

No. 1042/2023

A RESOLUTION
OF THE KDPW MANAGEMENT BOARD
OF 6 NOVEMBER 2023

ON AMENDMENTS TO THE
KDPW DETAILED RULES OF OPERATION

Acting in accordance with § 2 subparas. 1, 3 and 4 of the KDPW Rules, the KDPW Management Board has resolved the following:

§ 1

To make the following amendments to the KDPW Detailed Rules of Operation, approved on the basis of Resolution No. 655/17 of the KDPW Management Board of 28 September 2017 (as amended):

1/ In § 32, subparas.3 and 4 shall be repealed;

2/ § 33a shall be amended as follows:

“§ 33a

1. The processing of a settlement order relating to the cross-system transfer of securities may only be put on hold when a direct participant has requested this in the instructions of that order.
2. If a settlement order relating to the cross-system transfer of securities is entered into the depository system and contains a request to put its settlement on hold, this order is assigned "hold" status in the depository system. Throughout the period during which such an order maintains this status, KDPW does not take any action to enable the settlement indicated in the order to be performed. The provisions described in the second sentence § 33 subpara. 3 shall apply accordingly.
3. If a settlement order that has been assigned "hold" status relates to a cross-system transfer of securities from the accounts of a direct participant, its entry into the depository system does not result in the blocking of the securities, referred to in the second sentence of § 89 subpara. 3 of the Rules, indicated in that order.
4. In order to change the status of a "hold" instruction aimed at releasing a settlement order relating to the cross-system transfer of securities, the direct participant who introduced the order to the depository system should send a technical instruction clearly indicating this settlement order. When a participant sends such a technical instruction, the "hold" status originally assigned to the settlement order indicated therein is cancelled and KDPW takes measures to process the settlement to which the order relates, including in particular the measures referred to, respectively, in § 89 subpara. 2 or in the second and third sentence of subpara. 3 of the Rules.”;

3/ § 33b and § 33c shall be added after § 33a, as follows:

“§ 33b

1. A direct participant may change the system in which transaction settlement is to take place, indicated in the settlement order introduced to the depository system, on condition that its settlement can be processed both in the multibatch system and real-time gross settlement system.
2. To make the change, described in subpara. 1, shall require the introduction to the depository system by the participant of a technical instruction indicating explicitly the settlement order to which the change relates, not later than the moment of matching by KDPW of this settlement order with the settlement order introduced to the depository system by the direct participant being the settlement counterparty.
3. After the settlement orders, entered into the depository system, relating to transactions whose settlement can be processed in both the multi-batch system and in the real-time gross settlement system, have been matched, any change to the system indicated in these orders in which the settlement of this transaction is to be processed requires the direct participants that are settlement counterparties to send to the depository system, no later than the date determined in accordance with the provisions of the second sentence of § 36 subpara. 1, matching technical instructions indicating the relevant system. The provisions of § 33c subparas. 1, 5 and 6 shall apply accordingly.
4. The technical instructions referred to in subpara. 3 shall be considered matched if they indicate the settlement orders that form the basis for the same settlement in the depository system and correctly specify the system in which the settlement is to be carried out.

§ 33c

1. An amendment or addition to a settlement order introduced to the depository system, within a scope other than described in § 32 subpara. 1, § 33 subpara. 1 and 4 and § 33b subpara. 1 (enrichment) shall require the introduction to the depository system by the direct participant of a technical instruction indicating explicitly the settlement order subject to enrichment and the message fields which are to be subject to amendment or addition, while at the same time defining the new content of these fields.
2. A direct participant may enrich any settlement order, which indicates that participant as a settlement party.
3. After the matching of a settlement order introduced by a direct participant into the depository system with a settlement order introduced by the settlement counterparty into that system, that participant may enrich the order only with respect to data which was not data used for the matching of these orders.
4. Orders concerning the settlement of a transaction concluded in a trading system may only be enriched by completing those order fields which were not completed by the entity which introduced the order into the depository system or, irrespective of completion by such an entity of the order, by indicating the number of the entity account appropriate for the settlement of the transaction related to this order.
5. If the settlement of a transaction, to which the settlement order relates is to be carried out in the multi-batch system, it may be enriched if the technical instruction referred to in subpara. 1 is introduced into the depository system not later than the opening time of the settlement session during which KDPW may perform this settlement. If, however, the settlement was not performed during that session, then a technical instruction introduced into the depository system after the session opening time may result in enrichment of the settlement order.
6. Subject to the provisions of § 102 subpara. 8 of the KDPW Rules, and subpara. 5, a settlement order may be enriched until the moment of settlement in the depository system performed on the basis of

that order.”;

4/ In § 37, subpara.1 shall be amended as follows:

“1. Subject to the provisions of subpara. 3 and 4, as well as of § 33b subpara 3, the settlement of transactions concluded in organised trading shall take place in the multi-batch system while the settlement of other transactions shall take place in the settlement system indicated in matched settlement orders introduced into the depository system by the settlement parties.”;

5/ In Part Four, entitled “The processing of issuers’ obligations, services related to the organisation of general meetings and to voting by management or supervisory boards, as well as services related to shareholder identification”, in Section One entitled “General provisions” § 120c shall be added after § 120b as follows:

“§ 120c

1. Subject to the provisions of subpara. 2, if the total amount of the cash benefit to be disbursed for all securities assigned a given code and registered on the same registration account, is expressed in an amount that includes a fraction of the lowest monetary unit of the currency in which the benefit is to be disbursed, this part shall be omitted when calculating the amount of cash funds, which in respect of this benefit are to be transferred using KDPW as intermediary to the cash account of the direct participant for whom this registration account is kept.

2. If the amount of the cash benefit to be transferred as part of a payment distribution, using KDPW as intermediary, to the cash account of a direct participant is calculated on the basis of instructions provided by that participant, prepared separately for each beneficiary, or for each securities account or omnibus securities account maintained by that participant, and the amount of the cash benefit payable to a given beneficiary or to all securities assigned with a given code and recorded in a given securities account or omnibus securities account covered by such an instruction is expressed in an amount that includes a fraction of the lowest monetary unit of the currency in which the benefit is to be disbursed, this part shall be omitted when calculating the amount of cash funds.

3. The provisions of subpara. 2 shall apply in particular when processing:

- 1/ the early, voluntary redemption of securities, referred to in the provisions of § 137,
- 2/ the mandatory, early, partial redemption of securities, referred to in the provisions of § 139,
- 3/ the redemption of investment certificates at the request of entitled holders, referred to in the provisions of §§ 169-174a, and
- 4/ the mandatory, partial redemption of investment certificates, referred to in the provisions of § 174b.

4. The provisions of subparas. 1-3 shall not apply in relation to events referred to in the provisions of § 137 subpara. 3 of the Rules.”;

6/ In § 121, subpara.2 shall be amended as follows:

“2. Day W shall fall no earlier than day D+2”;

7/ § 126 shall be amended as follows:

“§ 126

Not later than day D+1, KDPW shall provide the issuer, by means of the Benefits Payment application, with a request to deposit cash to be used when the right to the dividend is exercised. The process of determining their amount shall take place according to the provisions of § 120c.”;

8/ In § 134:

a/ subparas 1 and 2 shall be amended as follows:

“1. Subject to the provisions of § 134a, the provisions of this paragraph shall apply where day D is the same day for all securities assigned with such a code.

2. Not later than day D-2, the issuer – or in instances where the issuer uses a payment agent as intermediary – the payment agent, shall inform KDPW of the dates of days D and W, as well as the amount of entitlements (including entitlements deriving from redemption) for each security. Day W shall fall not earlier than on day D+3. This information shall be delivered by completing and sending, by means of the Benefits Payment application, the notification form available in it.”;

b/ subpara.2a shall be repealed;

c/ subpara.2b shall be amended as follows:

“2b. No later than 17:00 on day D, the issuer – or, in instances where the issuer uses a payment agent as intermediary, then the payment agent may, by means of the Benefits Payment application, define the number of securities for which payment of the benefit will be processed without using KDPW as intermediary. Such an announcement shall be deemed effective if the number of the entity account on which these securities are registered in KDPW is indicated.”;

d/ subpara. 2d shall be added after subpara. 2c as follows:

“2d. In the event of partial repayment of the nominal value of debt securities, the issuer shall submit an application to the operator of the regulated market or alternative trading system where these securities are traded to suspend trading in them starting from day D-2.”;

e/ subpara. 11 shall be amended as follows:

“11. Not later than day D+1, KDPW shall provide the issuer - or in instances where the issuer uses a payment agent as intermediary, then the payment agent - with information about the cash amount to be used to pay out the interest / discount, or redemption of securities by means of the Benefits Payment application. The process of determining their amount shall take place according to the provisions of § 120c.”;

f/ subpara. 12a shall be amended as follows:

“12a. In instances where the issuer uses a payment agent as intermediary, on Day W, KDPW debits the payment amount specified in the information referred to in subpara. 11 from the participant's cash account applicable for the paying agent. This debit is performed subject to prior confirmation by the payment agent, using the Benefit Payment application, of the possibility of the debit being made. In order to ensure that KDPW can perform the distribution of funds, referred to in subpara. 13 on Day W, the payment agent should send such confirmation by 16.00 on Day W. If confirmation is sent by the payment agent on a given day after 16.00, the distribution of funds referred to in subpara. 13 shall be performed on the next business day.”;

g/ subpara. 14a shall be amended as follows:

“14a. In instances where the provision of the notice, described in subpara. 2b, indicating that the processing of the payment following the redemption of a specific number of securities is to take place without using KDPW as intermediary, a pre-condition of the de-registration of these securities on day W from the entity account indicated in this notice is the delivery by the direct participant, for whom the account is managed, of a change of status instruction to blocking under this operation, not later than 15.30 on day W. The delivery by the direct participant of such an instruction to KDPW may only

take place following the redemption of the securities to which the instruction relates, and if the payment for their redemption is not processed in full using this participant as intermediary, then the delivery of the aforementioned instruction may only take place following the receipt of confirmation of the execution of the payment from an entity authorised to receive it.”;

h/ subpara. 15 shall be amended as follows:

“15. In instances where the processing by the issuer of the securities redemption payment shall take place without KDPW acting as intermediary, and without submitting the information, described in subpara. 2b, the deregistration of these securities from the registration accounts managed in KDPW shall take place following the submission by the issuer of an annex to the issue letter or update document, indicating the number of securities redeemed and the number of the registration account on which these securities are registered and following the sending of a change of status instruction for these securities to blocked pending execution of the operation by the direct participant managing the securities account or the omnibus securities account on which these securities are registered. The provisions of the second sentence of subpara. 14a. shall apply to the sending of such instructions.”;

9/ § 134a shall be added after § 134 as follows:

“§ 134a

1. The provisions of this paragraph shall apply in instances of early full redemption of securities assigned with a given code, when Day D is the same day for all securities assigned with the same code.
2. Not later than on D-5, the issuer – and in instances where the issuer uses a payment agent as intermediary – the payment agent, shall inform KDPW of the dates that have been selected as Day D and Day W, as well as on the amount of the payment related to each security. Day W may not be earlier than D+2. This information shall be submitted by completing and sending the notification form available through the Benefits Payment application.
3. Together with the notification form referred to in subpara. 2, the issuer – and in instances where the issuer uses a payment agent as intermediary – the payment agent, shall submit documents confirming that the issuer is authorised to perform the early redemption of securities on Day W and a declaration by the issuer indicating the legal basis for this event, confirming that all the necessary terms and conditions authorising the issuer to perform this event have been met. The declaration and the documents submitted with the notification form should be, as appropriate, signed or authorised in accordance with the issuer’s representation rules using qualified electronic signatures.
4. The issuer shall be held liable for the accuracy of the information provided in accordance with the provisions of subpara. 2 and the manner in which the information conforms to the relevant documents, which should correspond to the payment of the entitlement.
5. The information, referred to in subpara. 2, shall be sent by KDPW to direct participants on whose registration accounts the securities giving entitlement to payments are registered, or whose registration accounts will be credited with such securities on or before day D inclusively, on condition however that the event shall require additional confirmation by KDPW.
6. The confirmation of the event, referred to in subpara. 8, shall be performed by sending the information referred to in subpara. 5 to direct participants a second time.
7. If the documents or the declaration, referred to in subpara. 3, raise any concerns as to the issuer's authorisation to carry out the early redemption of securities or do not meet the formal requirements of submission, and the issuer does not submit any documents or declarations to KDPW addressing these concerns or meeting the formal requirements no later than on day D before 17.00, then KDPW shall not process this event and shall cancel it in the depository system.
8. The provisions of subpara. 2 (the second and third sentence), subpara. 3 and subparas, 5-8 shall not

apply to instances of the early redemption of bonds issued by the State Treasury.

9. No later than 17:00 on day D, the issuer – or, in instances where the issuer uses a payment agent as intermediary, then the payment agent may, by means of the Benefits Payment application, indicate the number of securities for which payment of the benefit for their early redemption will be processed without using KDPW as intermediary. Such an announcement shall be deemed effective if the number of the entity account on which these securities are registered in KDPW is indicated.

10. In instances where the provision of the information, referred to in subpara. 9, indicating the number of securities in relation to which the payment of the benefit following their early redemption is to take place without using KDPW as intermediary, a pre-condition of the de-registration of these securities on day W from the entity account indicated in this notice is the delivery by the direct participant, for whom the account is managed, of a change of status instruction to blocking under this operation, not later than 15.30 on day W. The delivery by the direct participant of such an instruction to KDPW may only take place following the redemption of the securities to which the instruction relates, and if the payment for their redemption is not processed in full using this participant as intermediary, then the delivery of the aforementioned instruction may only take place following the receipt of confirmation of the execution of the payment from an entity authorised to receive it.

11. If the benefit payments for the early redemption of securities are to be, or have already been realised in their entirety without KDPW acting as intermediary, the issuer - or, in instances where the issuer uses a payment agent as intermediary, then the payment agent, by filling out the appropriate form available via the Benefits Payment application, shall determine the number of securities subject to early redemption, or that have already been redeemed early and the numbers of the entity accounts where these securities are registered in KDPW. In such instances, the provisions of subparas. 2-9 shall not apply, and the provisions of subpara. 10 shall apply accordingly.

12. In all other respects, the provisions of § 134 subparas. 5-13 shall apply accordingly with respect to the processing of early full redemption of securities.”;

10/ w § 137:

a/ subpara. 11 shall be amended as follows:

“11. Not later than day W-1, KDPW shall provide the issuer – or in instances where the issuer uses a payment agent as intermediary, then the payment agent – information about the cash amount to be paid out for the early redemption of securities, providing the information by means of the Benefits Payment application. The process of determining their amount shall take place according to the provisions of § 120c.”;

b/ subpara. 13 shall be amended as follows:

“13. In instances where the issuer uses a payment agent as intermediary, on day W, KDPW debits the payment amount defined in the information, described in subpara. 11, from the cash account of the participant associated with the relevant payment agent. The debit takes place on condition that the payment agent has first confirmed the ability for the debit to be performed, by means of the Benefits Payment application. In order to ensure that KDPW shall be able to distribute the cash amount, described in subpara. 14, on Day W, the payment agent should send the confirmation not later than 16.00 on Day W. If confirmation is performed by the payment agent on a given day after 16.00, the distribution of the payment, referred to in subpara. 14, shall be carried out on the following business day.”;

11/ § 139 shall be amended as follows:

“§ 139

1. The provisions of this paragraph shall apply in instances of mandatory early partial redemption of securities assigned with a given code, performed at the request of an issuer that is not the State Treasury.
2. Within the meaning of the provisions of this paragraph, day R shall be the day on which the balances of securities assigned with a given code on securities accounts and omnibus securities account are calculated for the purpose of determining the number of securities to be presented for mandatory early redemption on day W from each of these accounts.
3. An issuer that intends to perform the early partial redemption of securities assigned with a given code, shall submit to the operator of the regulated market or the alternative trading system where these securities are traded, an application for suspension of trading in these securities starting from day R-2.
4. Not later than on day R-5, the issuer – and in instances where the issuer uses a payment agent as intermediary – the payment agent, shall inform KDPW of the following:
 - 1/ the id code of the securities subject to early redemption,
 - 2/ the unit amount of the payment,
 - 3/ day R and day W,
 - 4/ the number of securities subject to early redemption by the issuer on day W, and
 - 5/ the legal basis entitling the issuer to perform the early redemption of securities on day W.Day W may not be earlier than the fifth day following day R.
5. The information described in subpara. 4 shall be delivered by completing and sending, by means of the Benefits Payment application, the notification form available in it.
6. Together with the notification form referred to in subpara. 5, the issuer, or in instances where the issuer acts through a payment agent - the payment agent, shall submit documents confirming that the issuer is authorised to perform the early redemption of securities on day W, and a declaration indicating the legal basis for the event, confirming that all the necessary terms and conditions for the event to take place have been met. The declaration and the documents submitted with the notification form should be, as appropriate, signed or authorised in accordance with the issuer's representation rules using qualified electronic signatures.
7. The issuer shall be held liable for the accuracy of the information provided in accordance with the provisions of subpara. 2 and the manner in which the information conforms to the relevant documents, which should correspond to the payment of the entitlement.
8. The information, referred to in subpara. 4, shall be sent by KDPW to direct participants on whose registration accounts the securities subject to early redemption are to be registered or whose registration accounts are to be credited with such securities up to day R inclusively, on condition however that the event shall require additional confirmation by KDPW.
9. The confirmation of the event, referred to in subpara. 8, shall be performed by sending the information referred to in subpara. 4 to direct participants a second time.
10. If the documents or the declaration, referred to in subpara. 8, raise any concerns as to the issuer's authorisation to carry out the early redemption of securities or do not meet the formal requirements of submission, and the issuer does not submit any documents or declarations to KDPW addressing these concerns or meeting the formal requirements no later than on day R before 17.00, then KDPW shall not process this event and shall cancel it in the depository system.
11. KDPW shall determine the balances on registration accounts managed for direct participants with respect to securities assigned for redemption, according to the balance at the end of day R.
12. Direct participants shall determine the balances of securities assigned for redemption on securities accounts and omnibus securities accounts managed by those participants, according to the balances at the end of day R. Participants for which KDPW manages omnibus securities accounts shall not be

obliged to perform such actions for the securities accounting systems they manage.

13. At the end of Day R, KDPW shall notify direct participants of the balances of the securities accounts subject to redemption requests. In the event of any discrepancy between the determinations referred to in subparas. 11 and 12, the direct participant shall clarify and eliminate the discrepancy.

14. In the period between day R and the date of the blocking of securities selected for early redemption on day W, according to the provisions of subpara. 18, the only operations to be carried out in the depository system relating to the securities subject to the early redemption will be operations related to the early redemption procedure.

15. On day R+1, direct participants managing securities accounts or omnibus securities accounts shall send KDPW instructions indicating the balances of securities subject to the redemption request on each securities account or omnibus securities account, determined on day R. These instructions should be sent separately for each securities account or omnibus securities account managed for a participant.

16. On the basis of the information contained in the instructions described in the provisions of subpara. 15, as well as on the basis of the balances determined on day R on securities accounts and omnibus securities accounts managed in KDPW, KDPW shall determine the number of securities subject to early redemption by the issuer on day W, registered on each securities account and each omnibus securities account. This shall be determined by applying a rate equal to the number of those securities indicated in subpara. 4, point 4, second sentence, multiplied by their total number registered in the central depository on day R, where:

1/ fractions of securities arising as a result of the application of this rate shall be ignored;

2/ if the total number of securities selected following the application of this rate for early redemption on day W is lower than the number of securities indicated by the issuer or payment agent, in accordance with the provisions of subpara. 4, point 4, second sentence, one security shall be added to the number of securities to be redeemed from each securities account and from each omnibus securities account in the order from the account on which their highest number was registered on day R to the account on which the lowest number of such securities was registered on day R until the total number of securities selected for early redemption on day W is equal to the number of securities described by the issuer or payment agent, in accordance with the provisions of subpara. 4, point 4, second sentence;

3/ if the increase in the number of securities to be redeemed from each securities account and from each omnibus securities account in the manner described in point 2, shall prevent the expected number of these securities to be selected, in particular due to identical balances of such securities on at least two such accounts on day R, the selection of those accounts for which such an increase was carried out shall take place at random.

17. In the event that no instruction, referred to in subpara. 15, is received by KDPW from a direct participant managing securities accounts or omnibus securities accounts, KDPW shall determine the total number of securities, which are subject to early redemption by the issuer on day W on all the securities accounts or omnibus securities accounts managed by that participant. This shall be performed by KDPW according to the provisions of subpara. 14, using as a basis for the operation the balances on the accounts managed for that participant on day R.

18. KDPW shall make available to direct participants information on the results of what it has determined according to the provisions of subpara. 16 and 17. At the same time, KDPW shall block securities selected for early redemption on day W, on registration accounts managed for direct participants.

19. Not later than day W-1, KDPW shall provide the issuer – or in instances where the issuer uses a payment agent as intermediary, then the payment agent – information about the cash amount to be paid out for the early redemption of securities, by means of the Benefits Payment application. The process of determining their amount shall take place according to the provisions of § 120c.

20. Not later than 11.30 on day W, the issuer shall be obliged to make available to KDPW on the relevant KDPW bank account, the cash amount to be paid out for the early redemption of securities.

21. In instances where the issuer uses a payment agent as intermediary, on day W, KDPW debits the payment amount defined in the information, described in subpara. 18, from the cash account of the participant associated with the relevant payment agent. The debit takes place on condition that the payment agent has first confirmed the ability for the debit to be performed, by means of the Benefits Payment application. In order to ensure that KDPW shall be able to distribute the cash amount, described in subpara. 22, on day W, the payment agent should send the confirmation not later than 16.00 on day W. If confirmation is performed by the payment agent on a given day after 16.00, the distribution of the payment, referred to in subpara. 22, shall be carried out on the following business day.

22. KDPW shall distribute the payment amount received from the issuer or from the payment agent for payment on cash accounts of participants, according to the principles described in the subparas. above, having first withheld the relevant tax with respect to which KDPW performs the obligations of withholding agent. KDPW then deregisters the redeemed securities from the registration accounts managed in KDPW.”;

12/ In § 174a, subpara. 1 shall be amended as follows:

“1. KDPW shall provide the issuer - or in instances where the issuer uses a payment agent as intermediary, then the payment agent - with information about the cash amount to be used to pay out the redemption of investment certificates, by means of the Benefits Payment application. The process of determining their amount shall take place according to the provisions of § 120c.”;

13/ § 174b shall be amended as follows:

“§ 174b

1. The provisions of this paragraph shall apply in instances of mandatory partial redemption of investment certificates assigned with a given code, performed irrespective of the request of a fund participant.

2. An issuer that intends to perform the mandatory partial redemption of investment certificates assigned with a given code, shall submit to the operator of the regulated market or the alternative trading system where these investment certificates are traded, an application for suspension of trading in these investment certificates starting from day T-2.

3. The issuer – and in instances where the issuer uses a payment agent as intermediary – the payment agent, shall inform KDPW of the following:

1/ the id code of the investment certificates subject to mandatory partial redemption – no later than on day T-5,

2/ day T – no later than on day T-5,

3/ the number of the investment certificates subject to redemption on day T – immediately when determined but no later than on day W-2,

4/ day W and the unit redemption price of the investment certificates – immediately when determined but no later than on day W-2,

5/ the legal basis entitling the issuer to perform the mandatory partial redemption of investment certificates on day T irrespective of the request of a fund participant.

4. Day W may not be earlier than T+3.

5. The information described in subpara. 3 shall be delivered by completing and sending, by means of the Benefits Payment application, the notification form available in it.

6. Together with the notification form referred to in subpara. 5, the issuer, or in instances where the issuer acts through a payment agent - the payment agent, shall submit documents confirming that the issuer is entitled to perform the mandatory partial redemption of investment certificates on day T irrespective of the request of a fund participant, or a declaration indicating the legal basis for the action, confirming that all the necessary conditions for the action to take place have been met. The declaration and the documents submitted with the notification form shall be, respectively, signed or authorised in accordance with the issuer's representation rules using qualified electronic signatures.
7. The issuer shall be held liable for the accuracy of the information provided in accordance with the provisions of subpara. 3 and the manner in which the information conforms to the documents which should correspond to the payment of the entitlement.
8. The information, referred to in subpara. 3, shall be sent by KDPW to direct participants in whose registration accounts investment certificates subject to redemption are registered or whose registration accounts are to be credited with such investment certificates up to day T inclusively, on condition however that the event needs additional confirmation by KDPW.
9. The confirmation of the event, referred to in subpara. 8, shall be performed by sending the information referred to in subpara. 3 to direct participants a second time.
10. If the documents or the declaration, referred to in subpara. 8, raise any concerns as to the issuer's authorisation to carry out the mandatory partial redemption of investment certificates or do not meet the formal requirements of submission, and the issuer does not submit any documents or declarations to KDPW addressing these concerns or meeting the formal requirements no later than on day T before 17.00, then KDPW shall not process this event and shall cancel it in the depository system.
11. KDPW shall determine, at the end of day T, the balances on registration accounts managed for direct participants with respect to investment certificates for redemption.
12. Direct participants shall determine the balances of investment certificates for redemption on securities accounts and omnibus securities accounts managed by those participants, according to the balances at the end of day T. Participants for which KDPW manages omnibus securities accounts or securities accounts shall not be obliged to perform such actions.
13. At the end of Day T, KDPW shall notify direct participants of the balances of accounts of investment certificates subject to redemption. In the event of any discrepancy between the determinations referred to in subparas. 11 and 12, the direct participant shall clarify and eliminate the discrepancy.
14. In the period between day T and the date of the blocking of securities selected for redemption, according to the provisions of subpara. 18, the only operations to be carried out in the depository system relating to the investment certificates subject to redemption will be operations related to the redemption procedure.
15. On day T+1, direct participants managing securities accounts or omnibus securities accounts shall send KDPW instructions indicating the balances of investment certificates subject to the redemption request on each securities account or omnibus securities account, determined on day T. These instructions should be sent separately for each securities account or omnibus securities account managed for a participant.
16. KDPW shall determine the number of investment certificates subject to redemption by the issuer, registered on each securities account and each omnibus securities account, on the basis of the information contained in the instructions described in the provisions of subpara. 15, as well as on the basis of the balances determined on day T on securities accounts and omnibus securities accounts managed in KDPW. This shall be determined by applying a rate equal to the number of those investment certificates indicated in subpara. 3, point 3, to their total number registered in the central depository on day T, where:

1/ fractions of investment certificates arising as a result of the application of this rate shall be ignored;
2/ if the total number of investment certificates selected following the application of this rate for redemption on the given day is lower than the number of investment certificates indicated by the issuer or payment agent, in accordance with the provisions of subpara. 3, point 3, one investment certificate shall be added to the number of investment certificates to be redeemed from each securities account and from each omnibus securities account in the order from the account on which their highest number was registered on day T to the account on which the lowest number of such investment certificates was registered on day T until the total number of investment certificates selected for early redemption on the given day is equal to the number of investment certificates described by the issuer or payment agent, in accordance with the provisions of subpara. 3, point 3;
3/ if the increase in the number of investment certificates to be redeemed from each securities account and from each omnibus securities account in the manner described in point 2, shall prevent the expected number of these investment certificates to be selected, in particular due to identical balances of such investment certificates on at least two such accounts on day T, the selection of those accounts for which such an increase was carried out shall take place at random.

17. In the event that no instruction, referred to in subpara. 15, is received by KDPW from a direct participant managing securities accounts or omnibus securities accounts, KDPW shall determine the total number of investment certificates, which are subject to redemption by the issuer on a given day on all the securities accounts or omnibus securities accounts managed by that participant. This shall be performed by KDPW according to the provisions of subpara. 16, using as a basis for the operation the balances on the accounts managed for that participant on day T.

18. KDPW shall make available to direct participants information on the results of what it has determined according to the provisions of subpara. 16 and 17. At the same time, KDPW shall block investment certificates selected for redemption on a given day on registration accounts managed for direct participants.

19. No later than on day T+1, direct participants for which KDPW manages omnibus securities accounts shall send KDPW a list of names of natural persons entitled to receive the entitlement payment from the redemption of investment certificates registered on such omnibus securities accounts, containing all the detailed information relating to these persons, which is necessary properly to perform the legal obligations imposed on tax withholding agents in respect of their income on the redemption of investment certificates, and indicating the number of investment certificates subject to redemption held by each of those persons at the end of day T. The relevant documents should be attached to the list, confirming the expenses incurred by these persons, or by their inheritors, or donors for the purchase of redeemed investment certificates and if, on the basis of the applicable provisions of law, and in particular according to the applicable international agreements on the avoidance of double taxation, these persons are exempted from the payment of withholding tax on such income or are obliged to pay the income tax at a rate different than the basic rate, there should also be included the relevant documents confirming the right not to withhold the tax or to use a tax rate different than the basic rate. Such documents shall be prepared in the format required by the applicable provisions of tax law.

20. No later than day W-1, KDPW shall provide the issuer – or in instances where the issuer uses a payment agent as intermediary, then the payment agent – information about the cash amount to be transferred to KDPW, by means of the Benefits Payment application. The process of determining their amount shall take place according to the provisions of § 120c.

21. No later than 11.30 on day W, the issuer shall be obliged to make available to KDPW on the relevant KDPW bank account, the cash amount to be paid out for the redemption of investment certificates.

22. In instances where the issuer uses a payment agent as intermediary, on day W, KDPW debits the payment amount defined in the information, described in subpara. 18, from the cash account of the participant associated with the relevant payment agent. The debit takes place on condition that the payment agent has first confirmed the ability for the debit to be performed, by means of the Benefits Payment application. In order to ensure that KDPW shall be able to distribute the cash amount, described in subpara. 21, on day W, the payment agent should send the confirmation no later than 13.00 on day W. If confirmation is performed by the payment agent on a given day after 16.00, the distribution of the payment, referred to in subpara. 23, shall be carried out on the following business day.

23. KDPW shall distribute the payment amount received from the issuer or from the payment agent for payment on cash accounts of participants, according to the principles described in the subparas. above, having first withheld the relevant tax with respect to which KDPW performs the obligations of withholding agent; KDPW then deregisters the redeemed investment certificates from the registration accounts managed in KDPW.”;

14/ In § 179, subpara. 1 point 5 shall be amended as follows:

“5/ on day D+1, KDPW shall send the liquidator information on the amount of the cash payment to be paid out. The process of determining their amount shall take place according to the provisions of § 120c.”;

15/ In § 182, subpara. 4 shall be amended as follows:

“4. On day D + 1, KDPW shall inform the issuer of the aggregate redemption amount to be provided to KDPW for the redemption of structured certificates. The process of determining their amount shall take place according to the provisions of § 120c.”;

16/ In § 190d:

a/ subpara. 1a shall be added after subpara. 1 as follows:

“1a. An issuer that is a listed company that intends to collect the information referred to in subpara. 1 in a manner other than using KDPW as intermediary may submit a request to KDPW to provide this information via SWIFT. Such a request may be submitted by the issuer through an authorised third party.”;

b/ subpara. 5 shall be added as follows:

“5. The request that assumes the collection of shareholder information in a manner other than by using KDPW as intermediary should indicate the information referred to in subpara. 2 points 1-5, the authorized recipient of the shareholder information other than KDPW, the BIC code of this recipient in the SWIFT system and other address details enabling the secure transfer of shareholder information by entities that are not SWIFT participants. The provisions of subpara. 3 shall apply accordingly to such a request.”;

17/ § 190e shall be amended as follows:

“§ 190e

1. Any amendment made to the request, referred to in § 190d subpara.2 or subpara. 5, may only relate to the issuer’s deadline indicated therein and may only involve the postponement of the existing deadline to a later date.

2. The amendment, referred to in subpara. 1, may be performed not later than the issuer’s deadline to which the amendment refers in the request.

3. The cancellation of the request, referred to in § 190d subpara.2 or subpara. 5, may be performed not later than the date indicated in the request as the date on which the balance is determined in order to prepare information on shareholders.”;

18/ In § 190g, subpara.3 shall be amended as follows:

“3. The information, referred to in subpara. 1, shall be made available for a period of 30 calendar days, however, in instances referred to in § 190i subpara.1, this period shall commence from the date that the last piece of information, prepared or received by KDPW, made available to the issuer in connection with the request, referred to in § 192i subpara.1 submitted by that issuer.”;

19/ § 190h shall be amended as follows:

“§ 190h

1. The condition for fulfilling of the request, referred to in § 190d subpara. 5, submitted through a third party, is that the issuer submits a declaration to KDPW confirming the third party's authorisation to submit this request. The issuer's declaration should in particular confirm the record date on which information on shareholders is to be prepared, specified in the request submitted through a third party, and should be delivered to KDPW before that date and before the third party has submitted the request.

2. The information prepared by KDPW in response to the request referred to in § 190d subpara. 5 is sent via SWIFT to the authorised recipient indicated in the request.

3. The information referred to in subpara. 2 shall be provided in the format established in accordance with Article 3 paragraph 2 of Commission Implementing Regulation 2018/1212.”;

20/ § 190i shall be amended as follows:

“§ 190i

1. An issuer that is a listed company may submit a request for the correction of incomplete or incorrect shareholder information, within a period of 30 calendar days from the date that this information has been made available or sent to the issuer by KDPW.

2. If the request for correction concerns shareholder information collected using KDPW as intermediary, the provisions of the second sentence § 190d subpara. 1 shall apply accordingly.

3. If the request for correction concerns shareholder information prepared by KDPW in response to the request referred to in § 190d subpara. 5, the provisions of § 190h subpara. 1 shall apply accordingly.

4. A request for the correction of incomplete or incorrect information should indicate the deadline, not shorter than 10 days, within which the response to this request should be prepared, the information that requires correction, as well as – in instances where the shareholder information has been collected using KDPW as intermediary – the entity or entities from which the information that requires correction derives.

5. In instances referred to in subpara. 2, KDPW shall send the request for the correction of incomplete or incorrect information to the direct participant, or to another entity indicated in the request.

6. In response to the request for the correction of incomplete or incorrect information, the direct participant shall once more prepare a full response to the request of the issuer, referred to in § 190d subpara.2, and shall send it to KDPW within the deadline indicated in the request for correction. The provisions of § 190f subpara.1, 2 and 3 shall apply accordingly with respect to the renewed response, however:

1) the verification, referred to in § 190f subpara.2, shall only consist of performing the reconciliation between the balance on entity account managed in KDPW, indicated therein, and the balance of that entity account determined by KDPW,

2) if the number of shares, indicated therein, assigned with the same ID code and registered on securities accounts or omnibus securities accounts managed by a direct participant does not correspond with the number of these shares registered on the relevant entity account managed for that participant in KDPW, KDPW may request that the participant provide an explanation of the discrepancy.

7. In instances referred to in subpara. 2, KDPW shall make available to the issuer information that it has received or prepared in connection with the request submitted by the issuer for the correction of incomplete or incorrect information, on the next business day following the deadline, referred to subpara. 2, indicated by the issuer in the request.

8. In instances referred to in subpara. 3, KDPW shall provide the issuer, or recipient authorised by the issuer to receive information, information that it has prepared in connection with the submitted request for the correction of incomplete or incorrect information, within the deadline indicated in the request, subject to the provisions of to subpara. 3.”;

21/ In Part Four “The processing of issuers’ obligations, services related to the organisation of general meetings and to voting by management or supervisory boards, as well as services related to shareholder identification”, in Section 10 entitled “Services related to the identification of shareholders of listed companies” § 190ia shall be added after § 190i as follows:

“§ 190ia

1. In instances where the request by the issuer relating to the disclosure of information enabling the identification of shareholders and determining the number of shares held by them according to the balance on a given date does not contain any instruction for forwarding that request, then the provisions of § 190d subpara. 1-3 and 5, § 190e, § 190g, § 190h and § 190i subpara. 1-4 and 7-8 shall apply respectively, however, such a request may not indicate the address details of the recipient of shareholder information other than the BIC code in the SWIFT system.

2. If the request of the issuer does not contain any instruction for forwarding this request, this shall be understood to mean that the request only relates to making information referred to in § 142d subpara.5 of the Rules available to the issuer.”.

§ 2

1. Subject to the provisions of subparas. 2-4, this Resolution shall enter into force on 20 November 2023.

2. The provisions of § 1 point 6 and – where they relate to the provisions of § 134 subpara. 2 of the KDPW Detailed Rules of Operation - § 1 point 8 herein, shall enter into force on 1 December 2023.

3. In the period up to and including 1 December 2023, Day W, referred to in § 134a subpara. 2 of the KDPW Detailed Rules of Operation as described in the provisions of § 1 point 9 of this Resolution, shall not fall earlier than on D+3.

4. The provisions of § 1 points 16-21 herein shall enter into force on 1 January 2024.

Maciej Trybuchowski
President & CEO

dr Paweł Górecki
Vice President

Sławomir Panasiuk
Vice President

Michał Stępniewski
Vice President