

KELER Ltd.
Regulation on Investments of Executive Officers and Employees,
Conflict of Interest Rules and Management of Conflicts of
Interest

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TABLE OF CONTENT

| | |
|--|-----------|
| <i>I. General part</i> | <i>3</i> |
| <i>II. Rules on investments</i> | <i>5</i> |
| <i>III. Conflict of Interest Rules</i> | <i>7</i> |
| <i>IV. Legal consequences</i> | <i>9</i> |
| <i>V. Prevention and management of conflicts of interest</i> | <i>10</i> |
| <i>Attachment 1.</i> | <i>11</i> |
| <i>Attachment 2.</i> | <i>12</i> |
| <i>Attachment 3.</i> | <i>13</i> |
| <i>Attachment 4.</i> | <i>14</i> |
| <i>Attachment 5.</i> | <i>15</i> |
| <i>Attachment 6.</i> | <i>17</i> |
| <i>Attachment 7.</i> | <i>18</i> |

I. General part

1.1. Introductory provisions

Reason for Regulation formulation/amendment: annual review, and compliance by KELER Central Depository Ltd. (hereinafter: KELER) with Regulation (EU) No 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EU and 2014/65/EU and Regulation (EU) No 236/2012.

1.2. Revision date

Annually, not later than 31 December.

1.3. Purpose of Regulation

The purpose of this Regulation is to manage the circumstances that may give rise to conflict of interest situations in the operation of KELER that may affect the business interests of KELER, the system participant, the issuer or other clients of KELER, may result in or involve the risk of loss or other financial damage, and result from the conduct to that effect of KELER executive officers, employees, persons with other work related legal relationships or persons performing outsourced activities.

1.4. Scope of Regulation

Personal scope: KELER executive officers, all KELER employees and persons with other work related legal relationships, including persons performing outsourced activities.

Material scope: investments by the persons under the personal scope of the Regulation, related restrictions and declarations.

With regard to the outsourcing agreement concluded by KELER and KELER CCP Central Counterparty Ltd. (hereinafter: KELER CCP), and KELER CCP Regulation 3-07 on Investments of Executive Officers and Employees, Conflict of Interest Rules and Management of Conflicts of Interest, KELER accepts the reports, declarations made to KELER CCP by the persons performing outsourced activities as the reports, declarations required to be made under this Regulation.

1.5. Legal references

- Act CXX of 2001 on the Capital Market (Tpt.)
- Act CCXXXVII of 2013 on Credit Institutions and Financial Enterprises (Hpt.)
- Act CXXXVIII of 2007 on Investment Firms and Commodity Dealers, and on the Regulations Governing their Activities (Bszt.)
- Regulation (EU) No 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EU and 2014/65/EU and Regulation (EU) No 236/2012 (CSDR)

1.6. Repealed regulations, orders

None.

1.7. Version control

Version number of current regulation: v2.0

Version number of previous regulation: v1.2

Effective date of previous regulation: 13 August 2014

1.8. Terms used in the regulation

- 1.8.1. Executive Officers are as follows:
 - a) members of the Board of Directors,
 - b) members of the Supervisory Board.
- 1.8.2. Persons in management position are as follows:
 - a) the Executive Officer,
 - b) all persons determined as such in the KELER Articles of Association or the Organizational and Operational Rules.
- 1.8.3. Employee: the person employed by KELER or with other work related legal relationship with KELER.
- 1.8.4. Close relative: the persons defined as such in Act V of 2013 on the Civil Code as well as the partners.
- 1.8.5. Enterprise: the legal person, unincorporated business association and private entrepreneurs performing business activity are considered enterprises. In case of doubt, the form of the enterprise is to be presumed.
- 1.8.6. Investment: any activity by a person to expose to the fluctuations of the capital market, risk own or third party funds, other assets, partly or fully, based on contract concluded with the issuer of financial instruments, investment firm, credit institution, fund manager, commodity dealers or other investor is considered investment
- 1.8.7. Qualified Financial Instrument: with the exception of government securities, investment units and mortgage bonds, financial instruments relating to which KELER provides direct clearing services, including financial instruments listed on regulated markets and stock exchanges as well as OTC derivatives where the underlying product is the above mentioned financial instrument or foreign currency.
- 1.8.8. Person with other work related legal relationship: person performing activities pursuant to agency agreement concluded with KELER.
- 1.8.9. System participant: the institution participating in the securities settlement system, central counterparty, clearing house or system operator.
- 1.8.10. Client account: the cash account that is used to execute the orders given related to investment services, commodities exchange services.

II. Rules on investments

2.1. Requirements relating to Executive Officers

2.1.1. Within 15 days of accepting the election to the position, the Executive Officer of KELER is obliged to report the securities accounts, securities custody accounts, securities registration accounts, client accounts held and the investment firm, credit institution keeping such accounts on the declaration form in Attachment 1. of this Regulation, and report continuously and without delay on the form in Attachment 1. of this Regulation if any changes occur in the above, indicating the date of account opening or the date of the change.

2.1.2. Simultaneously with submitting the first report, on the form in Attachment 2. of this Regulation the KELER Executive Officer is required to authorize expressly and irrevocably the Compliance Officer to inspect the declaration of the Executive Officer in line with Attachment 1. and the accounts therein listed based on the decision to this effect of the Chief Executive Officer confirmed in writing.

2.1.3. The Executive Officer not employed by KELER cannot alienate the Qualified Financial Instrument acquired within 30 days of acquisition. This rule does not apply to the alienation of the Qualified Financial Instrument acquired in the employees' or executives' share option plan and to portfolio management contracts where the owner of the securities is not entitled to give orders regarding the composition of the portfolio.

2.1.4. With the exception of inheritance, the Executive Officer employed by KELER cannot acquire Qualified Financial Instruments.

2.1.5. In case of acquisition by inheritance, the Executive Officer employed by KELER is required to report the acquisition without delay on the form in Attachment 3. of this Regulation, and alienate the Qualified Financial Instruments within 3 months of acquisition. Once alienated, the person concerned is required to report on the form in Attachment 3. of this Regulation the fact of the alienation without delay.

2.1.6. The Executive Officer employed by KELER is required to report without delay on the form in Attachment 3. of this Regulation the Qualified Financial Instruments acquired before employment is created and alienate such instruments within 3 months of the creation of employment, and report the fact of alienation without delay on the form in Attachment 3. of this Regulation.

2.1.7. Reports are to be submitted to the Compliance Officer in sealed envelopes, in the case of the declaration on the form in Attachment 2. the sealed envelope is to be dated and signed on the sealing. The Compliance Officer keeps reports under lock and key.

2.2. Requirements relating to Employees

2.2.1. Throughout the term of employment or other work related legal relationship (hereinafter: Employment) with KELER, the Employee of KELER

- a) except for inheritance, cannot acquire direct ownership in investment firms or credit institutions, central securities depositories and central counterparties (with the exception of the acquisition of equities listed on regulated market),
- b) cannot give order to execute futures and option trades on the concerned regulated markets,
- c) cannot exercise right of disposition related to client account, securities account held for clients (except for the right of representation based on regulation, court or authority decree, articles of association).

2.2.2. Regarding the case mentioned in Point 2.2.1., if acquired by inheritance the person is required to report the acquisition without delay on the form in Attachment 4. of this

Regulation, and is also required to alienate it within 3 months of acquisition, and report simultaneously the fact of alienation on the form in Attachment 4. of this Regulation.

2.2.3. The KELER Employee can give order for the activity related to the client account defined in Point 1.8.10. only if he/she makes sure that such order does not result in the acquisition of direct ownership in investment firm, credit institution, central securities depository and central counterparty.

2.2.4. On the day Employment is established, the Employee is required to report on the form in Attachment 5. of this Regulation the enterprises listed in 2.2.1. a) in which the Employee has ownership. Upon changes to the reported data, the Employee is required to report changes without delay on the form in Attachment 5. of this Regulation.

2.2.5. On the day Employment is established, the Employee is required to state on the form in Attachment 5. of this Regulation all the enterprises in which the Employee has ownership. Upon changes to the reported data, the Employee is required to report changes without delay on the form in Attachment 5. of this Regulation.

2.2.6. On the day Employment is established, the KELER Employee is required to report on the form in Attachment 5. of this Regulation the securities account, securities registration account, client accounts held and the investment firm, credit institution keeping such accounts, and report continuously and without delay, on the form in Attachment 5. of this Regulation, any changes to the data reported, including the date of account opening or the date of the change.

2.2.7. The KELER Employee cannot alienate the acquired Qualified Financial Instrument within 30 days of acquisition. This rule does not apply to the alienation of the Qualified Financial Instrument acquired in the employees' or executives' share option plan as well as portfolio management contracts where the owner of the securities is not entitled to give orders regarding the composition of the portfolio.

2.2.8. Simultaneously with submitting the first report, on the form in Attachment 6. of this Regulation the Employee is required to authorize expressly and irrevocably the Compliance Officer to inspect the declaration of the Employee on the form in Attachment 5. and the accounts therein listed based on the decision to this effect of the Chief Executive Officer confirmed in writing.

2.2.9. Reports are to be submitted in sealed envelopes, in the case of the declaration on the form in Attachment 6. the sealed envelope is to be dated and signed on the sealing. Declarations by new hires are to be submitted to the Head of Human Resources that is required to keep the declarations under lock and key. At the end of each quarter, the Head of Human Resources hands over to the Compliance Officer the reports received and the list of active KELER Employees, the Compliance Officer is required to keep these documents under lock and key. Active KELER Employees are required to submit subsequent reports to the Compliance Officer directly.

2.3. Management of reports

2.3.1. The Compliance Officer keeps internal, confidential records on the reports made, and also makes sure that reports are stored securely.

2.3.2. Reports, declarations are to be kept for 5 years after the termination of the executive officer position or Employment, and then are to be destroyed. The Compliance Officer is required to monitor when reports can be destroyed.

2.4 Procedure in the case of suspected abuse

2.4.1. In the case of suspected failure of reporting, the documents containing the concerned person's declaration will be opened in the presence of the Committee set up in accordance with this Regulation.

2.4.2. The procedure has to be launched immediately after becoming aware of the case by convening the Committee. The members of the Committee are as follows: the Chief Executive Officer, the Chief Security Officer, the Legal Counsel, the Compliance Officer and the Chair of the Work Council. The Chief Executive Officer acts as the Committee Chair.

2.4.3. If unable to attend or potentially involved in the case, a deputy of the committee member will attend the Committee meeting in accordance with the effective regulations. The prior authorization of the Board of Directors is needed for ordering the investigation if the suspicion is related to the Chief Executive Officer. In this case the Board members appointed by the Chair of the Board are the members of the Committee, and the Committee members elect a chair from among themselves.

2.4.4. The Committee establishes the facts in relation to the case investigated, hears the person suspected to have failed to make the reporting. The person suspected to have failed to make the reporting is to be heard on the circumstances of the case, can present facts in defense, ask the Committee members questions, make remarks and express its opinion.

2.4.5. The procedure will be documented in minutes. The minutes will include the date, place and subject of the procedure, names of persons present, main actions of the procedure, facts and circumstances, opinions expressed, comments made in detail, the signatures of those present, and KELER's stamp.

2.4.6. In line with the outcome of the Committee investigation, the Committee Chair makes decision on any sanctions, and, after consulting the Legal Counsel, takes steps to take the necessary legal actions against the person suspected to have failed to make the reporting.

2.4.7. If the investigation finds that incomplete or incorrect report was submitted, the provisions in Chapter IV. of this Regulation apply, and the sanctions herein described are to be taken against the employee concerned.

2.4.8. If legal action is taken, the Chief Executive Officer hands over the case to the Legal Counsel that is required to proceed promptly in line with the relevant legal regulations.

2.4.9. The minutes on the committee procedure are retained by the Legal Counsel in compliance with the special document management rules for legal activity.

III. Conflict of Interest Rules

3.1. General requirements

3.1.1. The KELER Executive Officer, Employee and contracted expert cannot take part in the preparation or making of decisions involving KELER also if the enterprise with direct or indirect ownership held by these persons or their Close relatives have business interest in the decisions.

3.1.2. The KELER Executive Officer, Employee and contracted expert are required to report to the Compliance Officer conflict of interest pursuant to Chapter III. of this Regulation without delay, except if this Regulation contains contrary provisions related to the conflict of interest concerned, and are required to make sure that the conflict of interest is terminated within 3 months, and are required to report to the Compliance Officer the termination of conflict of interest.

3.1.3. Prohibition of trades relating to internal information

3.1.3.1. For the purposes of the present regulation, internal information is not yet public information relating to the financial, economic or legal position of KELER, the system participant, the issuer or other clients of KELER or expected changes therein that is suitable to influence materially the assessment of KELER, the system participant, the issuer or other clients of KELER if the information becomes public

3.1.3.2. For the purposes of Point 3.1.3.1., the following persons are considered persons with internal information

- a) the person considered manager or Executive Officer either by law or by the internal rules of KELER,
- b) the person acting on behalf of authorities, experts that acquires internal information in the course of activity relating to KELER,
- c) Close relatives of the persons listed in points a)-b) and
- d) the person that acquired internal information.

3.1.3.3. The person that possesses internal information as part of or related to its job cannot use, transfer or disclose to unauthorized person(s) the information related to the operation of KELER and the system participant, the issuer or other KELER clients other than for the performance of tasks related to its job.

3.1.3.4. It is prohibited to trade with the use of internal information or trade with, or give order to trade or investment advice to a person having internal information, based on which the person with internal information, its Close relative or any third party may acquire any financial advantage or cause damage to others.

3.2. Requirements relating to Executive Officers

3.2.1. The Executive Officer and the employee authorized to make business decisions cannot take part in the preparation and making of decisions on commitments by KELER, if the risk taking is related to the client where

- a) it has management position, or
- b) controlling holding.

3.2.2. The KELER Executive Officer reports without delay to the Magyar Nemzeti Bank as supervisory authority if

- a) he/she is elected member of the Board of Directors, the Supervisor Board or managing director of another financial institution, or Executive Officer of a financial institution operating as a branch office or terminates such position,
- b) he/she acquires controlling interest in a company or ceases to hold such interest,
- c) the prosecutor lays out charges against him/her for criminal offences determined in Section 137 (6) of the Hpt. or is indicted by the competent court for crimes abroad against property, economic crimes that are punishable under Hungarian law. The document on indictment and the description of the case that is the basis of indictment are to be attached to the report.

3.2.3. In the case described in Point 3.2.2. of this Regulation, the KELER Executive Officer cannot hold Executive Officer position at KELER, cannot be employed as person in management position and is to be suspended in these positions until the termination of the criminal proceedings.

3.2.4. The Executive Officer of KELER cannot undertake contractual commitment and cannot conclude sales contracts with the financial institution for which it serves as member of either the Board of Directors or the Supervisory Board, or managing director, unless the Board of Directors consented unanimously to the conclusion of such contract in advance.

3.2.5. Within 15 days of accepting the election to the position, the KELER Executive Officer is required to make the declaration on the form in Attachment 7. of this Regulation. The declaration and the required supporting documents, such as

- a) simple copy of qualification,
 - b) signed resume in Hungarian,
 - c) general extract from the judicial record,
- are to be submitted to the Compliance Officer.

3.3. Requirements relating to Employees

The KELER Employees cannot be employed by or have other work related legal relationship with, and cannot be persons in management positions at the system participant, issuer, investment firm, credit institution, legal entity segregated client, clients of the central securities depository and the central counterparty, the issuer of securities listed on the regulated market and the operator of the regulated market, not including the financial holding company with holding in the securities depository and the central counterparty.

IV. Legal consequences

4.1. If the obligation of reporting or making declaration required either by law or by the present Regulation is not met or the reporting or declaration contains incomplete or incorrect information, and in the case of conflict of interest under Chapter III. of this Regulation:

a) if the Chair of the Board is involved the Board of Directors, if an Executive Officer or the Chief Executive Officer is involved the Chair of the Board, if an Employee is involved the Chief Executive Officer requests the person involved to meet the reporting obligation or terminate the conflict of interest and sets the applicable deadline,

b) if the Executive Officer does not meet the request, the Board of Directors recalls the person concerned,

c) if the Chief Executive Officer or the Employee concerned does not meet the request or submits incomplete or incorrect reporting, or fails to terminate the conflict of interest, it is considered grounds for immediate termination.

4.2. Until the deadline to terminate the conflict of interest or the date of decision making by the forthcoming Shareholders' Meeting on the recall of the Executive Officer and on the election of the new Executive Officer in the case of an Executive Officer, the Executive Officer cannot take part in the preparation and making of decisions of the KELER organ that it was a member of.

4.3. If an authority declares in a final resolution that the Chief Executive Officer or the Employee violated the provisions of any legal regulation in connection with his/her investments, it constitutes a reason for the termination of Employment with extraordinary notice.

4.4. If the Executive Officer, the Chief Executive Officer or the Employee discloses the internal information determined in Point 3.1.3. of this Regulation, in the case of Executive Officer it is the basis of recall, in the case of the Chief Executive Officer or the Employee it is the basis of termination of Employment with extraordinary notice.

V. Prevention and management of conflicts of interest

5.1. If the person covered by the personal scope of this Regulation is of the opinion that the organizational or administrative measures taken by KELER are not capable of preventing at a sufficiently reliable level the risk of injury between KELER and the system participant, the issuer or other KELER clients, and risk of injury between the system participant, the issuer or other clients of KELER, the person is required to inform the Chief Executive Officer.

5.2. The Chief Executive Officer is entitled to make decision on the risk of injury. If the Chief Executive Officer finds the risk to be well-founded, it gives orders to disclose the general nature or source of conflict of interest to the system participant before KELER accepts new trades from the system participant concerned. If KELER has information on the client of the system participant, in addition to informing the system participant, KELER informs the client also.

5.3. KELER takes all reasonable measures to prevent any abuse related to the information stored in its systems and the use of such information related to other business activities.

5.4. Confidential information managed by KELER cannot be used for commercial purposes by other natural or legal person in parent or subsidiary relationship with KELER unless the system participant, the issuer or other client of KELER to which the confidential information relates to provides advanced written consent thereto.

Attachment 1.

Declaration

I, the undersigned, as an Executive Officer of KELER, I hereby make the following declaration:

I hold I do not hold

securities account, securities custody account, securities registration account, client account with investment firms, credit institution.

If positive, the details of such accounts are as follows:

| | |
|--|--|
| Name of investment firm, credit institution | |
| Identification number of account(s) relating to securities | |
| Identification number of client accounts | |
| Date of account opening | |

| | |
|--|--|
| Name of investment firm, credit institution | |
| Identification number of account(s) relating to securities | |
| Identification number of client accounts | |
| Date of account opening | |

| | |
|--|--|
| Name of investment firm, credit institution | |
| Identification number of account(s) relating to securities | |
| Identification number of client accounts | |
| Date of account opening | |

I hereby acknowledge that I am required to inform the Compliance Officer of KELER without delay in the case of any change to the data herein reported.

Budapest, 201.....

.....
Signature of Executive Officer

Attachment 2.

Declaration

I, the undersigned, as an Executive Officer of KELER, hereby expressly and irrevocably authorize the KELER Compliance Officer to inspect my declaration related to my securities account, securities custody account, securities registration account and client account held with any investment firm or credit institution, and my securities account, securities custody account, securities registration account and client account held with any investment firm or credit institution on the basis of the decision to this effect of the Chief Executive Officer confirmed in writing.

The present authorization remains effective for 5 years following the termination of my mandate.

Budapest, 201.....

Signature of Executive Officer

In witness whereof:

| | |
|------------|--|
| 1.Name | |
| Address: | |
| Signature: | |
| 2. Name: | |
| Address: | |
| Signature: | |

Attachment 4.

Declaration on the acquisition of ownership in investment firm, credit institution, central securities depository and central counterparty

I, the undersigned, as an Employee of KELER, hereby declare as follows:

I have inherited and hold I do not hold any

ownership in investment firm, credit institution, central securities depository and central counterparty

If positive, the related details are as follows:

| | |
|---------------------------|--|
| Name | |
| Court Registration Number | |
| Holding % | |
| Date of acquisition | |
| Date of alienation | |

| | |
|---------------------------|--|
| Name | |
| Court Registration Number | |
| Holding % | |
| Date of acquisition | |
| Date of alienation | |

| | |
|---------------------------|--|
| Name | |
| Court Registration Number | |
| Holding % | |
| Date of acquisition | |
| Date of alienation | |

I hereby acknowledge that I am required to inform the Compliance Officer of KELER without delay in the case of any change to the data herein reported.

Budapest, 201.....

.....
Signature of Employee

Attachment 5.

Declaration on securities account, securities registration account, client account, and on the acquisition of holding in enterprise

I, the undersigned, as an Employee of KELER, hereby declare as follows:

1. I hold I do not hold any

securities account, securities registration account, client account held by investment firm, credit institution

If positive, the related details are as follows:

| | |
|---|--|
| Name of investment firm, credit institution | |
| Identifier of securities account(s) | |
| Identifier of client accounts | |
| Date of account opening | |

| | |
|---|--|
| Name of investment firm, credit institution | |
| Identifier of securities account(s) | |
| Identifier of client accounts | |
| Date of account opening | |

| | |
|---|--|
| Name of investment firm, credit institution | |
| Identifier of securities account(s) | |
| Identifier of client accounts | |
| Date of account opening | |

2. I have I do not have any
holding in enterprise.

If positive, the related details are as follows:

| | |
|---------------------------|--|
| Name | |
| Court Registration Number | |
| Holding % | |

| | |
|---------------------------|--|
| Name | |
| Court Registration Number | |
| Holding % | |

| | |
|---------------------------|--|
| Name | |
| Court Registration Number | |
| Holding % | |

I hereby acknowledge that I am required to inform the Compliance Officer of KELER without delay in the case of any change to the data herein reported.

Budapest, 201.....

.....
Signature of Employee

Attachment 6.

Declaration

I, the undersigned, as an Employee of KELER, hereby expressly and irrevocably authorize the KELER Compliance Officer to inspect my declaration related to my securities account, securities custody account, securities registration account and client account held with any investment firm or credit institution, and inspect any of my securities account, securities custody account, securities registration account and client account held with any investment firm or credit institution on the basis of the decision to this effect of the Chief Executive Officer confirmed in writing.

The present authorization remains effective for 5 years following the termination of employment with KELER.

Budapest, 201.....

.....
Signature of Employee

In witness whereof:

| | |
|------------|--|
| 1.Name | |
| Address: | |
| Signature: | |
| 2. Name: | |
| Address: | |
| Signature: | |

Attachment 7.

Declaration on compliance with Section 356 of the Tpt.

By signing this declaration, the undersigned, as member of the Board of Directors / Supervisory Board¹ of KELER Central Depository Ltd., I hereby declare that I comply with the legal requirements on holding the above position and submit to the Compliance Officer of KELER Central Depository Ltd. the documents required to support compliance within 15 days of making this declaration.

Budapest, 201.....

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Signature of Executive Officer

In witness whereof:

| | |
|------------|--|
| 1.Name | |
| Address: | |
| Signature: | |
| 2. Name: | |
| Address: | |
| Signature: | |

¹ Underline as appropriate.