



RESOLUTION No. 7

"Technical and procedural issues concerning the application of the provisions of par. 7, 8 and 9, article 29, Law 4569/2018"

THE BOARD OF DIRECTORS OF THE HELLENIC CENTRAL SECURITIES DEPOSITORY S.A. (ATHEXCSD)

(Meeting 281/07.11.2018)

Having regard to the provisions of par. 7, 8 and 9 of article 29 of Law 4569/2018 and the need to clarify technical and procedural issues relating to the application of the aforesaid provisions

HEREBY RESOLVES AS FOLLOWS:

It sets out the procedures and technical details for application of the provisions of par. 7, 8 and 9 of article 29 of Law 4569/2018 as follows:

A. PROCEDURE FOR THE TRANSFER OF TRANSFERABLE SECURITIES, FREE OF ENCUMBRANCES AND ATTACHMENTS, FROM SPECIAL ACCOUNTS TO OPERATOR ACCOUNTS OF BENEFICIARIES FOR THE PURPOSE OF APPLYING PAR. 7 (a) OF ARTICLE 29 OF LAW 4569/2018

1. Balances of transferable securities kept in Special Accounts of Investor Shares in the Dematerialised Securities System (DSS), on the basis of the provisions of decision 3/304/10.6.2004 (Government Gazette B' 901) of the Hellenic Capital Market Commission on the "Operating Rules of the Dematerialised Securities System" (hereinafter the "Operating Rules"), are transferred on the responsibility of beneficiaries to a DSS Operator Account pursuant to par. 7 (a) of article 29 of Law 4569/2018.

2. To make the transfers of par. 1, the following procedure shall apply:

- a) Transfers are made, pursuant to par. 7 (a) of article 29 of Law 4569/2018, at the latest within a three-month time limit that begins after two months have elapsed from the entry into force of Law 4569/2018. Consequently, given that the law enters into force as of the date of its publication in the Government Gazette, i.e. on **11.10.2018**, the declarations of

beneficiaries for the purpose of making the transfers must have been submitted to ATHEXCSD by no later than **17.00** on **13.3.2019**.

b) To make the transfers, the provisions of the Operating Rules are applied. In particular, it should be noted that in cases where Securities Accounts of Shares of beneficiaries do not have an Operator Account, in order to effect the transfers an Operator Account must have been opened and relevant instructions given for the transfer.

3. It is clarified that the transfers of par. 1 do not relate to:

a) balances of transferable securities which are kept in Special Accounts due to inheritance. These balances will remain in the Special Accounts of the deceased until their transfer to heirs has been lawfully completed.

b) balances of transferable securities which are kept in a Special Account of the Share of the Consignment Deposits & Loans Fund. These balances will be maintained as normal in accordance with the procedures of the DSS.

c) instances of transferable securities blocked in Special Accounts due to a pledge or other encumbrance of par. 8, article 29, Law 4569/2018 for which the procedure of §D of this resolution applies.

d) balances of transferable securities due to beneficiaries not coming forward in accordance with article 44 of Law 2396/1996, which are compulsorily sold pursuant to the provisions of par. 4, article 29 of Law 4569/2018.

B. PROCEDURE FOR THE COMPULSORY SALE OF TRANSFERABLE SECURITIES, FREE OF ENCUMBRANCES AND ATTACHMENTS, OF BENEFICIARIES, WHICH HAVE NOT BEEN TRANSFERRED WITHIN THE PRESCRIBED TIME LIMIT FROM SPECIAL ACCOUNTS TO OPERATOR ACCOUNTS OF BENEFICIARIES FOR THE PURPOSE OF APPLYING PAR. 7 (b) OF ARTICLE 29 OF LAW 4569/2018

1. If, after the expiry of the time limit stipulated in § A (2) (a), i.e. **after 13.3.2019**, there is a balance of transferable securities in a Special Account, other than those for which provision is made in § A (3), the transferable securities remaining therein shall be compulsorily sold by no later than a period of three months from that date, i.e. by **14.6.2019**, pursuant to par. 7 (b), article 29 of Law 4569/2018. The sale is conducted following an announcement by ATHEXCSD which is made by the means stipulated in par. 9, article 29 of Law 4569/2018, i.e. by its posting on the website www.athexgroup.gr, along with its publication in one (1) daily political and one (1) financial newspaper, which are published in Athens and widely circulated throughout the country. The announcement is published three (3) business days prior to the sale.

2. The sale of par. 1 is carried out by a Member of the Securities Market of ATHEX or of the Alternative Market of ATHEX (hereinafter the "Member"/"Members" and the "Market"/"Markets"), depending on the case, on the basis of an ATHEX Method that ensures it is conducted at the closing price (at the close) and is used for the purpose of applying par. 7 (b), article 29 of Law 4569/2018.

3. The Member is selected by ATHEXCSD for each sale from a list of members in alphabetical order. The proceeds of the sale, after deduction of all kinds of duties or expenses for the sale, are deposited in the Consignment Deposits & Loans Fund in the name of the beneficiary. All expenses for the aforesaid deposit are charged to the beneficiary. The above are applied pursuant to subparagraphs 2, 3, 4 and 5 of par. 7 (b), article 29, Law 4569/2018.

4. The sale procedure of par. 1 has the following particular technical characteristics:

a) ATHEXCSD notifies ATHEX of its decision relating to each sale, by no later than three (3) business days prior to the day of the sale, as this will be announced in accordance with the provisions of par. 1. The sale will relate to a certain quantity of transferable securities to be specified by ATHEXCSD. At the same time, ATHEXCSD notifies ATHEX regarding the Member that will carry out the relevant sale as well as the details of the sale in accordance with the aforesaid announcement. Similarly, ATHEX notifies its Members of the sale, publishes the decision in the Daily Official List and announces the details of the sale before the start of the session on the day of the sale. The message includes the symbol of the transferable security to be sold and the number of pieces.

b) Moreover, the sale is conducted at the closing price in accordance with the provisions of article 2.3.4.2 of the Athens Exchange Rulebook.

5. The clearing of sale transactions conducted in accordance with the preceding paragraphs is carried out through ATHEXClear in accordance with the provisions of the Rulebook for Clearing Transactions in Book-Entry Securities. For the settlement of the respective sale transactions, ATHEXCSD acts as exclusive Operator in the Securities Accounts of the Shares of beneficiaries, in respect of those transferable securities for which the sale is being conducted in accordance with its procedures.

6. Balances of transferable securities, listed on markets other than the Markets of ATHEX, which are kept in Special Accounts and do not relate to the balances foreseen in § A (3), are transferred to an Operator Account in accordance with § A hereof. If no transfer is carried out, ATHEXCSD deposits the respective transferable securities in the Consignment Deposits & Loans Fund in the name of the beneficiary, applying the provisions of § G hereof.

C. PROCEDURE FOR THE COMPULSORY SALE OF ATTACHED TRANSFERABLE SECURITIES FOR THE PURPOSE OF APPLYING PAR. 7 (d) OF ARTICLE 29 OF LAW 4569/2018

1. If the balance of a beneficiary's Special Account in the DSS has been placed under attachment, the transferable securities thus attached are sold, pursuant to par. 7 (d) of article 29 of Law 4569/2018, on the basis of the procedure described in § B hereof. The sale is carried out, pursuant to the same aforementioned provision, at the latest within a three-month time limit that begins after two months have elapsed from the entry into force of Law 4569/2018, i.e. by no later than **13.3.2019**. In such a case, the attachment is considered to apply to the proceeds of the sale, which are deposited in the Consignment Deposits & Loans Fund in accordance with the provisions of § B hereof.

D. PROCEDURE FOR THE TRANSFER OF TRANSFERABLE SECURITIES, BLOCKED DUE TO A PLEDGE OR OTHER ENCUMBRANCE, FROM SPECIAL ACCOUNTS TO OPERATOR ACCOUNTS OF BENEFICIARIES FOR THE PURPOSE OF APPLYING PAR. 8 (a) OF ARTICLE 29 OF LAW 4569/2018

If, in the Special Account of a Securities Account of a Share, there are transferable securities that have been blocked due to a pledge or other encumbrance, such as by virtue of mandatory provisions of law or other lawful seizure, the provisions of par. 8 (a), article 29, Law 4569/2018 shall be applied in accordance with the stipulations of the following procedure:

a) At the latest within a three-month time limit that begins after two months have elapsed from the entry into force of Law 4569/2018, i.e. within the period from **13.12.2018** up to and including **13.3.2019**, the relevant transferable securities must be transferred under the care of an Operator, designated by the beneficiary, to the latter's account in the DSS, where they shall remain blocked by ATHEXCSD according to the terms of the pledge or encumbrance. It is clarified that adherence to the aforesaid time limit does not affect transfers of the abovementioned blocked transferable securities which are carried out in implementation of the terms of the respective pledge or encumbrance.

b) Beneficiaries that wish to designate a different Operator to the one stipulated in the terms of the pledge or encumbrance, as such terms have been declared to ATHEXCSD, in application of the provisions of instance (a), must submit a relevant declaration of amendment of the terms of the pledge or encumbrance to ATHEXCSD by no later than the start of the three-month time limit for transfer, i.e. by **13.12.2018**. If no such declaration is made within the aforesaid time limit, the Operator that has been jointly declared to ATHEXCSD by the parties to the relevant pledge or encumbrance shall be designated as the Operator that implements the provisions of instance (a).

c) In the case of pledges or encumbrances with multiple rankings, upon transfer in accordance with instance (b) the respective persons in favour of whom the pledge or encumbrance of the next rankings has been established shall be notified accordingly through the DSS.

d) After the end of the three-month time limit, i.e. after **13.3.2019**, ATHEXCSD notifies the persons in favour of whom the relevant encumbrances have been established regarding the transfer of the transferable securities in accordance with the above. If the beneficiary has not designated an Operator in accordance with instance (a) and no Operator has been jointly declared in accordance with instance (b), the person in whose favour the encumbrance has been established shall be entitled to designate an Operator for the Securities Account of the Share of the beneficiary in the DSS within one (1) month from the end of the above time limit, i.e. up to **15.4.2019**. For the purpose of the designation of an Operator by the person to whom the encumbrance relates, the procedures set out in the Operating Rules for opening an Operator Account shall apply.

E. PROCEDURE FOR THE COMPULSORY SALE OF TRANSFERABLE SECURITIES, BLOCKED DUE TO A PLEDGE OR OTHER ENCUMBRANCE, OF BENEFICIARIES, WHICH HAVE NOT BEEN TRANSFERRED

WITHIN THE PRESCRIBED TIME LIMIT FROM SPECIAL ACCOUNTS TO OPERATOR ACCOUNTS OF BENEFICIARIES FOR THE PURPOSE OF APPLYING PAR. 8 (b) OF ARTICLE 29 OF LAW 4569/2018

If, after **15.4.2019**, there are balances of transferable securities in Special Accounts of beneficiaries in accordance with the provisions of § D hereof, the relevant transferable securities shall be compulsorily sold, in implementation of par. 8 (b), article 29, Law 4569/2018, and § B hereof shall be applied. The sale is conducted at the latest within a three-month time limit, which expires on **16.7.2019**.

F. PROCEDURE IN THE CASE OF ATTACHMENT OF TRANSFERABLE SECURITIES, BLOCKED DUE TO A PLEDGE OR OTHER ENCUMBRANCE, FOR THE PURPOSE OF APPLYING PAR. 8 (d) OF ARTICLE 29 OF LAW 4569/2018

§§ D and E are applied also in cases where attachment has been imposed on transferable securities blocked due to a pledge or encumbrance, in implementation of par. 8 (d), article 29, Law 4569/2018.

G. DEPOSITING OF TRANSFERABLE SECURITIES IN THE CONSIGNMENT DEPOSITS & LOANS FUND FOR THE PURPOSE OF APPLYING PAR. 7 (c), (d) AND PAR. 8 (b) OF ARTICLE 29 OF LAW 4569/2018

In the event of suspension of trading in the transferable securities pending sale, which are sold in accordance with the provisions of §§ B, C and E hereof, or the inability to sell all or some of the securities within the time limits set in §§ B, C and E hereof, the unsold transferable securities shall be deposited in the Consignment Deposits & Loans Fund, in a Special Account of the latter in the DSS, in the name of the beneficiary, while any and all expenses for making such deposit shall be charged to the beneficiary, in implementation of the provisions of par. 7 (c), (d) and par. 8 (b), article 29 of Law 4569/2018.

H. PLEDGE OR ENCUMBRANCE ON TRANSFERABLE SECURITIES IN THE OPERATOR ACCOUNT OF THE BENEFICIARY INSTEAD OF THE SPECIAL ACCOUNT IN ACCORDANCE WITH PAR. 8 (c), ARTICLE 29 OF LAW 4569/2018

Pledges or encumbrances on transferable securities after the lapse of two months from the entry into force of Law 4569/2018, i.e. after **12.12.2018**, are established not in the Special Account but in the Operator Account of the Share of the beneficiary in the DSS, in implementation of par. 8 (c), article 29, Law 4569/2018.

This resolution shall have effect as of its posting on the website of ATHEXCSD (www.athexgroup.gr).

This resolution is to be posted immediately on the above-mentioned website and the posting date should be inserted next to the post as the effective date hereof. This resolution is also to be published in one (1) daily political and one (1) financial newspaper, which are published in Athens and widely

circulated throughout the country, in accordance with the provisions of par. 9, article 29, Law 4569/2018.