

2022-N-067
25 August 2022

Discontinuation of tax services for certain securities issued by Russian issuers

Target audience

- Network Managers
- Compliance Officers
- Settlement operations
- Back-office teams

Effective date

Immediately

Highlights

Further to our Newsflashes published on [28 June 2022](#) and [12 August 2022](#), relating to new payment flows for certain Eurobonds issued by the Russian Federation government, as well as on dividend payments, we will discontinue our tax relief service for certain securities issued by Russian issuers immediately.

As from now, to apply for tax relief you will need to submit your tax documentation directly to the Russian CSD, National Settlement Depository (NSD), instead of submitting them to Euroclear Bank.

Note: at present, there is no change to the service for all other instruments. You should continue to send your tax documentation to us as per the procedural requirements published in the tax section of our Russia [online market guide](#).

Actions

We will inform you via our corporate action notifications (DACE notices) whether tax documentation needs to be provided to NSD or Euroclear Bank. Please ensure you comply with the requirements listed in your corporate action notifications (DACE notices).

Discontinuation of tax services for certain securities

Following our [Newsflash - Russia - New Presidential Decree No. 394](#) published on 28 June 2022 and [Newsflash - Russia - Central Bank of the Russian Federation resolution on dividend payments – Update](#) published on 12 August 2022, relating to new payment flows for certain Eurobonds issued by the Russian Federation government, as well as on dividend payments, we will discontinue, with immediate effect, our tax services for certain securities issued by Russian issuers, in accordance with **Section 3.7.1, (b)** of our [Operating Procedures](#).



Which securities are impacted?

- Equities issued by Russian issuers and Depository Receipts (DRs) with underlying Russian equities.
- Russian Federation Eurobonds contemplated by Decree 394, i.e. certain government bonds and assimilated securities (RU ISINs held at NSD) for which the nominal currency is not RUB.

What does this mean for you?

- In order to receive dividends/coupons on impacted securities and apply for the appropriate withholding tax rate, we will provide in our corporate action notifications (DACE notices) all the documentation requirements that will need to be **submitted directly to NSD** by the applicant (instead of them being submitted to us).
- Dividend and coupon payments are made to the beneficial owners outside of the Euroclear Bank System on accounts stipulated by the applicants. As a result, we cannot check on the completeness of documentation submitted to NSD by the applicant, nor payment of the dividend/coupon or the tax rate applied. Therefore, we have discontinued our tax relief services for the impacted securities.
- For more information regarding deadlines, required tax documentation and mailing details please refer to the related corporate action notifications (DACE notices).

Latest status on our link for Russia

For the most up-to-date information on our link with Russia, please visit our [Current status of our link with Russia](#) webpage.

Who to contact

| Questions on | Contact | Contact details |
|----------------------|--------------------|--|
| Tax related matters | Tax Client Service | <ul style="list-style-type: none">• tax.clientservice@euroclear.com• +32 2 326 1011 |
| Our link with Russia | Account Management | <ul style="list-style-type: none">• +32 2 326 2812 |