

CONCLUDING A KDPW PARTICIPATION AGREEMENT**- ENTITY OPERATING SECURITIES ACCOUNTS OR OMNIBUS SECURITIES ACCOUNTS**

An entity which seeks participation in the depository system as part of brokerage activities including the operation of securities accounts or omnibus securities accounts submits the following:

the application (form U1) which specifies:

- the type of activities, in this case **brokerage activities**,
- the type(s) of participant status relevant to such activities, sought by the applicant, according to the classification laid down in § 11 subpara. 1 of the Rules as follows:
 - **brokerage office**,
 - **brokerage office – own account**,
 - **lead manager**,
 - **representative** (specify the entity which is not a participant, for which the applicant intends to perform such activities),
- a declaration to the effect that the applicant is familiar with the rules of sending and receiving declarations and information in electronic form used in relations between KDPW and direct participants, posted on the KDPW website, and that it is aware of the conditions it should meet as a direct participant according to § 24 subpara. 3 of the Rules,
- an indication of the LEI code identifying the applicant.

and **attachments** (according to § 20 of the Rules):

1. a copy of the company statute or articles of association;
2. a valid copy or excerpt from the relevant company register;
3. a copy of the brokerage licence or licences to conduct other activities related to securities trading or registration, if such licences are required by separate legal regulations, while for foreign investment firms conducting brokerage activities on the territory of the Republic of Poland – an additional declaration showing that conditions have arisen to allow them to begin performing brokerage activities in the territory of the Republic of Poland, defined in Article 117(3), second sentence, of the Law on trading in financial instruments, or a document from the Polish Financial

Supervision Authority (KNF), or the Office of the Polish Financial Supervision Authority, confirming that the Authority has received from the appropriate foreign supervisory body notification on the intention to begin performing brokerage activities in the Republic of Poland by that foreign investment firm, indicating the date when this notification was received;

4. cards with specimen signatures of the applicant's authorised representatives, as well as copies of power-of-attorney documents in instances where the right to represent the applicant by those persons submitting a specimen signature on the specimen signature card does not derive from the registration documents ([form U5](#));
5. cards with specimen signatures of persons authorised to make and receive declarations from KDPW on behalf of the applicant, these declarations not being declarations of intent ([form U6](#));
6. an information card containing addresses for deliveries as well as a list of staff employed in posts involving securities trading-related activities, that includes their positions, telephone/facsimile numbers as well as email addresses ([form U15](#));
7. a declaration giving consent to arbitration by the arbitration court at KDPW ([form U7](#)),
8. a declaration indicating the number or numbers of bank accounts managed in the settlement bank - (forms: [U10](#), [U10.1](#), [U12](#), [U12.1](#), [U13](#), [U13.1](#));
9. a document containing a description of the principles and methods of managing a securities registry by the applicant, including rules for making entries on securities accounts or omnibus securities accounts – the detailed guidelines for the content of the document to be prepared by an applicant operating securities accounts are laid down in § 21 of the KDPW Detailed Rules of Operation ("DRO");
10. a document containing the principles the applicant has adopted for maintaining the continuity and safety of operations related to securities registration – the detailed guidelines for the content of the document to be prepared by an applicant operating securities accounts are laid down in § 42 of DRO;
11. a list of persons to be employed by the applicant to manage securities accounting registration, containing a description of their qualifications and current experience in this field, or containing other information confirming that these persons have the required knowledge of the principles for performing this securities accounting and of practical experience of the same,
12. a declaration indicating the business seat or fixed place of business within the meaning of the EU Council Implementation Regulation (EU) No. 282/2011 of 15 March 2011 on laying down implementing measures for Directive 2006/112/EC on the Common system of Value Added Tax

(Journal of Laws EU L 77 of 23 March 2011) with respect to which the participation agreement is to be concluded on condition that the applicant is a non-resident person within the definitions of the Currency Law of 27 July 2002 (Journal of Laws 2012 item 826 with later amendments).

Furthermore, please note the following:

- a participant operating securities accounts or omnibus securities accounts is obliged to employ persons to manage securities accounting registration who have the required knowledge and experience or qualifications in this regard, as required under § 33 of the Rules, in the minimum number defined in [Resolution No. 401/17 of the KDPW S.A. Management Board dated 26 June 2017](#);
- direct participants operating securities accounts or omnibus securities accounts are obliged at least once every calendar year to take part in tests as part of the for Business Continuity Planning System, organised by KDPW according to § 33a of the Rules,
- a participant is obliged to indicate to KDPW entity accounts which will be the default accounts.

An entity which has obtained direct participant status is obliged to sign an agreement with KDPW, referred to in § 4 subpara. 1 of the Rules, defining the rules of exchanging information and declarations available and delivered to and from KDPW in electronic form. Detailed requirements in this regard are available under the tab Participants / [Technological Requirements](#) ("The principle of sending and receiving declarations and information prepared in electronic form, exchanged between Krajowy Depozyt Papierów Wartościowych S.A. (KDPW) and its participants", and "A list of the latest electronic message formats and structures, exchanged between Krajowy Depozyt Papierów Wartościowych S.A. (KDPW) and its participants").

Operation of registration accounts must be preceded by the opening of entity accounts on the basis of relevant messages sent to KDPW which define all attributes of the account to be opened ([acmt.rqa.001.03](#)). In the message opening an entity account, the participant may specify the identifier to be assigned to the account to be opened.