



# Bondholder FAQs

## **What is the relevant date range for net purchases of Tesco bonds?**

The Tesco Compensation Scheme only relates to net purchases of the relevant bonds between **29 August 2014 and 19 September 2014**. If you purchased relevant bonds outside of this date range you are not eligible to participate in the Tesco Scheme.

## **What does a “net purchaser” of bonds mean?**

If somebody purchased more of a specific bond issue than they sold during the period 29 August to 19 September 2014 they will likely be a net purchaser. For the precise details and exact terms please refer to the Final Notice.

## **Why am I no longer able to submit a claim?**

Under the terms of the Tesco Scheme, to participate under the Tesco Scheme a claimant must have submitted any claim with the Scheme Administrator on or before 11.59pm GMT 22 February 2018, being the claim deadline.

## **If I am an eligible net purchaser of Tesco bonds, how much money will I be paid?**

Different amounts per bond are payable in respect of each relevant bond issue. Please see Appendix 2 of Annex 2 of the FCA Final Notice for details of compensation for each of the relevant bond issues. Interest of 1.25% per annum if the net purchaser is an institutional investor and 4% per annum if the net purchaser is a retail investor will be payable, in each case with such interest running from 19 September 2014 until 120 days after the launch of the scheme. There are some exceptions and qualifications relating, for example, to hedged transactions. For the precise details and exact terms please refer to the Final Notice.

Please note that interest will be calculated utilising an actual/actual day count convention for Sterling, Euro and US Dollar denominated bonds.

The amounts to be paid for net bond purchases have been determined by the FCA. The compensation is calculated by reference to the difference in price of the relevant bonds between market close on Friday 19 September 2014 and market close on Monday 22 September 2014, after Tesco PLC had announced in the morning of Monday 22 September 2014 that it had identified an overstatement of its expected profit. It has been further adjusted for other industry-wide effects on the market and is intended to compensate investors who purchased shares and bonds at a time when the price was inflated by the Tesco's trading statement of 29 August 2014.

## **I hold my Tesco bonds in an account in Euroclear/Clearstream. Why have I received two disclosure notifications?**

The Scheme Administrator is looking to identify holders of relevant Tesco bonds during the period 29 August 2014 to 19 September 2014 in order to confirm the holdings and therefore net purchases of potential eligible claimants. Therefore a disclosure notification has been sent out for the beginning and end of this period.



**I hold my Tesco bonds in an account in Euroclear/Clearstream. Why I am being asked to provide details of my bond holdings at dates different from 29 August 2014 and 19 September 2014?**

During the relevant date range for net purchases of Tesco bonds, i.e. from 29 August 2014 to 19 September 2014, the majority of bond transactions settled on a trade date plus 3 business days basis.

Therefore in order to confirm the holdings of potential eligible claimants, and thus establish whether they were a net purchaser during the relevant period, details of bond holdings as at 2 September 2014 and 24 September 2014 are required.

If you had a position settle on a basis other than trade date plus 3 business days, you will need to provide evidence of these transaction terms when you submit your claim.

Please note that under the terms of the Tesco Scheme, to participate under the Tesco Scheme a claimant must have submitted any claim with the Scheme Administrator on or before 11.59pm GMT 22 February 2018, being the claim deadline.

**I hold Tesco bonds in accounts in DTC. What is the process for submitting a claim?**

DTC's system is not able to facilitate an electronic instruction process to validate potential claimants' holdings of relevant bonds. Therefore net purchasers of bonds with accounts directly in DTC should submit their claims together with appropriate supporting documentation via the online claims portal following the launch of the Tesco Scheme.

Please note that under the terms of the Tesco Scheme, to participate under the Tesco Scheme a claimant must have submitted any claim with the Scheme Administrator on or before 11.59pm GMT 22 February 2018, being the claim deadline.

**I hold Tesco bonds in accounts in the CREST system. What is the process for submitting a claim?**

The CREST system is not able to facilitate an electronic instruction process to validate potential claimants' holdings of relevant bonds. Therefore net purchasers of bonds with accounts directly in the CREST system should submit their claims together with appropriate supporting documentation via the online claims portal following the launch of the Tesco Scheme.

Please note that the Tesco Scheme is not being facilitated through the CREST system.

Please note that under the terms of the Tesco Scheme, to participate under the Tesco Scheme a claimant must have submitted any claim with the Scheme Administrator on or before 11.59pm GMT 22 February 2018, being the claim deadline.

**I am not sure if my bonds are held with Euroclear, Clearstream, CREST or DTC. How should I check this?**

Please contact your custodian and request that they confirm which clearing system your bonds are/were held with.