



Resolution 13

“Transition Procedures”

**THE BOARD OF DIRECTORS
OF ATHENS EXCHANGE CLEARING HOUSE S.A.
(ATHEXCLEAR)**

(Meeting of 17.11.2014)

Having regard to the need to ensure the smooth transition to and implementation of the provisions of the Rulebook for Clearing Transactions, as adopted by the Board of Directors of ATHEXCLEAR at its meeting of 28.7.2014 and approved by the Hellenic Capital Market Commission by virtue of decision no. 18/697/10.11.2014 of its Board of Directors (hereinafter the "Rulebook"), and in particular the provisions of paragraph 4, article 2.1, Part II, Section VII of the Rulebook, which shall enter force as of 24 November 2014 in accordance with the stipulations of paragraph 1 of the aforementioned article,

HEREBY RESOLVES AS FOLLOWS

1. For the purposes of the smooth transition to and implementation of the provisions of the Rulebook, ATHEXCLEAR adopts the following transition procedures (hereinafter the “Transition Procedures”):
2. The Transition Procedures shall commence on 24 November 2014 (hereinafter the “Transition Commencement Day”) and be completed by 1 December 2014 (hereinafter the “Transition Day”).

The open positions that will participate in the Transition Procedures are defined as those positions in the Derivatives System of ATHEXClear which remain open after the end of clearing on 28 November 2014. The technical transition procedures (hereinafter the “Technical Transition Procedures”) will be carried out on 29-30 November 2014.

3. Persons that are Clearing Members at the time of Transition Commencement in accordance with the existing Rulebook for Clearing Derivatives Transactions (hereinafter the “existing Rulebook”) retain the capacity of Clearing Member in accordance with the Rulebook and have the obligation to participate in the procedures provided for in this resolution.

4. Persons that, at the time of Transition Commencement, have the capacity of Operator in accordance with the Operating Rules of the Dematerialised Securities System, are entitled to participate as Lending Participants in the Securities Lending Mechanism provided that they submit a relevant application to ATHEXClear by 28 November 2014.

5. Default Fund

5.1. A Default Fund is to be set up in accordance with point d), paragraph 4, article 2.1, Section VII of the Rulebook, the size of which shall be calculated in accordance with the provisions below.

5.2. The calculation of the Default Fund and the contributions of Clearing Members shall take into account the Margin requirements of Clearing Members for a calculation period from 1/10/2014 to 31/10/2014 on the basis of the assumption that each Clearing Member would have two (2) Clearing Accounts, i.e., one Own Clearing Account and one Clients Clearing Account. A contribution rate shall be applied equal to 30%, while taking into consideration that the contribution may not be lower than the minimum contribution, as this is provided for in the Rulebook according to the capacity of the Clearing Member (€30,000 for Direct Clearing Members and €500,000 for General Clearing Members).

5.3. The size of the Default Fund shall continue to be checked as a precaution and on the basis of reasonable assumptions up to 21 November with respect to adequacy in accordance with the stress tests conducted by ATHEXClear, taking into account the most

recent available data on trading activity. In the event of inadequacy, the contribution rate may be increased by decision of the Default & Crisis Management Committee.

5.4. The final size of the Default Fund, as calculated in accordance with the above, as well as of the contributions of Clearing Members, will be announced to Clearing Members on 24 November 2014. Clearing Members must pay their contributions by no later than 11 a.m. on 28 November 2014.

6. Clearing Accounts

In accordance with the Technical Transition Procedures, the following shall take place:

6.1. Two (2) Clearing Accounts will automatically be created in the System for each Clearing Member, namely an Own Clearing Account and a Clients Clearing Account. For the purpose of creating the aforesaid Clearing Accounts, the Clearing Member must submit an application to ATHEXClear by no later than 27 November 2014. Moreover, the Clearing Member may – up to this date – request the opening of additional Clearing Accounts.

6.2. A Clearing Subaccount will automatically be created in each Clearing Account.

6.3. For each clearing code (TCA) according to the existing Rulebook, a Position Account will be created in the new System, to which its position will be automatically transferred, as such position has been shaped after the end of clearing on 28 November 2014. In addition, for each Position Account all the linked trading codes will be automatically transferred.

6.4. Specifically with regard to Repo Market positions, the following shall apply:

6.4.1. Positions in repurchase agreements (Stock lending – SL) which correspond to an equal number of positions in reverse repurchase agreements (Stock borrowing – SB) will remain in effect and be transferred to the new System as positions in equivalent borrowing agreements in the corresponding Position

Accounts. ATHEXClear shall exercise its sell-back rights in respect of positions that do not correspond as above to reverse repurchase agreements.

6.4.2. Positions in respect of repurchase agreements will remain in effect and be transferred to the new System as positions in equivalent bilateral lending or borrowing agreements.

6.5. Position Accounts that relate to clearing codes of the Clearing Member itself will be automatically linked to the Own Clearing Account, while all the rest will be automatically linked to the Clients Clearing Account.

6.6. Clearing Members will also be able to create new Clearing Subaccounts.

6.7. Clearing Members will be able, after making a relevant declaration in the System, to link Position Accounts to Clearing Subaccounts and Clearing Accounts different from those to which they were automatically linked in the System as above. Similarly, they will be able to set different trading codes that will be linked to the Position Accounts.

7. Calculation of Margin requirements

7.1. Margin requirements shall be calculated in accordance with the provisions of the Rulebook on 30 November 2013 based on the positions that will have been created per Clearing Account.

7.2. The risk parameters that will be used for the calculation on 30 November and thereafter were determined on the basis of historical data up to 31 October 2014 and will be announced on the website of ATHEXClear. In the event of any important changes up to 1 December, the Default & Crisis Management Committee will set the parameters on the basis of more recent calculations and announce them on the website of ATHEXClear.

8. Coverage of requirements for Default Fund contribution and collateral for Clearing Accounts

8.1. Clearing Members may use the cash which they have reserved at a margin Bank in favour of ATHEXClear as margin for Member clearing codes and as Member collateral, for the coverage (in order of priority) of their contribution to the Default Fund and, if there is

any amount remaining, as collateral in favour of the Own Clearing Account. For this purpose, the Clearing Member must send a letter to this effect to its margin Bank which is notified to ATHEXClear based on a relevant template up to 27 November 2014.

8.2. At the same time, Clearing Members will be able to provide collateral in cash in favour of a Clearing Account as of 28 November by completing the relevant form.

8.3. Securities that are blocked in the Dematerialised Securities System (DSS) as margin for Member clearing codes in accordance with the Technical Transition Procedures will be automatically blocked as collateral for the Own Clearing Account.

8.4. Transferable securities that are blocked in the DSS as margin for investor clearing codes in accordance with the Technical Transition Procedures will be blocked after an electronic declaration to this effect is made through the DSS by the Clearing Member as collateral in favour of the Clients Clearing Account through its Clients Collateral Account in the DSS.

8.5. ATHEXClear shall, by no later than 24 November, announce the transferable securities that will not be accepted by it as collateral.

8.6. In the event of inadequate coverage of Margin requirements, the relevant shortfall must be made up by the Clearing Member with respect to each of its Clearing Accounts in the form of cash by no later than thirty (30) minutes before commencement of the trading session on 1 December 2014.

9. Release of collateral

9.1. ATHEXClear shall release a Member's collateral and clearing code margin that have not been used as collateral in the new System on 1 December after commencement of the trading session and provided that the Clearing Member has fully complied with its relevant obligations.

10. Default

10.1. In the event of non-fulfilment of any of its obligations emanating from the Transition Procedures, the Clearing Member shall be deemed in default in accordance with the provisions of the Rulebook, in which case ATHEXClear shall take the necessary measures as appropriate in accordance with the Rulebook to address such default.

11. Entry into force

11.1. This resolution shall have effect as of 24 November 2014.

11.2. This resolution shall be posted on the website of the Company.