



ATHEXGROUP
Όμιλος Χρηματιστηρίου Αθηνών

ATHEXGROUP

ATHEXCSD

OTC Settlement Services

8/3/2023

Settlement Services Department

Contents

01

OTC settlement instructions

02

Matching, Amendment, Cancellation

03

DSS codes/ Types

04

Type Description

05

Settlement preconditions, Cycles, Methods,

06

Target cash settlement cycles timeline

07

Bilateral settlement of domestic securities

08

Cash Penalties

09

Pricing

OTC settlement instructions

OTC settlement services based on instructions of Participants are offered according to the [ATHEXCSD Rulebook](#) Section V. Settlement Service, Part 5 and the [Resolution 5 «Technical terms and procedures for the provision of the Settlement Service»](#), as well as, the provisions of the CSDR and the Delegated Regulation for Settlement Discipline which provides for penalties in the event of failure to settle.

All ATHEXCSD Participants are eligible to enter OTC instructions for settlement on ATHEXCSD Dematerialised Securities System (DSS). (press [here](#) for information on Participants)

OTC settlement instructions are entered by the Participants through the available DSS technical interfaces

- ISO/SWIFT messages
- GUI screens
- import-export files
- proprietary API

CESR/ESCB matching standards and **CSDR requirements** are being adhered for OTC matching and settlement

In order for the DSS system to accept OTC settlement instructions, all “**mandatory matching fields**” should be filled in at the time of their entry.

An “optional matching field” is a non-mandatory matching attribute of a settlement instruction, which becomes a mandatory matching criterion when both parties provide a value for the attribute in their settlement instructions.

OTC settlement instructions – Matching, Amendment, Cancellation

Matching of OTC settlement instructions currently takes place on a continuous and near real time basis, i.e., a matching cycle at least every five (5) minutes or less, throughout each business day.

Amendment of OTC settlement instructions can be performed by the Participant who entered the instructions, at any time the instructions are active, either until they are matched or until their intended settlement date, depending on which condition is met first.

Amendment of the status "Hold" or "Release" of OTC settlement instructions can be performed by the Participant who entered the instructions at any time until they are settled.

Cancellation of OTC settlement instructions can be performed by the Participant who entered the instruction at any time while it is active until the date of its settlement, if it has not been matched.

Cancellation of matched OTC settlement instructions, requires the consent of the Counterparty involved.

OTC settlement instructions – DSS codes / Types in Summary

DSS Code	Type of OTC settlement instruction (according to the different reason codes)
1	Trade
2	Borrowing – Securities Financing Agreement (SFA)
3	Borrowing Return – Return of Securities from an SFA
4	Collateral - Collateral with Title Transfer
5	Collateral Return - Return of Securities from Collateral with Title Transfer
6	a) NCBO – No Change Beneficial Ownership b) Transfer of Securities between Fund Shares of the same Fund c) Transfer of Securities from a Non-Listed Issuer Share to the Securities Account of the same beneficiary
8	Fail rectification
9	Creation of DR / Units – Transfer of Securities for creation of depositary receipts or units
0	Redemption of DR / Units – Transfer of Securities for redemption of depositary receipts or units
a	Transfer through Transitory Account - Transfer of Securities via a Participant Transitory Account for ATHEXCSD links
b	Technical Settlement Operation
c	Transfer free of tax - Transfer of Securities between Client Securities Accounts of different Shares without calculation of tax by ATHEXCSD
d	NCBO Segregated ACC - Transfer of Securities between Securities Accounts of the same Share or transfer of Securities for Consolidation of Shares or Transfer of Securities between Securities Accounts of the same Beneficiary as Market Maker (NCBO transfer)
e	Buy in – Management of settlement fails

OTC settlement instructions – Type Description

DSS Code	Type of OTC settlement instruction	Description
1	Trade	Transfer of Securities between Securities Accounts based on settlement instructions of Participants resulting from an OTC transaction
2	Securities Financing Agreement (SFA)	Transfer of Securities between Securities Accounts based on settlement instructions of Participants resulting from a securities financing transaction
3	Return of Securities from an SFA	Transfer of Securities between Securities Accounts based on settlement instructions of Participants resulting from a return of securities from a securities financing transaction
4	Collateral with Title Transfer	Transfer of Securities between Securities Accounts based on settlement instructions of Participants resulting from a Collateral transaction with Title Transfer
5	Return of Securities from Collateral with Title Transfer	Transfer of Securities between Securities Accounts based on settlement instructions of Participants resulting from a return of Securities from a Collateral transaction with Title Transfer

OTC settlement instructions – Type Description

DSS Code	Type of OTC settlement instruction	Description
6	a) No Change Beneficiary Owner (NCBO)	<p>Transfer of Securities between Securities Accounts based on settlement instructions of Participants which involve the same beneficiary, except in cases of transfer from a Client Securities Account to a Client Securities Account</p> <ul style="list-style-type: none"> ✓ Preconditions for the settlement <ul style="list-style-type: none"> • the beneficiary (full name or BIC – Business Identification Code) must be stated in the relevant settlement instructions. • one of the respective instructions must relate to securities kept in a Clients Securities Account for such instructions to be accepted for settlement, (Resolution 5, Annex II, point 6). ✓ Participants will disclose the above requirements to their clients for NCBO Transfer ✓ Participants who keep a Clients' Account, in order to carry out the transfer, should have been notified in the relevant instruction from the Intermediary or from the chain of intermediaries, the Clients' Account they keep and the name or the BIC of the beneficiary who has requested the transfer of his own securities to a Securities Account held by another Participant and in which he is the beneficiary. ✓ In the case of a chain of intermediaries, the responsibility for providing the above information lies with the closest intermediary to the beneficiary. In any case, the Competent Authorities (i.e., HCMC, Tax Authority, etc.) are enabled to audit such transfers.

OTC settlement instructions – Type Description

DSS Code	Type of OTC settlement instruction	Description
6	b) Transfer of Securities between Fund Shares of the same Fund	<p>Transfer of Securities between Client Securities Accounts of each Share opened by the same Fund</p> <ul style="list-style-type: none"> ✓ Preconditions for the settlement <ul style="list-style-type: none"> ▪ the securities accounts stated in the instructions should be Securities Accounts of the Fund Share ▪ the relevant settlement instructions must contain the legal name or Business Identifier Code (BIC) of the Fund and ▪ the above-mentioned data must match in order for the respective instructions to be accepted, (Resolution 5, Annex II, point 6). ✓ Participants will disclose the above requirements to their customers
6	c) Transfer of Securities from a Non-Listed Issuer Share to the Securities Account of the same beneficiary	<p>The transfer of Securities from the Securities Account of a Non- Listed Issuer Share, where they are kept on behalf of the beneficiary pursuant to paragraphs 3 and 4, article 3.3, Section IV of the ATHEXCSD Rulebook, to the Securities Account declared by the beneficiary</p> <ul style="list-style-type: none"> ✓Preconditions for the settlement <ul style="list-style-type: none"> • the securities accounts stated in the instructions should be Securities Accounts declared for beneficiaries • the relevant settlement instructions should state the beneficiary as a mandatory matching field of the instructions (Resolution 5, Annex II, point 6). ✓The transfer of securities is carried out under the responsibility of the Non-Listed Issuer

OTC settlement instructions – Type Description

DSS Code	Type of OTC settlement instruction	Description
8	Fail rectification	<p>Rectification of failed transactions through use of the Provisional Settlement Account of the Intermediary or Member, as applicable. More specifically:</p> <ul style="list-style-type: none">a) the rectification of sell transactions will relate only to transactions settled with Securities acquired as the result of a Securities Lending Agreement, while the rectification of buy transactions will relate to transactions settled with own funds, andb) the Comments field must be filled out with the settlement date of the initial transaction and the s/n of the DSS. <p>The rectification will be performed between the linked Investor Share of the Provisional Account of the Intermediary or the Member Share of the Clearing Member and the Investor Share. The aforesaid transfer is carried out by no later than SD+2 (SD = settlement day of the stock exchange transaction).</p> <p>In the event of settlement fail, these instructions are not transferred to the next day but automatically cancelled at the end of the settlement day with the consent of the counterparty Participants, which is transmitted to the DSS by selecting the specific operation reason</p>

OTC settlement instructions – Type Description

DSS Code	Type of OTC settlement instruction	Description
9	Transfer of Securities for creation of depositary receipts or units	<p>a) Transfer of Securities between Securities Accounts based on settlement instructions of Participants for the creation of depositary receipts or units outside the DSS, by declaration of Participants.</p> <p>b) Transfer of Securities from Securities Accounts of Participants acting on behalf of the requesting unit holders to the Securities Account of the Fund Share for the creation of units and their transfer from the Transitory Account of the Fund Manager to the Securities Accounts of the aforesaid unit holders.</p>
0	Transfer of Securities for redemption of depositary receipts or units	<p>a) Transfer of Securities between Securities Accounts based on settlement instructions of Participants for the redemption of depositary receipts or units outside the DSS, by declaration of Participants.</p> <p>b) Transfer of Securities from a Securities Account of the Fund Share to the Securities Accounts of Participants acting on behalf of the requesting unit holders for the redemption of units and their transfer from the Securities Accounts of the aforesaid unit holders to the Transitory Account of the Fund Manager.</p>
a	Transfer of Securities via a Participant Transitory Account for ATHEXCSD links	Transfer of Securities between the Participant Transitory Account and the Client or Clients Securities Account in the framework of ATHEXCSD's Links with other CSDs.

OTC settlement instructions – Type Description

DSS Code	Type of OTC settlement instruction	Description
c	Transfer of Securities between Client Securities Accounts of different Shares without calculation of tax by ATHEXCSD	Transfer of Securities without cash consideration and without calculation of tax by ATHEXCSD between Client Securities Accounts of different Shares provided they are carried out through the same Participant. By way of indication, such operations relate to donations/parental gifts (provided the tax liability has been fully settled), contributions in kind (after issuance of a tax exemption certificate by the Independent Authority for Public Revenue), transfers of Securities from the usufructuary to the bare owner for the establishment of a usufruct, transfers from/to Joint Investor Shares
d	Transfer of Securities between Securities Accounts of the same Share or transfer of Securities for Consolidation of Shares or Transfer of Securities between Securities Accounts of the same Beneficiary as Market Maker (NCBO transfer)	<p>a) Transfer of Securities between Client Securities Accounts of different Participants of the same Share.</p> <p>b) Transfer of Securities between Client Securities Accounts of different Shares of the same Client for the purpose of consolidating those Shares in the DSS.</p> <p>c) Transfer of Securities between Securities Accounts of the same beneficiary as Market Maker, provided it is carried out through the same Participant.</p>
e	Management of settlement fails	Operations for the off-exchange (OTC) management of settlement fails in accordance with the procedures of Participants

OTC settlement instructions – Settlement pre-conditions, Cycles, Methods,

Instructions are entering to settlement cycles only if the following conditions are ALL met:

- a) They are matched,
- b) Their status is «released» and
- c) Have as settlement date the current date or a previous one.

Settlement Methods applied in the DSS

- delivery free of payment - fop
- delivery versus payment - dvp

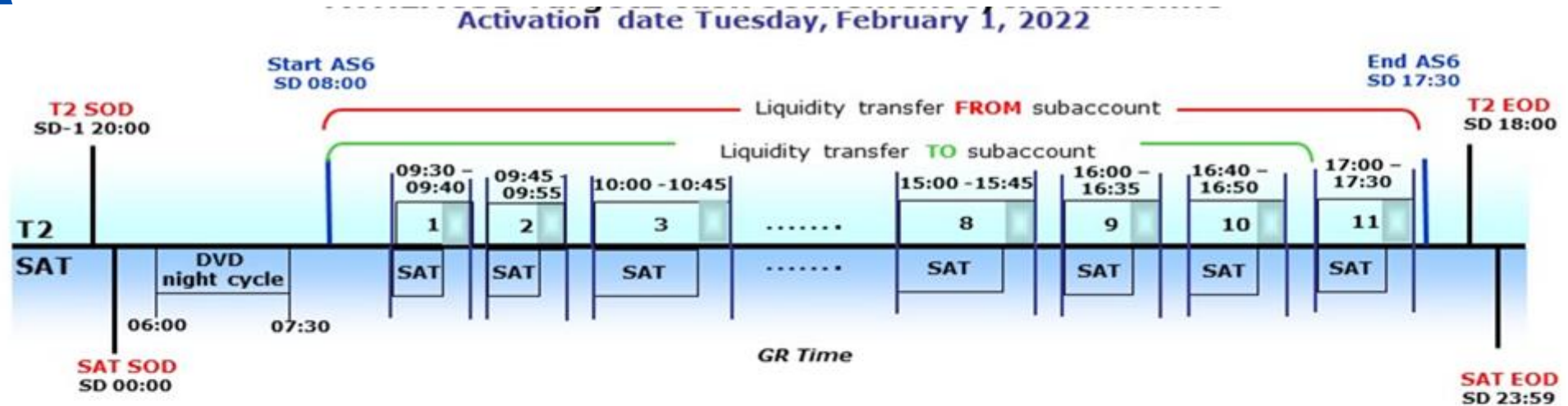
Settlement cycles are running daily

- for OTC instructions against payment
 - First cycle: 09:30
 - Last cycle: 17:25
- for OTC instructions free of payment only
 - First cycle 09:30
 - Last cycle: 18:16.

All transactions on securities versus cash, that are carried out by the Participants in the DSS, are settled according to the “delivery versus payment” method.

The finality of securities and cash transfers is achieved either in real time or during the business day, and in any case until the end of the effective settlement date the latest.

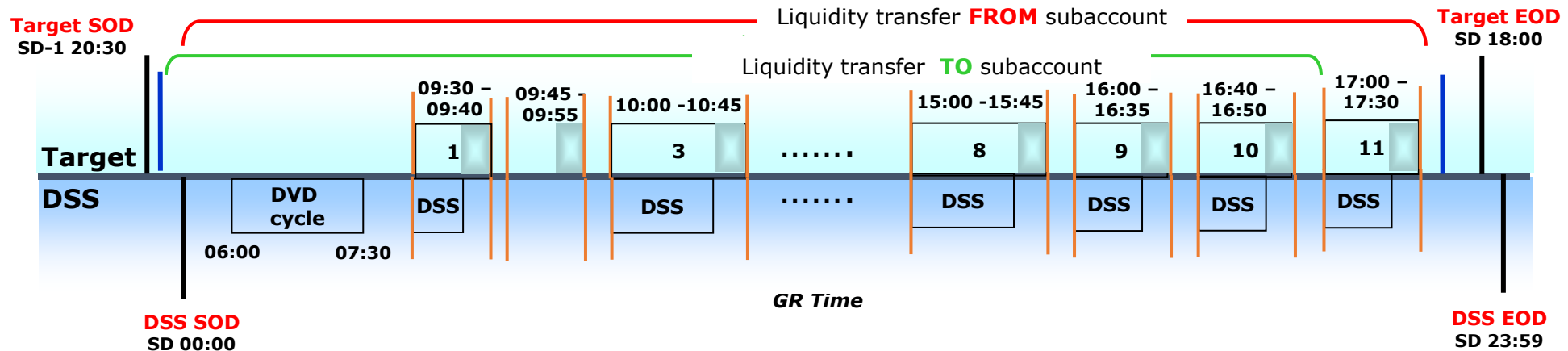
OTC settlement instructions - Target cash settlement cycles timeline (until 17/03/2023)



Indicative SAT settlement procedures executed per Target2 cycle

- **1st cycle 9:30 – 9:40**
 - **Derivatives**
 - Fees
 - Daily cash settlement
 - **Securities**
 - OTC instructions settlement GR securities
 - OTC instructions settlement foreign securities & XNET
- **2nd cycle 9:45 – 9:55**
 - **Derivatives**
 - Fees
 - Daily cash settlement
- **9th cycle 16:00 – 16:35**
 - Same as cycles 3-8
- **10th cycle 16:40-16:50**
 - Same as cycles 3-8
 - Last opportunity to settle give-up transactions
- **11th cycle 17:00-17:30**
 - Same as cycles 3-8
 - Last opportunity to settle spot1 buy-in trades and "failed" trades
- **3rd – 8th cycle 10:00 – 10:45 and on the hour**
 - **Securities**
 - Fees
 - ATHEX trades Multilateral Settlement
 - Bilateral Settlement block trades
 - OTC instructions settlement GR securities
 - OTC instructions settlement foreign securities & XNET
 - **Derivatives**
 - Physical delivery
 - Possibility of executing extra daily cash settlements
 - **CA cash distributions**
 - Cash distributions on foreign securities
 - Cash distributions on GR securities

OTC settlement instructions - Target cash settlement cycles timeline (effective 20/3/2023)



Indicative DSS settlement procedures executed per Target cycle

- 1st cycle 9:30 – 9:40
 - Derivatives
 - Fees
 - Daily cash settlement
 - Securities
 - OTC instructions settlement GR securities
 - OTC instructions settlement foreign securities & XNET
- 2nd cycle 9:45 – 9:55
 - Derivatives
 - Fees
 - Daily cash settlement
- 3rd – 8th cycle 10:00 – 10:45 and on the hour
 - Securities
 - Fees
 - ATHEX trades Multilateral Settlement
 - Bilateral Settlement block trades
 - OTC instructions settlement GR securities
 - OTC instructions settlement foreign securities & XNET
 - Derivatives
 - Physical delivery
 - Possibility of executing extra daily cash settlements
 - CA cash distributions
 - Cash distributions on foreign securities
 - Cash distributions on GR securities
- 9th cycle 16:00 – 16:35
 - Same as cycles 3-8
- 10th cycle 16:40-16:50
 - Same as cycles 3-8
 - Last opportunity to settle give-up transactions
- 11th cycle 17:00-17:30
 - Same as cycles 3-8
 - Last opportunity to settle spot1 buy-in trades and “failed” trades

OTC settlement instructions - Bilateral settlement of domestic securities

Entry of settlement instructions	
Entry of instructions by Participants	09:00 - 20:00 (local time) 08:00 - 19:00 (CET)
Entry of instructions VP with same-day settlement date (SD) up to:	SD 17:10 (local time) SD 16:10 (CET)
Entry of instructions FoP with same-day settlement date (SD) up to:	SD 18:14 (local time) SD 17:14 (CET)
Maximum time gap between Entry Date (ED) and Trade Date (TD)	2 business days (ED - TD <=2)
Maximum time gap between Settlement Date (ISD) and Entry Date (ED)	60 business days (SD - ED <=60)
Maximum time gap between Settlement Date (SD) and Trade Date (TD)	2 business days (SD - TD <= 2)
Instruction matching	
Settlement instruction Matching Cycles	09:00 - 19:30 (local time) 08:00 - 18:30 (CET) Matching Cycles executed at 5-minute intervals
Matching tolerance amount	2 EUR, for settlement amount up to 100000 EUR, 25 EUR, for settlement amount over 100.000,01 EUR
Settlement	
Settlement Cycles for cash	09:30 - 17:25 (local time) 08:30 - 16:25 (CET) Settlement Cycles executed at 1-hour intervals. ATHEXCSD may also run ad hoc cycles.
Settlement Cycles without cash	09:30 - 18:25 (local time) 08:30 - 17:25 (CET)
Maximum number of recycling days for unsettled instructions	20 business days for unmatched instructions, 60 business days for matched instructions counting from the latest between, ISD and the last change date

OTC settlement instructions – Cash Penalties (in accordance to CSDR / SDR)




Penalties are calculated for all DVP or FOP instructions for which there is a settlement fail if:

- (a) they have been matched before, on or after the intended settlement date (ISD), and
- (b) are unable to settle on or after the intended settlement date (ISD); The relevant calculation includes settlement instructions that have been put on hold.

Penalties are calculated and applied from the intended settlement date.

ATHEXCSD accepts appeals on penalties till the 10th working day, calculates the fees on the 14th working day and collects distributes cash penalties on the 18th working day of the next month.

Example February 2027						
M	T	W	T	F	S	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28

-  Appeal period closing
-  Monthly SD penalties calculation
-  Collection / Distribution of penalties

Note

In case the above dates coincide with a holiday in Greece, the deadline for:

- Appeal period closing and monthly penalties calculation is the previous working day
- Collection / Distribution is the following working day

OTC settlement instructions – Pricing

DSS Code / Instruction Type	Fee
Free of Payment settlement instructions involving 1. Trade, e. Buy in	0.0325% of the transfer value. The transfer value shall be whichever is higher between the value reported by Participants and the value resulting from the closing price of the security on the transaction date Minimum: EUR 20 per transfer instruction. The minimum fee does not apply to transactions settled in a currency other than the Euro. In the case of transfer of an unlisted Security, the value used for the calculation of fees shall be whichever is higher between the recorded value and the nominal value of the Security.
Versus Payment	Additional EUR 1 per transfer instruction
2. OTC Lending 3. OTC Return of lending 4. OTC Collateral 5. OTC Return of collateral 6. OTC NCBO 8. OTC Fail rectification 9. OTC Creation of DR 0. OTC Redemption of DR	EUR 20 per transfer instruction per security
a. Transfer of Securities via a Participant Transitory Account for ATHEXCSD links	EUR 0.50 per transfer instruction per security

OTC settlement instructions – Pricing

DSS Code / Instruction Type	Fee
<p>b. Transfer of Securities between Client Securities Accounts of different Shares without calculation of tax by ATHEXCSD</p>	<p>0.0325% of the value of the instruction per security Minimum: The lowest of EUR 20 and 20% of the transfer value per transfer instruction. The transfer value shall be whichever is higher between the value reported by Participants and the value resulting from the closing price of the security on the transaction date In the case of transfer of an unlisted Security, the value used for the calculation of fees shall be whichever is higher between the recorded value and the nominal value of the Security</p>
<p>c. Transfer of Securities between Shares of Co-beneficiaries and Joint Investor Shares (JIS)</p>	<p>EUR 20 per transfer instruction per security</p>
<p>d. NCBO Segregated ACC</p>	<p>EUR 1 per transfer instruction per Security The mass transfer of Securities between Participant Securities Accounts of the same Share is exempt from the fee in the framework of the procedure for the suspension/loss of capacity of Participant.</p>

Pricing according to the provisions of [Resolution 18 'Price list'](#).

Payment: Per day or per month (selected by Participant).

VAT: Not applicable

Thank you



ATHEXCSD
Central Securities Depository

Settlement Services Dpt



fss@athexgroup.gr



ATHEXGROUP
Athens Exchange Group

www.athexgroup.gr

www.linkedin.com/company/athensexchange