

# KELER - Depository Announcement 9-22 on the Detailed Rules for Account Management

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## 1. Introduction

This Depository Announcement contains the conditions of opening and managing top tier level securities accounts (central securities accounts), Cash accounts and custody accounts managed by KELER Central Securities Depository Ltd. (hereinafter ‘KELER’), the general rules for account segregation and account management, as well as the detailed rules for portfolio and turnover reports and confirmations of the accounts.

In accordance with the CSDR and the Tpt., KELER maintains top tier level securities accounts i.e., central securities accounts as a core service of the central securities depository, as well as Cash Accounts for the operation of the securities settlement system and Custody Accounts as an auxiliary banking service.

## 2. Terms used in this Depository Announcement

The terms used in this Depository Announcement shall have the same meaning as in the General Business Rules (GBR) and as indicated below.

<b>Offeror:</b>	Offeror within the meaning of Section 5 (1) 2b) of the Tpt. i.e. the person making a public takeover bid for the acquisition of influence in a publicly traded company limited by shares.
<b>Dedicated securities account:</b>	A securities account (e.g. 1111606060; 1111S00000; 1111676767, etc.) to be used on a mandatory basis by KELER to provide certain services to the Account Holder.
<b>Central securities account:</b>	The collective term for the securities accounts that KELER maintains for the Account Holder in respect of securities that are owned by the Account Holder and printed and dematerialised for the Account Holder's principal, for securities that are owned by the Account Holder's principal, and for securities that are dematerialised for the Issuer.
<b>An account for the deposit of funds:</b>	The collective term used by KELER for the Cash Account and the Custody Account.

### 3. Account management service

KELER provides the Central Account Management Service under its authorisation of KELER pursuant to Section A.2 of the Annex to the CSDR, whereby it opens and maintains top-tier (central) securities accounts. Furthermore, KELER, as a specialised credit institution under Section C(a) of the Annex to the CSDR Annex, is authorised to provide deposit-type Cash Account management services to holders of central securities accounts for settlement purposes and is authorised to provide depositary services under the Hpt.

Within the scope of the account management services, KELER shall, in addition to the provisions of this Depository Announcement

- define the services it provides, the documents required for the conclusion of the account management contracts and their formal requirements in the GBR,
- act in accordance with the provisions of the Money Laundering Prevention Act (PMA) in force at any given time,
- provides in its Depository Announcement 9-27 on Information on the management of cash accounts (General rules, list of correspondent banks and account numbers) the detailed rules for the handling of orders for cash accounts, the specific rules for crediting and debiting and the effective nostro account numbers and correspondent banks of KELER
- In the Depository Announcement 9-20 Detailed Presentation of Settlement Orders it provides detailed rules for the handling of Settlement orders and
- regulates the deadline for acceptance of orders in the Depository Announcement 9-11 on the Deadlines for the Receipt, Execution and Withdrawal of Orders.

### 4. Account opening and management

#### 4.1. General conditions for opening and maintaining accounts

The documents and declarations provided by the Client wishing to open an account with KELER shall be examined by KELER for formal and contextual compliance with the General Business Rules and, in the case of the Participant, with the Depository Announcement 9-01 on access management. If the conditions for opening an account are fulfilled, KELER will conclude a Form Contract with the Client for account management.

The Form Contract (Central Securities Account Management Contract, Cash Account Management Contract, Custody Account Management Contract) for account management defines the securities and cash accounts specified and they are automatically opened for the Account Holder.

The first four characters of the Central Securities Accounts to be opened for the Account Holder (in the previous terminology, the Master Account number) identify the owner of the securities account.

In the framework of this service, KELER maintains a central securities account for the deposit of securities owned by clients who are not Participants under the Tpt. or Issuers under the Tpt. (hereinafter 'Account Holder not being a Participant or Issuer'), for whom it maintains a central

securities account pursuant to Section 140 of the Tpt., and shall execute orders received from these clients in relation to these securities. These clients are not Participants in the KELER Settlement System, but KELER expects the application of the rules for the handling of orders and the smooth operation of the KELER Settlement System adopted also for the Participants, where applicable (including, in particular, the provisions on order handling and settlement discipline). Such clients shall be deemed to be Account Holders.

KELER is entitled to modify the IBAN of the opened Cash Account, Custody Account, provided that it notifies the Account Holder 30 days prior to the modification. The aforementioned amendments, which are of a technical nature, shall not constitute a contractual amendment.

From the opening of the accounts until the termination of the contractual relationship, KELER shall maintain both the Central Securities Accounts and the Cash and Custody Accounts for the Account Holder on an ongoing basis.

The condition of the account management service is that the Account Holder who is not an Issuer is obliged to the following for the efficiency and security of the settlements and for the automated processing:

- has access to at least one of KELER's electronic client relationship management systems (KID, SWIFT) and **submit its orders electronically**,
- have at least one HUF Cash Account (with MNB or KELER) assigned to its Central Securities Account for settlement purposes in order to manage<sup>1</sup> DVP-type settlements, which are mandatory for securities settlements between Account Holders, and penalties imposed by the CSDR.

By default, the electronic client relationship system is used to receive confirmations, statuses, statements and other notifications from KELER.

#### 4.2. Provisions relating to the prevention of money laundering and terrorist financing

In accordance with its obligations under Act LIII of 2017 on the Prevention and Combating of Money Laundering and Terrorist Financing (hereinafter 'AML Act'), KELER shall apply customer due diligence measures as defined by law and its internal risk assessment within the framework of its services as set out in the relevant Announcement (<https://www.keler.hu/Dokumentumtár/Formanyomtatványok/> - Combating Money Laundering), whereby it shall identify the Account Holder client, representative, agent and beneficial owner, and shall record and manage the documents and data used for identification. The opening of an account shall be conditional upon the full implementation of customer due diligence measures in accordance

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<sup>1</sup> See Article 39 (7) of the CSDR: "All securities transactions against cash between direct participants in a securities settlement system operated by a CSD and settled in that securities settlement system shall be settled on a DVP basis."

with the applicable anti-money laundering legislation. The Account Holder is responsible for ensuring that the documentation complies with the formal and authentication requirements.

In the case of accounts with Principal segregation, the Account Holder must perform the customer due diligence of its own clients (ultimate beneficial owners of financial assets and other interested third parties) having access to the account, shall continuously monitor access to the account and ensure the enforcement of the restrictive measures set out above by taking into account and following the restrictive measures (sanctions) introduced by the European Union and the United Nations Security Council and, in the case of accounts involving USD currency, the Office of Foreign Assets Control (OFAC - U.S. Treasury Department) concerning financial assets regarding parties concerned by the transactions of the account and its own clients having access to the account.

Pursuant to Article 5e of Regulation no. 833/2014/EU<sup>2</sup> and Article 1x of Regulation no. 765/2006/EK<sup>3</sup> KELER is not entitled to perform the services set out in the Annex of Regulation no. 909/2014/EU<sup>4</sup> regarding transferable securities issued after 12 April 2022 to any Russian or Belarussian nationals or any natural person domiciled in Russia or Belarus or to any legal person, organization or body with its seat in Russia or domiciled in Belarus. In order to ensure the implementation of the restrictive measures the Account holders are obliged to mutually cooperate with KELER and provide all the information based on which KELER can identify whether indirect clients are subject to sanctions in case of an account with principal segregation. Based on the above for the implementation of the financial and asset restriction measure as amended from time to time and especially but not exclusively for applying the bans against entities sanctioned under Regulation no. 269/2014/EU<sup>5</sup> and its enforcement laws and for securing the central depository prohibitions set out in Article 5e of Regulation no. 833/2014/EU and in Article 1x of Regulation no. 765/2006/EK if an Account holder identifies a natural or legal person or organization subject to restrictive measure concerning a principal segregation account, then KELER shall be informed and a statement shall be made on how the sanctions are planned to be applied and what measures are taken to implement the restrictive measures.

KELER may derogate from certain verification requirements on a case-by-case basis in the case of simplified customer due diligence under the AML Act. The decision to apply simplified customer due diligence shall always be taken by KELER on a risk-sensitive basis, taking into account the client's anti-money laundering instruments in accordance with the AML Act or equivalent foreign legislation, its public law or state enterprise status, if any, and the information available on it from public sources. An account holder that is a foreign resident participant may request a simplified due

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<sup>2</sup> COUNCIL REGULATION (EU) No 833/2014 of July 31 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine

<sup>3</sup> COUNCIL REGULATION (EC) No 765/2006 of May 18 2006 concerning restrictive measures in view of the Belarussian situation and the participation of Belarus in the Russian aggression against Ukraine

<sup>4</sup> REGULATION (EU) No 909/2014 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of July 23 2014 on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012

<sup>5</sup> COUNCIL REGULATION (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine

diligence process by submitting a completed version of the Wolfsberg CBDDQ questionnaire. KELER may reject the request without giving reasons, after which the customer due diligence measures set out in the AML Act will be fully carried out.

KELER is committed to the prevention and combating of money laundering and terrorist financing, and has a zero tolerance policy towards any illicit financial flows that may occur in the securities settlement system. Therefore, it continuously monitors payment transactions, in cases defined in the legislation in force on the prevention and combating of money laundering and terrorist financing and, in order to ensure the enforcement of the restrictive measures imposed by the European Union and the United Nations Security Council and the Office of Foreign Assets Control (OFAC) of the U. S. Department of the Treasury concerning financial assets, KELER may suspend or refuse to execute the Account Holder's orders and, where applicable, suspend the right of disposal of the Account, while simultaneously informing the Client about it. If an order is suspended, KELER may request a declaration from the Client, or a document, evidence of funds or assets in support of such declaration, which the Client shall be obliged to comply with and, upon KELER's request in that regard, to provide KELER with the data recorded in accordance with the legislation in force at the time on the prevention and combating of money laundering and terrorist financing in relation to the ultimate beneficial owners or beneficiaries involved in the order. If an order is suspended, rejected or the right to dispose of the account is suspended as defined above, KELER shall exclude, to the extent possible under the law, any liability for delays in the execution or non-execution of the orders.

## 5. Account structure

### 5.1. Securities account number structure

The Central Securities Account number is a series of 10 alphanumeric digits, which results from the merger of the former main account and sub-accounts. The first 4 numeric digits of the account number identify the Account Holder, the next 6 alphanumeric digits of the account number define

- the Dedicated Securities Account opened by KELER (e.g. 1111S00000; 1111787878, 1111PENLTY, etc.), and
- the Central Securities Account opened by the Account Holder, the last 6 digits of which are defined by the Account Holder.

The KELER system ensures the uniqueness of the Central Securities Accounts.

### 5.2. Account number structure for the deposit of funds

The cash account structure is the same as the 24 character account number (BBAN) according to the GIRO standard. The first 8 characters identify KELER as the account manager, the second 8 characters identify KELER's client, the type of account, the segregation type and the sub-account, the third 8 characters are not used by default by KELER. Based on the BBAN account numbers, KELER also generates an IBAN identifier for each account number. The IBAN account number is structured as follows:



- Characters 1-2: HU (ISO3166 country code for Hungary)
- Characters 3-4: Control number
- Characters 5-20: domestic payment reference number - 16 characters
  - 5-12 positions: Identify KELER,
  - 13-20 positions: Identify the client,
- Characters 21-28: 00000000 (not used by KELER by default).

## 6. Balance types

### 6.1. Securities account balances

KELER shall maintain Central Securities Account balances for both equity securities (e.g. shares, investment fund certificates, warrants, etc.) and debt securities (corporate bonds, government securities, mortgage bonds, etc.)

- in number of units (e.g. 20 units), and
- in the currency of issue in nominal value (e.g. HUF 20,000 - if the nominal value is HUF 1,000, then 20 units \* HUF 1,000)

shall be recorded in a register.

KELER also records the balances of the securities accounts on the basis of the nature of the availability and shows them in its reports while the following information is made available to its Clients:

- opening balance,
- blocked balance,
- available balance,
- closing balance.

### 6.2. Cash deposit account balances

KELER also records the balances on the basis of the nature of the availability and shows them in its reports while the following information is made available to its Clients:

- opening balance,
- blocked balance,
- available balance,
- closing balance.

## 7. Account types held by KELER

### 7.1. Central securities account

#### 7.1.1. Type 'A' (own) central securities account

A Central Securities Account that may be opened for a Participant and to an Account Holder other than a Participant and an Issuer, which is used to hold the Account Holder's own printed and dematerialised securities.

For these types of securities accounts, a Participant, an Account Holder that is not a Participant or an Issuer may only initiate settlement orders and other securities transactions (e.g. blocking orders, corporate events) electronically through KELER directly via KID, SWIFT or indirectly via the WARP system. An order may be submitted on a form only if electronic submission is not available for the type of that order or if an exceptional situation (technical failure, malfunction, etc.) justifies it.

#### 7.1.2. Type 'B' (principal) central securities account

A Central Securities Account opened exclusively for the Participant to record the printed and dematerialised securities held by the Account Holder's principals.

For these types of securities accounts, the Participant may only initiate settlement orders and other securities transactions electronically through KELER directly via KID, SWIFT or indirectly via the WARP system.

An order may be submitted on a form only if electronic submission is not available for the type of that order or if an exceptional situation (technical failure, malfunction, etc.) justifies it.

#### 7.1.3. Type 'C' (custody) central securities account

A Central securities account opened exclusively for an Issuer, which, pursuant to Section 11(3) of the Tpt, is a custody account held for the purpose of registering dematerialised securities issued in place of the printed securities not submitted for conversion in the course of the conversion of the printed securities into dematerialised securities, to which the last holder of the printed securities (not known to the issuer) is entitled.

On these types of securities accounts, the Issuer may carry out restricted operations, which may be initiated primarily by KELER electronically directly via KID or SWIFT or by using the form established for the specific order.

#### 7.1.4. Type 'D' (deposit) central securities account

Pursuant to Section 9 (4) of the Tpt, if the Account Holder involved in the crediting cannot identify the owner of the dematerialised security during the authentication service on the basis of the

Issuer's instructions, a Central Securities Account may be opened in the name of the Issuer on the basis of the Account Holder's notification. KELER shall notify the Issuer of the opening of the account and shall also request the Issuer to redistribute the securities pursuant to Section 9 (4) of the Tpt.

On this type of securities account, the Issuer may only initiate a transaction for the reallocation of unidentified securities on the basis of the rules detailed in Depository Announcement 9-06 on the Management of Dematerialized Securities and on the form specified therein.

## 7.2. Accounts for the deposit of funds

In accordance with the CSDR regulations and upon obtaining CSDR authorisation, the types of funds accounts maintained by KELER have been categorised by KELER as Cash Accounts (deposit type accounts) and Custody Accounts (custody type accounts).

KELER distinguishes between the following types of cash accounts

- the currency of the account
  - Cash and Custody accounts in HUF
  - Cash and Custody Accounts denominated in a currency other than HUF per currency denomination,
- the purpose of the funds held in the account
  - Deposit-type Cash Account (primarily settlement account within the meaning of Section 2 (1) (m) of the Tpt., used for the Settlement of Transfer Orders between the Participants of the Settlement System),
  - Custody account (mainly used to hold collateral assets blocked with for KELER CCP as beneficiary and for Issuer Services).

KELER automatically opens the accounts under the contract upon the entry into force of the Cash Account Management or Custody Account Management Form Contract with the Client.

Each Cash Account and Custody Account is identified by the IBAN.

For more information on the interest rates for the accounts where funds are deposited, please refer to the Interest Rate Schedule.

### 7.2.1. Deposit type Cash Account

The basic purpose of the account is to ensure the financial settlement of securities settlement orders. It is the Account Holder's responsibility to ensure that the transactions to be executed on the Cash Accounts held by KELER are properly executed in accordance with the legal requirements and the proper use of the account as described in Section I.3.10. of the General Business Rules.

### 7.2.2. General rules for deposit accounts

The types of Custody Accounts and their main features are described in the following subsections.

The balance of the Custody Accounts is not considered as a deposit, is not guaranteed by the OBA and is not part of the liquidation assets of KELER.

#### **7.2.2.1. Collateral (Guarantee Fund) account related to the Settlement service**

The purpose of the accounts is to record the member contributions behind the settlement of BSE trading in guarantee fund accounts opened for KELER CCP, as collected and managed by KELER CCP as a result of debiting or crediting the Clearing Member's cash accounts.

#### **7.2.2.2. Collateral Account for Exchange Traded Derivative market transactions**

The purpose of the own, omnibus principal or segregated principal collateral accounts for Exchange Traded derivative market transactions is to enable Clearing Members or sub-classified Clearing Members participating in the BSE Derivatives Market to deposit funds as collateral assets to cover collateral requirements as determined by KELER CCP subject to appropriate segregation. The beneficiary of the collateral is KELER CCP.

#### **7.2.2.3. Collateral Account for Multinet Exchange Traded (SPOT) market transactions**

The purpose of the own, omnibus principal, segregated principal and non-clearing member collateral accounts for Exchange Traded derivative market transactions is to enable Clearing Members or sub-classified Clearing Members participating in the BSE Spot Market to deposit funds as collateral assets to cover collateral requirements as determined by KELER CCP subject to appropriate segregation. The beneficiary of the collateral is KELER CCP.

#### **7.2.2.4. Deposit account for consideration**

In the event of a squeeze-out as defined in Section 76/D(3) of the Tpt, it is a custody account for depositing the consideration for securities which are not held by the offeror, i.e. for which the offeror has a mandatory purchase right. This type of securities account may be opened by KELER for and at the request of the offeror. The Account Holder may only initiate account operations for the payment of consideration, primarily by electronic means (KID or SWIFT) or by using the form designed for the given securities account operation.

#### **7.2.2.5. Invalidated securities consideration custody account**

In the event of a conversion of a printed security pursuant to Section 12 (2) and Section 12/A (9) of the Tpt, the Issuer shall declare the securities of the converted series (by denomination and serial number) invalid. If dematerialised securities issued in place of the printed securities not submitted for conversion have been sold by the Issuer before the last holder of the printed securities has requested credit of the dematerialised securities to their account, they shall be entitled only to the consideration from their sale. The custody account for the deposit of the consideration for the dematerialised securities shall be a custody account for the deposit of the consideration for such securities, which may be opened by the Issuer with KELER. The Account Holder may only initiate account operations for the payment of consideration in such a custody account, primarily by electronic means (KID or SWIFT) or by using the form designed for the given securities account operation.

#### 7.2.2.6. Custody account for the marketing procedure

Pursuant to Section 47 (7) of the Tpt., the Issuer or the Distributor, shall deposit the amount of the purchase price paid by the investor during the marketing procedure in a deposit account. The Custody Account for the marketing procedure is an account for depositing the purchase price of such securities which may be opened by the Issuer or the Distributor of the securities with KELER. Until fulfilment of the repayment obligation in case of failure of the issuance or until it is stated that no repayment obligation exists, the amount deposited on this account cannot be used. The Account Holder may only initiate account operations for the marketing procedure in such a custody account, primarily by electronic means (KID or SWIFT) or by using the form designed for the given securities account operation.

#### 7.2.2.7. Custody Account for return payments

It is a Custody Account for depositing the funds for dividends, advance dividends, principal, interest payable by an Issuer, from which the amount to cover the payment of the return is paid by the Issuer or its agent to the holder of the securities. The Account Holder may only initiate account operations for yield payment in such a custody account, primarily by electronic means (KID or SWIFT) or by using the form designed for the given order.

## 8. Segregation of securities accounts

### 8.1. General provisions

In accordance with the provisions of the Tpt. and the CSDR, KELER provides segregation of securities accounts for Account Holders.

KELER's account management system ensures that the securities of an Account Holder are segregated from the securities of other Account Holders and from KELER's own assets in the central securities accounts maintained by KELER.

KELER's account management system ensures (based on individual account numbers) for the Account Holder that it segregates the Account Holder's own securities from the securities held by the Account Holder's customers.

Certain services (e.g. registration of US securities subject to a preferential withholding tax deduction, stock exchange settlement for KELER CCP (non)clearing members) require the opening of Dedicated Securities Account which must also be segregated (Own; Individual Principal; Consolidated Principal).

### 8.2. Securities account with own segregation

The Account Holder must segregate its own holdings of securities in a central securities account of type 'A'. In this type of securities account, only the securities owned by the Account Holder, i.e. not by the Account Holder's principals, are held, i.e. 1:1 allocation is applied.

The information required to open a securities account of own type is set out in Annex 1.

### 8.3. Securities account with segregation by the Principal

If the Account Holder is authorised to hold a client account, KELER will allow the Account Holder to hold and further segregate securities accounts with segregation by the Principal.

The details required to open a Principal-type securities account are set out in Annex 2.

#### 8.3.1. Consolidated principal securities account

If the Account Holder holds the securities of several of its clients in a Central Securities Account type 'B' i.e. 1:N allocation takes place on the account, the Account Holder must report it to KELER as a consolidated principal securities account.

#### 8.4. Individual principal securities account

If the Account Holder holds only and exclusively the securities of a particular client (principal) in a type 'B' Central Securities Account, i.e. a 1:1 account linking, the Account Holder must report it to KELER as an individual principal securities account.

In the case of segregation by individual principal, the assets of the Account Holder's clients may benefit from enhanced protection. Assets deposited in an individual accounts segregated by principals may only be used in the event of default by the segregated client, thus providing protection for default by the Account Holder or the Account Holder's other non-segregated clients. In order to ensure full protection, the Account Holder is required to place all of its client's securities (including any excess over any collateral requirement) in the segregated account.

The Account Holder may name the holder of the individually segregated principal securities account. The details of the named individually segregated principal securities account shall identify its ultimate beneficiary.

The information required to open a named securities account is set out in Annex 3.

The Account Holder is responsible for ensuring the segregation of securities account and for the accuracy of the account data provided to KELER.

The Account Holder shall initiate the segregation classification when opening a new account of the principal type and the modification of the existing principal account data via the KID or the form available on the KELER website.

### **8.5. Protection provided in case of measure restricting payments**

Pursuant to the applicable insolvency law the general rules are contained in Act no. XLIX of 1991 on bankruptcy and liquidation proceedings (Insolvency Act), while the special rules are regulated in §

345 of Tpt. The protection concerning the segregation of securities can be argued based on this.

Summary of the departure from the general rules:

If KELER would be subject to a liquidation proceeding, then the securities kept by the Account holder or their clients on central securities accounts at KELER do not constitute part of the assets under liquidation. In case of an incidental liquidation proceeding the monetary claim of the Account holder and of its client replacing the claim for securities shall be handled the same way as the original claim for securities. In case of an incidental liquidation proceeding the deposit set out in § 338 of Tpt. does not constitute a part of the assets subject to liquidation.

If the assets owned by the Account holder or by its clients cannot be returned in whole or in part, then these claims shall be satisfied from KELER assets just behind the costs of the liquidation proceeding which is a departure from the satisfaction order set out in § 57 of the Insolvency Act.

The segregation of securities accounts practically does not have any effect from the aspect if insolvency laws, therefore the protection is the same regarding the segregation of securities.

## 9. Allocation of securities and cash accounts

For settlement orders involving cash movements, one or more Cash accounts may be allocated to the securities account, with the same segregation (own/custody), per transaction type and per currency. Settlement is only possible on a Cash Account that has been pre-allocated to the relevant securities account.

The Account Holder must specify which of the allocations is the default allocation. In each case, one default relationship per currency shall be specified among the allocations.

The default allocations shall take effect if no cash account is specified in the settlement order submitted to KELER. (Provided that the default Cash Account is an active account and the client has the right to dispose of it, otherwise the order will be rejected.)

A different cash account from the default one may be designated at the level of each order, if it has been pre-allocated at the Account Holder's request.



KELER allows an Account Holder to have control also over another Account Holder's Cash Accounts

and thus, the financial settlement of the authorised Account Holder's transactions can be made through the authorising client's Cash Account. (Including settlement through an account with the MNB.)

The securities and Cash Account allocations specified by the Account Holder will be set up or modified on the basis of the form or contract established for this purpose.

#### 10. Default electronic client communication channel

The Account Holder must have at least one of the following electronic communication channels for processing orders to be executed in the securities settlement system and for receiving notifications (messages, reports) from KELER. Accordingly, the Account Holder must specify a default communication channel. The default communication channel shall be used, inter alia, for the transmission of notifications relating to orders that are not initiated by the Account Holder.

The default communication channels may be:

- KID (thick client or e-KID depending on the Account Holder's individual subscription)
- SWIFT.

The electronic client communication channels mentioned above are used by KELER and the Account Holders to access the following key services:

- recording of settlement orders and other securities account transactions (e.g. blocking),
- cash account transactions,
- corporate events,
- status, confirmations, notifications,
- account statements and reports.

The detailed rules for managing settlement orders are set out in the Depository Announcement 9-20 and the detailed rules for managing cash account orders are set out in the Depository Announcement 9-27 on information on the management of the KELER cash account.

The Account Holder may define one default message and report subscription rule for each of its central securities accounts starting with the same counterparty ID - formerly known as main account number - (i.e. each securities account starting with the same first 4 digits - formerly known as main account - has the same communication channel).

The principle related to the status of orders is that KELER always sends a status to the Account Holder via the communication channel on which the order was submitted to KELER (i.e. for example, if an instruction sese.023 is received on KID, KELER will send a message sese.024 to the Account Holder's KID, if the Account Holder sends a message MT54x on SWIFT, the response will also be sent on SWIFT in the form of a message MT548). An exception to this may be if the Account Holder's default channel is KID but submits the order to KELER via SWIFT, in which case it will receive all the associated response messages on both channels.

If an instruction is submitted for the Account Holder's account by a third party (e.g. KELER CCP,



BSE, account operator) or by KELER itself (i.e. the instruction does not originate directly from the Account Holder), the corresponding status messages will be sent to the Account Holder via the default communication channel and format chosen by the Account Holder (regardless of the channel used by the sending party itself).

In connection with orders submitted by a third party or KELER, KELER will send a notification to the submitting party (e.g.: KELER CCP, BSE) and to the Account Holder via the chosen default channel.

If the order does not originate directly from the Account Holder, KELER will return a 'NONREF' response message instead of the reference of the submitting party in the status message to the Account Holder.

Similarly, in the case of odd-numbered orders submitted against the Account Holder's account, the allegation notifications to be sent to the Account Holder will be sent via the default communication channel.

The Account Holder may declare the electronic communication channel to be used and the subscription rules for each report or message via the KELER Customer Service using the form provided for this purpose.

If the electronic communication channel the Account Holder wishes to use is SWIFT and the Account Holder wishes to use "reverse billing", the Account Holder may indicate that wish by means of the appropriate form.

## 11. Disposition of account

Unless otherwise expressly provided for by law or by a decision of a public authority, or in the absence of a specific authorisation from the Account Holder, KELER shall accept any disposition of both the Central Securities Account and the Cash Account only from the Account Holder or persons or entities authorised by the Account Holder.

In the case of certain orders or on a general basis, the Account Holder may grant a separate authorization to a third party (authorized entity, e.g. account operator) to send orders to and receive notifications from the KELER securities settlement system via the SWIFT network to his account. The authorised entity is registered by KELER on the basis of the BIC code of the authorised entity.

By default, KELER receives orders for other securities and Cash Accounts and Custody Accounts electronically (KID or SWIFT).

The Account Holder's representative with company representation must indicate on the signature notification form provided for this purpose the persons who are authorised to dispose of the Account without any limitation of the amount, specifying the method of disposal (joint/specified joint/individual). The signature declaration form must be signed by the authorised persons by their own hands with the signature in which they will dispose of the account and must bear the company signature of the authorising representative reported to KELER. KELER will consider the orders on the account submitted in that form as a Bank Signature.

The signatures of those who sign an order that is not submitted electronically with a bank signature will be validated by KELER against the valid signature notification form associated with the Account Holder and will only be accepted if there is a match.

KELER considers that instructions submitted via client communication system are given by persons with right to dispose over the account. The Account Holder is responsible to ensure that only persons authorized by the Account Holder for this purpose can access instruments for providing via client communication system instructions.

## 12. Fees related to segregation of securities account

The fees related to the Central Securities Account are set out in the KELER Fee Schedule in force at the time, and are invoiced monthly in arrears.

The Account Holder is charged the registration fee when a security (ISIN) is credited to an account for the first time. If the entire amount of securities (ISIN) registered in an account is debited and subsequently credited to the same account again, even in a different amount, the registration fee will be charged again.

In addition, the Account Holder will be charged a fixed monthly account maintenance fee, which is independent of the number of central securities accounts held by the Account Holder.

## 13. Account statements, transaction notifications, reports

Reports, account statements, are issued on the balance and transactions on the accounts held by KELER.

A description of the statements and notifications available on SWIFT and KID in ISO20022 format can be found on the SWIFT MyStandards portal.

[https://www2.swift.com/mystandards/#/group/KELER!usage\\_guidelines](https://www2.swift.com/mystandards/#/group/KELER!usage_guidelines)

For a description of reports and messages in non-ISO20022 format but available on KID, please refer to the current version of the [KIDIO](#) document available on the KELER KID system.

## 14. Other Information on the Central Securities Account, Cash Account

If, in addition to the account statements and queries provided by the electronic communication channels, the Client requests specific account information for their account, KELER will provide information on the accounts held by it as follows:

- a request received by telephone or from a non-group e-mail address ( ) a reply will be sent to the group e-mail address registered at KELER,
- in writing in an application signed by authorized signatories.

In addition to the account statements and queries provided by the primary electronic communication channels, KELER will provide account information to the Account Holder in writing

only.

Upon the Client's request, KELER shall send the information through the communication channel and to the recipients specified therein. If the Customer requests sending the information in electronic form, it shall be sent by encrypted electronic mail and by registered mail.

KELER is not responsible for any consequences arising from giving information in line with the regulations as referred to above.

KELER shall provide the Client with its response to the Account Holder's duly signed written request for banking information within 10 working days of receipt of the request that meets the eligibility criteria.

In addition to the information requested for the audited financial statements, any other written information issued at the Client's request in relation to the securities account and the cash deposit account held by KELER is considered as bank information.

The corporate, group e-mail address that can be linked to a given institution can be declared on the form 'Contracting Party's Master Data'. If the Account Holder does not have a group email address, no transaction or account information will be provided to the Account Holder.

#### 15. Termination of accounts held by KELER

The cases in which accounts held by KELER may be terminated and the procedure to be followed in the event of termination are set out in the relevant chapter of the General Business Rules.

The Account Holder may initiate the closure of an account held by KELER through KELER KID or by using the form provided by the Account Holder.

KELER will only terminate an account held by it if the conditions set out in the GTC are met in connection with the account termination.

Upon termination of the contract for individual services, the accounts opened in connection with the individual service shall also be terminated.

## Annex 1

## Information required to open own securities accounts

Securities account details	Account data requirement	
Securities account (sub-account) code	6-character numeric data	
Securities account (sub-account) name	alphanumeric data up to 30 characters	
Abbreviated name	alphanumeric data up to 10 characters	
Securities account (sub-account) type	<b>OWN</b>	
Named sub-account	<b>YES</b>	
Resident	<b>YES</b>	<b>NO</b>
Type of owner	<b>LEGAL PERSON</b>	
Automatic FOP credit generation	MANDATORY	MANDATORY
Consents to entry in the register of shareholders	MANDATORY	MANDATORY
Tax number	MANDATORY	OPTIONAL
BIC	OPTIONAL	OPTIONAL
Company registration number	OPTIONAL	OPTIONAL
LEI	OPTIONAL	MANDATORY
MNB identifier	OPTIONAL	-
Registered office - Country code	MANDATORY	MANDATORY
Registered office - Country	MANDATORY	MANDATORY
Registered office - Postcode	MANDATORY	MANDATORY
Registered office - Settlement	MANDATORY	MANDATORY
Registered office - Name and type of public area	MANDATORY	MANDATORY
Registered office - House number	MANDATORY	MANDATORY
Mailing address - Country code	OPTIONAL	OPTIONAL
Mailing address - Country	OPTIONAL	OPTIONAL
Mailing address - Postcode	OPTIONAL	OPTIONAL
Mailing address - Settlement	OPTIONAL	OPTIONAL
Mailing address - Name and type of public area	OPTIONAL	OPTIONAL
Mailing address - House number	OPTIONAL	OPTIONAL

## Annex 2

## Data required to open principal securities accounts

Securities account details	For securities account opened by the account holder	
Securities account (sub-account) code	6-character numeric data	
Securities account (sub-account) name	alphanumeric data up to 30 characters	
Abbreviated name	alphanumeric data up to 10 characters	
Securities account (sub-account) type	<b>PRINCIPAL</b>	
Principal type	<b>CONSOLIDATED</b>	
Automatic FOP credit generation	<b>MANDATORY</b>	<b>MANDATORY</b>
Consents to entry in the register of shareholders	<b>NO</b>	
Type of owner	OPTIONAL	OPTIONAL
Resident	OPTIONAL	OPTIONAL
Named account (Yes/No)	-	MANDATORY
Identification number	OPTIONAL	OPTIONAL
Tax number	OPTIONAL	OPTIONAL
Personal identity card/Passport number	OPTIONAL	OPTIONAL
BIC	OPTIONAL	OPTIONAL
Company registration number	OPTIONAL	OPTIONAL
LEI	OPTIONAL	OPTIONAL
MNB identifier	OPTIONAL	OPTIONAL
Other identifier	OPTIONAL	OPTIONAL
Registered office Country code	OPTIONAL	OPTIONAL
Registered office Country	OPTIONAL	OPTIONAL
Registered office Postcode	OPTIONAL	OPTIONAL
Registered office Settlement	OPTIONAL	OPTIONAL
Registered office Name and type of public area	OPTIONAL	OPTIONAL
Registered office House number	OPTIONAL	OPTIONAL
Mailing address Country code	OPTIONAL	OPTIONAL
Mailing address Country	OPTIONAL	OPTIONAL
Mailing address Postcode	OPTIONAL	OPTIONAL
Mailing address Settlement	OPTIONAL	OPTIONAL
Mailing address Name and type of public area	OPTIONAL	OPTIONAL
Mailing address House number	OPTIONAL	OPTIONAL

## Annex 3

## Information required to open a named securities account

Securities account details	For securities account opened by the Account Holder			
Securities account (sub-account) code	6-character numeric data			
Securities account (sub-account) name	alphanumeric data up to 30 characters			
Abbreviated name	alphanumeric data up to 10 characters			
Securities account (sub-account) type	<b>PRINCIPAL</b>			
Principal type	<b>INDIVIDUALLY SEGREGATED</b>			
Named account	<b>YES</b>			
Type of owner	<b>LEGAL PERSON</b>		<b>PRIVATE INDIVIDUAL</b>	
Resident	<b>YES</b>	<b>NO</b>	<b>YES</b>	<b>NO</b>
Automatic FOP credit generation	MANDATORY	MANDATORY	MANDATORY	MANDATORY
Consents to entry in the register of shareholders	MANDATORY	MANDATORY	MANDATORY	MANDATORY
Identification number	-	-	MANDATORY	OPTIONAL
Tax number	MANDATORY	OPTIONAL	-	-
Personal identity card/Passport number	-	-	OPTIONAL	MANDATORY
BIC	OPTIONAL	OPTIONAL	-	-
Company registration number	OPTIONAL	OPTIONAL	-	-
LEI	OPTIONAL	MANDATORY	-	-
MNB identifier	OPTIONAL	-	-	-
Other identifier	OPTIONAL	OPTIONAL	OPTIONAL	OPTIONAL
Registered office Country code	MANDATORY	MANDATORY	MANDATORY	MANDATORY
Registered office Postcode	MANDATORY	MANDATORY	MANDATORY	MANDATORY
Registered office Settlement	MANDATORY	MANDATORY	MANDATORY	MANDATORY
Registered office Name and type of public area	MANDATORY	MANDATORY	MANDATORY	MANDATORY
Registered office House number	MANDATORY	MANDATORY	MANDATORY	MANDATORY
Mailing address Country code	OPTIONAL	OPTIONAL	OPTIONAL	OPTIONAL
Mailing address Postcode	OPTIONAL	OPTIONAL	OPTIONAL	OPTIONAL
Mailing address Settlement	OPTIONAL	OPTIONAL	OPTIONAL	OPTIONAL
Mailing address Name and type of public area	OPTIONAL	OPTIONAL	OPTIONAL	OPTIONAL
Mailing address House number	OPTIONAL	OPTIONAL	OPTIONAL	OPTIONAL

## Annex 4

## Blocking title

<b>Title code</b>	<b>Title description</b>
<b>LIEN</b>	mortgage
<b>BAIL</b>	collateral
<b>DECO</b>	court deposit
<b>DCPN</b>	notarial deposit
<b>RFLA</b>	notice of legal action
<b>EXPO</b>	implementing law
<b>REOC</b>	limitation of transfer
<b>RPEM</b>	right of pre-emption
<b>RREP</b>	repurchase right
<b>RSEL</b>	selling right
<b>RPUR</b>	purchase right
<b>PSFM</b>	security measure
<b>INTM</b>	temporary measure
<b>BLAW</b>	other blocking based on the law
<b>BJUM</b>	other blocking based on a court order
<b>BREM</b>	other blocking based on a measure of a public authority
<b>BLCO</b>	other contract-based blocking
<b>BLIN</b>	other blocking based on instructions
<b>OTHR</b>	other