a two-digit serial number is added to the transaction reference number. This serial number can be seen in the acknowledgement.

8.4.1.3 EGRB - Register payment in a new issue

See layouts for - EGRB

To VPC [ENTF540I](#)
From VPC [ENTF540O](#)

To VPC

Field of application:

Used to register payment for subscription securities in a rights issue. Subscription has previously been made by application.

The fields in the transaction header must contain the following values:

ID-SEARCH-CODE blank
CODE-ACTION UP

The transaction is used only in those cases where VPC's pre-printed payment slips are not used for the payment of subscription securities. One payment is registered at a time.

Further information:

The same transaction reference number can be used for all payments relating to the same VPC account.

From VPC

Field of application:

Used to acknowledge how the payment registration has been processed in the VPC system. The transaction also contains various details concerning the account holder.

Further information:

The acknowledgement shows how the payment registration has been processed in the VPC system, that is, either accepted or rejected. Where a registration has been accepted, 'unpaid subscription shares' are changed in the VPC account to 'paid subscription shares'.

Upon registration in the daily journal, a two-digit serial number is added to the transaction reference number. This serial number can be seen in the acknowledgement.

8.4.1.4 EGNT - Register subscription, other securities

See layouts for - EGNT

To VPC [ENTF700I](#)
From VPC [ENTF700O](#)

To VPC

Field of application:

Used to register subscription for other security types, such as convertible loans, interest-bearing securities (issue type = NK) in those cases where VPC's pre-printed payment slips are not used. Subscription is registered for one security at a time.

The fields in the transaction header must contain the following values:

ID-SEARCH-CODE blank
CODE-ACTION UP

Further information:

The application form number may be used as the transaction reference number. The same transaction reference number is then added on all subscriptions from the same application form.

From VPC

Field of application:

Used to acknowledge how the registration of subscriptions has been processed in the VPC system. The transaction also contains various details concerning the account holder.

Further information:

The acknowledgement shows how the subscription registration has been handled in the VPC system, that is, either accepted or rejected. Where the subscription has been accepted, the subscription rights are withdrawn from the VPC account, and the subscription securities are then entered.

Upon registration in the daily journal, a two-digit serial number is added to the transaction reference number. This serial number can be seen in the acknowledgement.

8.4.1.5 EGNB - Withdraw subscription, other securities

See layouts for - EGNB

To VPC [ENTF710I](#)
From VPC [ENTF710O](#)

To VPC

Field of application:

Used to withdraw a subscription.

The fields in the transaction header must contain the following values:

ID-SEARCH-CODE blank
CODE-ACTION UP

One transaction is required for each security to be withdrawn.

From VPC

Field of application:

Used to acknowledge how the withdrawal has been processed in the VPC system. The transaction also contains various details concerning the account holder.

Further information:

The acknowledgement shows how the withdrawal has been handled in the VPC system, that is, either accepted or rejected. Where the withdrawal has been accepted, the subscription securities are changed in the VPC account to subscription rights.

Upon registration in the daily journal, a two-digit serial number is added to the transaction reference number. This serial number can be seen in the acknowledgement.

8.4.1.6 ENTF621 – Subscription list rights issue

By using the transaction EGRL, Print order lists, enter, the issuing institution can order the collocation of a subscription list using print method = **file**.

From VPC

Field of application:

Used by issuing institutions to follow up subscriptions that have been made.

Further information:

The file is produced when all booking has been made in the Main Register as per specified print date. The file contains only one record of record type 01.

Record types included:

- Issue details (record type = 01), see layout for - [ENTF6212](#)
- Subscription details (issue type = 20), see layout for - [ENTF6213](#)

8.4.1.7 Report on deregistered securities

From VPC

Field of application:

Used by issuing institutions for following up the execution of transfers of subscription rights and unpaid subscription shares.

Further information:

The report is produced when transfers are registered in the daily journal.

For information about file name and record descriptions, see Transfer of securities.

8.5 Issue in kind/tender offer

The registering in the VPC system of subscriptions for an issue in kind involves transferring (reserving) securities that are submitted as payment in kind into a newly-opened VPC account (exchange of assets account) in the investor's name. Such VPC account is opened automatically when the reservation is made and is 'marked' with an indication that the securities holdings in the account refer to securities reserved for issue in kind. The holdings in such account are barred from all trade and transfer transactions, which means that no trading or transfer of reserved securities may be made from this VPC account.

The issuing institution registers the reservations using as a basis the application forms received. Each issuing institution creates its own internal routines for this purpose. The routines should, however, be designed to enable a complete catalogue to be set up of all application forms received. From this catalogue, reservations are then made in the VPC system by using transaction EART. Reservations are made via a terminal, or else, in the case of larger volumes, via file transfer (transaction type = 1). Note that the subscription option chosen by the investor should not be registered in the VPC system, as it is up to the issuing institution to keep a check on this outside the VPC system.

In a tender offer, applications are registered in the same way as applications in an issue in kind.

Reservations can be withdrawn using transaction EABT. Withdrawals are made either via terminal or via file transfer (transaction type =1).

The allocation and the simultaneous transfer of securities reserved in kind is registered using transaction EARB, or, for larger volumes, by using the routine for Bulk transfers, type AE.

Registering the implementation of a takeover simply entails the transfer of reserved securities from the respective exchange of assets accounts. This registration is also made using transaction EARB or, in the case of larger volumes, by using the routine for Bulk transfers, type AE. Remuneration to the investors is handled by the issuing institution completely separate from the VPC system.

8.6 Transactions for issue in kind/takeover

The key fields (ID-SEARCH-CODE) in the transactions should be blank. For the action codes (CODE-ACTION), see each transaction.

For terms in the transaction in to VPC, the generally rule is that securities can be specified in two different ways, by stating the issuer, the security type and sort and/or the ISIN number of the particular security. In securities where the account number is given, this should be right-aligned and zero-filled.

The transactions must be sorted by issue, and by transaction code within the issue.

8.6.1.1 EART – Register reservations in kind

See layouts for - EART

To VPC	ENTF200I
From VPC	ENTF200O

To VPC

Field of application:

Used for registering reservations in kind .

The fields in the transaction header must contain the following values:

ID-SEARCH-CODE	blank
CODE-ACTION	NY

A transaction is needed for each reservation to be registered

Further information:

The application form number may be used as the transaction reference number. The same transaction reference number is then added on all reservations from the same application form.

From VPC

Field of application:

Used for confirming how reservations in kind have been processed in the VPC system. The transaction contains various details about the account holder, as well as the VPC account number in which the reserved securities in kind have been posted.

Further information:

It can be seen from the acknowledgement how the reservation has been handled in the VPC system, i.e. accepted or rejected. Where a reservation has been accepted, the reserved security is transferred to an account for the exchange

of assets. This account is opened at the time of the first reservation. All subsequent reservations are then transferred to the same exchange of assets account.

Upon registration in the daily journal, a two-digit serial number is added to the transaction reference number. This serial number can be seen in the acknowledgement.

For certain rejected registrations, the issuing institution can, after checking, use CODE-ACTION = FO for forcing. Forcing may be applied on such reservations that are approved in transaction EARR Reservations in kind/Restriction, for example when registering securities in a pledged VPC account. Unpermitted forcing will be rejected.

8.6.1.2 EABT - Withdraw reservations in kind

See layouts for - EABT

To VPC [ENTF210I](#)

From VPC [ENTF210O](#)

To VPC

Field of application:

Used for withdrawing reservations in kind.

The fields in the transaction header must contain the following values:

ID-SEARCH-CODE blank
CODE-ACTION UP

A transaction is required for each reservation to be withdrawn.

From VPC

Field of application:

Used for confirming how the withdrawal has been processed in the VPC system. The transaction contains various details about the account holder, together with the VPC account number in which the withdrawn securities have been posted.

Further information:

The confirmation shows how the withdrawal has been handled in the VPC system, i.e. accepted or rejected. Where a withdrawal has been accepted, the reserved securities are returned from the exchange of assets account to the VPC account from which they were removed in conjunction with the reservation.

Upon registration in the daily journal, a two-digit serial number is added to the transaction reference number. This serial number can be seen in the acknowledgement.

8.6.1.3 ENTF691 – Subscription list issue in kind

The issuing institution can order a collocation of a subscription list with printout method = file by using transaction EGRL, Print order lists enter.

From VPC

Field of application:

Used by issuing institution for following up reservations made.

Further information:

The file is created for the print date specified in the print order. All holdings reserved in kind are included, i.e. both those posted in the main register and those placed in the daily journal.

Record types included:

- Issue details (record type = 01), see layout for - [ENTF6912](#)
- Representative details (record type = 15), see layout for - [ENTF6914](#)
- Subscription details (record type = 20), see layout for - [ENTF6913](#)

- Summary details per security (record type = 30), see layout for - [ENTF6915](#)

Subscription details [ENTF6913](#) contains 5 fields for CODE-CURRENCY and NUM-BANK-ACCT-INCOME. The first field contains the income account in the main currency, Where the customer has several income accounts in the main currency, these will be sorted in alphabetical order (CODE-CURRENCY).

8.7 Conversion

The registering of a conversion notification causes the holding of a convertible security/subscription option to be converted to an interim share, that is, interim shares are booked in a specified VPC account and the exercised proportion of the holding is removed, depending on the terms for the conversion. A registration applies to the holdings in one VPC account only. The quantity/amount should be specified, in other words, how large a proportion of the securities holding is to be converted.

The issuing institution registers the conversion, using as a basis the application forms received. Each issuing institution should design its own internal routines for this purpose. The routines should be designed in such a way that a catalogue is created at the issuing institutin of all application forms received. With the help of this catalogue, the conversion notifications are then registered in the VPC system.

8.8 Transactions for conversion

The key fields (ID-SEARCH-CODE) in the transactions should be blank, whereas the action code (CODE-ACTION) should be UP (update).

As a general rule, for terms in the transaction in to VPC, securities can be specified in two different ways, by stating issuer, security type and sort and/or the ISIN for the securities in question.

8.8.1.1 *EKRK - Register conversion*

See layouts for - EKRK

To VPC	ENKF060I
From VPC	ENKF060O

To VPC

Field of applicaiton:

Used to register a conversion notification.

NB! Where the conversion can be made to a number of different share sorts, this transaction cannot be used via file transfer.

The fields in the transaction header must contain the following values:

ID-SEARCH-CODE	blank
CODE-ACTION	UP

Further information:

Where the conversion security is a nominal security, QTY-AMOUNT-CONV must be specified in öre.

The application form number may be used as the transaction reference number.

From VPC

Field of application:

Used to confirm how the conversion registration has been processed in the VPC system. The transaction also contains various details about the account holder.

Further information:

The confirmation shows how the conversion registration has been handled in the VPC system, i.e. accepted or rejected. Where a registration has been accepted, the convertible securities (if affiliated to VPC) are returned to the VPC account for exercised convertibles/subscription options, and the interim shares are booked in.

If the share to be converted to is the subject of pre-emption, the interim share is booked into a pre-emption account. The VPC account number is shown on the confirmation.

Upon registration in the daily journal, a two-digit serial number is added to the transaction reference number. If both the transfer and the entry have been made, there are two different serial numbers. These serial numbers can be seen on the acknowledgement.

For certain rejected registrations, the issuing institution can, after checking powers of attorney, etc., use CODE-ACTION = FO for forcing.

Forcing is appropriate if the VPC account is pledged, encumbered, has restrictions on disposition or possesses a guardianship marking.

Unpermitted forcing will be rejected.

8.8.1.2 EKRR = Register transfer of residual holdings

See layouts for – EKRR

To VPC [ENKF080I](#)
From VPC [ENKF080O](#)

To VPC

Field of application:

Used to register transfer of residual holdings amounting to less than the conversion rate. The transaction can only be used for securities of type KV (=convertibles).

NB! If conversion can be made to different share sorts, this transaction cannot be used via file transfer.

The fields in the transaction header must contain the following values:

ID-SEARCH-CODE blank
CODE-ACTION UP

Further information:

Since the conversion security is a nominal security, QTY-AMOUNT-CONV must be specified in öre.

The application form number may be used as the transaction reference number.

From VPC

Field of application:

Used to confirm how the transfer registration has been processed in the VPC system. The transaction also contains various details about the account holder.

Further information:

The acknowledgement shows how the transfer has been handled in the VPC system, that is, accepted or rejected. Where the registration has been accepted, the conversion security is transferred to the VPC account for exercised convertibles.

Upon registration in the daily journal, a two-digit serial number is added to the transaction reference number. The serial number can be seen on the acknowledgement.

For certain rejected registrations, the issuing institution can, after checking powers of attorney, etc., use CODE-ACTION = FO for forcing.

Forcing is appropriate if the VPC account is pledged, encumbered, has restrictions on disposition or possesses a guardianship marking.

Unpermitted forcing will be rejected.

8.9 Offers

8.9.1 Purchase offers

The exercising of purchase rights for the purchase of shares offered is registered using EIRT or, in the case of larger volumes, via the routine for Bulk transfer, type IE.

8.9.2 Report De-registered securities

Used by issuing institution to follow up the execution of transfers of purchase rights.

The report is produced in conjunction with the registration of transfers in the daily journal. For information concerning file name and record descriptions, see Transfers of securities.

8.9.3 Exercising of securities

The exercising of securities that have not been distributed to VPC accounts in an introductory phase may be registered in the VPC system, providing an order of type UN has been made. The routine applies only to certain types of security.

The exercising of such securities is registered using transaction EIRT or, in the case of larger volumes, via the routine for Bulk transfers, type UN.

Compensation for the exercised securities in the form of securities may be transferred at the same time from the issuing institution's VPC account to the investor. No details, however, relating to compensation securities are registered in the VPC system, so it is up to the issuing institution itself to keep track of this.

8.10 Transfer of securities

The execution of issues and certain other issuer-related assignments in the VPC system involves the transfer of holdings of entitlement securities or other securities from the investor's VPC accounts to the issuing institution's VPC account or to a VPC account administered by VPC.

In conjunction with this transfer, a report is produced showing which VPC accounts are concerned and the size of the holdings that have been transferred. The report is created either as a list for printout at the issuing institution or as a file.

The report is produced in the following situations:

- The transfer of exercised rights in a new issue.
- The transfer of unpaid subscription shares for which no payment has been made in the new issue.
- The transfer of unexercised rights in a purchase offer.
- The de-registration of holdings of interest-bearing and convertible securities in conjunction with the redemption of a loan (does not apply to PM loans)
- The transfer of security holdings in conjunction with other issuer-related assignments such as preferential rights or the redemption of share capital.

8.10.1.1 EORF313 - Report De-registered securities

From VPC

Field of application:

Used by issuing institution to follow up the execution of transfers / de-registrations.

Further information:

The report is produced in conjunction with the registration of transfers in the daily journal

Record types included:

- Issue details (record type = 01), see layout for - [EORF3132](#)
- Security details (record type = 10), see layout for - [EORF3139](#)
- Account details (record type = 11), see layout for - [EORF3131](#)
- Representative details (record type = 13), see layout for - [EORF3133](#)

- Guardian details (record type = 14), see layout for - [EORF3134](#)
- Rights holder details (record type = 16), see layout for - [EORF3136](#)
- Pledge holder details (record type = 18), see layout for - [EORF3138](#)

8.11 Issue premium lottery rights

8.11.1.1 ENPF231 – Status reporting lottery rights received

Extra prize draws in a premium bond loan are based on holdings of lottery rights. Those who are entitled receive lottery rights with which they participate in the draw. The allocation of lottery rights depends on the terms of the extra lottery prize draw and on the holdings in each VPC account, which are booked in the appropriate VPC account as issuer deposits.

The distribution of entitling holdings in the premium bond loans concerned is reported to VPC by nominees, see chapter 4. The calculation of allocations is based on this distribution. The allocation of lottery rights for each nominee-registered owner is reported back to the nominees concerned as described below.

Information relating to the terms for the actual lottery draw in question may be obtained using transaction EPFD – Lottery rights premium loan, enquiry in the VPC system.

The lottery rights have the security type = DP. The security sort has the same appearance as for premium bonds and, in the same way, lottery rights also have number specifications in the form of series and sequence numbers.

Lottery rights are distinguished from premium bonds in that:

- they lack a nominal amount
- they cannot be traded

From VPC

Field of application:

Used by AO to follow up nominee reporting of holdings in conjunction with extra lottery draw.

Every person reported in as fulfilling the conditions for the extra lottery draw receives lottery rights. The status report contains details of the quantity of lottery rights received together with their series and sequel numbers for each owner and nominee VPC account.

The report is produced in conjunction with the allocation of lottery rights.

Record types included

- Booking details lottery rights premium bond loan (record type = 01), see layout for – [ENPF2312](#)
- Number specifications pertaining to booking details (record type = 02), see layout for - [ENPF2313](#)

For each record of type 01 there are one or more record types 02.