

This translation has been prepared to the best of our knowledge and does not represent a legally binding document.

In case of legal matters, the original documents written in Portuguese, and other Portuguese legislation should be consulted.

INTERBOLSA REGULATION 1/2023 – Amends INTERBOLSA Regulation 2/2016, related to the general operational rules of the centralised securities systems and of the securities settlement systems managed by INTERBOLSA

In compliance with articles 89 and 269 of the Portuguese Securities Code, the Board of Directors of INTERBOLSA - Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A. (Euronext Securities Porto), has decided to approve this regulation:

Article 1

1. Articles 3, 4(1)(c), 14(1)(2), 31(1), 35, 40(1)(a), 49(1)(3)(4), 50(2)(6), 51(1)(2), 52(1)(3), 54(1)(a)(b)(2), 55(1) and 58(1)(b) of Interbolsa Regulation 2/2016 are amended as follows:

“Article 3

(...)

(...)

“TARGET2 (T2)” – the real-time gross settlement (RTGS) for the Eurosystem, based on a single shared platform, which enables settlement in central bank money; By law, TARGET2 comprises a series of decentralized components by country, which are harmonized in every aspect that is not in conflict with a national legal impediment. In the case of Portugal, the system is ruled in an instruction from Banco de Portugal, which regulates the TARGET2-PT system;

(...)

Article 4

(...)

1. (...)

a) (...)

b) (...)

c) Clearing Houses and Central Counterparties wishing to access Euronext Securities

Porto's systems;

d) (...)

e) (...)

2. (...)

3. (...)

Article 14

(Securities accounts opened by a CCP)

1. The securities accounts opened by a CCP are for:

a) The registration, control and extrajudicial execution of collateral provided in favor of that entity in securities integrated in a centralized system; and/or

b) The movement of integrated securities centralized system as a result of the settlement of operations conducted in its capacity as CCP; and/or

c) For the execution of buy-ins of securities in accordance with the substituting procedures established in the rules of the CCP, which aimed at ensure the proper settlement of operations.

2. Guarantees in favour of a CCP can be provided through financial guarantee agreements, which can be in the form of fiduciary alienation of collateral or a financial pledge, depending on whether or not it involves the transfer of ownership of the securities that are the object of the guarantee to the respective beneficiary, in accordance with what is defined in the CCP's rules.

Article 31

(Operations executed with the intervention of a CCP)

1. The CCP sends to the T2S platform, directly or indirectly, depending on the link established, the settlement instructions relating to operations, guaranteed and non-guaranteed, carried out on a regulated market or multilateral trading facility.

2. (...)

Article 35

(...)

The procedures for the operations of guarantees in favor of Banco de Portugal, of the Fundo de Garantia de Depósito (Deposit Guarantee Fund), of the Sistema de Indemnização aos Investidores (Investor Compensation Scheme), of a CCP, as well as all autocollateralization procedures are set by INTERBOLSA through a Circular.

Article 40

(...)

1. (...)

a) By DCPs, or by ICPs through an instructing party, if applicable, and directly on the T2S platform, in accordance with the appropriate authorisation for this purpose, including CCPs;

b) (...)

2. (...)

a) (...)

b) (...)

- c) (...)
- d) (...)
- 3. (...)

Article 49

(...)

1. At the end of the business day corresponding to the date on which the transaction was carried out (Trade Date), the CCP sends the information necessary for the physical and financial settlement of transactions to the T2S platform, either directly or indirectly, depending on the link established.

2. (...)

3. The information sent by a CCP, pursuant to paragraph 1, may include instructions with only a financial leg or only with a physical leg, namely instructions related to the buy-in of securities, following the terms of the substituting procedures established in the CCP rules, to ensure the good settlement of the operations.

4. The financial information sent by a CCP related to fixed income securities, in addition to the amount of the operation, shall include, also, the interest and other similar remunerations corresponding to the legally prescribed period.

Article 50

(...)

1. (...)

2. The physical settlement occurs in the securities accounts of the CCP and of the participants, that are reflected in the T2S platform, according to information submitted by the CCP, pursuant to the preceding Article.

3. (...)

4. (...)

5. (...)

6. The functionalities relating to the maintenance instructions referred to in Articles 45 and following are allowed in accordance with and under the terms regulated by the CCP.

Article 51

(...)

1. If and whenever, due to an insufficiency detected in the balance of the securities accounts and of the cash accounts of the participants, after settlement, pursuant Article 50, settlement instructions regarding guaranteed operations still remain to be settled, they are submitted to new settlement attempts, until they are settled or canceled pursuant to Article 47 (1)(b) and (3) and the rules established by the CCP.

2. A Euronext Securities Porto creates and sends to the T2S platform, whenever necessary, the *market claims* and transformations instructions, in accordance with the Euronext Securities Porto rules related to Corporate actions, established in the respective Circular.

Article 52

(...)

1. Until the business day preceding the settlement date of the operations, the CCP sends the information required for the physical and financial settlement of the operations to the T2S platform, directly or indirectly, depending on the link established.

2. (...)

3. The financial information sent by the CCP related to fixed income securities, in addition to the amount of the operation, shall include, also, the interest and other similar remunerations corresponding to the legally prescribed period.

4. (...)

5. (...)

6. (...)

7. (...)

8. (...)

Article 54

(...)

1. To the settlement instructions on securities that are identified as non-eligible to be processed by a CCP ("non-clearable" operations), the following procedures shall apply:

a) The Market management entity identifies all operations executed on the markets and systems managed by it on non-eligible securities to be processed by a CCP and sends to the counterparties of these same operations the necessary information to carry out the settlement;

b) The parties, according to the information provided by the Market management entity under the previous paragraph, introduce the settlement instructions in the *real time* settlement system managed by Euronext Securities Porto, in order to process them via the T2S platform, according to the procedures contained in Articles 40 and following.

2. The procedures of this Article shall apply, namely, to operations executed in the markets and systems of the Market management entity regarding securities denominated in a currency other than euro, whose settlement is not supported by the T2S platform, as well as debt instruments, for which the "pool factor" method has been identified as needed.

Article 55

(...)

1. The instructions are included in the T2S platform, directly by the DCPs or through the local systems of Euronext Securities Porto, or of an instructing party, if applicable, in the case of ICPs, as if they were free payment instructions, with physical settlement being conditional on financial settlement occurring outside the T2S platform (CoSD - Conditional Securities Deliveries).

2. (...)

3. (...)

Article 58

(...)

1. (...)

a) (...)

b) Priority Level 2 - Top Priority – can be assigned by the trading platforms and CCPs to their settlement instructions and settlement restrictions;

c) (...)

d) (...)

2. (...)

3. (...)"

2. The titles of Section III of Chapter V of Title II and Subsection III of Section III of Chapter II of Title III are hereby amended as follows:

a) "Section III – Account movements with the intervention of a CCP

b) "Subsection III – Settlement operations on non-eligible securities for processing by CCP (*'non-clearable'*)"

Article 2

The following concepts are added to Article 3 of Interbolsa Regulation 2/2016:

"Article 3

(...)

(...)

"Central Counterparty and Clearing House or, in short, CCP" - the entity that is duly authorised to carry out clearing operations under Regulation (EU) 648/2012 (EMIR);

(...)

"Market management entity" - an entity that manages the activities of a regulated market or multilateral trading facility, duly authorised by the respective law of its jurisdiction that has transposed Directive 2014/65/EU (MiFID II);"

Article 3

This Regulation shall enter into force on 27 November 2023.

EURONEXT SECURITIES PORTO

A Administração