



Account Opening & Maintenance in ATHEXCSD: The available options



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Executive Summary

Effective ATHEXCSD licensing under CSDR on 12/04/2021:

- **Investors** may select to hold their assets either in an **individual segregated securities account** or in an **omnibus securities account** according to their needs.
- in order for Investors to make the appropriate choice, **Participants** should ensure that they are **properly informed of**:
 - the **structure** and **segregation** of securities accounts in the Dematerialized Securities System (DSS) of ATHEXCSD,
 - the **level of protection** and **associated costs** of the securities accounts in DSS and
 - the **regulatory framework of ATHEXCSD** regarding each securities account type
- **ATHEXCSD** offers:
 - a simple and fast, automated **account opening process** to facilitate Participants & investors and
 - **OTC settlement services** to Participants, in order to **transfer securities to the appropriate securities account**. Maintaining an individual securities account on behalf of multiple clients is not provided for, according to ATHEXCSD Rulebook (Section III, Part 1).
- In order to maintain an **omnibus account and offer comprehensive added value services**, Participants and other intermediaries in the chain should have the technical readiness to support:
 - **SRD II compliance** – Shareholders' identification, transmission of information of corporate events & general meetings to the chain of intermediaries, facilitation of shareholders' rights regarding general meetings
 - **Equities sales tax for transactions settled outside ATHEXCSD (internalized settlements) - Calculation and withholding of tax** (daily), and **payment of tax and reporting** to the previous intermediary in the chain (monthly)

Account opening & maintenance

The current status

Following the 12/4/2021 licensing of ATHEXCSD under CSDR, the available options for securities accounts are:

✓ **Individual segregated securities account**

For beneficiaries holding assets **for own account** (i.e. where the account holder is the end beneficiary)

✓ **Omnibus securities account**

For Registered Intermediaries holding assets **for account of clients** (i.e. where the beneficial owners are identified in the books and records of the Participant, the Registered Intermediaries or other intermediaries in the chain)

Participants should **open the appropriate securities account type for their clients**, according to their **needs**

= > **for detailed info:** see Appendix (**Accounts structure in DSS, account opening data and account opening & maintenance fees**)

ATHEXCSD disclosures:

✓ **ATHEXCSD** implements Art. 38, par.6 of CSDR regarding **disclosure of levels of protection and segregation of securities accounts** for the protection of the securities of participants and the securities of their clients

= > link for [more info](#)

Maintaining an individual securities account on behalf of multiple clients is not provided for, according to ATHEXCSD Rulebook (Section III, Part 1)

Account opening & maintenance

How can I change accounts

Can I change securities accounts?

- In case of no proper account opening, Participants may proceed to transfer respective securities to an account of their choice:
 - ✓ from an individual account to an omnibus account
 - ✓ from an omnibus account to an individual account
 - ✓ between two omnibus accounts for the same beneficiary

How do I change securities accounts?

- In cases where securities are **currently not maintained in the appropriate securities account type**, [ATHEXCSD offers OTC settlement services to Participants](#) in order to transfer securities to the appropriate securities account
- The applicable OTC transaction reason code is “[6-No Change Beneficiary Owner \(NCBO\)](#)”

=> **for detailed info:** see Appendix ([OTC transaction reason codes and fees](#))

How do I instruct for the relevant transfers via OTC?

- OTC settlement instructions are entered by the Participants through [any of the available DSS technical interfaces](#), i.e. by using:
 1. **ISO/SWIFT 15022 messages MT540-548, 537 (PENA) via**
 - SWIFTNet or
 - DSS-API (native protocol)
 2. **GUI screens**
 3. **Import-export files via**
 - GUI screens
 - DSS-API (native protocol)

What are the preconditions for the settlement?

- The [beneficiary's full name or BIC](#) (Business Identification Code) must be [stated](#) in the relevant settlement instructions.
- [One](#) of the respective instructions must [relate to securities kept in a Clients \(omnibus\) Securities Account](#) for such instructions to be accepted for settlement, (Resolution 5, Annex II, point 6)

[More info on OTC & on-Exchange transactions' settlement](#)

Benefits & Obligations per securities account type

Individual Securities Account

Benefits

- ✓ **Increased Safety** - Complete segregation of securities per beneficiary in the DSS
- ✓ **Cost benefit** - Lower account maintenance costs
- ✓ **No action need for shareholders' identification disclosure by Participants and intermediaries prior to GMs** - Shareholders' identification is achieved directly and automatically, through the data maintained in their securities account in the DSS, provided by ATHEXCSD to issuers. No need for the Participants & intermediaries to instruct
- ✓ **Easy to instruct for rights** - Shareholders may exercise their rights (e.g. GMs etc.) without further identification actions from the Participants/ Intermediaries of the chain
- ✓ **Ability to participate in IPOs through the "[Electronic Book Building \(EBB\)](#)" service**
- ✓ **Tax advantage for retail clients** - Option to create Joint Investor Securities Account, with respective tax benefits in case of inheritance

Obligations

- ✓ **Tax profile of securities account** - Maintenance of securities accounts in the proper tax profile according to tax documentation submitted by the investors, in order to withhold the appropriate tax amount on dividend payments and income from ATHEX stock lending products
- ✓ Processing of **tax reclaims with the Tax Authorities by Participants**, on behalf of the account beneficiary

Benefits & Obligations per securities account type

Omnibus Securities Account

Benefits

- ✓ **Less initial effort to accommodate new clients** - No segregation in this case per client in the DSS (i.e. at the CSD level)
- ✓ **Account opening by any intermediary in the custody chain** - Account opened under the Participant or under any Intermediary along the custody chain. Legal segregation in the books and records of the Participant or the Intermediaries
- ✓ **Ability to participate in IPOs through the "[Electronic Book Building \(EBB\)](#)" service**

Obligations

- ✓ **Shareholders Rights Directive II (SRD II) regulatory framework obligations** - Technical readiness of the Participants, the Registered Intermediaries and other intermediaries in the chain in order to:
 - **Disclose** the shareholders' identification* to Issuers upon their request (ahead of General Meeting, ad hoc requests)
 - **Transmit information** regarding shareholder identification requests, general meetings and other corporate events through the chain of intermediaries **to the beneficiary owners**
 - **Transmit information** regarding **exercising of shareholders' rights** to general meetings
- ✓ **Sales tax collection and reporting** - Technical readiness regarding reporting and attributing of equities' sales tax** through the chain of intermediaries and the Participants, to ATHEXCSD for attributing to the Tax Authorities
- ✓ **Pooling of clients according to tax profile** - Pooling of clients with the same tax profile in separate omnibus accounts, to enjoy the respective tax benefits (e.g. lower tax rate on dividend payments and income from ATHEX stock lending products, according to DTTs)
- ✓ **Pooling of clients for participation in IPOs through the EBB service** - Maintenance in separate omnibus securities accounts of retail investors and institutional investors, in order to be able to participate in IPOs through the EBB services
- ✓ Processing of **tax reclaims with the Tax Authorities by the Participants**, on behalf of the beneficiary



Appendix

Accounts Structure in DSS

Account Types

Beneficiaries may opt to hold their assets in:

- ✓ **individual** securities accounts
- ✓ **omnibus** securities accounts, in the name of a Registered Intermediary

- Individual Client Account**
- Participant's Own Account**
- Joint Investor Securities Account**
- Co-Owner Account (for inheritance cases)
- Issuer Account
- Fund Manager Account
- Fund Account
- Intermediary Settlement Account
- Member Settlement Account
- Trust Account
- Public Body Account
- Compulsory Deposit Account
- Escrow & Compulsory Deposit Account
- Omnibus Clients Accounts**
- Omnibus Clients Collateral Account (for CCPs)

Account opening

Participants may open securities accounts following a simple and fast process through

- ✓ **Web GUI** or
- ✓ **ISO 15022 messages MT599 (structured)** via
 - SWIFTNet or
 - DSS-API (native protocol)

[More info](#)

Account opening data

Mandatory Data

Natural Persons (*individual accounts*)

Surname
 First Name
 Patronymic name
 Date of birth
 Country of tax residence
 Tax Registration Number
 Share Type
 Share Category
 Profession
 Citizenship
 Type of identification certificate
 Number of identification certificate (ID number or passport)
 Type and number of unique identification certificate (social security number)
 Address & City
 Postcode
 Country
 Phone & Mobile Phone
 Email
 General Statistical Category

Legal Entities (*both individual & omnibus accounts*)

Legal Name
 Abbreviation (**only for omnibus accounts**)
 country of tax residence
 Tax Registration Number
 Share Type
 Share Category
 Profession
 Country of Registered Office
 Legal representative
 Citizenship
 Type of unique identification certificate
 Number of unique identification certificate (Commercial registry number)
 Type and number of unique identification certificate (LEI)
 Address & City
 Postcode
 Country
 Phone & Mobile Phone
 Email
 General Statistical Category

Optional Data

Natural Persons (*individual accounts*)

Certificate issue date
 Certificate issuing authority
 Certificate issuing country
 Tax office
 Contact person / Recipient
 PO Box postcode
 PO Box number
 Special Statistical Category

Legal Entities (*both individual & omnibus accounts*)

Legal Form
 Registered office
 E-mail of the legal representative
 Certificate issue date
 Certificate issuing authority
 Certificate issuing country
 Tax office
 Custodian
 Contact person / Recipient
 PO Box postcode
 PO Box number
 Special Statistical Category

Account opening & maintenance fees

Account Opening & Maintenance	Fees
Account opening	Without charge
Participant Account subscription fees for Securities' recording on the annual account's securities value (for values > 15,000€)	Stocks: 0.0030%
	Bonds, Options, ETFs and other Securities: 0.0015%
Account maintenance	Individual accounts: 3€ per account per year (for values > 15,000€)
	Omnibus accounts: 1,500€ per account per year <i>Major services covered by ATHEXCSD include:</i> <i>(1) SRD II services and</i> <i>(2) Tax Support services</i>

ATHEXCSD offers Shareholders Identification (SI) services to facilitate Issuers, Intermediaries and their clients, fulfilling SRD II obligations

- Local Issuers **may appoint ATHEXCSD as an Issuer Agent** for receipt and reconciliation of the SI disclosures of intermediaries in the chain
- **SI requests and SI disclosures**
 - Through ISO 20022 messages seev.045/046/047/048/049 via
 - *SWIFTNet*
- Optional support of **SI disclosures files**
 - in xml format

[More info](#)

ATHEXCSD Tax support services

Individual Segregated securities accounts

ATHEXCSD:

- Calculates and collects the sales tax on transactions settled within ATHEXCSD from Participants and attributes it to the Tax Authorities
- Calculates, on behalf of the Issuer, the tax in each dividend payment, considering the tax profile of each securities account
- Collects the interest tax of OTC borrowing of equities listed on the Athens Stock Exchange (ATHEX) from the Participants and attributes it to the Tax Authorities

Participants:

- Maintain the securities accounts in the proper tax profile according to tax documentation submitted by the investors
- Submit tax reclaim forms to the Tax Authorities on behalf of the beneficial owners
- Calculate and withhold tax on corporate coupon distributions and attribute it to the Tax Authorities, when acting as paying agents

Omnibus securities accounts

In addition to the services offered for individual segregated securities accounts

ATHEXCSD:

- Collects the sales tax on transactions settled outside ATHEXCSD (internalized transactions, sales) and respective reports from Participants and attributes the tax to the Tax Authorities

Participants/Intermediaries in the chain:

- The registered intermediary or another intermediary of the intermediary chain calculate daily the sales tax on equities sales transactions that settled outside ATHEXCSD (internalized settlements)
- Each intermediary of the chain pays the tax and submits respective report to the next intermediary or the registered intermediary or to the Participant, which pays it to ATHEXCSD to attribute it to the Tax Authorities

Other Tax Support Services

ATHEXCSD:

- **Provides Tax Authorities/ HCMC** with insights on the Participants' processes to *clarify / resolve issues* (i.e., Sales tax on equities, OTC borrowing transaction tax, interest tax on ATHEX corporate bonds, tax on cash distributions)
- **May be appointed by Issuers as a "Paying Agent"** to undertake the payment of cash distributions to Participants

[More info](#)

OTC Transaction reason codes and fees

Applicable Securities Account Types	OTC Transaction reason codes	OTC Transaction fees
Individual & Omnibus	1 -Transaction	0.0325% per instruction, min 20€
	2 - Securities Financing Agreement (SFA ie Borrowing)	20€ per instruction
	3 - Return of Securities from an SFA (Borrowing Return)	20€ per instruction
	4 - Collateral	20€ per instruction
	5 - Collateral Return	20€ per instruction
	6 - Transfer of securities of the same final beneficiary (NCBO – No Change Beneficiary Owner)	20€ per instruction
	8 - Fail rectification	20€ per instruction
	9 - Creation of depositary receipts or units	20€ per instruction
	0 - Redemption of depositary receipts or unit	20€ per instruction
	a -Transfer of Securities via a Participant Transitory Account for ATHEXCSD links	0.50€ per instruction
	c - Transfers without tax	0.0325% per instruction, min 20€
Individual	c - Transfer of Securities between Shares of Co-beneficiaries and Joint Investor Shares (JIS)	20€ per instruction
	d - Transfer of Securities between Securities Accounts of Participants of the same Share	1€ per instruction

ATHEXGROUP
Athens Exchange Group



Thank you

E: ars@athexgroup.gr

T: 210 3366 776



www.athexgroup.gr

