



Code of Conduct – Price Transparency & Conversion Table

1. Introduction

Following positive advice from the Commission’s Monitoring Group, each CSD has agreed to publish a “Conversion Table” (“Table”) which has as main objective to ease the comparability of CSD services and tariff structures for users and end investors. The Table maps the entries of the CSD’s tariff brochure to a set of common service definitions, based on the Commission’s definitions for post-trading (see Annex) as referenced in the Code.

The Table is completed at least for cash equity instruments and for issuer CSD services (in line with the scope of the Code). Individual CSDs may decide to broaden the scope to other assets classes and to services offered in an investor CSD capacity. When doing so, they will indicate this explicitly.

It is each CSD’s responsibility to complete the Table on a voluntary basis. The Table provided by ECSDA serves as a guideline. A CSD wishing to deviate from the Table is invited to explain these deviations. ECSDA will not perform an audit on the Tables’ content. This is the role of the external auditor who will be given the task to monitor compliance with the Code.

2. How to read the Table

- Column 1:** The list of services corresponds to the one from the Code of Conduct and uses the Commission definition (where available).
- Column 2:** Provides guidelines on which subsections belong to the defined services. As the list is not exhaustive, the "other" category may need to be used. The aim of this column is to facilitate completion of the Table by CSDs that provide similar but not identical services in an effort to group such services under sub-headings. In all cases, it should not be seen as an effort to invalidate or modify the Commission definitions of post-trade services.
- Column 3:** Includes the heading of the CSD's tariff caption that corresponds to the service and subsection from columns 2 and 3. If not relevant for the CSD, it includes "service not offered" or "service not charged for separately".
- Column 4:** Includes a reference to the CSD's tariff brochure (e.g. number of page, paragraph, subheading).
- Column 5:** Specifies to whom the fees are charged. Four possibilities are proposed: issuers (or their agent), intermediaries, end investor and other.
- Column 6:** Includes a short service description, explanation of acronyms, or a reference to service description documentation.

3. Common clarifications related to the content of the Table

The CSDs used the following common guidelines when completing the Table :

- If possible, reporting fees are included in each of the relevant services
- Account provision and asset servicing includes all standard charges that are related to opening, maintaining and closing securities accounts (e.g. membership fees, minimum fees, annual fees, etc) as well as charges related to holding and administrating securities on those accounts including special event driven asset services (such as proxy voting, tax reclaim services).
- Establishing securities in book-entry form includes services related to issuance of dematerialised securities into the CSD, and of deposit (immobilisation) and withdrawal of physical securities.
- Own account transfers refer to securities movements that take place between accounts of the same account holder (realignments).
- Securities Lending and Borrowing includes any securities lending and borrowing services provided by the CSD (but indicates fail related as well as other SLB separately).
- Collateral management includes any collateral management service offered by the CSD. The Table makes the difference between collateral management related to central bank liquidity provision, other collateral management services, as well as services (operational, risk management, etc) related to running guarantee-type of funds for their members or third parties.
- Credit provision includes banking services that are provided by the CSD.
- The section on Communication is related to technical set-up and maintenance of communication channels (including any (re-)charges of network provider fees). It refers to fees that are difficult to assign to a specific service.
- The Other section includes all fees that cannot easily be allocated to the other services categories (e.g. fees related to provision of statistics, specific enquiries, etc).

Individual CSDs may decide to add further clarifications. These will be included in the conversion Table itself.

Annex – European Commission definitions ¹

Account provision

The maintenance of securities accounts.

Establishing securities in book-entry form

The initial representation and subsequent maintenance of securities in book-entry form through initial credits and subsequent credits or debits to securities accounts, on the basis of: (a) the information provided by the issuer or its agent; or (b) the number of physical securities on deposit.

Asset Servicing

Securities administration activities performed for others, e.g. processing of corporate actions, tax reclaims and portfolio valuation.

Deposit

The storage of physical securities on behalf of others.

Verification

The process of comparison and reconciliation of transaction or settlement details, to ensure that there is agreement on these details.

Clearing (Central Securities Depository – CSD)²

¹ Extracted from Commission Services Working Document on Definitions of Post-Trading Activities - Working document/MARKT/SLG/G2(2005)D15283

The process of establishing settlement positions, possibly including the calculation of net positions, and the process of checking that securities, cash or both are available.

Central Counterparty (CCP) Clearing³

The process by which a third party interposes itself, directly or indirectly, between the transaction counterparties in order to assume their rights and obligations, acting as the direct or indirect buyer to every seller and the direct or indirect seller to every buyer.

Settlement

The act of crediting and debiting the transferee's and transferor's accounts respectively, with the aim of completing a transaction in securities.

² Extracted from ECSDA Glossary

³ Extracted from ECSDA Glossary

KDPW Conversion Table valid from 1st August 2009:

Central Counterparty (CCP) Clearing services:

- ✓ Fee for the clearing of transactions concluded on the organized market (KDPW Table of Fees, paragraph 9)
- ✓ Settlement Guarantee Fund and ATM guarantee fund (KDPW Table of Fees, paragraph 11.1, 11.2)

1. Services (as listed in section V of Code)	2. ECSDA proposed sub-sections to ease completion conversion table	3. Complete which tariff sections/captions refer to which service (one caption per row - insert as many rows as required)	4. Reference to tariff brochure - paragraph number	5. Fees charged to (issuer or its agent, intermediary, end investor, other)	6. Service description (in summary or reference to existing documents)
Account provision & Asset Servicing	Opening and maintenance of securities accounts	One-off fees:	1		
		Opening of the first formal account in a given type of activity	1.1	intermediary	Opening an account for securities
		Opening of each next formal account in a given type of activity	1.2	intermediary	A one-off fee charged to a participant for being granted additional participation types
	Closing of securities accounts	service not charged for separately			
	CSD membership	Monthly fee for the management of a entity account	2	intermediary	
		Annual participation fee for issuers	1.1	issuer	
	Asset servicing dematerialised securities	Monthly fees:	3		
		Custody fee for shares	3.1	intermediary	
		Fee for services related to the payment of benefits from securities and redemption	3.1.1	issuer	
		Fee for services related to the merger of companies by take-over	5	issuer	
		Fee for annulment of a proportion of shares	6.1	issuer	
Fee for processing a share reverse-split		6.2	issuer		
	Fee for the conversion of convertible bonds of a given issue into shares and fee for services involving the execution of rights to shares of a new issue other than subscription rights	6.3	issuer		

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		Fee for services relating to other corporate actions	6.4	issuer	
	Asset servicing physical/immobilised securities	service not offered			
	Proxy voting	service not offered			
	Withholding tax services	service not offered			
Establishing securities in book-entry form	Issuance dematerialised securities	One-off fees:	2		
		Fee for admitting shares to the Depository	2.1.1, 2.2.1	issuer	
	Redemption/cancellation dematerialised securities	service not charged for separately			
	Deposit physical securities in book-entry form (immobilisation)	service not offered			
	Withdrawal physical securities from book-entry system	service not offered			
Clearing and Settlement (including verification)	Verification (matching)	Instruction matching	5.4	intermediary	
	Settlement netting	service not charged for separately			KDPW provides settlement netting only in cash
	Clearing and settlement for OTC transactions DVP	Fee for the clearing and settlement of transactions executed outside the organized trading:			
		MTS Poland transactions	4.3.1	intermediary	
		OTC DVP transactions	4.3	intermediary	
	Clearing and settlement for OTC transactions FOP	For transactions where the National Depository does not act as intermediary for cash settlement	4.4	intermediary	
	Clearing and settlement for Stock Exchange transactions DVP	Fees for the settlement of transactions executed in the organized trading, secured by the settlement guarantee fund, or the ATS guarantee fund	4.1	intermediary	Stock Exchange transactions in this section are transactions concluded on the Warsaw Stock Exchange and also transactions concluded on the regulated market organized by MTS-CeTO SA
		Fees for the clearing and settlement of transactions executed in the organized trading, not secured by the settlement guarantee fund, or the ATS guarantee fund	4.2		
	Own account transfers	Please refer to the following paragraphs: 4.1, 4.2, 4.3, 4.4, 4.7, 9		intermediary	Own account transfers fees are not distinguished in KDPW table of fees, various fees are charged dependently on a type of transfer

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	Other	Fee for clearing and settlement of other operations performed on the basis of participant's instruction	4.7 (excluding 4.7.4)	intermediary	Settlement of operations only in securities.
		Fee for post-transaction settlement and related clearing	4.6	intermediary	
		Fee for the clearing and settlement of transactions, executed as part of a public subscription carried out by the regulated market operator	4.5.1	intermediary	
Securities Lending and Borrowing	Fail related SLB	Fees for lending	6, 11.4	intermediary	
Collateral management	Collateral management related to collateralisation of central bank liquidity	Fee for clearing and settlement of other operations performed on the basis of participant's instruction	4.7	intermediary	
Credit provision		service not offered			
Communication (note: not in Code)	Technical communication set-up and maintenance	service not charged for separately			
Other		Other fees	7	issuer	Fees for administration of cash funds
		Fees for processing of messages	5 (excluding 5.4)	intermediary	
		Special fees	7	intermediary	Penalty fees
		Additional services	8	intermediary	