



Centrálny depozitár cenných papierov SR, a. s.

**Executory Decree No. 6
to the Rules of Operation
of Centrálny depozitár cenných papierov SR, a.s.**

**DETAILS OF SETTLEMENT FAILS
MONITORING AND MEASURES TAKEN TO
IMPROVE THE SETTLEMENT EFFICIENCY**

Centrálny depozitár cenných papierov SR, a.s.
ul. 29. Augusta 1/A, 814 80 Bratislava I
registered in Companies Register of CC Bratislava III
Section: Sa; File no. 493/B
Telephone: 00421/2/59395110

ID No: 31 338 976
Tax ID: 2020312833
VAT ID: SK2020312833
www.cdcp.sk
Fax: 00421/2/ 5296 8755

Bank Account
Slovenská sporiteľňa, a.s.
IBAN: SK26 0900 0000 0051 5999 9701
BIC: GIBASKBX

Contents

Article 1
Introductory provisions 3

Article 2
Monitoring and reporting of settlement fails 3

Article 3
Monthly collection of information on measures taken to improve the settlement efficiency 3

Article 4
Annual reporting of reasons for fails and measures taken to improve the settlement efficiency 4

Article 5
Disclosure of information on settlement fails including measures taken to improve the settlement efficiency..... 4

Article 6
Systematically failing participant 5

Article 7
Final and transitional provisions 5

Article 1

Introductory provisions

- 1.1 This Executory Decree is regulation issued in compliance with article 1 of the Rules of Operation of Centrálny depozitár cenných papierov SR, a.s. (hereinafter „the Rules of Operation“) and stipulates details on application of provisions of the Rules of Operation governing procedure of CDCP and participants when complying with obligations as regards monitoring of settlement fails and measures taken to improve the settlement efficiency.
- 1.2 CDCP identifies:
 - a) on a monthly basis, at least 10 participants with highest rate of settlement fails by volume and/or value of fails,
 - b) on annual basis, systematically failing participants.

Article 2

Monitoring and reporting of settlement fails

- 2.1 CDCP in compliance with Delegated regulation 2018/1229:
 - a) automatically, through the IS CDCP, monitors number and value of settlement fails on a daily basis,
 - b) reports to the competent authority on a monthly basis information on settlement fails and reasons for the fails for previous calendar month, including measures planned and taken by CDCP and its participants to improve the settlement efficiency,
 - c) each year reports to competent authority information on settlement fails and reasons for the fails for previous calendar year, including measures planned or taken by CDCP and its participants to improve the settlement efficiency.
- 2.2 Information under section 2.1 of this article, relevant to participants communicated by CDCP, is based on information available in the IS CDCP and on information provided by participants under article 3. For that purpose, the participant shall provide CDCP with necessary cooperation. CDCP has right to require a participant to provide additional information above the monthly information collection according to article 3 (as regards defined range of data, frequency of data collection), primarily as a result of request by the competent authority.

Article 3

Monthly collection of information on measures taken to improve the settlement efficiency

- 3.1 CDCP will send, on the first business day of the month, to a participant which belongs to group of ten participants with the highest rate of settlement fails, information containing data concerning number, value and rates of fails and reasons for the fails known to CDCP.
- 3.2 CDCP will also request a participant according to previous section information whether the participant adopted or plans to adopt measures to improve the settlement efficiency, or information on specific measures taken or planned by the participant.

- 3.3 The participant is obliged to provide required information under this article in required form and structure on specified form (see section 3.5 of this article) and by the end of the third business day of given month. In case the participant will not provide required information in given time period, CDCP will include this fact to information under article 2, section 2.1 letter b) of this Executory Decree.
- 3.4 For purpose of the monthly collection of data or for purpose of additional provision of data based on request from the competent authority, a participant will provide information also on specific measures if participant classified these measures as „Other“ in the defined template, i.e. measures are not pre-defined. At the same time, such information is not automatically included in the monthly and annual reporting of information under the article 2 of this Executory Decree.
- 3.5 Communication between CDCP and participants according to this article is held in electronic form via electronic address of CDCP published on the web site of CDCP in section dedicated to participants and via contact persons appointed by the participants for communication with CDCP. This does not affect right of CDCP to contact the participant by use of other method.
- 3.6 Information template sent to a participant and the request template for collection of information (defined form) are published on the web site of CDCP in a section dedicated to participants.

Article 4

Annual reporting of reasons for fails and measures taken to improve the settlement efficiency

- 4.1 CDCP sends information on measures taken to improve the settlement efficiency according to article 2, section 2.1, letter c) of this Executory Decree based on information from participants, collected according to article 3 of this Executory Decree.
- 4.2 For purpose of the annual reporting, CDCP is also entitled to request the participant to supplement:
 - a) information provided under article 3 of this Executory Decree, namely more detailed information on taken and planned measures and their implementation,
 - b) information on reason for fails, that are additional to information available from the IS CDCP.

Article 5

Disclosure of information on settlement fails including measures taken to improve the settlement efficiency

- 5.1 CDCP, in compliance with the Delegated regulation 2018/1229 on annual basis publishes information on settlement fails, including measures planned or taken by CDCP and its participants with aim to improve the settlement efficiency. Information is published in anonymised form.

Article 6
Systematically failing participant

- 6.1 To determine a systematically failing participant, CDCP proceeds according to article 39 of the Delegated regulation 2018/1229, whereas for a relevant day of respective participant in the settlement system of CDCP is considered a business day, during which the participant has a settled instruction and/or a failed instruction in the settlement system.
- 6.2 CDCP continually informs a participant on the fact, that the definition of a systematically failing participant applies to the participant in form of a notice sent according to article 3, section 3.1 of this Executory Decree.

Article 7
Final and transitional provisions

- 7.1 This Executory Decree to the Rules of Operation enters into force on the day of approving thereof by the Board of Directors of CDCP on 28 October 2024 and comes into force on 01 December 2024.