



## **RESOLUTION 22**

**“Technical terms and procedures for the timely and orderly settlement and transfer of the Securities of clients and Participants to another Central Securities Depository in the event of the withdrawal of the authorisation of ATHEXCSD”**

**THE BOARD OF DIRECTORS  
OF “HELLENIC CENTRAL SECURITIES DEPOSITORY”  
SOCIETE ANONYME**

(Meeting 355/18.12.2023)

Having regard to:

1. the provisions of article 20, par. 5 of Regulation (EU) No 909/2014 (hereinafter, the “CSDR”)
2. the provisions of article 30 of Commission Delegated Regulation (EU) 2017/392 of 11 November 2016, supplementing Regulation (EU) No 909/2014 of the European Parliament and of the Council with regard to regulatory technical standards on authorisation, supervisory and operational requirements for central securities depositories
3. the terms of article 2.7, Part 2, Section I of the ATHEXCSD Rulebook, and
4. the need to lay down the technical terms and procedures under which ATHEXCSD ensures the timely and orderly settlement and transfer of the assets of Participants and clients in the event of the withdrawal of its authorisation

### **HEREBY RESOLVES AS FOLLOWS**

#### **ARTICLE 1 – Purpose and scope of application**

1. This Resolution lays down the terms and procedures on the basis of which ATHEXCSD performs the timely and orderly settlement and transfer of the Securities of clients – end investors (hereinafter, “Clients”) and of Participants to another Central Securities Depository (hereinafter, “CSD”) in the event of the withdrawal of its authorisation by the Hellenic Capital Market Commission.
2. For the purposes of these presents, the authorisation of ATHEXCSD may be withdrawn in any of the circumstances set out in article 20 of the CSDR.

#### **ARTICLE 2 – Actions to prevent withdrawal of ATHEXCSD’s authorisation**

1. ATHEXCSD has been authorised in compliance with the law and in accordance with the provisions of the CSDR and Law 4569/2018 to operate as an active CSD and, without prejudice to any insurmountable adverse economic conditions and/or cases of force majeure, does not intend to relinquish its authorisation.
2. For all possible scenarios that could potentially lead to the withdrawal of its authorisation, ATHEXCSD takes all appropriate prevention and protection measures, through the comprehensive risk management process, as provided for in the CSDR, while at the same time implementing rigorous internal control procedures, limiting its exposure to the risk of mismanagement.
3. In all cases, ATHEXCSD's intention is to fully cooperate with the Hellenic Capital Market Commission and the competent supervisory authorities to remedy any indication of a breach of the requirements of the CSDR and/or its implementing provisions, and to fully comply with all relevant instructions given.

### **ARTICLE 3 – Actions in response to the withdrawal of ATHEXCSD's authorisation**

1. In the event that any of the reasons for authorisation withdrawal, as provided in article 20 of the CSDR, apply to ATHEXCSD and notification to this effect is given by the Hellenic Capital Market Commission, the Board of Directors of ATHEXCSD shall hold an ad hoc meeting in order to decide on:
  - a. the possibility of taking the remedial actions that will be required in order for ATHEXCSD to again fulfil the conditions for the granting of authorisation, or
  - b. commencement of the resolution process, or
  - c. commencement of the process for the winding-down of ATHEXCSD.
2. ATHEXCSD undertakes that in the event of the occurrence of circumstances that lead to the withdrawal of its authorisation, pursuant to the provisions of article 20, par. 5 of the CSDR, it shall continue to hold the required capital for a period of at least six (6) months in order to ensure an orderly winding-down of its activities, in accordance with the provisions of article 47, par. 1, item (b) of the CSDR, and carry out the transfer of all Securities held in the Dematerialised Securities System (DSS) to another CSD along with any other necessary action, following the procedure stipulated herein.
3. In all cases, the procedure provided for the transfer of the Securities of Clients and Participants which are held by ATHEXCSD shall be examined in the light of its inclusion in a wider plan for the resolution or winding-down of ATHEXCSD, which will be implemented under the oversight of the Hellenic Capital Market Commission as competent supervisory authority for the resolution of

ATHEXCSD.

#### **ARTICLE 4 – Procedure for handling the withdrawal of ATHEXCSD’s authorisation**

##### **A. Notification to the Hellenic Capital Market Commission & activation of the appropriate measures**

In the event that ATHEXCSD finds itself in a final and irreversible situation that entails the withdrawal of its authorisation, it shall take the following actions:

- a. It shall immediately notify the Hellenic Capital Market Commission regarding the reasons for its inability to continue its operation, forwarding to the latter all relevant information, along with all pertinent data and details available at the time.
- b. It shall activate the mechanisms for use of the capital set aside for the orderly winding-down or restructuring of its activities, as appropriate in each case.

##### **B. Individual stages of the procedure & competent bodies**

After taking the actions set out under section A above, ATHEXCSD shall implement the following procedure in order to facilitate its Clients and Participants, in three distinct stages as follows:

- I. Within three months of the announcement of the supervisory authority’s decision to withdraw authorisation:
  1. In accordance with the below, it shall evaluate the alternative options and select a CSD to receive the Securities which has a passport – in the sense of the CSDR – to provide depository services in respect of financial instruments that have been constituted in Greece, including the core services of Initial Recording and Central Maintenance. More specifically:
    - a. It shall examine the alternative options regarding the choice of CSD to receive the Securities, in order for it to be confirmed and jointly agreed that it fulfils all the necessary conditions.
    - b. It shall inform **Issuers** about the alternative options regarding the choice of transferee CSD for the initial recording of their Securities.
    - c. It shall inform **Participants** about the alternative options regarding the choice of transferee CSD, since they will be asked to decide whether they will become Participants in the chosen transferee CSD or keep their Securities through a provider of custody services at the transferee CSD.
  2. It shall inform Issuers and Participants, respectively, regarding:

- a. the chosen transferee CSD as well as the action plan, in order to facilitate the smooth transition of Securities to the new transferee CSD, in accordance with the transfer procedures and relevant instructions of the transferee CSD,
  - b. the procedures and actions that will be taken by ATHEXCSD in the event that they do not complete the necessary steps for the transfer of the Securities within the prescribed period.
- II. Within the six-month period from the taking of the relevant decision up to the implementation of the authorisation withdrawal:
  1. **Issuers** shall notify **ATHEXCSD** regarding the transferee CSD to which they wish their Securities to be transferred, either to the transferee CSD proposed by ATHEXCSD or to a different transferee CSD of their own choice.
  2. **Participants** that hold secondary recorded Securities on behalf of their clients in ATHEXCSD, shall notify ATHEXCSD regarding the custodian to which they wish the Securities of their clients to be transferred.
  3. ATHEXCSD shall coordinate with the **transferee CSDs** which have been chosen by Issuers and with the **Custodians** which have been chosen by Participants that hold secondary recorded securities on behalf of their clients in ATHEXCSD, regarding the procedure for transferring the Securities and shall provide them with all necessary information (e.g., encumbrances such as pledges, attachments, usufructs, etc.) for the proper holding of the securities.
  4. ATHEXCSD shall inform **Participants** so that they can take the appropriate actions for the transfer of Securities of Issuers with initial recording in ATHEXCSD and of secondary recorded Securities that they hold on behalf of their clients in ATHEXCSD, in accordance with the procedures of each chosen transferee CSD or custodian respectively. In addition, it shall provide Participants with all necessary information (e.g., encumbrances such as pledges, attachments, usufructs, etc.) for the proper holding of their clients' securities.
- III. At the end of the six-month period up to the implementation of the authorisation withdrawal:
  1. **In cases where Issuers have not completed the necessary actions within the prescribed period**, ATHEXCSD shall inform the Participants that hold Securities of the aforesaid Issuers, so that they can take the appropriate actions (in accordance with the procedures of the transferee CSD) for the **transfer of the Securities:**
    - a. **to the transferee CSD chosen by ATHEXCSD**, for Issuers with initial recording of their Securities in ATHEXCSD. **A prerequisite for this is that the transferee CSD accepts the initial recording**

- of the Issuers' Securities**, in accordance with the relevant legal documents which ATHEXCSD keeps in its records and will forward to the transferee CSD on their behalf;
- b. to the issuer CSD**, for Issuers with a secondary recording of their Securities in ATHEXCSD (i.e., for dual-listed Securities).
  2. ATHEXCSD shall then notify **Issuers** regarding the above actions.
  3. **In cases where the chosen transferee CSD does not accept the initial recording of the Securities of Issuers** in accordance with the relevant legal documents forwarded by ATHEXCSD on their behalf, then ATHEXCSD:
    - a. shall delete the Securities of the Issuers and deliver the shareholder register to the Issuers (including information regarding any encumbrances on the securities of the Issuers), so that they may then arrange the initial recording of their Securities directly with the transferee CSD of their choice;
    - b. shall notify the Participants that hold the Securities in question regarding their deletion from the ATHEXCSD register, referring them to the Issuers for any further information.
  4. **In cases where Participants that hold secondary recorded securities on behalf of their clients in ATHEXCSD have not completed the necessary actions within the prescribed period**, ATHEXCSD shall carry out the necessary actions, in accordance with the terms and conditions of its providers of custody services, so that the Securities of Clients and Participants continue to be held by those providers until they receive instructions from Participants to transfer the Securities. At the same time, ATHEXCSD shall provide all necessary information (e.g., encumbrances such as pledges, attachments, usufructs, etc.) for the proper holding of their clients' securities.

#### **ARTICLE 5 – Notifications regarding measures taken**

1. ATHEXCSD shall notify the following regarding the measures taken in accordance with article 4 hereof:
  - a. the Hellenic Capital Market Commission
  - b. any third party involved in or affected by the withdrawal of its authorisation, such as – in particular – System Operators, Trading Venue Operators, Operators of any common settlement infrastructure, linked CSDs, always in compliance with the requirements of Regulation (EU) 2016/679 (General Data Protection Regulation) on the protection of personal data.

#### **ARTICLE 6 – Periodic review and re-examination of the terms and procedures for handling the withdrawal of ATHEXCSD's authorisation**

Without prejudice to the terms hereof which are imposed by mandatory rules of law, ATHEXCSD shall conduct an ad hoc re-examination of the terms hereof whenever this is necessitated by any changes to the operating conditions of ATHEXCSD and/or the depository services provided by it.

### **Entry into force**

1. This Resolution shall be made public on the website [www.athexgroup.gr](http://www.athexgroup.gr) and enter into force as of its publication on the company's relevant website.
2. The publication of this Resolution is subject to the formalities of article 2.6, Part 2, Section I of the ATHEXCSD Rulebook.