To

**The HELLENIC EXCHANGES SA HOLDING CLEARING SETTLEMENT AND REGISTRY (HELEX)**

**Member Support Division**

110 Athinon Ave.,

104 42 Athens, Greece

Athens, ………………

**STATEMENT & SPECIAL TERMS FOR THE PROVISION OF SETTLEMENT BANK SERVICES**

**TO HELEX’S ANCILLARY SYSTEM IN TARGET2**

The legal entity under the name ………………………………………………………………………… having its seat in ………………………………………………………………………… TIN ……………………………………………………………… duly represented for the signature hereof by Mr/Mrs. ………………………………………………………………………, having the capacity of Direct Member in TARGET2 and acting as Settlement Bank, as specifically set out hereinbelow (hereinafter referred to as the Settlement Bank),

**Taking into Account:**

1. Guideline EC/2007/2 “Trans-European Automated Real-time Gross Settlement Express Transfer System (TARGET2)” (Target2 Guidelines)
2. The Regulations regarding the Operation of the Real-time Gross Settlement Express Transfer System TARGET2-GR dated 8/3/2008 (hereinafter referred to as the “TARGET2-GR Operating Regulations”) which guides the operation of HELEX’s ancillary system
3. The fact that HELEX, acting as Central Securities Depository and DSS Administrator, according to article 39 foll. of law 2396/1996, article 83 § 4 and 5 of law 3606/2007 and 1 through 7 of law 3756/2009, carries out the settlement of trades in ATHEX and OTC on transferable securities and/or derivatives within the framework of the provision of relevant services to the participants as Operators of the Dematerialised Securities System (DSS) of law 3756/2009, including, as such, the market administrators, and the administrators of central counterparty systems, clearing and settlement as well as the foreign central depositories connected with the DSS.
4. The fact that the cash settlement of trades settled, according to the above (under 3) by HELEX shall be carried out through TARGET2-GR (as component of TARGET2), which is operated by the Bank of Greece, according to the provisions of the TARGET2-GR Operating Regulations, as well as that HELEX’s relevant settlement system, which is the “ancillary system” in the sense of the TARGET2-GR Operating Regulations (hereinafter referred to as “HELEX’s Ancillary System”), has been connected with TARGET-2-GR.
5. The terms of operation of settlement banks, according to the TARGET2Guidelines that may render cash settlement services, through TARGET2, to ancillary systems and their participants (Settlement Banks).
6. The statement dated ……………… «TARGET2 form of collection of Static Data - Debit mandate for AS settlement -» (Form 2002), as such was signed by the Settlement Bank and HELEX and was forwarded to the Bank of Greece, based on which the Settlement Bank and HELEX confirm that the Settlement Bank shall act as such and shall render the relevant services to HELEX’s Ancillary System.

**I hereby state**

That I shall act as Settlement Bank in the sense of the TARGET2-Guidelines with regard to HELEX’s Ancillary System and that I shall render all relevant services to HELEX and its Operators according to the TARGET2Guidelines and what is specifically set out in HELEX’s procedures. To this end, I hereby state that I shall proceed to the signing of all necessary documents that the Bank of Greece and HELEX shall indicate to me and I shall proceed to all relevant acts suggested by the aforementioned bodies, accepting, without any reservation, whatsoever, all obligations arising out of such capacity, as well as all obligations arising out of the Specific Terms for the Provisions of Settlement Bank Services in HELEX’s Ancillary System, according to TARGET2-GR to which terms I hereby accede, as such are set out by HELEX and are as follows:

**Special Terms for the Provision of Settlement Bank Services in Helex’s Ancillary System according to TARGET2 (Special Terms)**

* 1. The following specific terms shall be in force with regard to the provision of services by the Settlement Bank to HELEX and the DSS Operators, according to the TARGET2Guidelines and HELEX’s procedures for the cash settlement of trades settled through HELEX’s Ancillary System in TARGET2-GR.
	2. The Settlement Bank shall be obliged to:
	3. Submit to HELEX all necessary data and information, including the required use authorisations, according to the provisions of the TARGET2Giudelines, in order for HELEX as body of HELEX’s Ancillary System, to be in the position to include the Settlement Bank in the list of settlement banks it forwards to the Bank of Greece, according to the TARGET2-GR Operating Regulations.
	4. Inform HELEX in case of change in the data or information submitted to it under 2.1 above, in order for HELEX to be in the position to forward an updated list of settlement banks to the Bank of Greece, according to the TARGET2-GR Operating Regulations.
	5. Comply with the terms of Settlement Procedure 6 – Dedicated Liquidity as such is set out in the TARGET2 Guidelines, according to which the cash settlement is carried out in HELEX’s Ancillary System or with the terms of any other settlement procedure that may be indicated by HELEX, according to the TARGET2-GR Operating Regulations.
	6. Open and keep in its name a cash settlement account (“PM account”) in TARGET2 in its Central Bank, in order to be able to submit payment orders or receive payments through TARGET2, according to the TARGET2 Guidelines.
	7. Open and keep, following HELEX’s instructions, and always in compliance with the TARGET2 Guidelines, one or more subaccounts under the above PM account under 2.4, for the Operators to whom it renders the relevant services, including itself as Operator, where the case so requires, in order to serve any eventual different needs of cash settlement, through TARGET2, in relation to the, from time to time, private settlement systems of the central counterparty or clearing with which HELEX is connected. For opening each subaccount, the Settlement Bank must duly fill out the standard statement “TARGET2 form collection of Static Data - Sub Account for dedicated liquidity –“ (Form 1014) and must submit such statement to the Bank of Greece itself, communicating a copy thereof to HELEX or through HELEX, according to HELEX’s procedures. The Settlement Bank shall accept HELEX’s right to determine the above subaccounts with specific terms and characteristics, in order for them to stand out in the cash settlement procedures and for HELEX to be in the position to check their and their Operators’ update with regard to the cash settlement.
	8. Open, with a simple application filed by an Operator, and keep on behalf of the Operator in TARGET2 a subaccount in its PM account, as set out in TARGET2 Guidelines, for the settlement of the Operator’s cash rights and obligations, as such result according to HELEX’s payment orders.
	9. Keep a subaccount for each Operator, to whom it shall render relevant services for:
		1. The settlement of the Operator’s cash rights and obligations resulting from market trades (such as shares, Exchange Traded Funds (ETF), bonds) in ATHEX and their clearing through the Securities Clearing System operated by ATHEXClear
		2. The settlement of the Operator’s cash rights and obligations resulting from OTC or other trades on transferable securities, listed or monitored in the DSS.
		3. The payment by the Operator of any kind of taxes, charges and other rights in favour of HELEX, ATHEXCLear, ATHEX or other third parties, and
		4. The collection by the Operator of the income generated by the securities (such as dividends, interest, etc.,).
	10. More specifically, taking into account the Derivatives Clearing System operated by ATHEXClear keep, in addition to the subaccount under 2.7, a subaccount for the Operator that participates in the above System as Clearing Member, for:
		1. The settlement of the Operator’s cash rights and obligations as Clearing Member from the relevant clearing of derivatives, including those that result from repo contract (ATHEX’s Repo Market)
		2. The payment by the Operator of any kind of taxes, charges and other rights in favour of HELEX, ATHEXCLear, ATHEX or other third parties regarding the above trades, and
	11. Keep, in addition to the subaccounts under 2.7 and 2.8, all other subaccounts for Operator or individual categories of Operators suggested by HELEX for the needs of the cash settlement HELEX carries out or intends to carry out, in relation to other financial instruments and products, in general, that are accepted as object of trade in the capital market (by way of indication rights of emissions, energy products).
	12. See that each one of the above Operator’s subaccounts communicates with the commercial cash accounts indicated by the Operator, in order to carry out, according to TARGET2 Guidelines and HELEX’s procedures, the necessary cash flows from the Operator’s commercial accounts to the respective subaccounts in the Settlement Bank and vice versa, for the sake of the smooth operation of the settlement. In order to safeguard this communication the Settlement Bank shall have access to the, from time to time, commercial cash accounts of the Operator or, alternatively, the Operator shall see that the necessary cash is transferred, each time, to the Settlement Bank, through the relevant accounts, according to the specific procedures to be agreed, each time, between the Settlement Bank and the Operator.
	13. Proceed timely to the necessary debiting and crediting between the Operator’s Subaccount and its PM Account in TARGET2, according to the relevant orders of the Operator, submitting payment orders or receiving payments through TARGET2, in fulfilment of the Operator’s obligations in relation to HELEX’s Ancillary System. The Settlement Bank explicitly acknowledges that HELEX shall have the right to move the Operator’s subaccounts, according to the provisions of TARGET2 Guidelines.
	14. Not proceed to the use/charge of the balance of the Operator’s subaccount for any reason other than (by way of indication offsetting or garnishment) the one concerning the fulfilment of the Operator’s obligations within the framework of the cash settlement.
	15. In case of remaining balance in the Operator’s subaccount after conclusion of the settlement Procedure, it shall proceed to all necessary actions for the transfer of said balance to the Operator’s commercial cash account from the above subaccount or through its PM account, according to the provisions of the TARGET2- Guidelines.
	16. Promptly notify the Operators in case of failure or malfunction or technical problems, in general, or other emergencies that obstruct the operation of their relevant subaccounts and affect, in general, the smooth operation of the cash settlement.
	17. Promptly inform HELEX in case of failure or malfunction or technical problems, in general, or other emergencies that obstruct the operation of the subaccounts of an individual Operator or all Operators to whom it renders the services.
	18. Have: a) specialised personnel for realising all works relating to the carrying out and supervision of the cash settlement, b) backup personnel, according to the provisions of the applicable legislation, for adequately covering its needs relating to the cash settlement, especially in the case of strikes of its personnel, c) back up systems for entering and storing all data relating to the operation of the Settlement Bank, as well as a disaster centre for dealing with and managing emergencies, especially in case of malfunction of the machines that connect it to the Bank of Greece and, in general, to the participants in the cash settlement or other emergency, whose procedure shall be activated for safeguarding the adequate carrying out of the cash settlement in case of failure or malfunction or technical problems, in general, or other emergencies that obstruct the operation of their relevant subaccounts and affect, in general, the smooth operation of the cash settlement.
	19. Keep all data and information contained in its electronic system confidential, within the framework of its obligations as Settlement Bank, as well as any other data and information that comes to its knowledge from the execution of acts relating, directly or indirectly, with the above obligations, throughout its operation as Settlement Bank and also after its conclusion, taking all necessary measures for obstructing their disclosure, in whole or in part, to third unauthorised persons, organisations or departments, with the exception of the cases in which the confidentially has to be violated according to the law and, by way of indication, within the framework of providing information to the competent supervisory authorities or courts. To this end, it shall see that the persons it employs in its operation as Settlement Bank also observe the above provisions. It goes without saying that the Settlement Bank may disclose the above data and information to the Operators and HELEX, within the framework of the exercise of its legal duties.
	20. The Settlement Bank must proceed to the opening and keeping of the above subaccounts according to these Special Terms. The Bank shall be responsible for the timely and correct forwarding of the payment orders it receives from the Operators to TARGET2 and the timely and correct payment to the Operators of the payments it receives on their behalf through TARGET2. Moreover, it shall be responsible for the fullness, correctness and accuracy of the data, movements, and balances of the above subaccounts provided to the Operators, according to these Special Terms.
	21. The Settlement Bank may not close any subaccount kept in TARGET2 for an Operator, unless a new subaccount is opened for the Operator by another Settlement Bank or by the Operator itself, in case it acts as Settlement Bank. No subaccount may be closed immediately, unless the capacity of Operator has been lost, following relevant notification of the Settlement Bank by HELEX. In any event, in order for a subaccount to be closed, the Settlement Bank must duly fill out the standard form “TARGET2 form collection of Static Data - Sub Account for dedicated liquidity –“ (Form 1014) and submit it to its Central Bank itself, communicating a copy to HELEX or through HELEX, according to HELEX’s procedures.
	22. The Settlement Bank may not transfer any rights or obligations towards the Operator arising out of its capacity as Settlement Bank to third parties, according to the TARGET2 Guidelines and these Special Terms. This prohibition does not include its, for any reason, take over as a result of corporate restructuring (e.g. merger, or buyout by another bank).
	23. The Settlement Bank’s resignation from the provision of the relevant services in HELEX’s Ancillary System may be permitted in case it is communicated in writing to HELEX and shall constitute termination of all agreements concluded by the Settlement Bank, in this capacity, with HELEX. The results of the resignation (and termination) shall come upon after the lapse of thirty (30) days upon the above communication without prejudice to the following:
	24. The resignation shall be valid in case the Settlement Bank has settled, within the above set deadline, all pending issues or debts to HELEX, and the Operators to whom it renders the services have seen to have subaccounts in other Settlement Banks, according to the provisions of the TARGET2-GR Operating Regulation and HELEX’s procedures. ΗELEX may order a later deadline if this is so required for the fulfilment of the above obligations of the Settlement Bank under resignation or for the protection of the clearing or settlement systems connected with HELEX. In case of a later deadline, the date of resignation and the results shall be respectively extended.
	25. Upon fulfilment of the conditions under 6.1, HELEX shall accept the resignation and inform the Settlement Bank accordingly. In case of non acceptance of the resignation, it shall give a justified reply.

**For the Settlement Bank**

…………………………………………………………………………

*(to fill out the full name of the legal person*

*and include the name & signature of its legal representative)*