

WFC Single Disclosure Report 2020**AGC answers**

Date submitted

04/11/2020 03:50:00

General information

1 G01Q001

Please indicate the full name of the responding institution:

*PFMI: Annex A - CSD disclosure template [CSD name]**AGC: 0a*

Krajowy Depozyt Papierów Wartościowych S.A.

2 G01Q002

Registered address:

*PFMI: n/a**AGC: 0c*

ul. Książęca 4 00-498 Warsaw

3 G01Q003

Country of registered address:

*PFMI: n/a**AGC: 0d*

Poland

6 G01Q006

The WFC, the AGC, CPMI and IOSCO encourage respondents to make their disclosure reports publicly available. Do you agree to make your response publicly available?

*PFMI: n/a**AGC: 99*

- Yes, my full response will be publicly available. I agree that my response can be published on the website of the WFC and on the website of the regional CSD association(s) which my CSD is a member of.
- Yes, my response will be public, but only for my answers to AGC questions.
- Yes, my response will be public, but only for my answers to PFMI questions.

No, I do not wish my response to be publicly available.

7 G01Q007

How will you be making your answers publicly available?

PFMI: n/a

AGC: 99a

Website

Upon request

OTHER:

8 G01Q008

This disclosure can also be found at the following web address(es):

PFMI: Annex A - CSD disclosure template [website URL]

AGC: 99b

<http://www.kdpw.pl/en/kdpw/publications/Pages/Questionnaires.aspx>

9 G01Q009

First and Last Name of the contact person:

PFMI: Annex A - CSD disclosure template [contact details]

AGC: 99c

Anna Zielińska

10 G01Q009A

Disclosure submission authorisation

I hereby certify that I am authorised to submit this disclosure report on behalf of my institution.

11 G01Q010

Email address of the contact person:

PFMI: Annex A - CSD disclosure template [contact details]

AGC: 99h

anna.zielinska@kdpw.pl

12 G01Q011

Telephone number (please include the international country code):

PFMI: n/a
AGC: 99e

+48 22 5379582

13 G01Q012

How do you prefer to be contacted?

PFMI: n/a
AGC: 99d

- Telephone
- Fax
- mail/air courier
- e-mail

14 G01Q013

Fax number

PFMI: n/a
AGC: 99f

+48 22 6273111

15 G01Q014

What is the preferred street address for mailing requests?

PFMI: n/a
AGC: 99g

ul. Książęca 4
00-498 Warsaw

25 G01Q024

I am submitting up-to-date information in response to:

- The AGC questions and a report with only AGC answers will be generated
- The PFMI questions and a report with only PFMI answers will be generated
- Both the AGC and PFMI questions and a report with answers to both questionnaires will be generated

Legal Basis (PFMI Principle 1)

27 G02Q002

Under what regulation or statute is the CSD established and governed?

PFMI: n/a

AGC: 7

Act on Trading in Financial Instruments, Act on Capital Market Supervision, Statute of the KDPW, Code of Commercial Companies, CSDR

28 G02Q003

Is the regulation or statute electronically available?

PFMI: n/a

AGC: 7a

 Yes No

29 G02Q004

If regulation or statute is electronically available, please supply web address(es) here or upload document(s).

PFMI: n/a

AGC: 7b

The Act on Capital Market Supervision dated July 29th 2005 and the Act on Trading in Financial Instruments dated July 29th 2005 with further amendments (Polish versions only) are available on the Polish Parliament website: <http://isap.sejm.gov.pl/isap.nsf/DocDetails.xsp?id=WDU20051831538> The Statute of KDPW (English version) is available on the KDPW website: http://www.kdpw.pl/en/rules/Documents/2020/KDPW_STATUT_EN.pdf. The Code of Commercial Companies (Polish version only) is available on the Parliament website: <http://isap.sejm.gov.pl/isap.nsf/DocDetails.xsp?id=WDU20000941037> .

Regulation (EU) No 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012 (CSDR) <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32014R0909>

30 G02Q005

filecount - Please supply document(s) here:

PFMI: n/a

AGC: 7c

0

Governance and ownership (PFMI Principle 2)

45 G03Q002

What type of legal entity is the institution?

*PFMI: n/a**AGC: 3*

- Public Company
- Private Company
- Central Bank (or part thereof)
- Stock Exchange (or part thereof)
- OTHER: joint stock company

46 G03Q003

Is the institution operated as a "for profit" or a "not for profit" organization?"

*PFMI: n/a**AGC: 4*

- Not for profit
- For profit

47 G03Q004

Please provide the names of the owners and their ownership interest percentages.

*PFMI: n/a**AGC: 5*

State Treasury 33%, Warsaw Stock Exchange 33%, National Bank of Poland (Central Bank) 33%

48 G03Q005

What is the date of establishment of the CSD?

*PFMI: n/a**AGC: 6a*

07/11/1994

49 G03Q006

What is the date that the CSD's operations began?

PFMI: n/a
AGC: 6b

11/04/1991

50 G03Q007

Are participants required to contribute capital to the CSD that would result in ownership of the CSD?

PFMI: n/a
AGC: 18

- Not applicable
- No
- Yes

51 G03Q008

If yes, what fixed amount is required or what formula is used to determine the appropriate contribution level?

PFMI: n/a
AGC: 18a.

59 G03Q016

What are the roles and responsibilities of the CSD's board of directors (or equivalent), and are they clearly specified? Please provide details of the structure and composition of your Board together with their industry experience and responsibilities in governing the CSD. What are the qualifications to become a board member?

PFMI: Q.2.3.1
AGC: 7d

Polish legal system (Code of Commercial Companies and Law on the Management of State Property) provides general requirements concerning members of corporate governing bodies. According to the Code, KDPW as a joint-stock company has a dual governance structure (so-called two-tier board system), with a supervisory and a management board. Qualification requirements concerning specific educational background and professional experience in relation to the members of governing bodies of companies belonging to the State Treasury are set out in Art. 22 of the Law on the Management of State Property. They have to hold a master's degree, have at least 5 years work experience, including 3 years on senior position or leading a proprietary business, they may not be employed by any political party or any Member of Parliament nor remain in any conflict of interest with the Company. Any additional qualification requirements to appoint a Supervisory Board member are set by the shareholders, and for Management Board members – by the Supervisory Board. Moreover, at least 2 members of the Supervisory Board have

to qualify as independent members. CSDR requires, that the management body is composed of suitable members of sufficiently good repute with an appropriate mix of skills, experience and knowledge of the entity and of the market.

The Supervisory Board may comprise six to nine (currently 6) members, including a Chairperson and a Vicechairperson. There are 3 Committees within the Supervisory Board: Audit Committee, Risk Committee and Remuneration Committee.

The Supervisory Board of KDPW continuously supervises the activities of the Company and its activities include: review of financial statements and Management Board reports, approval of the KDPW Rules, rules of operation of the Investor Compensation Scheme, rules of the Trade Repository, appointment and dismissal of members of the KDPW Management Board and decision on their remuneration levels, appointment of a certified auditor, approval of long-term and annual corporate business and financial plans presented by the Management Board and consent for the establishment of commercial law companies.

The Management Board of KDPW may comprise three to five (currently 4) members, including a President and Vice Presidents.

The Management Board of KDPW oversees the affairs of the Company, manages its assets and represents the Company externally. In particular, the Management Board of KDPW prepares a draft of the KDPW Rules, the Rules of the Supervisory Board of KDPW, the Rules of the Court of Arbitration, as well as prepares drafts and adopts regulations governing the detailed operations of KDPW.

61 G03Q018

What are the election procedures?

PFMI: Q.2.3.2

AGC: 7e

The Supervisory Board represents shareholders. Members are appointed and dismissed by the Shareholders' General Meeting. The Members of the Supervisory Board elect a Chairperson and a Vicechairperson and may elect a Secretary in a secret ballot. The General Meeting is valid and may adopt resolutions if at least half of the shares are represented.

62 G03Q019

What is the maximum length of time a board member can serve?

PFMI: Q.2.3.2

AGC: 7f

The term of a board member is set out in the Statute of KDPW. It amounts to three years constituting a joint term of office of the Board members. The rule concerns both the Supervisory Board and the Management Board of KDPW. The mandates of all Board members expire on the day of the Annual Meeting of Shareholders which approves the financial statements for the previous full financial year. Under Polish law there is no limit as to the number of terms of office, however, there is a limitation as to the duration of such a term, which in joint stock companies is up to 5 years.

63 G03Q020

How are the voting powers distributed amongst the board members (i.e. does each board member have one vote or do certain members have additional voting power)?

PFMI: Q.2.3.2

AGC: 7g

Each Board member has one vote. The Supervisory board: Resolutions are adopted on the basis of an absolute majority of votes of the members present at the session, with the exception of resolutions concerning the appointment or dismissal of a member of the Management Board, which shall be passed with a $\frac{3}{4}$ majority of the votes cast. The Management board: Resolutions are adopted by ordinary majority of votes. In the case of a tie, the President of the Board has the casting vote.

65 G03Q022

What are the procedures established to review the performance of the board as a whole and the performance of the individual board members? Who is responsible for regulating the board members?

PFMI: Q.2.3.4

AGC: 7h

The Supervisory Board of KDPW S.A. supervises the activities of the Company by reviewing financial statements and reports of the KDPW Management Board as well as its recommendations on the division of profits or covering of losses, appointing and dismissing the Members of the Management Board and setting their salary levels and approving multi-annual and annual business and financial plans of the Company presented by the Management Board.

The number of Board members, the duration of the term of office (in accordance with the statutory norm), any additional rights for the President of the Board associated with supervising the work of the Board, as well as the manner of voting, the validity of Board meetings, extension or, as the case may be, limitation of competences of the Board in accordance with the Code of Commercial Companies are set out in the Statute of KDPW, i.e. by shareholders acting as the General Meeting.

Comprehensive risk management (PFMI Principle 3)

88 G04Q003

Any direct damages or losses to participants caused by the CSD as a result of force majeure events, acts of God, or political events, etc.?

PFMI: Q.3.1.1

AGC: 66x.

- Not applicable
- No
- Yes

89 G04Q004

If yes, please check all of the following that apply:

PFMI: Q.3.1.1

AGC: 66y.

- Financial limits are imposed on the amount of liability assumed by the CSD
- The CSD assumes liability for direct losses
- The CSD assumes liability for indirect or consequential losses
- OTHER:

90 G04Q005

In all cases where the CSD assumes responsibility for direct or indirect or consequential losses, is the CSD's liability limited by a standard of care determination?

PFMI: Q.3.1.1

AGC: 66+

- Not applicable
- No
- Yes

91 G04Q006

Please define the standard of care applied:

PFMI: Q.3.1.1

*AGC: 66**

A greater degree of effort is expected from KDPW, measured by recognising the professional nature of the depository functions carried out by KDPW.

Credit risk (PFMI Principle 4)

121 G05Q011

Does the CSD have a guaranty fund independent of stock exchange or other market guarantees?

PFMI: Q.4.3.1

AGC: 78

- Not applicable
- No
- Yes

122 G05Q012

If yes, please respond to the following questions: What is the size of the fund?

PFMI: Q.4.3.1

AGC: 78a.

123 G05Q013

How is the size of the fund determined?

PFMI: Q.4.3.1

AGC: 78b.

- A fixed amount
- By asset value
- By participant volume

124 G05Q014

How is the fund financed?

PFMI: Q.4.3.1

AGC: 78d.

- Funding from retained earnings
- Contributions from participants
- Contributions from owner

125 G05Q015

If so, what is the amount or percentage per owner?

PFMI: Q.4.3.1

AGC: 78e.

126 G05Q016

If so, what is the amount or percentage per participant?

PFMI: Q.4.3.1

AGC: 78f.

127 G05Q017

Who is covered by the fund?

PFMI: Q.4.3.1

AGC: 78h.

Direct CSD participants only

The beneficial owner also

OTHER:

128 G05Q018

When is the guaranty fund used?

PFMI: Q.4.3.1

AGC: 78j.

When a broker defaults

When a direct participant defaults

OTHER:

131 G05Q021

Does the CSD have insurance to cover losses in the event of Default on settlement commitments by the CSD or a participant?

PFMI: Q.4.3.3

AGC: 91

Not applicable

No

Yes

132 G05Q022

What is the amount of the coverage?

PFMI: Q.4.3.3
AGC: 91a

133 G05Q023
What is the amount of the deductible?

PFMI: Q.4.3.3
AGC: 91b

134 G05Q024
Please explain other loss or default protections:

PFMI: Q.4.3.3
AGC: 79a

KDPW_CCP operates a clearing fund to protect from clearing member default.

135 G05Q025
Does the CSD accept liability (independent of any insurance coverage) for the following: Any direct damages or losses to participants caused by the CSD in its capacity as a central counterparty?

PFMI: Q.4.3.3
AGC: 66q.

- Not applicable
- No
- Yes

136 G05Q026
If yes, please check all of the following that apply:

PFMI: Q.4.3.3
AGC: 66r.

- Financial limits are imposed on the amount of liability assumed by the CSD
- The CSD assumes liability for direct losses
- The CSD assumes liability for indirect or consequential losses
- OTHER:

Collateral (PFMI Principle 5)

141 G06Q001

Summary narrative for PFMI Principle 5. Please provide a summary narrative disclosure with sufficient detail and context, as well as any other appropriate supplementary information, to enable readers to understand the CSD's approach to or method for observing the principle. Please use the following questions as guidance for the points of focus and level of detail it is expected to convey in the disclosure. Cross references to publicly available documents should be included, where relevant, to supplement the discussion.)

*PFMI: Annex A - CSD disclosure template - IV.P5**AGC: 35c*

KDPW holds collateral for automatic securities loans (cash, Treasury bonds traded on the regulated market in the territory of the Republic of Poland, shares participating in the WIG20 index) in co-ordination with KDPW_CCP. For tri-party repo transactions, KDPW keeps a register of collateral transferred between the parties (Treasury bonds traded on the regulated market in the territory of the Republic of Poland and cash – the last to be allowed only for marking to market the value of repo transactions).

Liquidity risk (PFMI Principle 7)**Settlement finality (PFMI Principle 8)****Money settlements (PFMI Principle 9)**

217 G09Q003

Who accepts cash deposits (or makes payment credit accommodations) for CSD transactions?

*PFMI: Q.9.1.1**AGC: 31*

- CSD
- Central Bank
- Banks appointed by CSD
- Neither or others (e.g. credit lines used)
- Not applicable
- OTHER: For EUR - banks appointed by KDPW participants.

218 G09Q004

Please indicate the name of the banks appointed by the CSD

*PFMI: Q.9.1.1**AGC: 31a*

Banks which are KDPW participants: CREDIT AGRICOLE BANK POLSKA, SANTANDER BANK POLSKA SA., DNB BANK POLSKA SA., TOYOTA BANK POLSKA SA, PKO BP SA., ALIOR

BANK SA, BANK BGŻ BNP Paribas S.A., mBANK HIPOTECZNY S.A., HAITONG, IDEA BANK S.A., PEKAO BANK HIPOTECZNY S.A., BANK SPÓŁDZIELCZY W BRODNICY, BANK MILLENNIUM S.A., BANK HANDLOWY W WARSZAWIE S.A., BANK GOSPODARSTWA KRAJOWEGO, ING BANK ŚLĄSKI S.A., GET IN BANK S.A., BANK POLSKIEJ SPÓŁDZIELCZOŚCI S.A., BANK OCHRONY ŚRODOWISKA S.A., BNP PARIBAS BANK POLSKA S.A., SGB -BANK S.A., SOCIETE GENERALE S.A. ODDZIAŁ W POLSCE, BANK PEKAO S.A., DEUTSCHE BANK POLSKA S.A., NEST BANK, m BANK SA, BANK POCZTOWY S.A., PLUS BANK S.A., SANTANDER CONSUMER BANK S.A., SANTANDER BANK POLSKA S.A., HSBC BANK POLSKA S.A., RAIFFEISEN BANK INTERNATIONAL AG, PKO Bank Hipoteczny S.A., KRAKOWSKI BANK SPÓŁDZIELCZY

219 G09Q005

Who processes cash clearing (or draws on credit lines, if applicable) for CSD transactions?

PFMI: Q.9.1.1

AGC: 32

- CSD
- Central Bank
- Banks appointed by the CSD
- Neither or others (e.g. credit lines used)
- Not applicable
- OTHER:

220 G09Q006

Please name banks appointed by the CSD

PFMI: Q.9.1.1

AGC: 32a

221 G09Q007

Who controls the movement of cash for cash deposits (or draws on credit lines, if applicable)?

PFMI: Q.9.1.1

AGC: 33, 33b

- CSD
- Central Bank
- Banks appointed by CSD
- Neither or others (e.g. credit lines used)
- Not applicable

OTHER:

222 G09Q008

Please name banks appointed by the CSD

PFMI: Q.9.1.1

AGC: 33a

Banks which are KDPW participants: CREDIT AGRICOLE BANK POLSKA, SANTANDER BANK POLSKA S.A., DNB BANK POLSKA S.A., TOYOTA BANK POLSKA SA, PKO BP S.A., ALIOR BANK SA, BANK BGŻ BNP Paribas S.A., mBANK HIPOTECZNY S.A., HAITONG, IDEA BANK S.A., PEKAO BANK HIPOTECZNY S.A., BANK SPÓŁDZIELCZY W BRODNICY, BANK MILLENNIUM S.A., BANK HANDLOWY W WARSZAWIE S.A., BANK GOSPODARSTWA KRAJOWEGO, ING BANK ŚLĄSKI S.A., GET IN BANK S.A., BANK POLSKIEJ SPÓŁDZIELCZOŚCI S.A., BANK OCHRONY ŚRODOWISKA S.A., BNP PARIBAS BANK POLSKA S.A., SGB -BANK S.A., SOCIETE GENERALE S.A. ODDZIAŁ W POLSCE, BANK PEKAO S.A., DEUTSCHE BANK POLSKA S.A., NEST BANK, m BANK SA, BANK POCZTOWY S.A., PLUS BANK S.A., SANTANDER CONSUMER BANK S.A., SANTANDER BANK POLSKA S.A., HSBC BANK POLSKA S.A., RAIFFEISEN BANK INTERNATIONAL AG, PKO Bank Hipoteczny S.A., KRAKOWSKI BANK SPÓŁDZIELCZY

223 G09Q009

Who controls the movement of cash for cash clearing (or for draws on credit lines, if applicable)?

PFMI: Q.9.1.1

AGC: 34

- CSD
- Central Bank
- Banks appointed by CSD
- Neither or others (e.g. credit lines used)
- Not applicable
- OTHER:

224 G09Q010

Please name banks appointed by CSD

PFMI: Q.9.1.1

AGC: 34a

Banks which are KDPW participants: CREDIT AGRICOLE BANK POLSKA, SANTANDER BANK POLSKA S.A., DNB BANK POLSKA S.A., TOYOTA BANK POLSKA SA, PKO BP S.A., ALIOR BANK SA, BANK BGŻ BNP Paribas S.A., mBANK HIPOTECZNY S.A., HAITONG, IDEA BANK S.A., PEKAO BANK HIPOTECZNY S.A., BANK SPÓŁDZIELCZY W BRODNICY, BANK MILLENNIUM S.A., BANK HANDLOWY W WARSZAWIE S.A., BANK GOSPODARSTWA

KRAJOWEGO, ING BANK ŚLĄSKI S.A., GET IN BANK S.A., BANK POLSKIEJ SPÓŁDZIELCZOŚCI S.A., BANK OCHRONY ŚRODOWISKA S.A., BNP PARIBAS BANK POLSKA S.A., SGB -BANK S.A., SOCIETE GENERALE S.A. ODDZIAŁ W POLSCE, BANK PEKAO S.A., DEUTSCHE BANK POLSKA S.A., NEST BANK, m BANK SA, BANK POCZTOWY S.A., PLUS BANK S.A., SANTANDER CONSUMER BANK S.A., SANTANDER BANK POLSKA S.A., HSBC BANK POLSKA S.A., RAIFFEISEN BANK INTERNATIONAL AG, PKO Bank Hipoteczny S.A., KRAKOWSKI BANK SPÓLDZIELCZY

Physical deliveries (PFMI Principle 10)

239 G10Q005

How are eligible securities lodged in the CSD system?

PFMI: Q.10.1.3

AGC: 57, 57a

- A registered certificate in the name of the CSD is delivered to the CSD.
- A participant delivers the security with a valid transfer deed or stock power or other transfer document to the CSD which then effects registration.
- A registrar re-registers the security in the name of the CSD.
- Not applicable
- OTHER: Securities are lodged into the depository system on the basis of a securities registration agreement concluded with KDPW by the issuer (for public securities) or the issue agent (for non-public debt securities). The issuer authorises a direct participant of KDPW (registration agent for public securities, issue agent for non-public debt securities) to act in its name in the registration process. The global amount of securities of a given ISIN is registered in KDPW on a registration account called an "issue account" and on participants' accounts managed by KDPW. On the basis of records made by KDPW, participants register securities on securities accounts and omnibus accounts in their own securities registration systems.

240 G10Q006

When are securities lodged into the CSD reflected in a participant's CSD account?

PFMI: Q.10.1.3

AGC: 58, 58a

- Securities are reflected in the participant's CSD account immediately upon delivery to the CSD.
- Securities are re-registered prior to being reflected in the participant CSD account.
- Not applicable
- OTHER: For non-public securities the registration is performed not earlier than the next day after delivery of the registration application to KDPW.

241 G10Q007

How long does it usually take to lodge securities with the CSD?

*PFMI: Q.10.1.3**AGC: 59, 59b*

- Not applicable
- More than 4 weeks
- 2 to 4 weeks
- 3 days to 1 week
- 1 to 2 days

242 G10Q008

Please specify

*PFMI: Q.10.1.3**AGC: 59a*

243 G10Q009

During the process of lodging securities into the CSD, can the securities be traded?

*PFMI: Q.10.1.3**AGC: 60*

- Not applicable
- No
- Yes

244 G10Q010

During the process of lodging securities into the CSD, can the securities be settled?

*PFMI: Q.10.1.3**AGC: 60a*

- Not applicable
- No
- Yes

245 G10Q011

During the process of lodging securities into the CSD, can the securities have ownership transferred?

PFMI: Q.10.1.3

AGC: 60b

- Not applicable
- No
- Yes

246 G10Q012

If they cannot be traded, or if you answered other, please explain

PFMI: Q.10.1.3

AGC: 60c

247 G10Q013

If they cannot be settled, or if you answered other, please explain

PFMI: Q.10.1.3

AGC: 60d

Settlement is possible only after the securities are registered on the investors' securities accounts.

248 G10Q014

If ownership cannot be transferred, or if you answered other, please explain

PFMI: Q.10.1.3

AGC: 60e

Transfer is possible only after the securities are registered on the participants' and investors' securities accounts.

249 G10Q015

Are securities immediately available for delivery upon transfer to the CSD?

PFMI: Q.10.1.3

AGC: 61, 61d

- Not applicable

- No
- Yes

250 G10Q016
If no: Securities are unavailable for

PFMI: Q.10.1.3
AGC: 61a

- Not applicable
- More than 4 weeks
- 2 to 4 weeks
- 3 days to 1 week
- 1 to 2 days

251 G10Q017
If more than 4 weeks, please specify

PFMI: Q.10.1.3
AGC: 61b

252 G10Q018
If not applicable, please explain

PFMI: Q.10.1.3
AGC: 61c

253 G10Q019
What transfer process steps are involved when eligible securities are withdrawn from the CSD for safekeeping?

PFMI: Q.10.1.3
AGC: 63, 63a

- Not applicable
- Securities are transferred as is any physical delivery in the market.
- Securities are re-certificated and delivered as bearer instruments.

- Securities are re-certificated and re-registered into the name of the beneficia
- Securities are re-registered into the name of the beneficial owner or a nominee.
- Other: Withdrawal of securities from safekeeping takes place in the following cases: 1) termination of dematerialisation of securities - following the issuer's resignation from being a public company, on approval of the Polish FSA or 2) in case of redemption of debt securities - withdrawal upon the issuer's request.

254 G10Q020

How long does it usually take to remove securities from the CSD?

PFMI: Q.10.1.3

AGC: 64, 64b

- Not applicable
- More than 4 weeks
- 2 to 4 weeks
- 3 days to 1 week
- 1 to 2 days

255 G10Q021

If more than 4 weeks, please specify

PFMI: Q.10.1.3

AGC: 64a

256 G10Q022

While the securities are being removed from the CSD, can they be traded? (Choose one)

PFMI: Q.10.1.3

AGC: 65a

- Yes
- Not applicable
- No
- Other: During the process of removal from the Depository, shares cannot be traded neither on the regulated nor on the ASO market, but they may be traded on the OTC market and on the basis of Civil Law agreements, until the day of termination of their

dematerialisation. Debt securities cannot be traded after the record date.

257 G10Q023

If they cannot be traded please explain

PFMI: Q.10.1.3

AGC: 65b

258 G10Q024

While the securities are being removed from the CSD, can they be settled? (Choose one)

PFMI: Q.10.1.3

AGC: 65c

- Yes
- Not applicable
- No
- Other: Yes - only for trades concluded on the basis of Civil Law agreements.

259 G10Q025

If they cannot be settled, please explain

PFMI: Q.10.1.3

AGC: 65d

260 G10Q026

While the securities are being removed from the CSD, can they have ownership transferred? (Choose one)

PFMI: Q.10.1.3

AGC: 65e

- Yes
- Not applicable
- No
- Other: Yes - only for trades concluded on the basis of Civil Law agreements.

261 G10Q027

If ownership cannot be transferred, please explain

PFMI: Q.10.1.3

AGC: 65f

263 G10Q029

What are the vault security procedures for the safekeeping of physical paper?

PFMI: Q.10.2.1

AGC: 75

- Not applicable, no vault is maintained
- Electronic keys or combinations
- Dual access control
- Visitor logs
- Vault counts
- Intrusion alarms
- Fire alarms
- Guards
- OTHER:

264 G10Q030

Please indicate frequency of vault counts:

PFMI: Q.10.2.1

AGC: 75a.

265 G10Q031

Please explain:

PFMI: Q.10.2.1

AGC: 75b

Central Securities Depositories (PFMI Principle 11)

271 G11Q002

CSD FUNCTIONALITY AND SERVICES, USE OF AGENTS. Certain functionalities and services reduce risk to an investor if provided in an efficient manner. The purpose of this section is to identify those functionalities that may potentially be offered by depositories and clearing

systems around the world, and ascertain whether they are offered by your institution. For which of the following security types do you serve as a CSD or clearing system?

PFMI: n/a

AGC: 26

- Government securities
- Equities
- Corporate bonds
- Corporate money market
- Not applicable
- OTHER: see p. 272

272 G11Q003

Please name the other security types:

PFMI: n/a

AGC: 26a.

Debt financial instruments: mortgage bonds, municipal bonds, convertible bonds, central bank bonds, financial institution bonds, non-public bonds, mortgage bonds and investment certificates, bonds with priorities rights, structured certificates. Equity financial instruments: preferred shares, investment certificates, exchange-traded funds (ETFs). Other securities: allotment certificates, subscription rights, option warrants, subscription warrants.

273 G11Q004

Is the use of the CSD in your market compulsory by law or compulsory by market practice for the settlement or safekeeping of all instrument types in your market (e.g. equities, government securities, corporate bonds, money market instruments, warrants, derivatives etc).

PFMI: n/a

AGC: 27, 27c

- Yes by law for settlement of all instrument types
- Yes by law for safekeeping of all instrument types
- Yes by market practice for settlement of all instrument types
- Yes by market practice for safekeeping of all instrument types
- Yes by law for settlement, but not for all instrument types
- Yes by law for safekeeping, but not for all instrument type
- Yes by market practice for settlement, but not for all instrument types

- Yes by market practice for safekeeping, but not for all instrument types
- Neither
- OTHER:

274 G11Q005

Please list the instrument types for which it is not compulsory by law to: (i) settle in your CSD

PFMI: n/a

AGC: 27a. (i)

The use of a depository in the Polish market is compulsory for settlement of transactions concluded on regulated and alternative markets. The instrument types for which it is not compulsory by law to settle are: non-publicly traded shares, non-publicly traded debt instruments issued before 1 July 2019, Treasury bonds (for trades outside the regulated market between clients of the same KDPW participant) and Treasury bills. T-Bills are settled in the Securities Register (operated by the National Bank of Poland).

275 G11Q006

(ii) safekeep in your CSD:

PFMI: n/a

AGC: 27a. (ii)

Non-publicly traded shares and non-publicly traded debt instruments issued before 1 July 2019 are safekept in registers outside KDPW. T-Bills are safekept in the Securities Register operated by the National Bank of Poland.

276 G11Q007

Please list the instrument types for which it is not compulsory by market practice to: (i) settle in your CSD

PFMI: n/a

AGC: 27b. (i)

Non-publicly traded shares, non-publicly traded debt instruments issued before 1 July 2019, Treasury bills; T-Bills are by law settled with the Securities Register (operated by the National Bank of Poland).

277 G11Q008

(ii) safekeep in your CSD:

PFMI: n/a

AGC: 27b. (ii)

Non-publicly traded shares and non-publicly traded debt instruments issued before 1 July 2019 are safekept in registers outside KDPW. T-Bills are by law safekept in the Securities Register operated by the National Bank of Poland.

278 G11Q009

Settlement and Safekeeping Percentages 28a Please list by instrument type the percentage of the total market in your jurisdiction (either volume or value) settled within your institution, exclusive of your links with third parties.

PFMI: n/a
AGC: 28 28a

100 % - for securities which are obligatorily registered in KDPW.

279 G11Q010

Please list by instrument type the percentage of the total market in your jurisdiction (either volume or value) held in safekeeping within your institution.

PFMI: n/a
AGC: 28b.

100 % - for securities which are obligatorily registered in KDPW.

281 G11Q012

In the event a participant's single or main account is blocked for any reason (e.g., insolvency, penalties, violations, liens), would securities held in any account or accounts on behalf of the participant's clients be accessible: By the participant's clients?

PFMI: Q.11.1.1
AGC: 44a

- Not applicable
- No
- Yes

282 G11Q013

If yes, please describe briefly how clients of participants would access their securities and whether there would be any delay in their ability to do so:

PFMI: Q.11.1.1
AGC: 44b

Any securities charges (i.e.: liens) made on accounts managed by KDPW may only affect those accounts where the participant's own securities are registered. As a result of this a charge cannot limit access by a client of that participant to securities registered on the securities account managed by that participant. In the same way, the insolvency of a participant does not in itself lead to restriction of access by a client, since the client's securities do not make up the property of the participant, nor do they form that participant's assets. Only where the participation status of a given participant is suspended can their clients have difficulties in accessing securities they own which are registered on the client's securities accounts managed by that participant, since during the suspension period, all accounts managed for that participant in KDPW are suspended as well (this is the fundamental nature of participation). In such case (suspension of participant) the Polish Financial Supervision Authority may take a decision to transfer securities from accounts managed by this

participant to another participant (who gave its consent to this action), where they are immediately accessible to the clients. The same situation may arise in the event of cancellation of participation.

283 G11Q014

By the intervening authorities controlling insolvency or other proceedings?

PFMI: Q.11.1.1

AGC: 44d.

- Not applicable
- No
- Yes

284 G11Q015

If yes, please describe briefly under what conditions access would be granted to the intervening authorities:

PFMI: Q.11.1.1

AGC: 44e.

285 G11Q016

By the participant's creditors?

PFMI: Q.11.1.1

AGC: 44g, 44i

- Not applicable
- No
- Yes

286 G11Q017

If yes, please describe briefly under what conditions access would be granted to the participant's creditors:

PFMI: Q.11.1.1

AGC: 44h

287 G11Q018

By the CSD's creditors?

PFMI: Q.11.1.1
AGC: 44j.

- Not applicable
- No
- Yes

288 G11Q019

If yes, please describe briefly under what conditions access would be granted to the CSD's creditors:

PFMI: Q.11.1.1
AGC: 44k.

289 G11Q020

What is your document and record retention policy for documents and records described above in this section?

PFMI: Q.11.1.1
AGC: 47, 47a

- 7 years
- 5 years
- 3 years
- 1 year
- 6 months or less
- Other: 10 years

290 G11Q021

Does the law protect participant assets from claims and liabilities of the CSD?

PFMI: Q.11.1.1
AGC: 54

- Not applicable
- No

Yes

291 G11Q022

Can the CSD assess a lien on participant accounts? (A lien would entitle the CSD to take and hold or sell the securities of the participant in payment of a debt.)

PFMI: Q.11.1.1

AGC: 55

Yes

No

Not applicable

292 G11Q023

If yes, for what reasons are liens or similar claims imposed?

PFMI: Q.11.1.1

AGC: 55a

Fees and expenses

Collateralization of overdrafts

To secure payment for purchased securities

OTHER: see 293

293 G11Q024

Please describe:

PFMI: Q.11.1.1

AGC: 55b

The securities on the participant's proprietary account, which are marked as available for collateral purposes, may be used to further collateralize an automatic securities loan taken out by the participant if that participant (acting as a borrower) fails to provide sufficient collateral for the loan in the first place.

294 G11Q025

Please indicate the limits of this lien as indicated below:

PFMI: Q.11.1.1

AGC: 55c

- The lien may extend to settled client positions
- The lien is limited to securities in the course of purchase and sale transactio
- The lien is limited to securities in the participant's proprietary account

295 G11Q026

Please explain:

PFMI: Q.11.1.1

AGC: 55d

296 G11Q027

If a lien is placed on a participant's account which has been designated for its clients, will the CSD select certain securities to be subject to the lien?

PFMI: Q.11.1.1

AGC: 55e

- No
- Yes

297 G11Q028

If yes, please indicate whether:

PFMI: Q.11.1.1

AGC: 55f

- The lien is placed on the securities with the greatest value in the account
- The lien is placed on the most liquid securities in the account

298 G11Q029

Please explain:

PFMI: Q.11.1.1

AGC: 55g

299 G11Q030

If no, please indicate whether the entire account will be subject to the lien.

PFMI: Q.11.1.1

AGC: 55h

- No
- Yes

300 G11Q031

For accounts designated as client accounts, do procedures exist to restrict the placement of liens only to obligations arising from safe custody and administration of those accounts?

PFMI: Q.11.1.1

AGC: 55j

- No
- Yes

301 G11Q032

If yes, are the restrictions accomplished by:

PFMI: Q.11.1.1

AGC: 55k

- Contract between the CSD and the participant

302 G11Q033

Please explain:

PFMI: Q.11.1.1

AGC: 55l

303 G11Q034

Transfer of Legal Ownership. Does the CSD have legal authority to transfer title to securities?

PFMI: Q.11.1.1

AGC: 56, 56e

- Not applicable
- No
- Yes

304 G11Q035

When does title or entitlement to CSD securities pass between participants?

PFMI: Q.11.1.1

AGC: 56a

- When the transaction is processed on an intra-day basis
- When corresponding money or other consideration is transferred
- At the end of the business day on which the transfer occurs
- Other: See p. 305.

305 G11Q036

Please describe:

PFMI: Q.11.1.1

AGC: 56b

The title to depository securities passes in the moment of booking these securities on securities accounts (i.e. end-investor accounts) kept by KDPW participants. Entries in these accounts arising from transactions shall be made on the basis of documents proving settlement of these transactions in KDPW.

306 G11Q037

Where does title or entitlement to CSD securities pass between participants?

PFMI: Q.11.1.1

AGC: 56c

- On the registrars books
- On the CSD books

307 G11Q038

Please describe:

PFMI: Q.11.1.1

AGC: 56d

309 G11Q040

In what form does the CSD maintain records identifying the assets of each participant?

PFMI: Q.11.1.2
AGC: 45

- Computer file
- Microfiche
- Hard copy
- Computer tape
- OTHER:

310 G11Q041
In which format is the source data maintained?

PFMI: Q.11.1.2
AGC: 45b

Internal IBM System i format.

315 G11Q046
If the securities held with the CSD are recorded by book-entry at the registrar, what are the control features at the registrar for transfer of registrar positions to and from the CSD (e.g., authentication procedures, reconciliation, confirmation of position at registrar)? Please describe:

PFMI: Q.11.1.6
AGC: 52i

Not applicable.

318 G11Q049
How are CSD eligible securities held by the CSD?

PFMI: Q.11.3.1
AGC: 50, 50a

- In dematerialized form
- In certificated form
- OTHER:

320 G11Q051
If CSD eligible securities are certificated, can CSD eligible securities be held outside of the CSD?

PFMI: Q.11.3.2
AGC: 51

- Not applicable
- Certain designated securities may be held outside the CSD
- Once entered into the CSD, eligible securities must remain in the CSD
- Securities may move freely into and out of the CSD
- All eligible securities must be held in the CSD

321 G11Q052

If certain designated securities are held outside the CSD, please indicate under which conditions these securities would be held outside the CSD:

PFMI: Q.11.3.2

AGC: 51a

322 G11Q053

If CSD eligible securities are required to be centrally immobilized at the CSD, where and with whom are the certificates safekept? (then please answer 51c)

PFMI: Q.11.3.2

AGC: 51b

323 G11Q054

Are these certificates:

PFMI: Q.11.3.2

AGC: 51c

- Bearer
- Registered
- OTHER:

324 G11Q055

If registered, how are the CSD eligible securities registered?

PFMI: Q.11.3.2

AGC: 51d

- In the name of the CSD

- In the name of the depositing participant or its nominee
- In the name of a separate nominee of the CSD
- OTHER:

325 G11Q056

If in the name of a separate nominee, please identify by name the nominee used:

PFMI: Q.11.3.2

AGC: 51f

326 G11Q057

If CSD eligible securities may be held either in or out of the CSD, are these certificates:

PFMI: Q.11.3.2

AGC: 51h

- Registered
- Bearer

327 G11Q058

What are the control features for receipt of certificates to the CSD (e.g., authentication procedures, re-registration)? Please describe:

PFMI: Q.11.3.2

AGC: 51i

328 G11Q059

If securities are dematerialized: May dematerialized security positions be re-certificated and held outside the CSD?

PFMI: Q.11.3.2

AGC: 52

- Not applicable
- No
- Yes

329 G11Q060

Are the securities held:

PFMI: Q.11.3.2
AGC: 52a, 52k

- Through book-entry at the CSD
- Through book-entry at a registrar or issuer
- OTHER:

330 G11Q061
Please identify which types of entities may act as registrars:

PFMI: Q.11.3.2
AGC: 52b

- Issuers
- Separate companies that perform registrar functions
- CSD
- OTHER:

331 G11Q062
If the securities held by the CSD are recorded by book entry at the registrar, are the securities registered only to the CSD, with the CSD providing the function of recording ownership on a centralized basis for the market?

PFMI: Q.11.3.2
AGC: 52d

- No
- Yes

332 G11Q063
If yes, how are securities held at the registrar for the account of the CSD?

PFMI: Q.11.3.2
AGC: 52e

- In the name of a separate nominee of the CSD
- In the name of the CSD

333 G11Q064
Please describe:

PFMI: Q.11.3.2
AGC: 52f

334 G11Q065

If the securities held with the CSD are recorded by book-entry at the registrar but are not registered exclusively to the CSD, may they be registered to:

PFMI: Q.11.3.2
AGC: 52g

- A nominee
- The beneficial owner

335 G11Q066
Please describe:

PFMI: Q.11.3.2
AGC: 52h

338 G11Q069

Does the CSD accept liability (independent of any insurance coverage) for the following: Reconciliation errors with the registrar and/or the issuer that result in direct damages or losses to participants?

PFMI: Q.11.4.1
AGC: 66, 66a, 66d

- Yes
- Not applicable
- No

339 G11Q070

If yes, please check all of the following that apply:

PFMI: Q.11.4.1
AGC: 66b 66c

- Financial limits are imposed on the amount of liability assumed by the CSD

- The CSD assumes liability for direct losses
- The CSD assumes liability for indirect or consequential losses
- OTHER:

340 G11Q071

Theft of securities (either physical certificate or electronically from accounts at the CSD) from the CSD that results in direct damages or losses to participants?

PFMI: Q.11.4.1

AGC: 66e, 66g, 66h

- Not applicable
- Yes
- No

341 G11Q072

If yes, please check all of the following that apply:

PFMI: Q.11.4.1

AGC: 66f

- Financial limits are imposed on the amount of liability assumed by the CSD
- The CSD assumes liability for direct losses
- The CSD assumes liability for indirect or consequential losses
- OTHER:

342 G11Q073

Failure of the CSD's systems that result in direct damages or losses to participants because they cannot use either securities or funds?

PFMI: Q.11.4.1

AGC: 66i, 66l.

- Not applicable
- Yes
- No

343 G11Q074

If yes, please check all of the following that apply:

*PFMI: Q.11.4.1**AGC: 66j, 66k*

- Financial limits are imposed on the amount of liability assumed by the CSD
- The CSD assumes liability for direct losses
- The CSD assumes liability for indirect or consequential losses
- OTHER:

344 G11Q075

Any direct damages or losses to participants caused by the CSD due to its errors, omissions or fraud?

*PFMI: Q.11.4.1**AGC: 66m, 66p.*

- Yes
- No
- Not applicable
- OTHER:

345 G11Q076

If yes, please check all of the following that apply:

*PFMI: Q.11.4.1**AGC: 66n.*

- Financial limits are imposed on the amount of liability assumed by the CSD
- The CSD assumes liability for direct losses
- The CSD assumes liability for indirect or consequential losses
- OTHER:

347 G11Q078

Is the CSD immune from legal action in its own jurisdiction?

*PFMI: Q.11.4.2**AGC: 68*

- No
- Yes
- Other: According to Art. 6 p. 4 of the Bankruptcy and Restitution Law a legal entity which has been established on the basis of provisions of an Act of Parliament cannot be declared bankrupt. KDPW is currently such a legal entity.

349 G11Q080

Does the CSD have Fidelity insurance (that is, insurance to cover loss of securities or money resulting, for example, from acts such as forgery, theft, fraud and/or employee dishonesty)?

PFMI: Q.11.4.3

AGC: 92

- Not applicable
- No
- Yes

350 G11Q081

What is the amount of the coverage?

PFMI: Q.11.4.3

AGC: 92a.

100 mn PLN (25 mn USD – USD/PLN 3,86 at the end of September 2020)

351 G11Q082

What is the amount of the deductible?

PFMI: Q.11.4.3

AGC: 92b.

100 000 PLN (25 000 USD – USD/PLN 3,86 at the end of September 2020)

352 G11Q083

Does the CSD have insurance for Operational Errors?

PFMI: Q.11.4.3

AGC: 93

- Not applicable

- No
- Yes

353 G11Q084
What is the amount of the coverage?

PFMI: Q.11.4.3
AGC: 93a.

100 mn PLN (25 mn USD – USD/PLN 3,86 at the end of September 2020)

354 G11Q085
What is the amount of the deductible?

PFMI: Q.11.4.3
AGC: 93b.

250 000 - 300 000 PLN (62 000 - 75 000 USD – USD/PLN 3,86 at the end of September 2020)

355 G11Q086
Does the CSD have Errors and Omissions insurance?

PFMI: Q.11.4.3
AGC: 94

- Not applicable
- No
- Yes

356 G11Q087
What is the amount of the coverage?

PFMI: Q.11.4.3
AGC: 94a.

100 mn PLN (25 mn USD – USD/PLN 3,86 at the end of September 2020)

357 G11Q088
What is the amount of the deductible?

PFMI: Q.11.4.3
AGC: 94b.

250 000 - 300 000 PLN (62 000 - 75 000 USD – USD/PLN 3,86 at the end of September 2020)

358 G11Q089

Does the CSD have insurance for the Premises?

PFMI: Q.11.4.3

AGC: 95

- Not applicable
- No
- Yes
- Other: KDPW has insurance for the disaster recovery site. As regards the main premises, KDPW, as one of the co-owners of the building, has its share equal to 21,138760% in the insurance for the building.

359 G11Q090

What is the amount of the coverage?

PFMI: Q.11.4.3

AGC: 95a.

360 G11Q091

What is the amount of the deductible?

PFMI: Q.11.4.3

AGC: 95b.

361 G11Q092

Does the CSD have any other insurance?

PFMI: Q.11.4.3

AGC: 96, 96d

- Not applicable
- No
- Yes

362 G11Q093

If so, what is it for?

PFMI: Q.11.4.3
AGC: 96a.

There is insurance for fire and other events, such as break-ins and theft, robbery and destruction, for all risks relating to fittings and portable equipment (laptop computers, mobile phones), property insurance in transit in Polish territory, civil liability as a result of managing offices.

363 G11Q094
What is the amount of the coverage?

PFMI: Q.11.4.3
AGC: 96b.

Full property insurance - reproduction value.

364 G11Q095
What is the amount of the deductible?

PFMI: Q.11.4.3
AGC: 96c.

365 G11Q096
Who is the insurance carrier? If more than one insurance carrier, please list each carrier here and provide your responses to questions 97a and 97b in corresponding order.

PFMI: Q.11.4.3
AGC: 97

Colonnade Insurance SA - operational risk insurance, PZU S.A. - other insurance agreements

366 G11Q097
Who is the insurance carrier's parent company, if applicable? (If inapplicable, simply type n/a.)

PFMI: Q.11.4.3
AGC: 97a.

Colonnade Insurance SA - member of Fairfax Financial Holdings Limited

367 G11Q098
What is the term of the policy?

PFMI: Q.11.4.3
AGC: 97b.

1 year

368 G11Q099

Who does the insurance cover?

PFMI: Q.11.4.3

AGC: 97c, 97d

- CSD
- Direct CSD participants
- Final investors
- Not applicable
- OTHER: KDPW_CCP (KDPW's subsidiary)

369 G11Q100

If you feel that you would like to provide additional details on any of the given answers, feel free to provide any additional comments here (maximum of 5,000 characters) or prepare an additional document identifying the question(s) you are commenting on and upload the document under 98a:

PFMI: Q.11.4.3

AGC: 98

370 G11Q101

filecount - Upload document here:

PFMI: Q.11.4.3

AGC: 98a.

0

371 G11Q102

Do the CSD's written contracts, rules, or established practices and procedures provide protection against risk of loss of participant assets by the CSD in the form of indemnification?

PFMI: Q.11.4.3

AGC: 67a, 67b.

- Yes
- No
- Not applicable
- OTHER:

372 G11Q103

Please explain (then please answer 67c):

PFMI: Q.11.4.3
AGC: 67b.

373 G11Q104

Please provide details of the relevant sections of the contracts, rules or practices where this information is found

PFMI: Q.11.4.3
AGC: 67c.

not applicable

374 G11Q105

Insurance

PFMI: Q.11.4.3
AGC: 67d.

Yes

No

Not applicable

OTHER:

375 G11Q106

Please explain (then please answer 67f):

PFMI: Q.11.4.3
AGC: 67e.

KDPW holds an insurance agreement to cover specific fraud relating to KDPW-owned financial instruments, financial instruments registered on KDPW accounts and KDPW managed accounts, or where KDPW holds powers of attorney. The policy further covers risks involving malfunctions of IT systems, computer crime and professional liability of financial institutions (interest or damages for failure to perform its functions, or for negligent performance).

376 G11Q107

Please provide details of the relevant sections of the contracts, rules or practices where this information is found

PFMI: Q.11.4.3
AGC: 67f.

not applicable

377 G11Q108

Acknowledgement of liability for losses caused by CSD's own actions.

PFMI: Q.11.4.3

AGC: 67g.

- Not applicable
- No
- Yes

378 G11Q109

Please explain (then please answer 67i):

PFMI: Q.11.4.3

AGC: 67h.

see 375

379 G11Q110

Please provide details of the relevant sections of the contracts, rules or practices where this information is found.

PFMI: Q.11.4.3

AGC: 67i.

not applicable

380 G11Q111

Other

PFMI: Q.11.4.3

AGC: 67j.

- Yes
- No

381 G11Q112

Please explain (then please answer 67i):

PFMI: Q.11.4.3

AGC: 67k.

KDPW has a dedicated Corporate Security Department, which prepares policy,

methodologies, procedures and tools to manage any kind of operational and legal risks, inter alia, resulting in a loss of assets registered in the KDPW depository system. However, rights to securities arise as a result of entries on securities accounts, which are in effect carried out by the participants themselves. The aggregated amounts of assets kept on securities accounts with participants are equal to the balances on depository accounts in KDPW. The reconciliation process at the end of each day allows to identify any discrepancies between KDPW's depository accounts and participants' aggregated accounts and take any action to resolve them. Moreover, operational risk management and monitoring systems have strict procedures to deal with any kind of incidents that can occur in the KDPW processes and address ways how to cope with them. In case of direct material loss of a participant due to KDPW's own fault, the insurance policy might be activated to cover the loss. In addition, the assets of investors kept on securities accounts with participants are safeguarded using a compensation scheme, which is administered by KDPW and used to pay compensation to clients in the event of the bankruptcy of a participant or fraudulent dealings by participants.

382 G11Q113

Please provide details of the relevant sections of the contracts, rules or practices where this information is found.

PFMI: Q.11.4.3

AGC: 67I.

Compensation Scheme Regulation, art. 132-146 of the Trading in Financial Instruments Act, Rules of Operation of the Compensation Scheme in KDPW.

384 G11Q115

Are participants permitted to maintain more than one account at the CSD?

PFMI: Q.11.5.1

AGC: 41

- Not applicable
- No
- Yes

385 G11Q116

If yes, please indicate number:

PFMI: Q.11.5.1

AGC: 41a, 41c

- An unlimited number of accounts
- More than one account
- OTHER:

386 G11Q117

If more than one account what is the maximum?

*PFMI: Q.11.5.1**AGC: 41b*

388 G11Q119

Are participants required/permited to segregate assets held for their own benefit from those they hold for their clients?

*PFMI: Q.11.5.2**AGC: 42*

- Yes
- No
- Not applicable
- OTHER:

389 G11Q120

If yes, is segregation required or simply permitted?

*PFMI: Q.11.5.2**AGC: 42a*

- Permitted
- Required

390 G11Q121

How does segregation occur?

*PFMI: Q.11.5.2**AGC: 42b, 42c*

- By separately designated participant accounts.
- By sub-accounts within a single participant account.
- By separately designated beneficial owner accounts.
- OTHER:

391 G11Q122

Does the CSD permit its participants to open accounts in the participant's own nominee name(s)?

PFMI: Q.11.5.2

AGC: 43, 43b

- Not applicable
- No
- Yes
- Other: Polish Securities Law allows for opening omnibus accounts, operated by KDPW participants or by KDPW, for their foreign clients. They are opened in the name of the participant's clients, not in the participant's own nominee name.

392 G11Q123

If yes, do laws exist, which define as well as protect the rights of beneficial owners with respect to securities registered in nominee name?

PFMI: Q.11.5.2

AGC: 43a

- Yes
- No

394 G11Q126

Please indicate services you provide.

PFMI: Q.11.6.1

AGC: 35

- Own list or: AGC: Information in advance on corporate (annual or special) meetings in order that owners can vote.
- Tax assistance where foreign holders may be entitled to tax relief at source or through a claim.
- In order to avoid fails, an automatic securities lending facility - if requested - is provided for.
- Collateral handling in support of activities including securities lending, overdraft coverage, cash management, repurchase agreements, etc.
- Same day turnaround settlements.
- Information on distribution of new issues (IPO, Privatization).

Not applicable

OTHER: Statutory services: (1) settlement of transactions conducted on the regulated and non-regulated markets; (2) automated pre-matching service for OTC settlement instructions; (3) hold-release mechanism which allows management of instructions sent for settlement; (4) Corporate Action processing: organising and co-ordinating the performance of issuers' obligations for securities owners, supporting information on both optional and mandatory events, providing an auto-compensation service for losing cash benefits from securities for non-defaulting party with a cum dividend entitlement benefit, acting as an intermediary in processing GMs (providing a list of shareholders authorised to attend the GM with an interface (web application) for issuer to pass on information related to the GMs, providing e-Voting service); Other services: (5) voluntary partial settlement functionality: allows to optimise the volume of settled transactions outside of the organised markets, part of each DVP batch settlement, (6) negotiated securities lending & borrowing service organized in cooperation with KDPW_CCP: voluntary service, intermediation in SLB agreements conclusion, fixed- or open-term securities loans available, settlement of loan for both opening and closing (return/recall) phase on a DvP basis with CCP guarantees for the closing phase, initial cash collateral transfer to the lender, daily mark-to-market of the initial cash collateral, managing loan throughout the loan's lifecycle, including returns, recalls, remuneration for the lent securities as well as provided cash collateral, market claims compensation in case of CAs on lent securities, (7) tri-party repo agent service: voluntary service, accepting repo instructions, selecting collateral for repo transactions, updating collateral, i.e., calculating and initiating collateral transfers, reporting collateral requirements to repo counterparties, processing the closing of repo transactions at the set date taking into account the repo rate, processing corporate actions for securities posted as collateral: modifications to the collateral register, processing compensation in respect of cash payments attached to securities posted as collateral. (8) trade repository service for reporting derivatives trades under the provisions of EMIR and securities financing transactions under the provisions of SFTR, (9) numbering agency service (ISIN, CFI, FISN and LEI), (10) asset management; Complementary services: (11) organising and managing the Pension Guarantee Fund, (12) processing of transfer payments between open-ended pension funds, (13) managing the mandatory Investor Compensation Scheme in order to pool resources for the payment of compensation to investors who have lost their assets (cash and financial instruments) following the insolvency of their securities account provider, (14) collection of data and making publicly available information on outstanding non-redeemed bonds, mortgage bonds and investment certificates issued by each issuer domiciled in the Republic of Poland

395 G11Q127

Automatic securities lending facility is provided for:

PFMI: Q.11.6.1

AGC: 35a

Brokers

Banks

Other financial institutions

OTHER: The service is provided for banks and brokers who are direct participants of KDPW, acting on their own account or on the account of another person, however, the securities borrower may only be a direct participant with the status of clearing member in the transaction clearing system operated by KDPW_CCP or with the status of a representative (settlement agent) for KDPW_CCP clearing members.

396 G11Q128

If collateral handling, please provide details

*PFMI: Q.11.6.1**AGC: 35c*

KDPW holds collateral for: - automatic securities loans (cash, Treasury bonds traded on the regulated market in Poland, shares participating in the WIG20 index) in co-ordination with KDPW_CCP. - tri-party repo transactions (Treasury bonds traded on the regulated market in Poland and cash – last to be allowed only for marking to market the value of the repo transaction), - KDPW_CCP holds on depository accounts in KDPW the collateral for initial margins and clearing funds of its participants resulting from trades executed on regulated and alternative markets, - a negotiated securities lending & borrowing service for which initial margin and guarantee fund are kept for KDPW_CCP, - participants keep collateral to pledge intra-day technical credit granted by the National Central Bank, - securities are also blocked on depository accounts under pledge: (1) for the collateralisation of refundable financial aid granted by the Bank Guarantee Fund, (2) for the collateralisation of refinancing Lombard credit granted by the National Bank of Poland; (3) in favour of the Council of Europe Development Bank, European Investment Bank.

397 G11Q129

Other, please explain:

*PFMI: Q.11.6.1**AGC: 35d*

398 G11Q130

What procedures are in place for the processing of corporate action entitlements?

*PFMI: Q.11.6.1**AGC: 36*

- Credited to the securities account on the day indicated below regardless of whether actually collected by the CSD on the scheduled date.
- Credited to the securities account upon actual receipt by the CSD.
- Corporate action entitlements are handled by an entity separate from the CSD.
- Not applicable
- OTHER:

399 G11Q131

Credited to the securities account:

*PFMI: Q.11.6.1**AGC: 36a*

- On pay date.
- On pay date +1.
- On pay date +2.
- OTHER:

400 G11Q132
Name of entity:

PFMI: Q.11.6.1
AGC: 36c

401 G11Q133

What procedures are in place for the processing of interest and dividends?

PFMI: Q.11.6.1
AGC: 37, 37d.

- Credited to the cash account on the day indicated below regardless of whether actually collected by the CSD on the scheduled date.
- Credited to the cash account upon actual receipt by the CSD.
- Income and dividend collection is handled by an entity separate from the CSD.
- Not applicable
- OTHER:

402 G11Q134

Credited to the cash account:

PFMI: Q.11.6.1
AGC: 37a

- On pay date.
- On pay date +1.
- On pay date +2.
- OTHER:

403 G11Q135

Name of entity:

PFMI: Q.11.6.1
AGC: 37c

Exchange-of-value settlement systems (PFMI Principle 12)

408 G12Q003
Does the CSD guaranty settlement?

PFMI: Q.12.1.1
AGC: 66u.

- Not applicable
- Yes
- No
- Other: There is no settlement guarantee provided by the CSD. Clearing guarantee is accomplished by KDPW_CCP (wholly owned by KDPW, EMIR compliant), which clears transactions executed in cash and derivatives, on- and off-exchange markets.

409 G12Q004
Please explain how this is accomplished. What are the procedures and safeguards that permit the CSD to guaranty settlement?

PFMI: Q.12.1.1
AGC: 66v.

411 G12Q006
The Committee on Payment and Settlement Systems of the Bank for International Settlements (BIS) has identified three common structural approaches or models for linking delivery and payment in a securities settlement system. Please indicate which model your procedures most closely resemble.

PFMI: Q.12.1.2
AGC: 48

- Model1
- Model2
- Model3
- Not applicable
- OTHER:

412 G12Q007

Please briefly describe your settlement process, including how do your settlement procedures vary from the model chosen above?

PFMI: Q.12.1.3

AGC: 48a

Model 1 (gross settlement of both securities and cash) is applicable to the settlement of transactions in RTGS. Model 2 (gross settlement of securities with net settlement of cash via central bank) is applicable to the settlement in the batch system. Model 3 (net settlement of both securities and cash) is implemented in the process of clearing in KDPW_CCP. The securities netting process is performed following novation in KDPW_CCP. At the end of the trade day (T), settlement instructions are sent to KDPW for T+2 settlements. Securities netting is an optional service. There are two options of securities netting functionality, full netting or directional netting (for each clearing account the securities settlement method may be chosen separately). The full netting method means there is one net settlement instruction for each clearing position, in directional netting two net settlement instructions are generated, respectively, for the buy and the sell clearing positions.

415 G12Q010

Are the cash and security movements simultaneous?

PFMI: Q.12.1.3

AGC: 49

- Not applicable
- No
- Yes

416 G12Q011

If cash and security movements are not simultaneous, please indicate the duration of the timing gap

PFMI: Q.12.1.3

AGC: 49a

- 2 days
- Overnight
- 5 hours
- 4 hours
- 3 hours

- 2 hours
- 1 hour

Participant default rules and procedures (PFMI Principle 13)

421 G13Q004

During the past three years, has there been a situation where a participant defaulted which resulted in a significant loss?

*PFMI: Q.13.1.2**AGC: 77*

- Not applicable
- No
- Yes

422 G13Q005

How was the situation resolved? Or if you answered "Other," then please explain:

*PFMI: Q.13.1.2**AGC: 77a*

423 G13Q006

Does the stock exchange have default protections that extend to the CSD, such as the following?

*PFMI: Q.13.1.2**AGC: 80*

- Margin requirements for stock exchange members
- Guaranty fund for stock exchange members
- Financial requirements for stock exchange membership
- No
- Not applicable
- OTHER: see 425

424 G13Q007

Please explain:

PFMI: Q.13.1.2

AGC: 80a

KDPW_CCP maintains a guarantee system for stock exchange and the alternative trading platforms transactions (excluding block trade transactions) and also for OTC derivatives market transactions.

427 G13Q010

Participant Default Protections Resulting from a Participant Failure. If a participant defaults, how is the loss covered? (Choose all that apply?)

PFMI: Q.13.1.4

AGC: 76, 76d

CSD insurance covers the loss

The CSD guaranty fund covers the loss

Loss is shared among participants

Not applicable

OTHER: KDPW_CCP, a subsidiary of KDPW, operates a guaranty system covering the losses of clearing members, represented by settlement agents in KDPW. KDPW_CCP uses a range of mechanisms, which reduce the risk of counterparty default on a systemic basis. The sequence of activating the resources of the clearing guarantee system is as follows: 1) the defaulting clearing member's credits; 2) the defaulting clearing member's margins (initial deposit, initial margin); 3) default/guarantee fund – the defaulting clearing member's contribution; 4) KDPW_CCP dedicated capital in the amount corresponding to at least 25% of the capital requirements; 5) basic contributions of KDPW_CCP's non-defaulting members to the guarantee fund; 6) KDPW_CCP own capital up to the level of 110% of the required capital; 7) additional contributions of KDPW_CCP's non-defaulting members to the guarantee fund capped at the level of the 50% of contributions' value resulting from the most recent update; 8) the remaining own funds of KDPW_CCP.

428 G13Q011

Please explain the process:

PFMI: Q.13.1.4

AGC: 76a

429 G13Q012

Please explain the process of how the loss is shared:

PFMI: Q.13.1.4

AGC: 76b

- Limited to participants with transactions with failing counterparty
- Pro-rata based on participant's volume
- Equally, among participants

430 G13Q013

Please explain:

PFMI: Q.13.1.4

AGC: 76d

Loss-sharing is used in further stages of the KDPW_CCP's default waterfall procedures, when basic contributions to the settlement guarantee fund of KDPW_CCP's non-defaulting members are used, and further, when additional contributions of KDPW_CCP's non-defaulting members capped at the level of the 50% of original payments as per the latest calculation are demanded.

General business risk (PFMI Principle 15)

440 G14Q002

Is a financial audit performed by an Audit Firm, Regulatory Authority, or other external party?

PFMI: Q.17.2.3

AGC: 15

- Yes
- No

441 G14Q003

If yes, please state the name(s) of the entity(ies) who perform the financial audit.

PFMI: n/a

AGC: 15a.

BDO spółka z ograniczoną odpowiedzialnością sp.k. (2019). Tax audits are performed by the Ministry of Finance, ISM Modzelewski i Wspólnicy sp. z o.o.

442 G14Q004

Please list the date of your last financial audit performed by an Audit Firm, Regulatory Authority, or other external party:

PFMI: n/a

AGC: 15b.

12/03/2020

443 G14Q005

Please list the period that the audit covered:

PFMI: n/a

AGC: 15c.

Start date: 01/01/2019

End date: 31/12/2019

444 G14Q006

How frequently does the financial audit occur?

PFMI: n/a

AGC: 15d.

- Less than annually
- Annually
- Two or more times a year

445 G14Q007

If less than annually, please explain:

PFMI: n/a

AGC: 15e.

446 G14Q008

Please select the statement that most accurately characterizes the results of the last financial audit:

PFMI: n/a

AGC: 15g.

- Material exceptions found.
- Minor exceptions found.
- No material exceptions found.

447 G14Q009

If minor or material exceptions were found, what actions were taken? Please describe:

PFMI: n/a

AGC: 15h.

448 G14Q010

Has there been any material loss by the CSD during the past three years?

PFMI: n/a

AGC: 86

- Not applicable
- No
- Yes

449 G14Q011

If there has been a loss, please describe the cause, the final impact and the action taken to prevent a recurrence:

PFMI: n/a

AGC: 86a.

450 G14Q012

Has the CSD been subject to any litigation involving a participant during the past three years?

PFMI: n/a

AGC: 87

- Not applicable
- No
- Yes

451 G14Q013

Please explain the circumstances and resolution:

PFMI: n/a

AGC: 87a.

452 G14Q014

Has the CSD realized revenues sufficient to cover expenses during the past three years?

PFMI: n/a

AGC: 88, 88a

- Not applicable
- None of the last three years
- Yes for one of the last three years
- Yes for two of the last three years
- Yes for all three years

453 G14Q015

Has any participant suffered any losses in the past three years due to the CSD's performance?

PFMI: n/a

AGC: 30, 30m

- Not applicable
- No
- Yes

454 G14Q016

If yes, please select all of the following in which loss has occurred. You will be prompted to enter the number of instances and total loss in USD thereafter.

PFMI: n/a

AGC: 30a, 30j

- Corporate Action
- Settlement Process - Securities
- Settlement Process - Cash
- System Outage
- OTHER:

455 G14Q017

Corporate Action. Please specify number of instances:

PFMI: n/a

AGC: 30b.

456 G14Q018
Corporate Action. Please specify total loss in USD:

PFMI: n/a
AGC: 30c.

457 G14Q019
Settlement Process - Securities. Please specify number of instances:

PFMI: n/a
AGC: 30d.

458 G14Q020
Settlement Process - Securities. Please specify total loss in USD:

PFMI: n/a
AGC: 30e.

459 G14Q021
Settlement Process - Cash. Please specify number of instances:

PFMI: n/a
AGC: 30f.

460 G14Q022
Settlement Process - Cash. Please specify total loss in USD:

PFMI: n/a
AGC: 30g.

461 G14Q023
System Outage. Please specify number of instances:

PFMI: n/a
AGC: 30h.

462 G14Q024
System Outage. Please specify total loss in USD:

PFMI: n/a
AGC: 30i.

463 G14Q025

For Other, please specify number of instances:

PFMI: n/a

AGC: 30k.

464 G14Q026

For Other, please specify total loss in USD:

PFMI: n/a

AGC: 30l.

468 G14Q030

Does the CSD maintain a reserve for operating losses?

PFMI: Q.15.2.1

AGC: 89, 89b

- Not applicable
- No
- Yes

471 G14Q033

Please describe and indicate reserve (for operating losses) amount:

PFMI: Q.15.2.2

AGC: 89a.

Custody risk (PFMI Principle 16)

485 G15Q003

Are there any activities performed by a third party on behalf of the CSD for the CSD participants (e.g., vaulting of physical securities, registration, entitlement processing, etc.)?

PFMI: Q.16.1.1

AGC: 29, 29i

- Yes
- No

Not applicable

OTHER:

486 G15Q004

If third parties are employed, please indicate which services they supply:

PFMI: Q.16.1.1

AGC: 29a.

487 G15Q005

If third parties are employed, does the CSD assume liability for losses incurred by participants as a result of the actions/inactions of the third parties?

PFMI: Q.16.1.1

AGC: 29b.

Yes

No

488 G15Q006

If you acknowledge responsibility, please indicate whether your responsibility is assumed

PFMI: Q.16.1.1

AGC: 29c, 29e.

regardless of whether such loss was caused by any action or inaction of the agent

if such loss was caused by the agent's action or inaction and such action or inaction was deemed to be negligence on the part of the agent

if such loss was caused by the agent's action or inaction and such action or inaction was deemed to be gross negligence on the part of the agent

if the loss was caused by the willful default or other willful conduct on the part of the agent

OTHER:

489 G15Q007

If you acknowledge responsibility for agents, your responsibility is assumed for losses

PFMI: Q.16.1.1

AGC: 29d, 29h.

- without limit
- which are not consequential losses
- subject to a monetary limit not based on insurance limits
- subject to a monetary limit based on insurance limits
- OTHER:

490 G15Q008
Please specify limit:

PFMI: Q.16.1.1
AGC: 29f.

491 G15Q009
Please specify limit:

PFMI: Q.16.1.1
AGC: 29g.

496 G15Q014
Please describe briefly the arrangements / procedures / facilities you maintain to ensure that eligible securities held at the CSD are handled at least as efficiently as compared to securities held outside the CSD, particularly in relation to income, corporate actions and proxy services.

PFMI: Q.16.3.1
AGC: 62

The only eligible securities which are held outside the CSD are non-public debt securities which were issued before 1 July 2019 and may be registered in investment firms. The efficiency of handling these securities by KDPW comes from standardisation of procedures and systems of registration, safekeeping and corporate actions processing, which in KDPW are the same as for public-traded securities, including central distribution of information on corporate actions and registration on securities accounts, managed in accordance with stringent standards of the central depository system.

Operational risk (PFMI Principle 17)

514 G16Q011
Internal Audit. Is an internal audit undertaken in your CSD?

PFMI: Q.17.2.3
AGC: 14

Yes

No

515 G16Q012

If yes, what areas does the audit cover (financials, operations, etc.) and which department in your CSD handles it?

PFMI: Q.17.2.3

AGC: 14a.

The audit covers operations, compliance and partially financial areas. It is handled by the Internal Audit Department.

516 G16Q013

Please list the date of your last internal audit and the period that the audit covered:

PFMI: Q.17.2.3

AGC: 14b.

Start date: 01/01/2020

End date: 31/07/2020

Audit date: 15/09/2020

517 G16Q014

How frequently does the internal audit occur?

PFMI: Q.17.2.3

AGC: 14c.

Less than annually

Annually

Two or more times a year

518 G16Q015

If less than annually, please explain:

PFMI: Q.17.2.3

AGC: 14d.

519 G16Q016

Are the results of the internal audit publicly available?

PFMI: Q.17.2.3

AGC: 14e.

- Yes
- No

520 G16Q017

Please select the statement that most accurately characterizes the results of the last internal audit:

PFMI: Q.17.2.3

AGC: 14f.

- Material exceptions found.
- Minor exceptions found.
- No material exceptions found.

521 G16Q018

If minor or material exceptions were found, what actions were taken? Please describe:

PFMI: Q.17.2.3

AGC: 14g.

523 G16Q020

Is an operational audit performed by an Audit Firm, Regulatory Authority, or other external party?

PFMI: Q.17.2.4

AGC: 16

- Yes
- No

524 G16Q021

If yes, please state the name(s) of the entity(ies) who perform the operational audit.

PFMI: Q.17.2.4

AGC: 16a.

Operational audit is performed by the Polish Financial Supervision Authority. Processes related to the IT systems operations (change and access

management, handling of incidents) are currently included in the annual audit performed by the financial auditor.

525 G16Q022

Please list the date of your last operational audit performed by an Audit Firm, Regulatory Authority, or other external party:

PFMI: Q.17.2.4

AGC: 16b.

15/06/2010

526 G16Q023

Please list the period that the audit covered:

PFMI: Q.17.2.4

AGC: 16c.

Start date: 02/01/2007

End date: 31/12/2009

527 G16Q024

How frequently does the operational audit occur?

PFMI: Q.17.2.4

AGC: 16d.

- Less than annually
- Annually
- Two or more times a year

528 G16Q025

If less than annually, please explain:

PFMI: Q.17.2.4

AGC: 16e.

529 G16Q026

Please select the statement that most accurately characterizes the results of the last operational audit:

PFMI: Q.17.2.4

AGC: 16g.

- Material exceptions found.
- Minor exceptions found.
- No material exceptions found.

530 G16Q027

If minor or material exceptions were found, what actions were taken? Please describe:

PFMI: Q.17.2.4

AGC: 16h.

537 G16Q034

How is access to the physical building controlled?

PFMI: Q.17.5.1

AGC: 74

- By guards
- By electronic keys
- personal ID card
- By alarm system
- OTHER:

538 G16Q035

Please explain:

PFMI: Q.17.5.1

AGC: 74a.

541 G16Q038

Regarding data security: Are passwords used by participants to access their accounts?

PFMI: Q.17.5.3

AGC: 71 71a.

- Not applicable
- No

Yes

Other: Participants have access to the Electronic System for Distribution of Information (ESDI/WEB) or the Electronic System for Message Distribution (ESDK). Data security is based mainly on individual cryptographic keys. ESDI/WEB: when a participant enters ESDI/WEB through website www.kdpw.pl, he has to enter login and password, and in the next step, select the appropriate certificate. When a participant enters directly (<https://esdi.kdpw.pl>), he has to select the appropriate certificate. ESDK as a system to system communication solution doesn't provide any user interface. Security such as authentication and data encryption is based on specific MQ digital certificate. Our new online system available from the internet is accessible using login/password and is protected by advanced threat analysis system delivered by our service providers.

542 G16Q039

Does each user have a unique user ID?

PFMI: Q.17.5.3

AGC: 71c.

Not applicable

No

Yes

543 G16Q040

Are passwords regularly changed?

PFMI: Q.17.5.3

AGC: 71e.

Not applicable

No

Yes

Other: No, Individual cryptographic keys are changed every 2 years.

544 G16Q041

How often?

PFMI: Q.17.5.3

AGC: 71f.

545 G16Q042

Is there a user lock-out after a pre-set number of unsuccessful User ID attempts?

*PFMI: Q.17.5.3**AGC: 71h.*

- Not applicable
- No
- Yes
- Other: Depends on the system. Some have lockout after 5 unsuccessful attempts (login/password). Systems using certificate do not lockout. Our online systems having access to the internet use sophisticated strategy to lock accounts. The accounts are locked based on the IP of the request and the passwords entered. The duration of the lockout also increases based on the likelihood that it is an attack.

546 G16Q043

How many?

*PFMI: Q.17.5.3**AGC: 71i.*

550 G16Q047

How quickly can the main system be reactivated in the event of an outage?

*PFMI: Q.17.6.2**AGC: 82*

- Not applicable
- Longer than 24 hours
- 8 - 24 hours
- 4 - 8 hours
- 1 - 4 hours

553 G16Q050

Will the CSD publicly announce any system interruption?

*PFMI: Q.17.6.4**AGC: 84*

- Not applicable
- No
- Yes

554 G16Q051

To whom will the CSD disclose any system interruptions?

PFMI: Q.17.6.4

AGC: 84a.

- To the CSD regulators
- To all direct participants
- To direct and indirect participants
- To the public via the internet
- In the press
- OTHER:

555 G16Q052

If so, please list webpage address:

PFMI: Q.17.6.4

AGC: 84b.

556 G16Q053

If so, please list all publications:

PFMI: Q.17.6.4

AGC: 84c.

557 G16Q054

Please explain:

PFMI: Q.17.6.4

AGC: 84d.

558 G16Q055

How will the CSD disclose any system interruptions?

PFMI: Q.17.6.4
AGC: 84e.

- By e-mail
- By telephone
- Public announcement
- Press release
- OTHER: Electronic System for Distribution of Information (ESDI/WEB)

559 G16Q056
Please explain:

PFMI: Q.17.6.4
AGC: 84f.

Electronic System for Distribution of Information (ESDI/WEB)

561 G16Q058

If a back-up system exists, how quickly can the back-up system be activated in the event of the main system failing?

PFMI: Q.17.6.5
AGC: 83

- Not applicable
- Longer than 24 hours
- 8 - 24 hours
- 4 - 8 hours
- 1 - 4 hours

565 G16Q062

BUSINESS RECOVERY PLAN. This section is intended to identify key aspects of the CSD's Business Recovery Plan (BRP), including testing requirements and past results, expected recovery time periods, and the independent review and validation (if any) of the BRP. Do you have a formal business recovery plan?

PFMI: Q.17.6.8
AGC: 81

- Yes

No

566 G16Q063

Does your Business Recovery Plan include:

PFMI: Q.17.6.8

AGC: 81a, 81h.

- Back-up of all computer files
- Off-site data storage
- Back-up files stored and locked
- Off-site operations facility
- OTHER: On-line data replication

567 G16Q064

Please identify both the frequency and the last date of testing for the following third party:
CSD participants/members

PFMI: Q.17.6.8

AGC: 81b.

at least once a year; the last date of testing: 23.11.2019

568 G16Q065

Please identify both the frequency and the last date of testing for the following third party:
Stock exchange

PFMI: Q.17.6.8

AGC: 81c.

at least once a year; the last date of testing: 23.11.2019

569 G16Q066

Please identify both the frequency and the last date of testing for the following third party:
Central bank

PFMI: Q.17.6.8

AGC: 81d.

at least once a year; the last date of testing: 23.11.2019

570 G16Q067

Please identify both the frequency and the last date of testing for the following third party:
Local brokers

PFMI: Q.17.6.8
AGC: 81e.

at least once a year; the last date of testing: 23.11.2019

571 G16Q068

Please identify both the frequency and the last date of testing for the following third party:
Any other third party

PFMI: Q.17.6.8
AGC: 81f.

572 G16Q069

In the past three years, has it been necessary to activate the recovery plan in a live situation?

PFMI: Q.17.6.8
AGC: 85

- Not applicable
- No
- Yes

573 G16Q070

If yes, how much time was needed to implement the recovery plan?

PFMI: Q.17.6.8
AGC: 85a.

- Longer than 4 hours
- 2 - 4 hours
- 1 - 2 hours
- Less than 1 hour

574 G16Q071

How much time was needed to recover and restore business to normal operations?

PFMI: Q.17.6.8
AGC: 85b.

- Longer than 24 hours
- 8 - 24 hours
- 4 - 8 hours
- 1 - 4 hours

575 G16Q072

What was the impact to the market?

PFMI: Q.17.6.8

AGC: 85c, 85d.

- All securities settlements took place as scheduled on the same day with good value
- All cash settlements took place as scheduled on the same day with good value
- All securities settlements took place one business day late with good value
- All cash settlements took place one business day late with good value
- All securities settlements took place one business day late with value one day late
- All cash settlements took place one business day late with value one day late
- All securities settlements took place more than one business day late
- All cash settlements took place more than one business day late
- As a result of the system failure, all fines and penalties for late settlements were waived
- Even though there was a system failure, all fines and penalties for late settlements were still assessed
- OTHER:

576 G16Q073

If no or other, please explain

PFMI: Q.17.7.4

AGC: 40a.

578 G16Q075

Are procedures and controls (firewalls) in place to avoid systemic collapse or contamination if one of the linked entities should experience business interruptions for whatever reason?

PFMI: Q.17.7.1

AGC: 39

- Yes
- No
- Not applicable

579 G16Q076

Please explain

PFMI: Q.17.7.1

AGC: 39a

The links are provided via the SWIFT messaging system and there is no direct linkage between KDPW and the other entity's systems. The SWIFT infrastructure used by KDPW is secured in accordance with SWIFT recommendations.

583 G16Q080

Has a business interruption recovery plan been developed in the event the linkages should become inoperable for any reason?

PFMI: Q.17.7.4

AGC: 40

- Yes
- No
- Not applicable
- Other

Recovery plan does not refer directly to operational links, but some of its provisions may have a material impact on the operation of links, both inbound and outbound, as they may relate potentially to foreign CSDs as KDPW participants or counterparties. Stress test scenarios include insolvency of a key participant or counterparty (or a group of such entities), which may result in disruption in payment of their liabilities, both – related to their participation in the settlement system and other liabilities, which would cause the increase of the sum of unpaid liabilities to the level significant for the stability of the financial system. The plan lists operational incidents located outside KDPW (in particular – critical breakdowns or accidents) as events which may have a negative impact on activities of KDPW participants and their clients (incl. due to operational links). The plan enumerates also the consequences of material financial sanctions, which may be imposed on KDPW, including due to the infringement of the CSDR regulations, i.a. related to the operation of links.

Access and participation requirements (PFMI Principle 18)

587 G17Q003

Are prospective participants subject to an initial review and approval process regarding compliance with eligibility requirements?

PFMI: Q.18.1.1

AGC: 19

- Not applicable
- No
- Yes

591 G17Q007

What governs the relationship between the CSD and the participants?

PFMI: Q.18.2.2

AGC: 20

- Relevant law and regulation
- Standard participation contract
- Established terms and conditions of participation
- By-laws of the CSD
- Rules of the CSD
- Not applicable
- OTHER:

592 G17Q008

Please explain:

PFMI: Q.18.2.2

AGC: 20a

594 G17Q010

PARTICIPANTS AND PARTICIPATION. The purpose of this section is to understand issues relating to participation in the CSD, including eligibility requirements, conditions of participation, and supervision of participants. What types of entities are eligible to become participants and how many of each type are there currently?

PFMI: Q.18.2.3

AGC: 17, 17q

- Banks
- Brokers
- Individuals

- Foreign Institutions
- Not applicable
- OTHER: Depositors (financial institutions), Clearing houses (KDPW_CCP), Central securities depositories (KELER, Clearstream Banking Luxembourg), Ministry of Finance; Bank Guarantee Fund, Central Bank (National Bank of Poland)

595 G17Q011

How many Bank participants are there currently? (then please answer 17b)

PFMI: Q.18.2.3

AGC: 17a.

13

596 G17Q012

Please select the features included in the eligibility requirements for Banks.

PFMI: Q.18.2.3

AGC: 17b, 17d

- Financial Thresholds
- Regulatory Oversight
- Market Experience
- OTHER: see 597

597 G17Q013

Please explain:

PFMI: Q.18.2.3

AGC: 17d.

Material and technical requirements

598 G17Q014

How many Broker participants are there currently? (then please answer 17f)

PFMI: Q.18.2.3

AGC: 17e.

5

599 G17Q015

Please select the features included in the eligibility requirements for Brokers.

PFMI: Q.18.2.3
AGC: 17f, 17h

- Financial Thresholds
- Regulatory Oversight
- Market Experience
- OTHER: Material and technical requirements

600 G17Q016
How many Individual participants are there currently? (then please answer 17j)

PFMI: Q.18.2.3
AGC: 17i.

601 G17Q017
Please select the features included in the eligibility requirements for Individual participants.

PFMI: Q.18.2.3
AGC: 17j.

- Financial Thresholds
- Regulatory Oversight
- Market Experience
- OTHER:

602 G17Q018
How many Foreign Institution participants are there currently?

PFMI: Q.18.2.3
AGC: 17m.

4

603 G17Q019
Please select the features included in the eligibility requirements for Foreign Institution participants.

PFMI: Q.18.2.3
AGC: 17n, 17p.

- Financial Thresholds

- Regulatory Oversight
- Market Experience
- OTHER: Material and technical requirements

604 G17Q020

If you have selected "Other entities" above, please explain:

PFMI: Q.18.2.3

AGC: 17q.

Brokerage offices and banks, as well as other entities: clearing houses (KDPW_CCP), central securities depositories; Bank Guarantee Fund, Central Bank (National Bank of Poland), may participate in the KDPW system as depositors - participants who entrust KDPW with the management of securities accounts for their own securities.

605 G17Q021

Indicate how many "Other entities" are currently participants?

PFMI: Q.18.2.3

AGC: 17r.

26

606 G17Q022

Please select the features included in the eligibility requirements for the participants referred to above as "Other entities".

PFMI: Q.18.2.3

AGC: 17s, 17u

- Financial Thresholds
- Regulatory Oversight
- Market Experience
- OTHER: Material and technical requirements.

609 G17Q025

Where can a description of the specific eligibility requirements for Bank participants be found?

PFMI: Q.18.2.5

AGC: 17c.

Act on Trading in Financial Instruments, KDPW Rules

610 G17Q026

Where can a description of the specific eligibility requirements for Broker participants be found?

PFMI: Q.18.2.5

AGC: 17g.

Act on Trading in Financial Instruments, KDPW Rules

611 G17Q027

Where can a description of the specific eligibility requirements for Individual participants be found?

PFMI: Q.18.2.5

AGC: 17k.

612 G17Q028

Where can a description of the specific eligibility requirements for Foreign Institution participants be found?

PFMI: Q.18.2.5

AGC: 17o.

Act on Trading in Financial Instruments, KDPW Rules

613 G17Q029

Where can a description of the specific eligibility requirements for participants described above as "Other entities" be found?

PFMI: Q.18.2.5

AGC: 17t.

KDPW Rules

614 G17Q030

How does the CSD notify participants of material changes to the conditions of participation?

PFMI: Q.18.2.5

AGC: 22

- By e-mail
- By telephone
- By public announcement
- By press release
- Not applicable

OTHER: see 616

615 G17Q031

Please explain:

PFMI: Q.18.2.5

AGC: 22a.

Electronic information system: ESDIWEB (Electronic System for Distribution of Information)

617 G17Q033

Who enforces compliance with the CSD's conditions of participation?

PFMI: Q.18.3.1

AGC: 23

- The CSD
- The exchange
- The CSD's regulator
- Not applicable
- OTHER:

618 G17Q034

Please explain:

PFMI: Q.18.3.1

AGC: 23a

619 G17Q035

Does the CSD have forms of oversight management for assessing and monitoring of the following?

PFMI: Q.18.3.1

AGC: 79

- Participant eligibility requirements
- Participant volumes
- Participant financial strength
- Other loss or default protections the CSD maintains
- Collateral requirements for participants

- Debit caps for participants
- Settlement controls that minimize or eliminate the risk of default by a participant
- Blocking of securities movement before receipt of payment
- Blocking payment until securities are moved
- Not applicable
- OTHER:

620 G17Q036

Please explain other loss or default protections:

PFMI: Q.18.3.1

AGC: 79a

621 G17Q037

Please explain the requirements:

PFMI: Q.18.3.1

AGC: 79b

622 G17Q038

Please explain how these debit caps work:

PFMI: Q.18.3.1

AGC: 79c

623 G17Q039

What type or types of settlement controls

PFMI: Q.18.3.1

AGC: 79d.

- Blocking or freezing of securities positions
- Controlling DVP settlement
- Simultaneous DVP
- OTHER: see 627, 628

624 G17Q040

Please explain:

PFMI: Q.18.3.1
AGC: 79e.

625 G17Q041

Please explain:

PFMI: Q.18.3.1
AGC: 79f.

626 G17Q042

Please explain:

PFMI: Q.18.3.1
AGC: 79g.

Simultaneous DVP - settlement of securities is effected after the confirmation of cash settlement in the central bank.

627 G17Q043

Please identify and explain:

PFMI: Q.18.3.1
AGC: 79h

Additional settlement controls: (1) automated reconciliation process between KDPW and participants: securities transfers are reconciled with direct participants immediately upon receipt of settlement confirmation from KDPW, total issue balances are checked against holdings on participants accounts at KDPW on a daily basis. Any unreconciled item must be posted on a special account and it is reported to KDPW on a daily basis. Each participant is obliged to take necessary steps to resolve the issue immediately. (2) In case of differences between KDPW and participant's records, a written explanation is required. KDPW may perform inspections at participants' premises and can impose particular obligations or sanctions on its participants.

628 G17Q044

Please explain briefly how these work:

PFMI: Q.18.3.1
AGC: 79i

631 G17Q047

What enforcement actions are available to the enforcement authority?

PFMI: Q.18.3.3
AGC: 24

- Fines
- Restrictions on participation
- Suspension of participation
- Termination of participation
- Not applicable
- OTHER: see 633

632 G17Q048

Please explain:

PFMI: Q.18.3.3

AGC: 24a

The CSD may caution a participant.

633 G17Q049

Has there been any such enforcement actions in the last three years?

PFMI: Q.18.3.3

AGC: 25

Yes

No

634 G17Q050

If yes, please explain, including information relative to any suspensions of CSD participants:

PFMI: Q.18.3.3

AGC: 25a.

Due to the prolonged persistence of irregularities on its securities accounts, one participant was given a reminder.

Tiered participation (PFMI Principle 19)

Links (PFMI Principle 20)

651 G19Q004

Please list all depositories or settlement systems to which you have an electronic link.

PFMI: Q.20.1.2
AGC: 38

OeKB (Austria), KELER (Hungary), Clearstream Banking Luxembourg, Euroclear Bank, Nasdaq CSD (Estonia, Lithuania), KDD (Slovenia), CDAD (Bulgaria)

Efficiency and effectiveness (PFMI Principle 21)

Communication (PFMI Principle 22)

676 G21Q003

Security Control. How do participants receive information (view actual settlement of trades, movement of securities on their accounts, etc.) and see the status of their accounts?

PFMI: Q.22.1.1
AGC: 69

- By direct electronic link
- By receipt of physical account holding statements
- Not applicable
- OTHER:

677 G21Q004

Please explain:

PFMI: Q.22.1.1
AGC: 69a.

678 G21Q005

Do participants have access to affect their holdings, including confirming and affirming trades, movement of securities on their accounts, etc.?

PFMI: Q.22.1.1
AGC: 70

- Not applicable
- No
- Yes

679 G21Q006

How is access given to participants?

PFMI: Q.22.1.1
AGC: 70a.

By direct electronic link

OTHER:

680 G21Q007
Please select type of electronic link:

PFMI: Q.22.1.1
AGC: 70b.

Dial-up modem

Secured, leased, dedicated telephone line

Internet

Fax

681 G21Q008
Please explain:

PFMI: Q.22.1.1
AGC: 70c.

Participants can use the message communication system: ESDIWEB (Electronic System of the Information Distribution) or ESDK (Electronic System of the Messages Distribution) or SWIFT.

682 G21Q009
Does the CSD communicate with other market entities such as stock exchanges, payment systems, clearing houses, etc., by secured linkages?

PFMI: Q.22.1.1
AGC: 72

Not applicable

No

Yes

683 G21Q010
Please explain:

PFMI: Q.22.1.1
AGC: 72a

Secured linkages are provided to: Warsaw Stock Exchange, National Bank of Poland, Polish Financial Supervision Authority, BondSpot S.A.

684 G21Q011
How does the CSD communicate with Stock Exchanges?

PFMI: Q.22.1.1
AGC: 73 73a

- Dial-up modem
- Secured, leased, dedicated telephone line
- Internet
- Fax
- Paper
- other
- Not applicable
- OTHER:

685 G21Q012
How does the CSD communicate with Payment Systems?

PFMI: Q.22.1.1
AGC: 73b

- Dial-up modem
- Secured, leased, dedicated telephone line
- Internet
- Fax
- Paper
- other
- Not applicable
- OTHER: The central bank payment system - SWIFT, the commercial bank system (for currencies other than PLN and EUR) - internet.

686 G21Q013

How does the CSD communicate with Clearing Houses?

*PFMI: Q.22.1.1**AGC: 73c*

- Dial-up modem
- Secured, leased, dedicated telephone line
- Internet
- Fax
- Paper
- other
- Not applicable
- OTHER: The KDPW_CCP system is operated by KDPW.

687 G21Q014

How does the CSD communicate with Registrars?

*PFMI: Q.22.1.1**AGC: 73d*

- Dial-up modem
- Secured, leased, dedicated telephone line
- Internet
- Fax
- Paper
- other
- Not applicable
- OTHER:

Transparency and disclosure (PFMI Principle 23)

712 G22Q020

Capital. Are annual financial statements publicly disclosed?

PFMI: Q.23.5.3

AGC: 13

- No
- Yes

713 G22Q021

If yes, the AGC requests a copy of the institution's annual report. Is the annual report available electronically?

PFMI: Q.23.5.3
AGC: 13a.

- Yes
- No

714 G22Q022

filecount - If yes, please upload the document(s) here or insert web link(s) in question 13d:

PFMI: Q.23.5.3
AGC: 13b.

0

715 G22Q023

filecount - If more than one document for 13b, please upload the additional document here:

PFMI: Q.23.5.3
AGC: 13c.

0

716 G22Q024

Please insert web link(s) for 13b here:

PFMI: Q.23.5.3
AGC: 13d.

http://www.kdpw.pl/en/kdpw/publications/Documents/Raporty/raport2019_e.pdf

717 G22Q025

If no, and annual report and/or financial statements are not disclosed, please state your share

capital, reserves, and retained earnings (or equivalents as determined under local accounting standards). Share Capital (then please answer 13f):

PFMI: Q.23.5.3

AGC: 13e.

718 G22Q026

Reserves (then please answer 13g):

PFMI: Q.23.5.3

AGC: 13f.

719 G22Q027

Retained Earnings:

PFMI: Q.23.5.3

AGC: 13g.

721 G22Q029

AGC members from time to time receive requests from their direct investor-clients for an informational copy of a CSD's completed questionnaire. Such requests typically lead to interactions between personnel at the CSD in question and member personnel or client personnel, or both. Those interactions take time and impose costs on both members and depositories. Do you approve of AGC members delivering a copy of your completed questionnaire to the member's direct client in response to the client's request?

PFMI: Q.23.5.4

AGC: 100

Yes

No

722 G22Q030

Are the results of the financial audit publicly available?

PFMI: Q.23.5.4

AGC: 15f

Yes

No

723 G22Q031

Are the results of the operational audit publicly available?

*PFMI: Q.23.5.4**AGC: 16f* Yes No**Compliance with SEC Rule 17f-7**

726 G23Q001

Rule 17f-7, by reference to Rule 17f-4, requires that, for a CSD to be eligible to hold securities of U.S. registered investment companies (such depositories hereinafter referred to as "Eligible Securities Depositories"), the CSD must be a "system for the central handling of securities where all securities of any particular class or series of any issuer deposited within the system are treated as fungible and may be transferred or pledged by bookkeeping entry without physical delivery of the securities."

Are all securities of a particular class or series of any issuer that are deposited in your institution treated as fungible, and can they be transferred or pledged by bookkeeping entry without physical delivery of the securities?

*PFMI: n/a**AGC: 1* Yes No

727 G23Q002

Please explain

*PFMI: n/a**AGC: 1a*

728 G23Q003

Rule 17f-7 also requires that an Eligible Securities CSD "acts as or operates a system for the central handling of securities or equivalent book-entries in the country where it is incorporated," or "acts as or operates a transnational system for the central handling of securities or equivalent book-entries." Does your institution:

PFMI: n/a
AGC: 2

- Act as or operate a system for the central handling of securities or equivalent book-entries in the country where it is incorporated?
- Act as or operate a transnational system for the central handling of securities or equivalent book-entries?
- Act in another capacity with respect to the handling of securities or equivalent book-entries?
- Not applicable
- OTHER:

729 G23Q004
Please explain:

PFMI: n/a
AGC: 2a.

730 G23Q005

Please specify the types of securities for which you act as or operate a system for the central handling of securities or equivalent book-entries:

PFMI: n/a
AGC: 2b.

publicly traded equities: domestic and foreign shares, allotment certificates, investment certificates, rights to shares, subscription rights, option warrants, exchange trade funds (ETFs); publicly traded debt instruments: T-bonds, international financial institution bonds, central bank bonds, municipal bonds, domestic and foreign corporate bonds, convertible bonds, bonds with priorities rights, mortgage bonds, structured certificates, certificates of deposit; non-public bonds, mortgage bonds and investment certificates .

731 G23Q006

Rule 17f-7 requires that an Eligible Securities Depository regulated by a foreign financial regulatory authority as defined under section 2(a)(50) of the Act , with section 2(a)(50) establishing that z 'foreign financial regulatory authority' means any (A) foreign securities authority, (B) other governmental body or foreign equivalent of a self-regulatory organization empowered by a foreign government to administer or enforce its laws relating to the regulation of fiduciaries, trusts, commercial lending, insurance, trading in contracts of sale of a commodity for future delivery, or other instruments traded on or subject to the rules of a contract market, board of trade or foreign equivalent, or other financial activities, or (C) membership organization a function of which is to regulate the participation of its members in activities listed above." Who regulates the activities of the CSD?

PFMI: n/a
AGC: 8

- A governmental body or regulatory organization empowered to administer or enforce laws related to securities matters.
- A governmental body or self-regulatory organization empowered to administer or enforce laws related to other financial activities.
- A membership organization which regulates the participation of its members in securities matters or other financial activities.
- OTHER:

732 G23Q007

Please explain:

PFMI: n/a

AGC: 8a.

733 G23Q008

Please provide the name of regulatory authority(ies) identified in question 8:

PFMI: n/a

AGC: 9

The Polish Financial Supervision Authority (PFSA) - regulates KDPW as a CSD and ARM;
European Securities and Markets Authority (ESMA) – regulates KDPW in its Trade Repository
function, Regulatory Oversight Committee (ROC) – regulates KDPW_LEI service.

734 G23Q009

Rule 17f-7 requires that an Eligible Securities Depository is subject to periodic examination by regulatory authorities or independent accountants. Is the CSD subject to periodic examination by:

PFMI: n/a

AGC: 10

- Regulatory authorities?
- Independent accountants?
- OTHER:

735 G23Q010

Please explain:

PFMI: n/a

AGC: 10a

736 G23Q011

Name of Authority # 1 (please answer 11a):

*PFMI: n/a**AGC: 11*

Polish Financial Supervision Authority (PFSA)

737 G23Q012

What enforcement actions are available to regulatory authority # 1 for breach of applicable statute or regulatory requirements?

*PFMI: n/a**AGC: 11a.*

- Fines
- Restrictions on CSD activities.
- Suspension of CSD activities.
- Termination of CSD activities.
- OTHER: see 739

738 G23Q013

Please explain:

*PFMI: n/a**AGC: 11b.*

An authorized representative of PFSA has the right to review KDPW's books, documents and other carriers of information; to participate in the meetings of the Supervisory board and in the general meetings of shareholders of KDPW. Upon a written request of PFSA, the KDPW Management board shall be obliged to convene an extraordinary general meeting of shareholders or to put any matters specified by PFSA on the agenda of the general meetings. In case the Management Board refuses the request, PFSA may appeal to a court to convene an extraordinary general meeting. PFSA may order the supervisory board to adopt a resolution concerning a particular matter. PFSA may appeal to a court against any resolution of the general meeting of shareholders or supervisory board, within 30 days of the date of receiving notice of the resolution, if it violates the provisions of law, the provisions of the Statute of KDPW, the rules or principles of safety of trading, or if the resolution has been adopted contrary to the provisions of law, provisions of the Statute or the Rules of KDPW. According to CSDR Art. 22 The competent authority shall, at least on an annual basis, review the arrangements, strategies, processes and mechanisms implemented by a CSD with respect to compliance with this Regulation and evaluate the risks to which the CSD is, or might be, exposed or which it creates for the smooth functioning of securities markets; require the CSD to submit to the competent authority an adequate recovery plan to ensure continuity of its critical operations; ensure that an adequate resolution plan is established and maintained for each CSD so as to ensure continuity of at least its core functions, having regard to the size, systemic importance, nature, scale and complexity of the activities of the CSD concerned and any relevant resolution plan established in accordance with Directive 2014/59/EU; establish the frequency and depth of the review and evaluation referred to in paragraph 1 having regard to the size, systemic importance, nature, scale and complexity of the activities of the CSD concerned and subject the CSD to on-line inspections. The review and evaluation shall be updated at least on an

annual basis.

739 G23Q013A

Name of Authority #2:

European Securities and Markets Authority (ESMA) in the scope of the trade repository service offered by KDPW (KDPW_TR). TR is supervised by ESMA in order to ensure that it complies on an on-going basis with EMIR and SFTR requirements, thereby enabling regulators access to data and details of derivative contracts and securities financing transactions in order for them to fulfil their respective missions. LEI Regulatory Oversight Committee (ROC), the regulatory supervisory body of the global LEI system in the scope of the LEI numbering agency service offered by KDPW (KDPW_LEI). In 2016 KDPW received the accreditation of the Global Legal Entity Identifier Foundation (GLEIF) and from January 2017 KDPW began issuing Legal Entity Identifiers (LEI) of counterparties to transactions concluded on the financial markets.

740 G23Q014

What enforcement actions are available to regulatory authority #2 for breach of applicable statute or regulatory requirements?

PFMI: n/a

AGC: 11c.

- Fines
- Restrictions on CSD activities.
- Suspension of CSD activities.
- Termination of CSD activities.
- OTHER: Restriction, suspension or termination of some specific services performed by KDPW (TR, LEI).

741 G23Q015

Please explain:

PFMI: n/a

AGC: 11d.

ESMA has the power to impose the following supervisory measures: require the trade repository to bring the infringement to an end, issue public notices, impose fines or periodic penalty payments upon trade repositories and persons involved in trade repositories and as a last resort, withdraw the registration of the trade repository. Procedural rules for taking supervisory measures and imposing fines on trade repositories are described in article 64-73 of EMIR (Regulation No 648/2012 of 4 July 2012 on OTC Derivatives, central counterparties and trade repositories). The LEI ROC's specific possible enforcement actions: - Requiring audits of the system (including appointment of external auditors) for financial controls, business practices, data quality standards or other matters necessary to ensure the public interest. - Approval of policies for the recognition and termination of local registration agencies and LOUs.

742 G23Q016

Has there been any use of such enforcement actions in the last three years?

*PFMI: n/a**AGC: 12* Yes No OTHER:

743 G23Q017

If yes, please explain:

*PFMI: n/a**AGC: 12a.*

744 G23Q018

Has the regulatory body with oversight responsibility for the CSD issued public notice that the CSD is not in current compliance with any capital, solvency, insurance or similar financial strength requirements imposed by such regulatory body?

*PFMI: n/a**AGC: 90* Not applicable No Yes

745 G23Q019

Please describe:

*PFMI: n/a**AGC: 90a.*

746 G23Q020

In the case of such a notice having been issued, has such notice been withdrawn, or, has the remedy of such noncompliance been publicly announced by the CSD?

*PFMI: n/a**AGC: 90b.*

- No
- Yes

747 G23Q021

If yes, please describe:

PFMI: n/a

AGC: 90c.

748 G23Q022

If no, why not?

PFMI: n/a

AGC: 90d.

749 G23Q023

Rule 17f-7 requires that an Eligible Securities Depository holds assets for the custodian that participates in the system on behalf of the Fund under safekeeping conditions no less favorable than the conditions that apply to other participants. Please confirm that assets of foreign investors held by custodians as participants in the CSD are held under safekeeping conditions no less favorable than the conditions that apply to other participants.

PFMI: n/a

AGC: 21

- Yes
- No
- Not applicable

750 G23Q024

If no, other or not applicable, please explain:

PFMI: n/a

AGC: 21a.

751 G23Q025

Please confirm the basis for the arrangements you have in place to ensure that the assets you hold for custodians receive the same level of safekeeping protection as the assets held for other categories of participants.

PFMI: n/a
AGC: 21b, 21c.

- Relevant Law and Regulation
- Standard participation contract
- Established terms and conditions of participation
- By-laws of the CSD
- Rules of the CSD
- OTHER:

752 G23Q027

For each item in Question 21b that you checked, please briefly supply references or citations to the law(s), regulation(s), or CSD rule(s), participation condition(s), or participant contract provision (s), as applicable.

PFMI: n/a
AGC: 21d

Relevant Law and Regulation: There are equal conditions for holding foreign investor assets by custodians in the depository system. The Act of 29th July 2005 on Trading in Financial Instruments defines the system for registration of dematerialised securities comprising securities accounts, depository accounts and omnibus accounts kept by entities authorised to do so under this Act and maintained by KDPW (article 3, point 21). KDPW is in charge of registering securities on: 1) depository accounts; 2) securities accounts; 3) omnibus accounts. Balances on accounts managed by participants should correspond with the balances on the relevant depository accounts manager by KDPW (article 57). Omnibus accounts are dedicated only for foreign entities (article 8a). However, depository and omnibus accounts operate on the same principles, i.e. they are co-mingling securities belonging to clients of KDPW participants. In this way, the assets of foreign investors are not differentiated from those of other types of investors, but treated equally. Established terms and conditions of participation: Participants managing securities accounts and omnibus accounts in their systems are obliged to conform to the rules of managing the securities register (article 20, 24, 33, 33a of the KDPW Rules). The rules are similar for custodians and other participants who hold foreign or domestic investor assets. Rules of the depository: The accounting scheme for recording and transfer of securities is determined by the KDPW rules (article 34-36 of the KDPW Rules) and there is no discriminatory treatment of foreign investor assets. The registration is carried out as expressions of quantity, according to the following principles: double-entry bookkeeping, separate registration of securities, classification by types of participant status (separation of the clients' assets from participants' securities), simultaneous registration (registration on accounts managed by a participant should reflect the balances on accounts managed in KDPW), completeness, integrity and transparency. The best accounting practices are applied and end-to-end audit trails are kept.

753 G23Q028

Rule 17f-7 requires that an Eligible Securities Depository provides periodic reports to its participants with respect to its safekeeping of assets, including notices of transfers to or from any participant's account. Does the CSD make available periodic safekeeping reports to participants, including notices of transfers to or from the participant's account?

PFMI: n/a
AGC: 46

- No
 Yes

754 G23Q029
If no or other, please explain

PFMI: n/a
AGC: 46a.

755 G23Q030
If yes, please indicate the scheduled frequency:

PFMI: n/a
AGC: 46b, 46c.

- Daily
 Weekly
 Monthly
 Quarterly
 Annually
 Upon request
 OTHER:

756 G23Q031
Does the CSD maintain records that identify the assets of each participant and segregate the system's own assets from the assets of participants?

PFMI: Q.11.5.2
AGC: 53, 53a

- Yes
 No
 Not applicable
 OTHER:

Relevant RSSS recommendations**Cyber Security**

764 G25Q001

Does your organization have a documented cyber security policy in place?

*PFMI: n/a**AGC: 101* Yes No

Cyber security policy is an integral part of the information security policy which is based on ISO 27001 standard.

765 G25Q001A

filecount - If you answered Yes to the previous question, please provide a copy or overview

0

766 G25Q002

Please confirm that your staff receive relevant training about this policy.

*PFMI: n/a**AGC: 102* Yes No

767 G25Q003

Please provide an overview of your policy for continuity of business in the event of a large data breach or cyber attack against your organization.

*PFMI: n/a**AGC: 103*

The policy for continuity of business has been prepared in the event of major failures of IT systems which in particular may include large data breaches or serious cyber attacks. The measures to ensure the recovery of business processes in such scenarios are all operational resources of BCP system, i.e. backup systems and backup copies of data, dedicated emergency response and disaster recovery teams, and all recovery procedures (notification of counterparties, activation of backup systems, etc.).

768 G25Q004

In the last 12 months have there been any changes to the policy?

PFMI: n/a

AGC: 104

 Yes No

769 G25Q005

Please advise how often you review the policy.

PFMI: n/a

AGC: 105

 Annually Semi-annually Other

770 G25Q006

filecount - Please provide (as an attachment) a diagram showing where your cyber security function resides and who it reports to.

PFMI: n/a

AGC: 106

Cyber security .docx (12KB)

1

771 G25Q007

How does your organization identify which business functions carry a cyber risk

PFMI: n/a

AGC: 107

Cyber risks are one of the key elements of the operational risk assessment and management framework.

772 G25Q008

Do you conduct ongoing testing and monitoring processes to ensure that all internal and external connectivity and system configurations are not at risk of cybersecurity breaches?

PFMI: n/a

AGC: 108

Yes No

773 G25Q009

What technological controls and protections are in place for your systems and networks?

*PFMI: n/a**AGC: 109*

Proper network configuration and segmentation, firewalls, IDS/IPS, anti-malware systems, web proxy, e-mail proxy, solutions for change tracking and reporting, etc.

774 G25Q010

Does your organization use multi-factor authentication

*PFMI: n/a**AGC: 110* Yes No

775 G25Q011

Where your organization has outsourced activities or functions to a third-party provider, is your cyber risk exposure documented?

*PFMI: n/a**AGC: 111* Yes No

776 G25Q012

What measures does your organization have to ensure early detection of a cyber attack?

*PFMI: n/a**AGC: 112*

Current monitoring and response mechanism in case of incidents, penetration tests and vulnerability scans performed regularly, information sharing arrangements with other entities and cooperation with computer security incident response teams.

777 G25Q013

What is the agreed resumption time for critical operations following a cyber attack?

*PFMI: n/a**AGC: 113*

According to the law, the recovery-time objective for each critical operation shall not be longer than two hours.

778 G25Q014

How would you advise clients of a successful cyber attack against your organization?

*PFMI: n/a**AGC: 114*

The procedure for notifying counterparties is an integral part of the BCP system.

779 G25Q015

In the last 12 months has your organization been subject to a cyber attack that impacted the service you provide to us? If yes, please provide details.

*PFMI: n/a**AGC: 115* Yes No

780 G25Q016

Are the following elements of your cybersecurity framework tested pre and post deployment of changes?

*PFMI: n/a**AGC: 116* Vulnerability assessment Scenario based penetration tests Testing of incident response process and technical/business/operations (e.g. table-top exercise) OTHER:

781 G25Q017

For cloud technology and associated cyber security risks, do you have procedures and controls in place to protect our information from mishandling or theft?

In the comments section could you please explain how these procedures and controls tie

back to your record retention policy?

PFMI: n/a
AGC: 117

- Yes
 No

The procedures and controls to protect information from mishandling or theft are included in the general information security policy.

782 G25Q018

Does your organization conduct dark web searches for signs of a breach (internet protocol or customer/client personally identified information for sale)?

PFMI: n/a
AGC: 118

- Yes
 No

783 G25Q019

Is your organization aware of SWIFT's Customer Security Program (CSP)?

PFMI: n/a
AGC: 119

- Yes
 No

784 G25Q020

Does your organization ensure compliance with SWIFT's CSP controls?

PFMI: n/a
AGC: 120

- Yes
 No

785 G25Q021

Does your organization respond to requests for your institution's attestations?

*PFMI: n/a**AGC: 121* Yes No

786 G25Q022

Does your organization request the attestation details of your counterparties and incorporate the responses into ongoing relationship and risk management programs?

*PFMI: n/a**AGC: 122* Yes No**Appendices**