

**RESOLUTION  
OF THE MANAGEMENT BOARD OF  
KRAJOWY DEPOZYT PAPIERÓW WARTOŚCIOWYCH S.A.  
DATED 15 JUNE 2020**

**AMENDING THE DETAILED RULES OF OPERATION OF  
KRAJOWY DEPOZYT PAPIERÓW WARTOŚCIOWYCH AND  
THE REGISTRATION PROCEDURES OF KRAJOWY DEPOZYT PAPIERÓW WARTOŚCIOWYCH**

Pursuant to § 2 subpara. 1, 3 and 4 of the Rules of Krajowy Depozyt Papierów Wartościowych, the Management Board of Krajowy Depozyt Papierów Wartościowych resolves as follows:

**§ 1**

The Detailed Rules of Operation of Krajowy Depozyt Papierów Wartościowych approved in Resolution No 655/17 of the Management Board of Krajowy Depozyt Papierów Wartościowych dated 28 September 2017 (as amended) shall be amended as follows:

**1/** § 56a shall be inserted after § 56 as follows:

**“§ 56a**

The settlement of transactions referred to in § 41 subpara. 2 point 6 shall not be suspended fully or partly if it cannot be executed in due time owing a shortage of coverage in the respective registration account or cash account of the participant. The provisions of the second sentence of § 100 subpara. 5 of the KDPW Rules shall apply to such transactions.”;

**2/** the heading of Part Three “Processing of issuers’ obligations and services relating to the organisation of general meetings in public companies”, Section 6 shall be replaced by the following: “Redemption of investment certificates”;

**3/** § 174b and § 174c shall be inserted after § 174a 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 the third day following day T.

5. The information described in subpara. 3 shall be delivered by completing and sending the notification form using the dedicated application available on the KDPW website.

6. Before T-5, the issuer shall in addition send KDPW a document confirming the existence of the entitlement 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.

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.

9. 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.

10. 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.

11. 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. 9 and 10, the direct participant shall clarify and eliminate the discrepancy.

12. In the period between day T and the date of the blocking of securities selected for redemption, according to the provisions of subpara. 16, 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.

13. 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.

14. 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. 13, 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.

15. In the event that no instruction, referred to in subpara. 13, 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. 14, using as a basis for the operation the balances on the accounts managed for that participant on day T.

16. KDPW shall make available to direct participants information on the results of what it has determined according to the provisions of subpara. 14 and 15. At the same time, KDPW shall block investment certificates selected for redemption on a given day on registration accounts managed for direct participants.

17. 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.

18. 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, providing the information using the dedicated application available on the KDPW website.

19. 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.

20. 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, using a dedicated application on the KDPW website. 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.

21. 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.

#### § 174c

1. The provisions of this paragraph shall apply in instances of mandatory redemption of all investment certificates assigned with a given code, which is not connected with the liquidation of the investment fund and is performed irrespective of the request of a fund participant.

2. No later than on day D-5, the issuer – and in instances where the issuer uses a payment agent as intermediary – the payment agent, shall inform KDPW of day D and day W and the unit redemption price of the investment certificates. Day W may not be earlier than the fifth day following day D. Such information shall be delivered by completing and sending the notification form using the dedicated application available on the KDPW website.

3. 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 documents which should correspond to the payment of the entitlement.

4. Before D-5, the issuer shall in addition send KDPW a document confirming the existence of the entitlement to perform the mandatory redemption of all investment certificates assigned with a given code, which is not connected with the liquidation of the investment fund and is performed 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.

5. No later than on day D, the issuer – and in instances where the issuer uses a payment agent as intermediary – the payment agent may using a dedicated application available on the KDPW website, define the number of investment certificates for which the execution of the redemption payment 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 investment certificates are registered in KDPW is indicated.

6. The information, referred to in subpara. 2, 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 D inclusively.

7. KDPW shall determine the number of investment certificates for redemption registered on registration accounts managed for direct participants at the end of day D.

8. Direct participants shall determine the number of investment certificates for redemption registered on securities accounts and omnibus securities accounts managed by those participants, according to the balances at the end of day D. Participants for which KDPW manages securities accounts or omnibus securities accounts shall not be obliged to perform such actions.

9. At the end of Day D, 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. 7 and 8, the direct participant shall clarify and eliminate the discrepancy.

10. No later than 12:00 on day W-3, 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 them at the end of day D. 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.

11. No 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 – information about the cash amount to be paid out for the redemption of the investment securities, to be transferred to KDPW, providing the information using the dedicated application available on the KDPW website.

12. Subject to subpara. 13, 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.

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, using a dedicated application on the KDPW website. 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 no later than 13.00 on day W.

14. 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.”;

**4/** § 176 subpara. 1 shall be replaced by the following:

“1. The provisions of § 169 - § 174a and § 175 shall not apply to the redemption of investment certificates performed on request of beneficiaries where investment certificates subject to such redemption are to be withdrawn from registration accounts managed in KDPW in accordance with § 73 subpara. 1 of the KDPW Rules. In that case, the redemption of investment certificates shall be performed in accordance with § 6 subparas. 5 and 6.”;

**5/** in § 180, subpara. 7 shall be inserted as follows:

“7. An issuer may provide the information referred to in subparas. 4-6 to KDPW in a format other than in writing if previously agreed with KDPW.”;

**6/** § 181 shall be replaced by the following:

“§ 181

On day S+1, by 6.00 pm, the issuer shall provide KDPW with information on the final settlement price of the structured certificates.”;

**7/** in § 182:

**a/** subpara. 1a shall be inserted after subpara. 1 as follows:

“1a. No later than on day D, direct participants may identify structured certificates for which cash entitlements on redemption shall not be paid by the issuer at the discretion of the beneficiaries (waiver of payment). Such identification shall be made by providing KDPW with instructions to change the assets status of structured certificates to blocked upon waiver of payment.”;

**b/** subparas. 3 and 4 shall be replaced by the following:

“3. In the event of any discrepancy between structured certificate balances determined according to subparas. 1 and 1a by KDPW and by a direct participant, the direct participant shall immediately clarify and eliminate such discrepancy.

4. On day D + 1, KDPW shall inform the issuer of the aggregate settlement amount to be provided to KDPW for the redemption of structured certificates.”

**8/** § 183 subpara. 1 shall be replaced by the following:

“1. On day W, by 11.30 a.m., the issuer of the structured certificates shall provide KDPW, onto the relevant KDPW bank account, with the settlement amount to be paid out. This amount shall be allocated and transferred onto the cash accounts of participants according to the balances referred to § 182, subpara.1, however, ignoring structured certificates covered by a waiver of payment referred to in § 182, subpara. 1a.”;

**9/** § 184 shall be replaced by the following:

“§ 184

On day W, KDPW shall remove the redeemed structured certificates from registration accounts managed in KDPW, unless the situation described in § 183 subpara. 2 takes place.”;

**10/** in Appendix 1 “Alphanumeric codes of registration account attributes and other codes used in the depository system”, point 9 “Assets status codes”, the full-stop after item 26 shall be replaced by a semi-colon and item 27 shall be inserted as follows:

“27/ BLRZ blocked upon waiver of payment of entitlements on redemption of structured certificates.”;

**11/** in Appendix 2 “Accounting day timetable and operation codes”, § 2 point 10 shall be replaced by the following:

No.	Operation	Operation type	Market code	Trading mode	Number of settlement session for the operation and definition of the scope of its	Hours of settlement of the type of operations in the real-time settlement system (if	Number of settlement session for performing partial settlement and the partial

					settlement (DvP/FoP)	available in the system) and definition of the scope of their settlement (DvP/FoP)	settlement threshold (if this has been set)
"10.	"Transfer of securities which does not result in a transfer of ownership	PORT			FoP: 1-4	FoP:8.00-18.30".	

## § 2

The Registration Procedures of Krajowy Depozyt Papierów Wartościowych approved in Resolution No. 655/17 of the Management Board of KDPW dated 28 September 2017 (as amended) shall be amended as follows:

1/ point 4.2. shall be replaced by the following:

### **"4.2. Transfer of securities without change of owner**

basis for entry: matched settlement instructions (operation type – PORT)

Dt – FFFF W YY UR RR PP (AVAI)  
 Ct – FFFF/KKKK W YY UR RR PP (AVAI)

For technical accounts

basis for entry: matched settlement instructions (operation type – OWNI/OWNE)

Dt – FFFF W YY UR RR PP (TECH)  
 Ct – FFFF/KKKK W YY UR RR PP (TECH)";

2/ point 4.11. shall be replaced by the following:

### **"4.11. Blocking securities on request of a participant**

#### **4.11.1. Blocking securities**

basis for entry: asset status change instruction (operation type – INTP)

Dt – FFFF W YY UR 00 PP (AVAI)  
 Ct – FFFF W YY UR 00 PP (BLOK/BLPW/PLED/FOSG/BLRZ)

#### **4.11.2. Unblocking securities**

basis for entry: asset status change instruction (operation type – INTP)

Dt – FFFF W YY UR 00 PP (BLOK/BLPW/PLED/FOSG/BLRZ)  
Ct – FFFF W YY UR 00 PP (AVAI)”;

3/ point 6.5. shall be replaced by the following:

**“6.5. Early partial redemption of securities**

**6.5.1. Voluntary redemption announced by the issuer**

**6.5.1.1. Participants send to KDPW an execution instruction. Each instruction corresponds to a voluntary redemption order from one client.**

basis for entry: asset status change instruction issued by KDPW for a participant’s execution instruction (operation type – INTP)

Dt – FFFF W YY UR 00 PP (AVAI)  
Ct – FFFF W YY UR 00 PP (BLCA)

**6.5.1.2. Cancellation of redeemed securities:**

basis for entry: KDPW instruction (operation type – REDI)

Dt – FFFF W YY UR 00 PP (BLCA)  
Ct – 0001 0 01 00 99 PP (AVAI)

**6.5.1.3. If voluntary redemption is not executed, or if the number of securities presented for voluntary redemption is reduced, the relevant number of securities is unblocked.**

basis for entry: asset status change instruction sent by KDPW (operation type – INTP)

Dt – FFFF W YY UR 00 PP (BLCA)  
Ct – FFFF W YY UR 00 PP (AVAI)

**6.5.2. Mandatory redemption announced by the issuer.**

**Participants send KDPW an instruction indicating the holdings of each client. Each instruction indicates the holdings of one client. Securities to be redeemed are identified on that basis and blocked.**

basis for entry: asset status change instruction sent by KDPW (operation type – INTP)

Dt – FFFF W YY UR 00 PP (AVAI)  
Ct – FFFF W YY UR 00 PP (BLCA)

Redeemed securities are cancelled according to point 6.5.1.2 and securities are unblocked if mandatory redemption is not executed according to point 6.5.1.3.

**6.5.3. Redemption at the request of a securities holder**

**Blocking instruction for securities marked for redemption sent by the participant at the request of the securities holder**

basis for entry: asset status change instruction (operation type – INTP)



Dt – FFFF W YY UR 00 PP (AVAI)

Ct – FFFF W YY UR 00 PP (BLCA)

Redeemed securities are cancelled according to point 6.5.1.2”;

**4/** point 6.7. shall be deleted.

### **§ 3**

This Resolution shall come into force on 29 June 2020.

Dr Paweł Górecki  
Vice-President  
of the Management Board

Sławomir Panasiuk  
Vice-President  
of the Management Board

Michał Stępniewski  
Vice-President  
of the Management Board