



# **Treasury BondSpot Poland Market Rules**

**(consolidated text in force as at 25 April 2022)**

**after changes and modifications introduced by**

- 1) Resolution No 153/19 adopted on 29 July 2019**
- 2) Resolution No 231/19 adopted on 1 October 2019**
- 3) Resolution No 36/O/20 adopted on 20 March 2020**
- 4) Resolution No 38/O/20 adopted on 26 March 2020**
- 5) Resolution No 78/O/20 adopted on 28 May 2020**
- 6) Resolution No 87/O/20 adopted on 19 June 2020**
- 7) Resolution No 97/O/20 adopted on 22 July 2020**
- 8) Resolution No 125/20 adopted on 17 September 2020**
- 9) Resolution No 1/21 adopted on 18 January 2021**
- 10) Resolution No 24/21 adopted on 24 February 2021**
- 11) Resolution No 43/21 adopted on 24 March 2021**
- 12) Resolution No 142/21 adopted on 17 November 2021**
- 13) Resolution No 39/22 adopted on 8 April 2022**

## SECTION I - GENERAL PROVISIONS

### Article 1 - Definitions

In these Market Rules, the following expressions have the following meanings:

- “Act” means the Act of 29 July 2005 on Trading in Financial Instruments (Journal of Laws of 2018, item 2286, as amended);
- “Algorithmic Trading” means the buying and selling of Traded Securities where a computer algorithm automatically determines individual parameters of buy or sell Orders for such Traded Securities, within the meaning of Article 4(1)(39) of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (EU Legal Journal L 173 of 12.06.2014, p. 349, as amended), and taking into account Article 18 of Commission Delegated Regulation (EU) 2017/565;
- “Application” means the acceptance, whether whole or partial, of a Proposal, transmitted via the System and processed immediately by the System;
- “Mid-Price Application” means an Application inserted exclusively by a Market Maker on the Cash Market in the Mid-Price order book;
- “Benchmark Securities” means the Traded Securities specified by the Minister of Finance, especially those concerning fixed income Traded Securities with a maturity of no less than one year and a nominal value of no less than PLN 10 billion, or the Traded Securities being subject of a regular sale through tender proceedings whose value is PLN 2 billion or more;
- “Board” means the Management Board of the Company;
- “Clearing Institution” means KDPW\_CCP S.A. in which transactions in treasury bonds concluded on the Market are cleared in accordance with Annex I;
- “Company” means BondSpot S.A.;
- “Custodian” means an entity by which the Participant settles its transactions in the Clearing Institution;
- “Institutional Investor” means the Participant entitled to conclude the transactions on the Market in accordance with article 10.3;
- “Issuer” means the Minister of Finance;
- “Issuer Agent” means the Participant indicated by the Issuer authorized to conclude the contracts on the Market on rules specified by the Company in consultation with the Issuer;
- “KNF” means the Polish Financial Supervision Authority;
- “Live Data” means information relating to Traded Securities in respect of which not more than 300 seconds have elapsed from the time;
- “Market” means an electronic market for state treasury securities, being an alternative trading system within the meaning of the Act of 29 July 2005 on Trading in Financial Instruments (consolidated text, Journal of Laws of 2017, item 1768, as amended) run by the Company under the name of Treasury BondSpot Poland, on which Securities are traded, pursuant to an agreement entered into between the Company and the Issuer;

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“Market Committee”	means the institution mentioned in Article 35 of these Market Rules;
“Market Maker”	means a Participant entitled to conclude the transactions on the Market in accordance with article 10.2;
“Market Rules”	means these rules and other regulations resulting from these rules (with the annexes), related to the organization and operation of the Market, and any changes to the rules or annexes;
“Market Taker”	means a Participant entitled conclude the transactions on the Market in accordance with article 10.1;
“Member State”	means a Member State of the European Union;
“MMI”	means Major Market Incidents within the meaning of Annex H;
“Order”	means a Proposal, an Application or other binding order placed by a Participant on the Market in order to conclude a Transaction;
“Participant”	means entity admitted to trading on the Market;
“Price”	means the value representing the percentage of the nominal amount of the Traded Security payable in respect of sale of Treasury bonds, excluding accrued interest, and in case of Treasury bills means the annual rate of yield to maturity expressed as a percentage;
“Proposal”	means the double-side Proposal and one-side Proposal;
“double-side Proposal”	means the simultaneous offer to buy and sell for given Traded Securities, with specification of the quantity and the price quoted and the type of Traded Security that it intends to trade
“one-side Proposal”	means the offer to buy or sell, with specification of the quantity and the price quoted and the type of Traded Security that it intends to trade;
“Mid-Price Proposal”	means a one-side Proposal with additional maximum price limit for execution, inserted on the Cash Market in the Mid Price order book;
“Repo Proposal”	means an anonymous or non-anonymous one-side Proposal submitted on the repo market in order to execute a conditional transaction;
“RUR”	means the market Participants Committee, referred to in the Regulations on fulfilling the function of the Treasury Securities Dealer;
“Settlement Entity”	means the entity through which the Participant settles transactions at the Settlement Institution or clears transactions at the Clearing Institution;
“Settlement Institution”	means, respectively, the National Depository for Securities ( <i>Krajowy Depozyt Papierów Wartościowych S.A - KDPW</i> ), in which transactions in Treasury Bonds are settled, or the National Bank of Poland where transactions in Treasury Bills are settled;
“Spread”	means the difference between the buy price and sale price in double-side Proposal;
“System”	means the electronic trading system provided by MTS S.p.A., commissioned by the Company as a technology vendor and service provider, administered by the Company, for trading on the Market;
“Terminal”	means a technical device used to make Proposals and Applications, enter into transactions, display Live Data regarding Proposals, executed transactions, and other information connected with trading;

- “Traded Securities” means dematerialized state treasury securities, not subject to constraints in terms of their transferability, denominated in PLN or EUR, issued by Minister of Finance, offered on the primary market on auctions organized by the National Bank of Poland on behalf of the Issuer, as well as other treasury securities specified by the Issuer; classified according to their maturity, as specified in Annex A;
- “Trading Hours” means the hours of the Trading Day during which Traded Securities may be traded on the System as determined in Annex E;
- “4BondNet” means a closed internet service made available to Participants.

## **Article 2 – Market Rules**

1. The object of the Market Rules is to determine in detail the organization and operation of the Market.
2. The Market Rules and Annexes to it, as well as any and all modifications and changes thereto, are adopted by the Management Board, after a relevant favourable opinion is forwarded by the Issuer.
3. Participants are required to accept the terms and conditions of the Market Rules and act accordingly.
4. Any and all modifications and changes to the Market Rules will be forwarded to the Participants by electronic mail, within at least 14 days prior to their entry into force.
5. The Company may shorten the term indicated in point 4 above if any of the Participants doesn't disagree with such shortage prior to it within the deadline set out and communicated by the Company from time to time, made available such information to the Participants by electronic notification.
6. The Board or the employee of the company authorized by the Board will take all decisions taken by the Company pursuant to these Market Rules unless specifically delegated under the conditions established in the by-laws of the Company.
7. All legal relations arising from the Rules will be governed by and construed in all respects in accordance with laws of Poland.

## **SECTION II - ADMISSION AND RESIGNATION**

### **Article 3 - General conditions for admission to trading on the Market**

1. European Union institutions and Non-European Union institutions, authorized to provide the services specified in Section A service envisaged in Section A of Annex I to Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/UE (Official Journal EU L 173 of 12.06.2014, p. 349, as amended), of the European Parliament and the Council of April 21, 2004, under the supervision of the supervisory authorities, may be admitted to trading on the Market, as Market Makers or Market Takers.
  - 1a. National Bank of Poland may be admitted to trading on the Market, as Market Maker or Market Taker.
2. The following entities may be admitted to operate on the Market as Institutional Investors:
  - 1) the institutions referred to in point 1,
  - 2) the insurance institutions within the meaning of the Act of 29 July 2005 on Trading in Financial Instruments (consolidated text, Journal of Laws of 2017, item 1768, as amended),

- 3) the investment funds and the investment fund companies as provided for in the Act of 27 May 2004 on Investment Funds and Management of Alternative Investment Funds (Journal of Laws of 2016, item 1896, as amended),
  - 4) the institution functioning within the deposit guarantee schemes as provided for in the Directive 2014/49/UE of the European Parliament and of the Council of 16 April 2014, operating based upon the Act of 10 June 2016 on the Bank Guarantee Fund, Deposit Guarantee Scheme and Resolution (consolidated text, Journal of Laws of 2017, item 1937, as amended),
  - 5) National Bank of Poland.
3. To be admitted to trading, the institutions and institutions referred to in points 1, 1a and 2 are obliged to:
- 1) have the necessary knowledge and experience and give a guarantee of proper and safe participation in trading on the Market;
  - 2) have the necessary trading capacity and competence;
  - 3) have the capacity for the clearing and settlement of trades on the Market according to Annex I;
  - 4) have adequate organizational and technical means that permit correct operation in the System and the performance of the contract execution obligations.
4. (Repealed).
5. (Repealed).
6. Additional admission conditions referred to in Article 4, Article 5 and Article 6 will not apply regarding the National Bank of Poland

#### **Article 4 - Additional Admission Conditions for Market Takers**

In addition to the conditions in Article 3, an institution that wishes to be admitted to trading on the Market as a Market Taker will have a net worth, as calculated by its respective regulatory instructions for supervisory purposes, of at least EUR 30 million or its equivalent.

#### **Article 5 - Additional Admission Conditions for Market Makers**

In addition to the conditions in Article 3, an institution that wishes to be admitted to trading on the Market as a Market Maker will have a net worth, as calculated by its respective regulatory instructions for supervisory purposes, of at least EUR 50 million or the equivalent, calculated according to proper regulations.

#### **Article 6 – Additional Admission Conditions for Institutional Investors**

In addition to the conditions in Article 3, an institution that wishes to be admitted to operation on the Market as an Institutional Investor will have:

- 1) in the case referred to in Article 3.2.1 and 3.2.2 - will have a net worth, as calculated by its respective regulatory instructions for supervisory purposes, of at least PLN 10 million or the equivalent;
- 2) in the case referred to in Article 3.2.3 - will have, within one year preceding the date of the application for admission to operation on the Market, net assets, as calculated by its respective regulatory instructions for supervisory purposes, of at least PLN 50 million, subject to point 3;
- 3) in the case of investment fund companies - will have a net worth, as calculated by its respective regulatory instructions for supervisory purposes, of at least PLN 10 million.

#### **Article 7 – Market Admission Procedure**

1. Admission to operation on the Market requires a resolution of the Management Board of the Company passed on written application of the entity, referred to in Article 3.1, 3.1a or 3.2, seeking admission to operation on the Market.

2. Application template for admission to operation on the Market and documents that need to be attached to the application are set out in Annex J. In any case, the applicant must submit a document demonstrating its capacity for the clearing and settlement of trades on the Market.
3. Applicants seeking admission to operation on the Market will immediately notify the Company of any change of data contained in the application for admission to operation on the Market and its attachments.
4. The Company may require applicants to provide documents and information other than referred to in point 2, necessary to pass a resolution concerning admission to operation on the Market.
5. The Management Board of the Company will review the application for admission to operation on the Market within 14 days of the date on which the applicant submits all necessary documents and information. The Management Board of the Company may, acting in communication with the applicant, review the application for admission to operation on the Market within a time limit longer than 14 days.
6. The Management Board of the Company will admit applicants to operation on the Market if the applicants meet the conditions referred to in Article 3 – 6.
7. In the event of admission to operation on the Market, the Company will immediately present the relevant resolution in writing to the applicant.
8. In the event of admission to operation on the Market, the Management Board of the Company will set the date on which the participant may begin trading on the Market. Such date should be no earlier than 7 days after the date of the resolution on admission of the Participant to operation on the Market. Participants may start trading on the Market provided that they meet the technical requirements of the System.
9. The Management Board of the Company may revoke a resolution on admission to operation on the Market if the operation on the Market does not begin within 3 months of the date of the resolution.
10. The Company keeps a list of Participants and publishes the list on the website of the Market.

#### **Article 8 - Procedure for Dismissal of Applications for Admission to Operation on the Market**

1. The Management Board of the Company dismiss an application for admission to operation on the Market, in case if the requirements are not fulfilled, that are mentioned in the Articles 3 -6 or if the admission could threaten the proper functioning of the Market or may endanger for the safety of trading in Market.
2. If the Management Board of the Company finds grounds to pass a resolution dismissing an application for admission to operation on the Market, it should allow the applicant to speak on that matter before passing the resolution.
3. In the event of dismissal of an application for admission to operation on the Market, the Company should immediately present the justification to the applicant and immediately present the relevant copy of the resolution with the explanatory memorandum to the applicant.
4. Within 10 working days of the date of the receipt of a copy of the resolution, mentioned in the Article 3, the applicant may submit a written application of the review request. The request shall be considered to have been submitted at the date of the date of receipt of the application to the Company's Office.
5. The Management Board is obliged to examine an application for repeated examination immediately, not later than within 30 working days from the day of submitting it.
6. Where necessary to get additional information, time limit, mentioned in the Article 5, will start at the moment of sending further information.

#### **Article 9 - Scope of Operation of Participants on the Market**

1. Participants may operate on the Market only on their own behalf and for their own account, according to Article 10, within separate Market segments.
2. The separate Market segments are as follows:
  - 1) cash market, where unconditional sales are concluded according to Article 21 – 21c, Article 24 and Article 25,
  - 2) repo market, referred to in Article 26, where conditional trades are concluded,

- 3) cash market institutional segment, referred to in Annex K.

#### **Article 10 - Scope of Authorization to act on the Market**

1. The Market Taker will be entitled to conclude transactions:
  - 1) on the Cash Market by introducing via the System the Applications;
  - 2) on the Repo Market on the basis of the provisions referred to in Article 26;
  - 3) on the basis of the provisions referred to in Article 27a and 27b.
2. The Market Maker will be entitled to conclude the transactions:
  - 1) on the Cash Market by introducing via the System the Proposals, the Applications;
  - 2) on the Repo Market on the basis of the provisions referred to in Article 26,
  - 3) in the Institutional Segment of the Cash Market by introducing via the System the Proposals and the Applications on the terms set out in Annex K,
  - 4) on the basis of the provisions referred to in Article 27a and 27b.
3. The Institutional Investor may be admitted to trading on the Cash Market, or on the Repo Market or in the Institutional Segment of the Cash Market. In the case of admission:
  - 1) on the Cash Market Institutional Investor is entitled to conclude transactions on the basis of the provisions referred to in Article 27a and 27b,
  - 2) on the Repo Market the Institutional Investor is entitled to conclude the transaction on the basis of in the provisions of Article 26,
  - 3) in the Institutional Segment of the Cash Market the Institutional Investor is entitled to conclude the transaction by introducing via System the Applications in compliance with Annex K.

#### **Article 11 - Resignation of Participants**

The Participant may resign from membership in the Market upon filing a written resignation declaration with the Company, subject to a 3-month notice period.

### **SECTION III - UNDERTAKINGS OF PARTICIPANTS**

#### **Article 12 - Undertakings of Participants**

1. The Participant hereby undertakes to the Company:
  - 1) to notify the Company, without delay, of any interruption in trading due to a breakdown in the computer connection;
  - 2) to comply with the Market Rules, including the best market practices specified in Annex S hereto;
  - 3) to act with due diligence and honesty;
  - 4) to respect and comply with the established operating procedures for the System;
  - 5) to refrain from any act that may jeopardize the proper functioning of the System or trading on it;
  - 6) not to enter into trades other than for proper trading purposes;
  - 7) to be responsible for the acts and omissions of its employees and other persons employed by the Participant and ensure those assigned to its trading activities on the Market have the necessary knowledge and experience and are appropriately trained and, where required by the applicable regulations, hold the authorisation to carry out activities related to the placement of Orders and the conclusion of transactions;
  - 8) not to disclose Live Data, save as may be required by a regulatory body or court having jurisdiction over the Participant;
  - 9) to ensure efficient and immediate co-operation with the Company, including provision of information, data or explanations, in the form and within the time limits determined by the Company, in order to meet the obligation laid down in Article 26(5) of Regulation (EU) 600/2014, and take full responsibility for the correctness of provided data and information in terms of both content and form;

- 10) to pay not later than the due date all fees payable to the Company in the amount and on the terms specified in Annex P;
  - 11) to deal with the Company in an open and co-operative manner for ensuring fairness of the Market;
  - 12) to have and maintain in its home State all necessary regulatory authorizations, approvals and consents for trading on the Market;
  - 13) to notify the Company, without delay, of any material change to the information supplied in its application to the Company for admission to the Market;
  - 14) notwithstanding suspension, exclusion or resignation, to comply with any requirements of the Board with regard to the execution of any outstanding contract entered into by it on the Market;
  - 15) to safeguard all information, data and documents relating to its operation on the Market, including those relating to the System and System access passwords and not to allow unauthorized access to the System;
  - 16) to conclude contracts with each Participant, subject to transactions effected on the basis of the provisions referred to in Article 27a and 27b and Repo Proposals;
  - 17) to respect and accept the outcome of those checks referred to in Article 15a and Article 34 of the Market Rules;
  - 18) to ensure resilience and performance of information and communication technology equipment and systems to the extent of the scale of operation on the Market;
  - 19) to ensure continuous operation and performance of information and communication technology equipment and systems used in the operation on the Market;
  - 20) to perform conformance testing referred to in Article 9 of Delegated Regulation (EU) 2017/584, including at the request of the Company;
  - 21) to prevent any adverse impact of information and communication technology equipment and systems on efficient and safe trading in Traded Securities on the Market, in particular the sending of incorrect Orders;
  - 22) to examine Orders and own executed transactions against potential manipulation of prices of Traded Securities and to prevent the use of information and communication technology equipment and systems in breach of Regulation (EU) 596/2014 of the European Parliament and of the Council;
  - 23) to clear and settle its trades according to Annex I.
2. In the case of Orders placed in Algorithmic Trading, Participants shall, without prejudice to the application of the provisions of point 1, additionally comply with the requirements applicable to Algorithmic Trading, including in particular:
- 1) to confirm, in the form determined by the Company, before the implementation or any significant upgrade of the algorithm, that the algorithm to be implemented or upgraded has been tested in order to avoid its contributing to disorderly trading;
  - 2) to develop, implement and apply the rules and procedures and the control measures and mechanisms laid down in Article 1 – 18 of Commission Delegated Regulation (EU) 2017/589.

### **Article 13 - Additional Undertakings of Market Takers**

1. In addition to the undertakings referred to in Article 12, and referred in point 2 the Market Taker will undertake to the Company:
  - a. to ensure continuing fulfilment of the conditions referred to in Articles 3 and 4;
  - b. to demonstrate of any data, information or documents useful to confirm that the Market Taker fulfils the conditions referred to in Articles 3 and 4. including certifications from auditing companies, at the request of the Company
  - c. to notify the Company immediately in case of breach of any of the conditions referred to in point (a) hereinabove and Article 12.
2. Referred to Articles 3.1a, Market Taker is not obliged to fulfil conditions referred in Article 4.



#### **Article 14 - Additional Undertakings of Market Makers**

1. In addition to the undertakings referred to in Article 12, and referred in point 2 and point 3 each Market Maker will undertake to the Company:
  - a. to ensure continuing fulfilment of the conditions referred to in Articles 3 and 5 and in Annex G;
  - b. to make double-side Proposals on the Cash Market in relation to all Benchmark Securities complying with requirements stipulated in Annex G, provided that this obligation will not apply to Market Maker in the performance of its duties as Issuer's Agent;
  - c. to demonstrate any data, information or documents useful to confirm that the Market Maker fulfils the conditions referred to in Articles 3 and 5, including certifications from auditing companies, at the request of the Company;
  - d. to notify the Company immediately in case of breach of any of the conditions referred to in points (a) and (b) hereinabove and Article 12.
2. The Board may, on the application of a Market Maker, agree to a temporary suspension of the undertaking in point 1(b) hereinabove.
3. Referred to Articles 3.1a, Market Maker is not obliged to fulfil conditions referred in Article 5.

#### **Article 15 - Additional undertakings of Institutional Investors**

1. In addition to the undertakings referred to in Article 12, and referred in point 2 each Institutional Investor will undertake to the Company:
  - a. to ensure continuing fulfilment of the conditions referred to in Articles 3 and 6;
  - b. to demonstrate of any data, information or documents useful to confirm that the Institutional Investor fulfils the conditions referred to in Articles 3 and 6, including certifications from auditing companies, at the request of the Company;
  - c. to notify the Company immediately in case of breach of any of the conditions referred to in point (a) above and Article 12.
2. Referred to Articles 3.2.5, Institutional Investors is not obliged to fulfil conditions referred in Article 6.

#### **Article 15a – Assessment of the operation of Participants**

1. The Company assesses the operation of Participants to the extent of trading on the Market and the terms and conditions of access to the System, including to the extent and on the terms and conditions laid down in Article 7 of Commission Delegated Regulation (EU) 2017/584.
2. In order to perform the assessment referred to in point 1, the Company may require Participants to provide information, declarations and documents.

### **SECTION IV - TRADING**

#### **Article 16 – General System Operations**

1. The Company will undertake any and all actions which will prove necessary for the proper functioning of the Market.
2. The Company will provide the Participants with any and all information on functioning of the System and technical requirements that must be fulfilled in order to use the System.
3. The Company will make immediately available to Participants information about any of the Company's actions that affect the operation of the System.
4. The Company may adopt trading and settlement practices in order to provide proper operation of the Market.

### **Article 17 – Trading Hours and Days, Deferment of Market Operations and Market Ban**

1. Market trading takes place on the sessions on Trading Days, set forth in Annex F and during Trading Hours, set forth in Annex E.
2. In the events where trading safety is threatened, the Company may delay, suspend or withhold the trading in respect of the entire Market, its part or in relation to singular types or categories of Traded Securities.
3. In reasonable circumstances, the Company may change Trading Hours or cancel trading on a specific Trading Day.
4. The Company will promptly provide the Polish Financial Supervision Authority (KNF), the Issuer, the Clearing Institution, the Settlement Institution and the Participants with the information about changed Trading Hours, and it will promptly make relevant public announcements, as well as about trading cancelled on a specific Trading Day and recommencing Market Trading.

### **Article 18 – Traded Securities**

1. All Traded Securities will be authorised for trading, unless the Company determines otherwise.
  - 1a. the Company will indicate the date to commence trading in SPW on the Market.
  - 1b. In circumstances determined by laws and regulations, the Company will withhold the commencing of the trading in the specified Traded Securities on the Market, for the timeframe not to exceed 10 days. The relevant information is promptly publicly announced.
2. The minimum trading quantities and the trading quantities for each Traded Security are determined in Annex C.
3. (repealed).

### **Article 19 – Suspension and de-selection of Traded Securities**

1. The Company may suspend a Traded Security:
  - 1) upon a request duly made by the Issuer,
  - 2) if it considers that such suspension is required due to Market security or Participants' interest, including:
    - a) if normal market conditions no longer occur with respect to Traded Securities;
    - b) if an MMI occurs.
- 1a. The Company may also decide on suspension of Traded Securities, upon the Participant's prior reasonable request to do so.
- 1b. In the circumstances determined by laws and regulations, the Company will suspend Traded Securities for the timeframe specified therein or determined by a competent authority.
2. The Company may lift suspension of the Traded Security if the cause of the suspension no longer applies.
3. It is agreed that the last day of trading in the Traded Security on the Market is, in case of:
  - 1) treasury bonds – two business days prior to the settlement date (as defined in par. 79.2.1/ of the National Depository for Securities Rules) of the buyback transactions;
  - 2) treasury bills - the fourth business day preceding the buyback date.

4. If specific Traded Securities are suspended for at least 6 months, the Company may, upon consultation with the Issuer, withdraw the Traded Security from trading, subject to points 5 and 6.
5. The Company may withdraw the Traded Securities from trading on the Market:
  - 1) upon a request duly made by the Issuer,
  - 2) should it consider it required for Market security or Participants' interest.
6. The Company will withdraw the Traded Securities from trading on the Market:
  - 1) in circumstances determined by laws and regulations,
  - 2) if marketability of the Traded Security is limited,
  - 3) in case of cancellation of dematerialisation of the Traded Securities.
7. The information about the trading suspension, trading recommencing or withdrawal of the Traded Securities from trading on the Market, as well as about withholding their trading on the Market will be promptly published in compliance with the procedure specified in the Act of 29 July 2005 on Trading in Financial Instruments (consolidated text, Journal of Laws of 2017, item 1768, as amended) and the Commission Implementing Regulation (EU) 2017/1005.
8. The Company will promptly provide the Polish Financial Supervision Authority, the Issuer, the Clearing Institution and the Settlement Institution with the information on the suspension of trading, trading recommencing or withdrawal from trading.

#### **Article 20 (repealed)**

#### **Article 21 – Proposals Placed on the Cash Market**

1. Proposals can be submitted on the Market only by the Market Maker.
2. Proposals will accordingly satisfy the requirements set forth in Annex C or Annex G.
3. The Market Maker can change valid Proposals at any time, and their availability can be suspended on the Market, and for one-side Proposals, they can be removed.
4. The Market Maker may enter into the System to both buy and sell Proposals for all Traded Securities on the Market prior to the start of the Trading Hours, within the timeframe as defined in Annex E, with reservation that these Proposals are not to be displayed to other Participants until the start of the Trading Hours.
5. The maximum spread applies to double-side Proposals concerning Benchmark Securities and will be set by the Company upon agreeing with the Issuer.
6. The Market Maker may submit in the System Proposals with a Price limit containing a reservation, according to which part of the Proposal is subject to disclosure in the order book on the cash market. In this case, part of the Proposal not disclosed in the order book is stored in the order management subsystem until the partial or complete execution of the disclosed part.
7. The Proposal referred to in Section 6 is in accordance with Article 4 (2) (a) of the Commission Delegated Regulation (EU) 2017/583, however, the minimum size of this Proposal is greater, at the time of its submission or as a result of any change thereof, than the size of the minimum trading unit specified in Annex C.
8. The undisclosed part of the Proposal referred to in Section 6 may be executed after its disclosure in the order book as a new disclosed Proposal that meets the requirements regarding Proposals set out in the Regulations.

#### **Article 21a – Traded Security Price Volatility Thresholds**

1. The Cash Market is governed by the thresholds of Traded Security price volatility. Determining a Traded Security price volatility threshold is aimed at managing fluctuations and rejecting Proposals which are evidently inaccurate.
2. The Company calibrates automated mechanisms of setting a price volatility threshold, taking into consideration liquidity of a specific Traded Security on the Market.
3. The Company monitors the accuracy of the Proposals placed on the Cash Market. In case of untypical volatility, the Company may calibrate price volatility threshold setting mechanisms.
4. Placing the Proposal on the Trading Day for the price that exceeds the value of the price volatility thresholds determined by the Company will result in the Proposal rejection.

#### **Article 21b – Volume Thresholds**

1. The Cash Market is governed by the thresholds of acceptable volumes of Proposals placed on the Market. Determining the acceptable volume thresholds in respect of the Proposals placed on the Market is aimed at managing fluctuations and rejecting the Offers which are evidently inaccurate.
2. The Company calibrates automated mechanisms of setting an acceptable volume threshold, taking into consideration liquidity of a specific Traded Security.
3. The Proposal Volume will not exceed values calibrated by the Company.
4. Placing the Proposal on the Trading Day, the volume of which exceed an acceptable value, will result in the Proposal rejection.

#### **Article 21c – Automatic Suspension of Trading in Traded Securities (Circuit Breakers)**

1. Automatic suspension of trading in Traded Securities (circuit breakers) is used on the cash market in the event of large volatility of prices.
2. The Company calibrates circuit breakers taking into account liquidity of a Traded Security on the Market.
3. If new issue Traded Securities are introduced to trading on the Market, the Company performs the calibration referred to in point 2 taking into account the calibration methods of similar Traded Securities which are traded on the Market and the maturity of the new issue Traded Securities.
4. Circuit breakers suspend trading in Traded Securities for a specific period of time if a transaction is executed at a Price that is different from the relevant reference price by a percentage exceeding a limit set in the calibration referred to in point 2.
5. In order to manage large volatilities of prices on the cash market, the Company may:
  - 1) reopen suspended trading in a Traded Security at any time;
  - 2) modify the calibration referred to in point 2 and 3 during the Trading Day, effective immediately.
6. The Company notifies the Participants, the Issuer, KNF and the general public of any suspension of trading in Traded Securities and of the period of suspension of trading in Traded Securities.
7. If an Order is placed for a Traded Security during a suspension, the Order will be rejected.

#### **Article 21d – Market Access Restrictions**

1. The Company may restrict Participant access to the Market:
  - 1) if required by the safety of trading or the interest of Participants, including:
    - a) if normal market conditions no longer occur with respect to Traded Securities;
    - b) if an MMI occurs;
  - 2) if necessary to ensure the legally compliant performance of obligations of the Company or Participants related to trading in Traded Securities on the Market.
2. In order to restrict Market access, the Company may in particular:
  - a. temporarily limit or stop the placement of Orders of a specific type or all Orders;
  - b. apply mechanisms which restrict the number of Orders per second per Participant accepted in the System;
  - c. cancel Orders which have been placed but not executed.

## Article 21e – Placing Orders on the Market

1. The Order will specifically contain:
  - 1) a Traded Security code,
  - 2) a type of Order – buy or sell,
  - 3) the total and the disclosed Traded Security volume (Traded Security quantity),
  - 4) a price and a repo rate for the Order placed on the repo market,
  - 5) a date and time of placing Order on the Market,
  - 6) a Participant,
  - 7) designation of a private individual or an algorithm as responsible for making an investment decision with regard to a specific Order, as agreed in compliance with Article 8 of the Commission Delegated Regulation (EU) 2017/590,
  - 8) designation of a private individual or an algorithm as responsible for executing a specific Order, as determined in compliance with Article 9 of the Commission Delegated Regulation (EU) 2017/590.
2. The designations referred to in points 1.7 and 1.8 are encrypted in the Order. The relevant data, including personal data specified in points 4 and 5 Table 2 in Annex to the Commission Delegated Regulation (EU) 2017/580, are delivered to the Company by the Participant, subject to the requirements set forth in applicable laws and regulations, specifically regulations on the protection of personal data.
3. The personal data referred to in point 2 may be used only by the Company to fulfil its obligations referred to in Articles 25.2 and 26.5 of the Regulation No 600/2014 of the European Parliament and of the Council and obligations referred to in the Commission Delegated Regulation (EU) 2016/957.
4. The designations referred to in points 1.7 and 1.8 are delivered to the Market in the Order in the form of short codes with long codes assigned thereto, which constitutes the data, including personal data provided for in points 4 and 5 Table 2 in Annex to the Commission Delegated Regulation (EU) 2017/580.
5. The Participant will assign short codes to private individuals and algorithms responsible for performing the activities referred to in points 1.7 and 1.8 under the terms and conditions determined by the Company.
6. The short code will be unique in terms of activities performed by a specific Participant and assigned to a specific long code. The components of a short code will not reveal identity of persons they refer to.
7. The Participant may assign short codes to a specific private individual or algorithm, as provided for in point 5, with reservation that these codes will be assigned to the role or function provided for in points 1.7 and 1.8, or it may assign a short code to a specific person or a specific algorithm to act in all these roles and functions. Irrespective of the number of short codes assigned to a specific entity, it has only one long code.
8. In order to perform the obligations referred to in Article 25 and Article 26(5) of Regulation (EU) No 600/2014 of the European Parliament and of the Council, after receiving long codes, the Company allocates them to short codes in the Order and subsequently:
  - 1) prepares and maintains details of an Order in accordance with the scope, standard and format laid down in Commission Delegated Regulation (EU) 2017/580;
  - 2) reports trades of Participants not subject to the obligations under Regulation (EU) No 600/2014 of the European Parliament and of the Council in accordance with the scope, standard and format laid down in Commission Delegated Regulation (EU) 2017/590.

## SECTION V - CONTRACTS

### Article 22 - Parties to transactions

1. Parties to transactions concluded on the Market are Participants and, in cases defined in Annex I, also the Clearing Institution.
2. Transactions are concluded on the basis of Orders entered by Participants in the System.

### **Article 23 – Types of Contracts**

Cash Market transactions and conditional (repo) transactions can be executed on the Market.

### **Article 24 – Execution of Cash Market Transactions**

1. Contracts are concluded by the matching, according to procedures laid down by the Company in Article 25, of a Proposal and an Application or of two Proposals. The contract will be deemed to be concluded at the time when the System displays on the screen the matching of a Proposal and an Application or of two Proposals, except for point 1b.
- 1a. (repealed)
- 1b. Mid-Price transactions are concluded by matching Mid-Price Proposal and Mid Price Application or two Mid Price Proposals inserted in the Mid-Price order book.
2. A Proposal that has received a partial Application will be considered an effective Proposal for the residual portion, retaining the time priority originally assigned to it, in conformity with the rules established by Article 25.
3. (repealed).
4. In the case referred to in § 21 Section 6, the transaction is concluded by matching the disclosed part of the Proposals with other Orders in accordance with the principles set out in Section 1, however, in the case of partial implementation of the disclosed part of the Proposal, it is subject to updating to the size defined by the Market Maker, and the time of its submission is in conformity with the time of its amendment.

### **Article 25 – Procedure for Executing Cash Market Transactions**

1. Applications are made by indicating the quantity and the "exclusion price". The "exclusion price" indicates the price up to which the best conditions exist for the Participant which sends the Application and hence the price up to which it is willing to execute the contract. The Application is carried out automatically up to the "exclusion price" (included).
2. With the limit of the "exclusion price" standing firm, the matching of a Proposal with an Application which results in the conclusion of a contract, occurs, until the desired nominal value is reached, according to the following criteria:
  - a) firstly the "Best Price" of the moment is applied;
  - b) should there be more Proposals for the "Best Price" of the moment, then the matching occurs according to when the proposals were inserted, starting from the least recent to the most recent;
  - c) if applying the above mentioned criteria the entire quantity of the application is not fulfilled, then the closest price to the "Best Price" is applied. Provisions referred to in points a) and b) will apply accordingly.
3. The provisions contained in the preceding point are also applicable the conclusion of contracts by matching two Proposals.
- 3a. (repealed).
4. It is at the Market Makers' discretion whether or not to accept Applications that are less than minimum trading quantity set for applicable type of Traded Security, according to the requirements specified in Annex C.
5. Mid-Price transaction is executed at the Mid-Price equal to the arithmetic of the best visible buy and sell price on the Market taking into account the following additional system conditions:
  - 1) minimum depth of the Market for a given Traded Security (minimum number of price levels),

- 2) minimum time of Price stability on the Market,
  - 3) number of price levels which should be taken into account in the calculation,
  - 4) maximum level of spread between the buy and the sell.
9. (repealed).
  10. (repealed).

#### **Article 26 – Conditional (repo) Transactions**

1. The conditional transactions, i.e. classic repos and buy/sell back, can be executed on the Market through Participants' placing, via the System, Repo Proposals and Applications and on the basis of the provisions referred to in Article 27a and 27b.
2. The detailed principles to execute conditional transactions are described in Annex R.

#### **Article 27– Transaction Registration Procedure**

1. All transactions are immediately registered and confirmed to the Participants in an electronic form. For each separate contract, the following information will be recorded:
  - a. identification number;
  - b. code of the Traded Securities;
  - c. type of contract;
  - d. price;
  - e. volume of contracts;
  - f. time of executing the contract;
  - g. settlement and clearing date;
  - h. contracting parties.
  - i. the data referred to in Articles 21e.1.7 and 21e.1.8.
2. If the Participant is unable to verify via the Terminal the contracts it executed via the System, the procedure set out in Annex N will apply.

#### **Article 27a. - Trade Registration Facility**

1. Participants may not agree transactions on a preliminary basis unless in cases defined in Article 27a and 27b.
2. Bilaterally negotiated transactions are deemed to be concluded on the Market if they are reported and registered by Participants in the System.
3. The report referred to in point 2 is made when both parties to the transaction place matching Orders.
4. The registration of transactions is conditional on their conformity to the appropriate parameters defined in Annex C.

#### **Article 27b. - Conditions of Registration in the Trade Registration Facility**

1. Transactions referred to in Article 27a may be registered if at least one party to the transaction is a Market Maker and the transaction concerns Traded Securities which are traded on the Market, not suspended and not subject to circuit breakers referred to in Article 21c.
2. Transactions may be registered in the System on the basis of:
  - 1) terms of the transaction independently proposed and agreed directly by Participants via the dedicated functionality of the System and subsequently registered in the System as a transaction concluded on the Market, or
  - 2) a dedicated functionality of the System which enables Participants to agree the terms of a transaction on the basis of the best quote of the Market Maker on the Market at the time when the Participant initiating the negotiation of the terms of the transaction submits the application.
3. In the case referred to in point 2, a Market Maker may accept or reject the application of another Participant to negotiate the terms of a transaction.

4. A transaction referred to in Article 27a may be concluded on the cash market or on the repo market provided that both parties confirm the conclusion of the transaction within 120 seconds, starting with the submission of an application by the Participant initiating the negotiation of the terms of the transaction.

#### **Article 28 – Transaction Settlement and Clearing**

The transactions executed on the Market are cleared and settled according to Annex I.

#### **Article 29 – Cancellation and correction of transactions**

The cancellation and correction of transactions will be carried out by the Company according to the procedure described in Annex O.

#### **Article 30 – Governing Law**

All the transactions executed on the Market are governed by laws and regulations in force in the Republic of Poland and the provisions of these Market Rules.

### **SECTION VI - INFORMATION**

#### **Article 30a – General Provisions**

1. Any reference in these Rules to “making information public” will mean its publication on the Market’s website, unless applicable regulations or the Rules provide for another method of publication of information.
2. Any reference in these Rules to “delivery of information to the Participant or Participants” will mean delivery of information, using, unless the Rules specify otherwise, a relevant communication method indicated by the Company.

#### **Article 31 – Delivery of Information to Participants**

1. The Company will deliver to the Participants such information as it deems necessary for the purpose of appropriate performance of trading activities and for the execution of the transactions on the Market.
2. For each Traded Security traded on the Market, the Company will deliver to each Participant admitted to the respective Segment, in real time via the System, the following information on the current day's operations:
  - a. price and quantity of the best buy and sell Proposals;
  - b. price, quantity, and time of the most recently concluded contracts;
  - c. low, high, and volume weighted average price, plus volume exchanged of the contracts concluded during a period of System operation, not longer than two hours;
  - d. for each Participant, the itemized list of all the contracts it has concluded.
3. For each Traded Security traded on the Market, the Company will make available to each Market Maker, in real time via the System, the following information on the current day's operations:
  - a. all the Proposals such Market Maker has placed into the System, including price and quantity;
  - b. the current status of all the Proposals such Market Maker has entered.



4. The Company will provide the Participant with the following tables:
  - a. via the System a daily updated complete table of the identification codes of each Traded Security, including the settlement date for concluded contracts;
  - b. a table with identification codes of all Participants, with indication of the Participants clearing through the Clearing Institution.
5. (repealed).
6. (repealed).
7. (repealed).
8. Registration data of each Participant will be available for other Participants. The Company will publish the information about admission of a new Participant to trading on the Market and provide other Participants with its registration data.
9. The Company can provide the Participant with periodical statistical data of its activity on the Market.

#### **Article 31a – Pre- and Post-trade Transparency Requirements**

1. The Company publishes information concerning Prices in Proposals and transactions concluded on the Market, in informational services, in the form of statistics and current data, within the scope and time limits defined in Annex M.
2. At the end of each Trading Day the Company will make public a list, drafted in accordance with Annex M, that reports, for each Traded Security traded on the Market, at least the day's low, high, and weighted average price and total volume exchanged, calculated with reference to the contracts concluded in the entire day. The Company may specify the cases in which, for the purposes of calculation, the proposals and transactions considered anomalous are not taken into account.

#### **Article 31b – Fixing Prices**

On each Trading Day, fixing prices of Traded Securities are set. Time and rules of fixing prices' setting, as well as the manner of their publication, are set forth in The Rules of State Treasury Securities Fixing, published by the National Bank of Poland, upon consultation with the Issuer.

#### **Article 31c – Transaction Execution Quality Reports**

The Company publishes quarterly reports of the execution quality of transactions concluded on the Market on the terms and conditions laid down in Commission Delegated Regulation (EU) 2017/575.

#### **Article 32 – Lists of Securities**

The Company publishes and provides the Participants, via the System, with the list of Traded Securities traded on the Market, with indication of the Benchmark Securities and the Traded Securities eligible for fixing procedure.

#### **Article 33 – Supervision Information**

1. The Company can deliver the data concerning the Participants and transactions executed thereby to the institutions that supervise proper operations of the Market.
2. The Company can deliver the data concerning the Participants and transactions executed thereby to the institutions that administer the System, as necessary for its proper functioning; in

such circumstances, the Company will ensure that such institutions will keep this information confidential.

3. The Company delivers the data and the information about the executed transactions and Participants' activity on the Market to the Issuer.

## **SECTION VII - MARKET SUPERVISION**

### **Article 34 – Control of Regular Course of Trading**

1. The Company supervises and is entitled to control the Participants on their activity on the Market during Trading Hours and compliance of such activity with the Market Rules.
2. During the supervision activities referred to in point 1 hereinabove, the Company can collect, process and deliver the information about the Participants, and the transactions executed thereby, in compliance with the Rules, in order to ensure Market safety.
3. The Company will regularly monitor the placed Orders and the transactions executed on the Market in order to identify violations of the Market Rules, cases of breach of trading regulations, cases justifying the suspicion of manipulation or usage of the Confidential Information, as well as disruption of Market operations.
4. The Company will promptly inform the Polish Financial Supervision Authority and the Issuer about each case justifying the suspicion of manipulation on the Market or using the Confidential Information, in compliance with the Commission Delegated Regulation (EU) 2016/957 and Article 81 of the Commission Delegated Regulation (EU) 2017/565 and Section A Annex III to the Regulation.
5. The Company will promptly inform the Polish Financial Supervision Authority and the Issuer about each case justifying the suspicion of manipulation on the Market or use of the Confidential Information, in compliance with the Commission Delegated Regulation (EU) 2016/957 and Article 82 of the Commission Delegated Regulation (EU) 2017/565 and Section B Annex III to the Regulation.

### **Article 35 – Market Committee**

1. The Market Committee is appointed by RUR for a one year renewable term of office. RUR will establish the Market Rules for the Market Committee wherein the operating rules of the Market Committee will be described, including composition, selection and election of candidates. RUR will in any case ensure that the Market Committee's members are selected from independent individuals possessing expertise and experience regarding the functioning of financial instrument markets. The Board will provide the Market Committee with all information and assistance necessary to correctly perform its obligations.
2. The Market Committee will make decisions by a majority of the votes cast by its members. A Market Committee member acting as a representative of the Participant or linked with the Participant will not be involved when decisions are made or matters are considered with reference to the conduct of a given Participant and therefore the member is required not to participate in such matters.
3. Tasks of the Committee Market will include in particular:
  - 1) (repealed),
  - 2) issuing opinions on events referred to in Article 36.5,
  - 3) (repealed),
  - 4) taking actions referred to in point 9 of Annex K,
  - 5) preparing a catalogue of incidents or criteria for estimation of incidents referred to in section I point 3.2 and section I point 6.4 of Annex O.
4. The Market Committee will be informed by the Board of the level of compliance of the Market Makers with the obligations referred to in Article 14.1 (b) hereof.

### **Article 36 – Procedural penalties clause**

1. In the event of breach or suspected breach of the Market Rules, trading regulations or good market practice and reasonable suspicion of manipulation or insider trading, the Company will carry out an investigation in order to establish the facts of case as well as the scope and circumstances of the breach of the Market Rules, if any, and it will be entitled to request the Participant to cease the breach or to provide explanations within an appropriate time limit, subject to point 2.
2. Due to circumstances referred to in point 1 hereinabove in case of a gross breach or a breach which might disrupt proper operation of the System, the Company may will suspend the Participant forthwith, however, for a maximum period of 20 Trading Days. The Company will immediately inform the Participant of suspension and reasons therefor.
3. The time limit referred to in point 1 will be 7 days at minimum as from the date when the Participant receives the Company's request, unless the risk to the safety of trading on the Market due to the Participant's actions is so high that it should be eliminated without delay.
4. Given the circumstances proving the occurrence of manipulation or insider trading, following the investigation, the Company will proceed in compliance with Article 34.5.
5. If there are any doubts as to whether the Participant's conduct can be considered a breach of the Market Rules, trading regulations or good market practice and reasonable suspicion of manipulation or insider trading, the Company may request the Market Committee to issue an opinion on whether such incident should be considered a breach. The Company may request the Market Committee to issue an opinion where the Company intends to impose a penalty referred to in point 7. When submitting the request to the Market Committee, the Company will not disclose the identification data of the Participant involved.
6. In the event that the Company reports that the Participated has committed a breach of trading regulations or good market practice, the Company may will impose on the Participant one of the procedural penalties referred to in point 7 or otherwise to discontinue the proceedings. When imposing the penalty, the Company will use non-discrimination criteria and take into account the gravity and consequences of the breach as well as whether the relevant Participant's action or omission was intentional or non-intentional.
7. The Company may:
  - 1) give a warning to the Participant – in the event that it is determined that the Participant is in breach of the Market Rules, trading regulations or good market practice,
  - 2) impose a penalty on the Participant up to EUR 25,000 or the PLN equivalent thereof if it finds that the activity of the Participant is in gross violation of the regulations governing the Market or the rules of trading;
  - 3) suspend the Participant from the Market for a definite period of time, not longer than 6 months, in the event that the Market Committee determines that the Participant:
    - a. has committed a gross breach of the Market Rules, trading regulations or good market practice, or
    - b. acts in the manner that may pose a threat to trading security on the Market or to interests of other Participants,
  - 4) change the Participant's status from Market Maker to Market Taker in the event of non-fulfilment of the obligation referred to in Article 14 (1) (b) hereof,
  - 5) exclusion the Participant in the event that the Participant fails to remedy the breach in the suspension period.
- 7a. The Company may impose one of the penalties referred to in point 7 or simultaneously impose one of the penalties referred to in point 7.3-7.5 and the penalty referred to in point 7.2.
8. During the suspension period the Participant will not be entitled to submit any Orders. The suspension will be effective as soon as it is registered in the System.
9. When implementing the decision, the Company will inform the Participant, the Polish Financial Supervision Authority and the Issuer, and consequently other Participants, that a procedural penalty has been imposed.

### **Article 37 – Obligatory suspension and exclusion of Participants**

1. The Board will suspend the Participant from the Market in the following events:

- a. subject to point b) below, if it is determined that the Participant does not fulfil any of the conditions set forth in Articles 3, 4, 5 or 6 hereof;
  - b. the conditions set forth in Articles 4, 5 or 6 of the Market Rules are not fulfilled and no evidence is presented to prove of fulfilment these conditions in accordance with Article 13.b., Article 14.1.c. and Article 15.b. of the Market Rules within 3 months of receipt of such notice;
  - c. suspension of such Participant by relevant authorities.
  - d. when the Participant fails to pay the fees provided for in the Market Rules within the prescribed time limit,
  - e. when recovery or restructuring proceedings are initiated with respect to the Participant.
2. The Board will exclude Participant from the Market if:
- a. the Participant ceases to be one of the entities referred to in Articles 3 hereof;
  - b. the Participant is declared bankrupt;
  - c. liquidation proceedings are initiated with respect to the Participant;
  - d. after the suspension period referred to in point 1 (b) hereof the Participant hasn't removed the cause of suspension;
  - e. relevant authorities apply measures excluding the Participant from participation in the Market.
3. Decisions on matters referred to in paragraph 1 and paragraph 2 will be made by the Board after making appropriate explanatory procedures. The provisions of Article 36.1 will apply accordingly to such inquiries.

## **SECTION VIII LIABILITY AND DISPUTES**

### **Article 38 – Liability**

1. The Board reserves the right to terminate the Market at any time.
2. The Company will have no liability (save for a refund of the pro-rata part of any pre-paid fees) to any Participant in respect of any suspension or termination of the Market. The Company will have no liability to any Participants or other parties in respect of breach of the Market Rules or other market regulations by other Participants.
3. In the case of wilful misconduct and/or gross negligence on its part, subject to Article 16e(4) of the Act, the Company will have liability to any Participant or any other person with respect to any action taken or omitted to be taken in connection with providing the services contemplated by these Market Rules. Further, the Company will have no liability to any Participant or any other person for consequential, indirect or unforeseeable loss or damage. The Company will also have no liability to Participants for the operations of a Clearing Institution.
4. The Participant is liable for losses or damages which the Company suffered in respect of the Participant's improper use of the System, in particular for losses caused by breaching rules of System use.

### **Article 39 – Disputes**

1. Any and all disputes between the Company and Participants that may arise with the Company in relation to Market membership, including those concerning the application and the interpretation of the present Market Rules and its Annexes, and amendments thereto, will be put forward to Arbitrary Court of National Chamber of Commerce, in accordance with rules of that court; such Court will decide by applying Polish laws.
2. Disputes between the Participants that may arise from the participation in the Market, as regards to clearing the transaction, that due to the Regulations are cleared by the Company, will be put forward to Arbitrary Court of National Polish Chamber of Commerce, in accordance with rules of that court. Polish law applies to disputes resolution by the Court.

## **SECTION IX – LIST OF ANNEX TO THE MARKET RULES**

### **Article 40 – List of Annex to the Market Rules**

The following annexes form an integral part of these Market Rules:

- 1) Annex A – Maturity Buckets;
- 2) Annex B – (repealed);
- 3) Annex C – Minimum Trading Quantity and Trading Quantity;
- 4) Annex D - (repealed);
- 5) Annex E - Trading Day Schedule;
- 6) Annex F - Trading Days;
- 7) Annex G – Obligations of Market Makers;
- 8) Annex H – Major Market Incidents (MMI);
- 9) Annex I - Clearing And Settlement Procedures;
- 10) Annex J - Standard format of the application for authorisation to be admitted to trading and the documents that need to be attached to the application;
- 11) Annex K - Trading Principles In The Institutional Segment;
- 12) Annex L– (repealed);
- 13) Annex M – Publication of Information by the Company;
- 14) Annex N – Procedure To Be Used In The Event That A Participant Is Unable To Verify On Its Screen The Contracts Executed By It On The Market;
- 15) Annex O - Trade Cancellation and Correction Request;
- 16) Annex P- Fee Schedule;
- 17) Annex R - Particular rules of the conditional (repo) transactions;
- 18) Annex Q – Commissions for transactions concluded on the basis of the provisions referred to in Article 27a and 27b of the general part of the Rules;
- 19) Annex S – Best Market Practices.

**ANNEX A – MATURITY BUCKETS**

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Traded Securities will be classified in the following maturity buckets according to their remaining maturity:

Short term	Up to 1 year
Bucket A	+ 1 year to 2.5 year
Bucket B	+ 2.5 year to 6 years
Bucket C	+ 6 years to 11 years
Bucket D	+ 11 years

**ANNEX B – (repealed)**

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## ANNEX C – MINIMUM TRADING QUANTITY AND TRADING QUANTITY

### 1. Minimum trading quantity - Cash Market

1. Minimum trading quantity on the cash market is expressed in face value of securities being its object.
2. Minimum trading quantity on the cash market for Traded Securities denominated in PLN is expressed in Table A and minimum trading quantity for Traded Securities denominated in EUR is expressed in Table B.
3. Cash market Orders and transactions may be executed in Traded Securities in a face value equal to the minimum trading quantity, subject to point 4.
4. Odd lots of PLN 2.5 million for Traded Securities denominated in PLN are subject to acceptance of Market Makers who submit a Proposal on the cash market.
5. Point 4 will not apply to Mid Price Proposals and Mid Price transactions and to transactions concluded according to Article 27a and Article 27b of the general part of the Rules.

Table A

Category	Cash Market	Institutional Segment
Benchmark Securities	PLN 5 million	PLN 2.5 million
Other Trading Securities different from Benchmark Securities	PLN 5 million	PLN 2.5 million
Traded Securities subject to Mid Price Proposals or Mid Price transactions	PLN 30 million	
Liquid Trading Securities defined by the European Securities and Markets Authority, traded on the basis of the provisions referred to in Article 27a and 27b of the general part of the Rules	PLN 30 million	-

Table B

Category	Cash Market	Institutional Segment
Benchmark Securities	-	-
Other Trading Securities different from Benchmark Securities	EUR 0.5 million	-
Traded Securities subject to Mid Price Proposals or Mid Price transactions	EUR 6 million	
Liquid Trading Securities defined by the European Securities and Markets Authority, traded on the basis of the provisions referred to in Article 27a and 27b of the general part of the Rules	EUR 6 million	-



## 2. Minimum trading quantity - Repo Market

1. Minimum trading quantity on the repo market is expressed in face value of Traded Securities being its object and is expressed in Table C.
2. Subject of conditional transactions may be Traded Securities with nominal value which is minimum trading quantity or multiple thereof.

Table C

<b>Category</b>	<b>Repo Market</b>
Traded Securities denominated in PLN	PLN 2.5 million
Traded Securities denominated in EUR	EUR 0.5 million

## 3. Trading quantity

Orders and transactions concluded on the cash market and the repo market in a face value exceeding the minimum trading quantity will in each case be equal to:

- 1) a multiple of PLN 2.5 million for Traded Securities denominated in PLN,
- 2) a multiple of EUR 0.5 million for Traded Securities denominated in EUR.

**ANNEX D – (repealed)**

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## ANNEX E – TRADING DAY SCHEDULE

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### I. General provisions.

Trading Day Schedule is determined in accordance with the Central European Time.

### II. Cash Market

1. **8.30 a.m.– 8.55 a.m.:** Pre-Market phase, during which only Market Makers are operative. During this time period the Market Makers can insert, change, suspend and re-activate their Proposals. Each market maker can only see his own proposals. Proposals are not matched.
2. **8.55 a.m.– 9.00 a.m.:** Preliminary Market phase, during which all Participants can operate, on the basis of the user profile assigned to them. In the Preliminary Market phase specifically:
  - 1) Proposals can be inserted,
  - 2) There is no automatic matching of Proposals,
  - 3) The “Best Page” is supplied and the updated aggregates are calculated,
  - 4) All Participants can send Applications,
  - 5) Applications for which in System the opposite side is accessible as well as they fulfil the conditions of opposite side , as well as for which face value of securities being her object is equal or over the minimum trading quantity for relevant kind of Securities are accepted automatically by the System.
  - 6) Market makers can decide whether to accept trades for amounts, which are lower than the minimum trading quantity for relevant kind of Securities (only in this case the matching remains on the peripheral system).
3. **9.00 a.m. – 5.00 p.m.:** Open Market phase, during which all Participants can operate on the basis of the user profile assigned to them. During that time all Participants may insert, change, suspend and re-activate their Proposals and send their Applications. The System will send signalling messages to the Participants before the start of the Open Market phase occurs. Should there be a blackout, the System will use it to clear the automatic matching and promptly re-constitute the “Best Page”.

In this market phase the automatic matching of Proposals and Applications or two Proposals and concluding transaction of spot market is active.

Mid Price transactions are concluded from 9.30 am to 5 pm.

4. **5.00 p.m.– 7.00 p.m.:** Closed Market phase, during which the market is completely inoperative. During this time period Participants can only send and receive messages, examine statistics concerning the day’s negotiations, receive reports, lists and indexes and load new peripheral software.

### III. Repo Market

1. **8.30 a.m.– 4.45 p.m.** On the Repo Market it is possible to conclude the conditional transactions with restriction, that the opening transaction in conditional transaction is cleared in T+O deadline, where T means the date on which the transaction is effected, can be concluded until 2.15. p.m. only.
2. **4.45 p.m.– 7.00 p.m.:** Market Closed.

## **ANNEX F – TRADING DAYS**

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1. Trading on the Market will be allowed in trading days, i.e. from Monday to Friday, except for:
  - 1) 1 January;
  - 2) 6 January;
  - 3) Good Friday;
  - 4) Easter Monday;
  - 5) 1 May;
  - 6) 3 May;
  - 7) Corpus Christi;
  - 8) 15 August;
  - 9) 1 November;
  - 10) 11 November;
  - 11) 24 December;
  - 12) 25 December;
  - 13) 26 December;
  - 14) 31 December.

Every year, the Company will make available information to Participants about the dates of movable holidays minimum 10 days in advance.

2. The Company defines additional days, when trading on the Market would be suspended.
3. The Company will advise the Polish Financial Supervision Authority (KNF), the Issuer, the Clearing Institution, the Settlement Institution and the Participants about the extra days when trading on the Market will not take place – minimum 10 days in advance, by means determined by the Company.
4. Market Maker will be relieved from its obligations under Article 14.1.b) of the general part of the Rules on such days which are recognized public holidays in the Participant's county of operation such that the Market Maker is not in default of its undertaking for failing to comply with its obligation on such days.

## ANNEX G – OBLIGATIONS OF MARKET MAKERS

### Article 1. Obligations of Market Makers – General

1. Market Makers perform their obligations in accordance with the requirements defined in the Rules, in particular Annex G, and in accordance with the Act, taking into account the provisions of Commission Delegated Regulation (EU) 2017/578.
2. Market Makers are obliged to quote their double-side Proposals and comply with maximum bid/offer spread and minimum quantity, according to the requirements for specific classes of benchmark Traded Securities.

### Article 2. Terms and Conditions of Quotations

Market Makers are obliged to submit double-side Proposals on the cash market in accordance with the quotation requirements including:

- 1) the presence of double-side Proposals on the cash market, i.e., the minimum required period of maintaining such Proposals on the Market during the Trading Day, laid down in Article 3.1 of Annex G, and the terms and conditions of introducing and modifying their Proposals to the applicable requirements of quoting Traded Securities;
- 2) the maximum (b/o) Spread, i.e., the maximum allowed difference between the lowest limit price in a sell Proposal and the highest limit price in a buy Proposal, defined for each class and group of Traded Securities in Table A;
- 3) the minimum quoting quantity defined for each class of benchmark Traded Securities in Table A.

### Article 3 Quotation Parameters

1. The minimum daily time of quoting each class of benchmark Traded Securities for each Market Maker is 5 hours during the open market phase.
2. The maximum b/o spread and the minimum quoting quantity are defined in Table A

**Table A: Quoting Parameters of Benchmark Securities**

	Benchmark Securities	
	Max. b/o spread*	Min. quantity
<b>Short-term</b>	---	---
<b>Bucket A</b>	40 ticks	10 million PLN
<b>Bucket B</b>	60 ticks	10 million PLN
<b>Bucket C</b>	90 ticks	10 million PLN
<b>Bucket D</b>	120 ticks	10 million PLN

\*The maximum Spread is set in ticks, where 1 tick = 0.01% of the nominal value of Traded Securities or, for Treasury bills, of the yield.

#### **Article 4 Additional Obligations of Market Makers**

1. Market Makers are obliged to put in place internal procedures for supervision, compliance and audit, enabling them to monitor their activities to ensure proper performance of the obligations of Market Makers, in particular to monitor the compliance of their activities with the applicable regulations, including Commission Delegated Regulation (EU) 2017/578, the Rules and other regulations and procedures governing the Market as concerns the obligations of Market Makers.
2. Market Makers are obliged to keep records of Proposals placed on the Market and transactions concluded in the performance of the obligations of Market Makers.
3. Market Makers are obliged to maintain the records referred to in points 1 and 2 for a period of time defined in the applicable regulations and to make them available at the written request of the Company or the competent supervisory authority.

#### **Article 5 Exceptional Circumstances**

1. Market Makers are not obliged to comply with the applicable requirements concerning quotations of Traded Securities in the event of occurrence of exceptional circumstances referred to in Article 3 of Commission Delegated Regulation (EU) 2017/578 (“Exceptional Circumstances”), where the quotation obligation:
  - 1) in the event of circumstances referred to in Article 3(a) and 3(c) of Commission Delegated Regulation (EU) 2017/578 and MMI, is suspended after the Company announces the occurrence of such circumstances and remains in force within the period of such circumstances;
  - 2) in the event of circumstances referred to in Article 3(b) of Commission Delegated Regulation (EU) 2017/578, is suspended after the Company announces the occurrence of such circumstances, provided that their occurrence may, in the opinion of the Company, impact the safety of trading and remains in force within the period of such circumstances;
  - 3) in the event of circumstances referred to in Article 3(d) of Commission Delegated Regulation (EU) 2017/578, is suspended after the Company is notified of the occurrence of such circumstances on the part of a Market Maker and remains in force within the period of such circumstances defined by the Market Maker in the information referred to in point 3;
  - 4) in the event of circumstances referred to in Article 3(e) of Commission Delegated Regulation (EU) 2017/578, is suspended after the competent supervisory authority announces the suspension of the obligation referred to in Article 9(4) of Regulation (EU) No 600/2014 of the European Parliament and of the Council and remains in force within the period of such suspension of the obligation.
2. The Company immediately publishes information about the occurrence of Exceptional Circumstances referred to in point 1.1, 1.2 and 1.4, including in the public market information stream.
3. Market Makers are obliged to notify the Company immediately of their inability to perform the quotation obligations in the event of Exceptional Circumstances referred to in point 1.3 and specify the reasons for the occurrence of such Exceptional Circumstances.

#### **Article 6 Additional Obligations of Market Makers Performing the Functions of Dealers of State Treasury Securities**

1. Market Makers performing the functions of Dealers of State Treasury Securities within the meaning of the Rules of Performance of the Functions of Dealers of State Treasury Securities defined by the Issuer will, in addition to the obligations defined in Article 1 – 5 of Annex G, participate in Traded Securities fixing sessions organised on the Market and provide double-side quotations for Traded Securities specified by the Issuer of Traded Securities in accordance with the Rules of State Treasury Securities Fixing defined by the National Bank of Poland in communication with the Issuer.
2. Market Makers performing the functions of Dealers of State Treasury Securities or seeking the status of Dealer of State Treasury Securities quote Traded Securities in the Dealer Activity Index assessment concerning the evaluation of the quality of quotations in accordance with the provisions of the Rules of Performance of the Functions of Dealers of State Treasury Securities defined by the Issuer.

#### **Article 7 Obligations of the Company**

The Company publishes:

- 1) the list of Benchmark Traded Securities;
- 2) the list of fixing Traded Securities, within the meaning of Article 31b of the general part of the Rules;
- 3) the list of Market Makers, including Market Makers performing the functions of Dealers of State Treasury Securities within the meaning of the Rules of Performance of the Functions of Dealers of State Treasury Securities;
- 4) information about decisions referred to in Article 5.

## **ANNEX H – MAJOR MARKET INCIDENTS (MMI)**

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1. Major Market Incidents ("MMI") means such circumstances relating to the technical functioning of the System as the Company in its sole discretion, will determine to be a major market incident. Without prejudice to such discretion, regard may be given to such factors as whether:
  - 1) the System is inaccessible (or "down") during scheduled trading hours;
  - 2) market-making is restricted because, for example, a network trunk is "down" resulting in a material number of market-makers being unable to access the System;
  - 3) the technical service level on the System is such that a material number of Participants cannot safely trade without their being exposed to significant market risks (for example, being unsure of their position, being unable to quote, being unable to see the best Price or seeing erroneous Prices in the best);
  - 4) the security or integrity of the System is compromised, or at imminent risk, or the Company is unable to see or control the System using standard tools.
2. The period of an MMI will be from such time as the Company will determine as the time of the first impact on the System of the MMI in question until such time as the Company will determine as the time when the System has been restored to its normal state.
3. The Company will immediately notify KNF, the Issuer, the Clearing Institution, the Settlement Institution and the Participants of the occurrence of an MMI.
4. If an MMI is published, the Company may:
  - 1) cancel the transactions according to the procedure laid down in section I.9 of Annex O;
  - 2) restrict Market access according to Article 21d of the general part of the Rules;
  - 3) suspend trading in Traded Securities according to Article 19.1 of the general part of the Rules;
  - 4) suspend trading with circuit breakers according to Article 21c of the general part of the Rules.



## **ANNEX I – CLEARING AND SETTLEMENT PROCEDURES**

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### **I. General provisions**

#### Article 1

1. Acting pursuant to Article 78(7) of the Act, the Company will ensure efficient and correct clearing and settlement of transactions concluded on the Market.
2. Transactions concluded on the Market will be cleared according to Sections II, III and IV.
3. Transactions concluded on the Market will be settled according to Section V.

### **II. Clearing of transactions concluded on the Market**

#### Article 2

1. Transactions concluded on the Market will be cleared by the Clearing Institution according to Article 3, subject to point 2.
2. The Company will clear transactions in accordance with Article 4 including:
  - 1) transactions concluded on the repo market to the extent of buy/sell back conditional transactions;
  - 2) Treasury Bill transactions concluded on the cash market.
3. The Participants authorise the Company:
  - 1) in the case referred to in point 1, to forward clearing instructions on their behalf to the Clearing Institution, and to obtain the list of non-cleared and cancelled transactions from the Clearing Institution;
  - 2) in the case referred to in point 2, to clear their transactions.

### **III. Clearing of transactions by the Clearing Institution**

#### Article 3

1. Treasury Bond transactions, to the extent of transactions on the cash market and transactions on the classical repo conditional market, will be cleared by KDPW\_CCP S.A. on the basis of the agreement executed between the Company, KDPW\_CCP S.A. and Krajowy Depozyt Papierów Wartościowych S.A.
2. The Company will provide KDPW\_CCP S.A., within agreed deadlines, with documents forming the basis of transaction clearing.
3. Transactions will be cleared according to the KDPW\_CCP S.A. regulations including in particular the Rules of Transaction Clearing (organised trading).
4. Transactions referred to in point 1 will be covered by guarantees under the fund referred to in Article 68 of the Act, except for transactions referred to in Article 27a and Article 27b of the general part of the Rules. The guarantee fund securing the clearing of transactions is operated by KDPW\_CCP S.A. according to the "GPW BondSpot ATS Guarantee Fund Rules".
5. Novation referred to in Article 45h(2) of the Act will apply to the clearing of transactions referred to in point 1 to the extent and on the terms and conditions laid down in the Act and in the KDPW\_CCP

S.A. regulations, except for transactions referred to in Article 27a and Article 27b of the general part of the Rules.

6. The Participants involved in the clearing of transactions will comply with relevant rules and regulations of the Clearing Institution.

#### **IV. Clearing of transactions by the Company**

##### Article 4

1. The Company will clear transactions concluded on the Market which are not subject to clearing in the Clearing Institution, in accordance with this Section.
2. For the purpose of clearing, the Company will:
  - 1) register the transactions that are to be cleared;
  - 2) determine the scope of financial and other requirements to be satisfied by the parties to transaction clearing;
  - 3) provide the Participants with the information on financial and other liabilities under terms and conditions of specific transactions;
  - 4) generate orders to settle transactions on the basis of the documents providing for the terms and conditions to execute and clear the transactions (settlement instructions), determining a final value of financial and other requirements to be satisfied by the parties to the transaction clearing.
3. After completing the activities referred to in point 2, the Company will forward settlement instructions in an electronic form to the Settlement Institution.
4. Settlement instructions will be forwarded within the timeframes and under terms and conditions determined in the Settlement Institution regulations.

##### Article 5

1. After the transaction is executed, the Company will promptly deliver to the parties to the transaction, via the System, a confirmation of its execution, including the determination of the value of financial and other requirements to be satisfied by the parties to the transaction clearing.
2. The transaction clearing commences promptly upon its execution and ends at the moment of generating a settlement instruction.
3. The transactions referred to in Annex O to the Market Regulations are cancelled only within the timeframe specified in point 2.

##### Article 6

The Participants will be granted a secure and exclusive access to the Company's dedicated site, where the Participant obtains daily activity reports at the end of the Trading Day, including the information on the transaction clearing.

Article 7

Transactions are cleared on the date of transaction execution, which involves determining financial and other liabilities specified in the terms and conditions of specific transactions, as at the date of their settlement.

**V. Settlement of transactions concluded on the Market**

Article 8

Treasury Bond transactions are settled by Krajowy Depozyt Papierów Wartościowych S.A. (KDPW) in compliance with the KDPW Regulations:

- 1) on the basis of the agreement executed between the Company, KDPW and KDPW\_CCP S.A., subject to point 2;
- 2) on the basis of the agreement executed between the Company and KDPW – for transactions on the conditional buy/sell back repo market.

Article 9

Treasury Bill transactions are settled by the National Bank of Poland (NBP), on the basis of the agreement executed between the Company and NBP, in compliance with the NBP regulations.

Article 10

1. The transactions executed on the Market are settled within the timeframes determined based on a transaction settlement schedule published by Settlement Institutions.
2. The cash market transactions are settled within the deadline T+2, where T is a day of transaction execution on the Market.
3. Classic and buy-sell back repo conditional transactions are settled as follows:
  - 1) an opening transaction within the deadline agreed by the parties to the transaction but not longer than T+2,
  - 2) a closing transaction within the deadline agreed by the parties to the transaction, with the reservation that this day falls after the settlement date of an opening transaction, but not later than within 365 days from the settlement date of an opening transaction.
4. The Settlement Institution settles the transactions in compliance with the DVP (Delivery versus Payment) principle.

Article 11

1. The Participants involved in the settlement of transactions executed on the Market will comply with relevant rules and regulations of the Settlement Institution.
2. With respect to transactions cleared by the Company, Participants shall ensure the application of measures referred to in Article 7(3)-(8) of Regulation (EU) No 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU. This obligation shall apply as of the date of coming into force of the Regulation to that extent.

## **VI. Conclusion of transactions by the Clearing Institution on the Market**

### Article 12

On the terms and conditions laid down in a separate agreement, the Clearing Institution may place Orders on the Market and conclude transactions on its own behalf on the account of a Participant in cases related to the operation of the transaction clearing liquidity guarantee system referred to in the Act.

## **VII. Settlement Entity**

### Article 13

1. Participants that clear or settle transactions through a Settlement Entity authorise the Company to forward clearing or settlement communications on their behalf directly to the Settlement Entity and to obtain the clearing and settlement information from such Entity.
2. The Participants referred to in point 1 will authorise the Company to:
  - 1) regularly provide the information about the executed transactions to the Settlement Entity,
  - 2) suspend their activities on the Market, upon a due request of the Settlement Entity.

**ANNEX J – The specimen of the application to be admitted on the Market and documents that need to be attached to the application.**

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*Annex J – Application for Admission to Participate in the Market – Template and List of Enclosures*

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**J1. Application for Admission to Participate in the Market – Template**

**Application for Admission to Participate in  
Treasury BondSpot Poland**

[name] (hereinafter “the Company”) with its registered seat in [city], [street, house number, post code], enrolled in the National Court Register maintained by the Court [name], registered number [KRS number], with share capital of [amount of share capital], email address: ....., represented by:

- 1) [name]
- 2) [name]

**REPRESENTS THAT:**

- 1) it intends to participate in the multilateral trading facility operated under the name of Treasury BondSpot Poland (hereinafter “the Market”) organised by BondSpot S.A. as:

- Market Maker,**  
 **Market Taker,**  
 **Institutional Investor**

- 2) it is acquainted, understands and undertakes to comply with the Treasury BondSpot Poland Market Rules, including their provisions concerning Market Maker functions,<sup>1</sup> and other regulations of the Market, including rules which regulate the Market in general;
- 3) it is acquainted and undertakes to comply with the rules for the use of the electronic system supporting trading on the Market;
- 4) it intends to participate in the following segments of the Market:  
 cash segment  
 repo segment  
 institutional segment

**NOW THEREFORE**

1. The Company applies for admission to participate in the Market.
2. For the purposes of the admission referred to in point 1 above, the Company represents that:
  - 1) it is<sup>2</sup>:  
 a European Union institution, or  
 a non-European Union institution;

---

<sup>1</sup> For institutions which intend to be a Market Maker.

<sup>2</sup> Check the appropriate box.

2) it is<sup>2</sup>:

- an institution that is authorised to perform the services referred to in Section A of Annex I to Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 (hereinafter the "Directive") which carries out activities referred to in Section A of Annex I to the Directive under the supervision of the competent supervisory authorities,
- an institution authorised to participate in the Market otherwise than under Section A point 3 of Annex I to the Directive (specify the legal basis)  
.....

- 3) it has own capital calculated according to the applicable reporting regulations in an amount required for the given type of membership under the Treasury BondSpot Poland Market Rules in accordance with the type of membership defined in this application and, in the case referred to in § 3(2)(3) of the Market Rules, has held within one year prior to the submission of the application for admission to participate in the Market net assets calculated according to the reporting regulations applicable to investment funds, worth no less than PLN 50 million;
- 4) it is able to clear transactions in Treasury bonds in KDPW\_CCP S.A. pursuant to the confirmation attached hereto that it has executed a specific agreement, issued by KDPW\_CCP S.A. or the entity appointed by the Company as an intermediary in the clearing of such transactions in KDPW\_CCP S.A. (according to the template in Annex J4);
- 5) it is able to settle transactions made on the Market through Krajowy Depozyt Papierów Wartościowych S.A. (for Treasury bonds) or the National Bank of Poland (for Treasury bills) pursuant to the confirmation attached hereto that it has executed a specific agreement, issued by the above listed settlement institutions or the entity appointed by the Company as an intermediary in the settlement of such transactions in such institutions (according to the template in Annex J4);
- 6) it has in place adequate organisational and technical measures necessary for correct operation on the Market and performance of obligations arising from transactions made;
- 7) it has in place effective business continuity arrangements covering devices and ICT systems used in its activities necessary to deal with any failure of its trading systems and shall ensure that its systems are fully tested and properly monitored;
- 8) it has adequate expertise and experience and employs staff that hold adequate qualifications in key positions to conduct business on the Market, including at least to the extent indicated in the Treasury BondSpot Poland Participant Information Card;
- 9) it guarantees correct and safe participation in trading on Treasury BondSpot Poland;
- 10) it agrees that The Court of Arbitration at the Polish Chamber of Commerce in Warsaw shall settle all property-related disputes that arise or may arise in relation with the Company's membership of the Market, according to the rules of that Court.

Signed<sup>3</sup> .....

Full name and function .....

Date .....

Enclosures:

- 1) Treasury BondSpot Poland Participant Information Card (according to the template in Annex J2).
- 2) Up-to-date copy of the entry in the business register or another document naming the Company's duly authorised representatives.
- 3) Up-to-date consolidated text of the Company's Articles of Association.
- 4) Latest annual financial statements with the opinion and report of certified auditor.
- 5) Confirmation referred to in point 2(4) or (5) of the application for admission to participate in the Market.
- 6) Clearing member or settlement agent information card (according to the template in Annex J3 to the Treasury BondSpot Poland Market Rules).
- 7) Confirmation of the authorisation to participate in the Market according to point 2(1)-(2) of the application for admission to participate in the Market.

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<sup>3</sup> The application should be signed by the Company's duly authorised representative(s).

**J2. Participation Information Card Template**



**Treasury BondSpot Poland Participant  
Information Card**

Effective as of .....

**1. Participant Details**

NAME	
REGISTERED OFFICE	
ENTRY NUMBER IN NATIONAL COURT REGISTER (or other relevant register)	
REGON	
VAT ID	
LEI	
BIC	
WEBSITE	

**2. Participant configuration in the system<sup>4</sup>**

TBSP MARKET PARTICIPANT DETAILS	
MTS CODE	
MARKET	<input type="checkbox"/> Cash transactions <input type="checkbox"/> Conditional transactions
MARKET PARTICIPANT STATUS	<i>Please mark exactly one checkbox:</i> <input type="checkbox"/> Market Maker <input type="checkbox"/> Market Taker <input type="checkbox"/> Institutional Investor
CONDITIONAL TRANSACTION PROFILE	<i>Please mark exactly one checkbox:</i> <input type="checkbox"/> Classical repo <input type="checkbox"/> BSB <input type="checkbox"/> Both
CLEARING DETAILS (KDPW_CCP)	
TRADING PARTICIPANT'S DETAILS IN KDPW/KDPW_CCP	
TRADING PARTICIPANT'S IDENTIFIER IN KDPW_CCP <sup>5</sup>	
CLEARING CURRENCY	<input type="checkbox"/> PLN <input type="checkbox"/> EUR
CASH MARKET (BONDS)	
CLEARING MEMBER'S NAME	
CLEARING MEMBER'S LEI	

<sup>4</sup> Please fill out a separate table for each of the MTS codes.

<sup>5</sup> Trading participant's code in KDPW/KDPW\_CCP (4 numeric characters)

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CLEARING MEMBER'S IDENTIFIER IN KDPW_CCP <sup>6</sup>			
CLEARING ACCOUNT IDENTIFIER <sup>7</sup>	If the Clearing Member uses a single KDPW_CCP clearing account		
	If the Clearing Member uses multiple KDPW_CCP clearing accounts	ACCOUNT IDENTIFIER	UNIQUE ACCOUNT SHORTCODE <sup>8</sup>
<b>CONDITIONAL MARKET - CLASSICAL REPO (BONDS)<sup>9</sup></b>			
CLEARING MEMBER'S NAME			
CLEARING MEMBER'S LEI			
CLEARING MEMBER'S IDENTIFIER IN KDPW_CCP <sup>10</sup>			
CLEARING ACCOUNT IDENTIFIER <sup>11</sup>	If the Clearing Member uses a single KDPW_CCP clearing account		
	If the Clearing Member uses multiple KDPW_CCP clearing accounts	ACCOUNT IDENTIFIER	UNIQUE ACCOUNT SHORTCODE <sup>12</sup>
<b>SETTLEMENT DETAILS (KDPW)</b>			
<b>CONDITIONAL MARKET - BSB, SBB (BONDS)<sup>13</sup></b>			
SETTLEMENT AGENT'S IDENTIFIER IN KDPW <sup>14</sup>			
KDPW ENTITY ACCOUNT IDENTIFIER <sup>15</sup>			
<b>RPW (NBP) IDENTIFIERS, CASH AND CONDITIONAL TRANSACTION MARKET</b>			
RPW ACCOUNT NUMBER <sup>16</sup>			
RPW PORTFOLIO TYPE <sup>17</sup>			

**3. Connectivity**

CONNECTIVITY	<i>Please mark exactly one checkbox:</i>
--------------	--

<sup>6</sup> Clearing member's code in KDPW\_CCP (4 numeric characters). Complete if the clearing member is not the trading participant. Leave the field void if the clearing member is the trading participant.

<sup>7</sup> KDPW\_CCP clearing account identifier (max. 16 characters); if an account has more than one SHORTCODE, specify each one in a separate line.

<sup>8</sup> SHORTCODE (max. 16 alphanumeric characters)

<sup>9</sup> Only for transactions in PLN

<sup>10</sup> Clearing member's code in KDPW\_CCP (4 numeric characters). Complete if the clearing member is not the trading participant. Leave the field void if the clearing member is the trading participant.

<sup>11</sup> KDPW\_CCP clearing account identifier (max. 16 characters); if an account has more than one SHORTCODE, specify each one in a separate line.

<sup>12</sup> SHORTCODE (max. 16 alphanumeric characters)

<sup>13</sup> Only for transactions in PLN

<sup>14</sup> KDPW settlement agent code (4 numeric characters)

<sup>15</sup> KDPW entity account identifier (max. 16 characters)

<sup>16</sup> RPW (NBP) account number (8 numeric characters)

<sup>17</sup> RPW portfolio type (4 numeric characters)



	<input type="checkbox"/> Via BondSpot S.A. telecommunications hub <input type="checkbox"/> Directly to The TradelImpact platform <input type="checkbox"/> Via the Internet
--	--

**4. Contact details**

**4.1. Supervising Persons<sup>18</sup>**

DEPARTMENT	
ADDRESS	
FIRST NAME, SURNAME	
POSITION	
PHONE	
E-MAIL	

**4.2. Market Manager<sup>19</sup>**

DEPARTMENT	
ADDRESS	
FIRST NAME, SURNAME	
POSITION	
PHONE	
E-MAIL	

**4.3. Designated Traders<sup>20</sup>**

	DEPARTMENT	
	ADDRESS	
1	FIRST NAME, SURNAME	
	POSITION	
	TRADER ID IN THE SYSTEM	
	PHONE	
	E-MAIL	
	2	FIRST NAME, SURNAME
POSITION		
TRADER ID IN THE SYSTEM		
PHONE		
E-MAIL		
3	FIRST NAME, SURNAME	
	POSITION	
	TRADER ID IN THE SYSTEM	
	PHONE	
	E-MAIL	
4	FIRST NAME, SURNAME	
	POSITION	
	TRADER ID IN THE SYSTEM	
	PHONE	
	E-MAIL	

<sup>18</sup> Persons supervising designated traders on Treasury BondSpot Poland. In case more than one department is involved in acting on the market please indicate supervising persons for each of these departments separately.

<sup>19</sup> Persons responsible for trading system user management.

<sup>20</sup> In case more than one department is involved in acting on the market please fill out a separate table for each of these departments.

**4.4. Designated persons to manage the configuration of the Participant in the 4BondNet internet service**

	DEPARTMENT	
	ADDRESS	
1	FIRST NAME, SURNAME	
	POSITION	
	PHONE	
	E-MAIL	
2	FIRST NAME, SURNAME	
	POSITION	
	PHONE	
	E-MAIL	

**4.5. IT<sup>21</sup>**

**4.5.1. Designated persons for network infrastructure**

	DEPARTMENT	
	ADDRESS	
1	FIRST NAME, SURNAME	
	POSITION	
	PHONE	
	E-MAIL	
2	FIRST NAME, SURNAME	
	POSITION	
	PHONE	
	E-MAIL	

**4.5.2. Designated persons for the trading application**

	DEPARTMENT	
	ADDRESS	
1	FIRST NAME, SURNAME	
	POSITION	
	PHONE	
	E-MAIL	
2	FIRST NAME, SURNAME	
	POSITION	
	PHONE	
	E-MAIL	

**5. Invoice details<sup>22</sup>**

NAME	
ADDRESS	
VAT ID	

**5.1. Address for sending invoices<sup>23</sup>**

ADDRESS	
DEPARTMENT	
E-MAIL	

<sup>21</sup> Please fill these details in case of connectivity via BondSpot telecommunications hub or via the Internet.

<sup>22</sup> Please fill these details if they are different from the Participant's details provided in point 1.

<sup>23</sup> Please fill these details if the address for sending invoices is different from the invoice address.

**5.2. Contact details for payment of invoices**

	ADDRESS	
1	FIRST NAME, SURNAME	
	POSITION	
	PHONE	
	E-MAIL	
2	FIRST NAME, SURNAME	
	POSITION	
	PHONE	
	E-MAIL	

**6. Contact persons - Compliance**

ADDRESS	
FIRST NAME, SURNAME	
POSITION	
PHONE	
E-MAIL	

We agree to keep details provided in this Card up to date.

*In performance of obligations pursuant to Articles 13 and 14 (1) and (2) of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC (General Data Protection Regulation) (hereinafter "GDPR"), BondSpot S.A. announces as follows:*

*The data controller is BondSpot S.A. (BondSpot), ul. Książęca 4, 00-498 Warsaw, phone +48 22 537 74 00, bondspot@bondspot.pl*

*The controller has appointed a Data Protection Officer who can be contacted at daneosobowe@bondspot.pl*

*Data of authorised representatives and contact data of the Participant will be processed to perform legal obligations in connection with admission to and operation on the Treasury BondSpot Poland market, verification of the authorisation to represent the entity in connection with the submitted declaration of will, and for the purposes of communication, maintenance and development of business relations, the establishment, exercise or defence of potential claims.*

*Details concerning the processing of personal data in connection with admission to and operation on the markets operated by BondSpot S.A. are available on the website:*  
<https://www.bondspot.pl/TBSPoland information on personal data en>

*The applicant represents that it has read and understood the information notice concerning the processing of personal data by BondSpot S.A. and agrees to present it to persons whose data it discloses to BondSpot S.A. in connection with the procedure of admission to and operation on the Treasury BondSpot Poland market.*

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Signed<sup>24</sup> .....

First name and surname, function .....

Date .....

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<sup>24</sup> The Card should be signed by the Participant's duly authorised representative(s).



**Treasury BondSpot Poland Participant Information Card**  
**Participants Clearing or Settling Transactions via a Settlement Agent**

Effective as of .....

**1. Participant Details**

NAME	
REGISTERED OFFICE	
ENTRY NUMBER IN NATIONAL COURT REGISTER (or other relevant register)	
VAT ID	
LEI	
BIC	
WEBSITE	

**2. Participant configuration in the system<sup>25</sup>**

<b>TBSP MARKET PARTICIPANT DETAILS</b>	
MTS CODE	
MARKET	<input type="checkbox"/> Cash transactions <input type="checkbox"/> Conditional transactions
MARKET PARTICIPANT STATUS	<i>Please mark exactly one checkbox:</i> <input type="checkbox"/> Market Maker <input type="checkbox"/> Market Taker <input type="checkbox"/> Institutional Investor
CONDITIONAL TRANSACTION PROFILE	<i>Please mark exactly one checkbox:</i> <input type="checkbox"/> Classical repo <input type="checkbox"/> BSB <input type="checkbox"/> Both
<b>CLEARING DETAILS (KDPW_CCP)</b>	
<b>TRADING PARTICIPANT'S DETAILS IN KDPW/KDPW_CCP</b>	
CLEARING CURRENCY	<input type="checkbox"/> PLN <input type="checkbox"/> EUR
<b>CASH MARKET (BONDS)</b>	
CLEARING MEMBER'S NAME	
CLEARING MEMBER'S IDENTIFIER IN KDPW_CCP <sup>26</sup>	
<b>CONDITIONAL MARKET - CLASSICAL REPO (BONDS)<sup>27</sup></b>	
CLEARING MEMBER'S NAME	

<sup>25</sup> Please fill out a separate table for each of the MTS codes.

<sup>26</sup> Clearing member's code in KDPW\_CCP (4 numeric characters).

<sup>27</sup> Only for transactions in PLN

CLEARING MEMBER'S IDENTIFIER IN KDPW_CCP <sup>28</sup>	
<b>SETTLEMENT DETAILS (KDPW)</b>	
<b>CONDITIONAL MARKET - BSB, SBB (BONDS)<sup>29</sup></b>	
CLEARING MEMBER'S NAME	
SETTLEMENT AGENT'S IDENTIFIER IN KDPW <sup>30</sup>	
<b>RPW (NBP) IDENTIFIERS, CASH AND CONDITIONAL TRANSACTION MARKET</b>	
CLEARING MEMBER'S NAME	
RPW ACCOUNT NUMBER <sup>31</sup>	

### 3. Connectivity

CONNECTIVITY	<p><i>Please mark exactly one checkbox:</i></p> <p><input type="checkbox"/> Via BondSpot S.A. telecommunications hub</p> <p><input type="checkbox"/> Directly to The Tradelmpact platform</p> <p><input type="checkbox"/> Via the Internet</p>
--------------	--

### 4. Contact details

#### 4.1. Supervising Persons<sup>32</sup>

DEPARTMENT	
ADDRESS	
FIRST NAME, SURNAME	
POSITION	
PHONE	
E-MAIL	

#### 4.2. Market Manager<sup>33</sup>

DEPARTMENT	
ADDRESS	
FIRST NAME, SURNAME	
POSITION	
PHONE	
E-MAIL	

#### 4.3. Designated Traders<sup>34</sup>

	DEPARTMENT	
	ADDRESS	
1	FIRST NAME, SURNAME	

<sup>28</sup> Clearing member's code in KDPW\_CCP (4 numeric characters).

<sup>29</sup> Only for transactions in PLN

<sup>30</sup> KDPW settlement agent code (4 numeric characters)

<sup>31</sup> RPW (NBP) account number (8 numeric characters)

<sup>32</sup> Persons supervising designated traders on Treasury BondSpot Poland. In case more than one department is involved in acting on the market please indicate supervising persons for each of these departments separately.

<sup>33</sup> Persons responsible for trading system user management.

<sup>34</sup> In case more than one department is involved in acting on the market please fill out a separate table for each of these departments.

	POSITION	
	TRADER ID IN THE SYSTEM	
	PHONE	
	E-MAIL	
2	FIRST NAME, SURNAME	
	POSITION	
	TRADER ID IN THE SYSTEM	
	PHONE	
	E-MAIL	
3	FIRST NAME, SURNAME	
	POSITION	
	TRADER ID IN THE SYSTEM	
	PHONE	
	E-MAIL	
4	FIRST NAME, SURNAME	
	POSITION	
	TRADER ID IN THE SYSTEM	
	PHONE	
	E-MAIL	

**4.4. Designated persons to manage the configuration of the Participant in the 4BondNet internet service**

	DEPARTMENT	
	ADDRESS	
1	FIRST NAME, SURNAME	
	POSITION	
	PHONE	
	E-MAIL	
2	FIRST NAME, SURNAME	
	POSITION	
	PHONE	
	E-MAIL	

**4.5. IT<sup>35</sup>**

**4.5.1. Designated persons for network infrastructure**

	DEPARTMENT	
	ADDRESS	
1	FIRST NAME, SURNAME	
	POSITION	
	PHONE	
	E-MAIL	
2	FIRST NAME, SURNAME	
	POSITION	
	PHONE	
	E-MAIL	

**4.5.2. Designated persons for the trading application**

	DEPARTMENT	
	ADDRESS	
1	FIRST NAME, SURNAME	
	POSITION	

<sup>35</sup> Please fill these details in case of connectivity via BondSpot telecommunications hub or via the Internet.

	PHONE	
	E-MAIL	
2	FIRST NAME, SURNAME	
	POSITION	
	PHONE	
	E-MAIL	

**5. Invoice details<sup>36</sup>**

NAME	
ADDRESS	
VAT ID	

**5.1. Address for sending invoices<sup>37</sup>**

ADDRESS	
DEPARTMENT	
E-MAIL	

**5.2. Contact persons for payment of invoices**

1	ADDRESS	
	FIRST NAME, SURNAME	
	POSITION	
	PHONE	
2	E-MAIL	
	FIRST NAME, SURNAME	
	POSITION	
	PHONE	
	E-MAIL	
	FIRST NAME, SURNAME	
	POSITION	
	PHONE	

**6. Contact details - Compliance**

ADDRESS	
FIRST NAME, SURNAME	
POSITION	
PHONE	
E-MAIL	

We agree to keep details provided in this Card up to date.

*In performance of obligations pursuant to Articles 13 and 14 (1) and (2) of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC (General Data Protection Regulation) (hereinafter "GDPR"), BondSpot S.A. announces as follows:*

*The data controller is BondSpot S.A. (BondSpot), ul. Książęca 4, 00-498 Warsaw, phone +48 22 537 74 00, bondspot@bondspot.pl*

*The controller has appointed a Data Protection Officer who can be contacted at daneosobowe@bondspot.pl*

<sup>36</sup> Please fill these details if they are different from the Participant's details provided in point 1.

<sup>37</sup> Please fill these details if the address for sending invoices is different from the invoice address.



*Data of authorised representatives and contact data of the Participant will be processed to perform legal obligations in connection with admission to and operation on the Treasury BondSpot Poland market, verification of the authorisation to represent the entity in connection with the submitted declaration of will, and for the purposes of communication, maintenance and development of business relations, the establishment, exercise or defence of potential claims.*

*Details concerning the processing of personal data in connection with admission to and operation on the markets operated by BondSpot S.A. are available on the website: [https://www.bondspot.pl/TBSPoland/information on personal data en](https://www.bondspot.pl/TBSPoland/information%20on%20personal%20data%20en)*

*The applicant represents that it has read and understood the information notice concerning the processing of personal data by BondSpot S.A. and agrees to present it to persons whose data it discloses to BondSpot S.A. in connection with the procedure of admission to and operation on the Treasury BondSpot Poland market.*

Signed<sup>38</sup> .....

First name and surname, function .....

Date .....

---

<sup>38</sup> The Card should be signed by the Participant's duly authorised representative(s).

## J3. Clearing Member / Settlement Agent Information Card Template



Treasury BondSpot Poland Participant's  
Clearing Member / Settlement Agent Information Card

Effective as of .....

### 1. Clearing Member and Settlement Agent details

NAME	
REGISTERED OFFICE	
ENTRY NUMBER IN NATIONAL COURT REGISTER (or other relevant register)	
REGON	
VAT ID	
LEI	
BIC	
MTS CODE	

### 2. Clearing Member and Settlement Agent client details

TBSP MARKET PARTICIPANT DETAILS			
NAME			
MTS CODE			
TRADING PARTICIPANT'S LEI			
TRADING PARTICIPANT'S BIC			
CLEARING DETAILS (KDPW_CCP)			
TRADING PARTICIPANT'S DETAILS IN KDPW/KDPW_CCP			
TRADING PARTICIPANT'S TECHNICAL IDENTIFIER IN KDPW/KDPW_CCP <sup>39</sup>			
CLEARING CURRENCY		<input type="checkbox"/>	PLN
		<input type="checkbox"/>	EUR
CASH MARKET (BONDS)			
CLEARING MEMBER'S IDENTIFIER IN KDPW_CCP <sup>40</sup>			
CLEARING ACCOUNT IDENTIFIER <sup>41</sup>	If the Clearing Member uses a single KDPW_CCP clearing account		
	If the Clearing Member uses multiple KDPW_CCP clearing accounts	ACCOUNT IDENTIFIER	UNIQUE ACCOUNT SHORTCODE <sup>42</sup>

<sup>39</sup> Clearing member's client technical code in KDPW/KDPW\_CCP. If the trading participant has no technical code, use the clearing member's code in KDPW\_CCP.

<sup>40</sup> Clearing member's code in KDPW\_CCP (4 numeric characters).

<sup>41</sup> KDPW\_CCP clearing account identifier (max. 16 characters); if an account has more than one SHORTCODE, specify each one in a separate line.

<sup>42</sup> SHORTCODE (max. 16 alphanumeric characters)

Treasury BondSpot Poland Rules

<b>CONDITIONAL MARKET - CLASSICAL REPO (BONDS)<sup>43</sup></b>			
CLEARING MEMBER'S IDENTIFIER IN KDPW_CCP <sup>44</sup>			
CLEARING ACCOUNT IDENTIFIER <sup>45</sup>	If the Clearing Member uses a single KDPW_CCP clearing account		
	If the Clearing Member uses multiple KDPW_CCP clearing accounts	ACCOUNT IDENTIFIER	UNIQUE ACCOUNT SHORTCODE <sup>46</sup>
<b>SETTLEMENT DETAILS (KDPW)</b>			
<b>CONDITIONAL MARKET - BSB, SBB (BONDS)<sup>47</sup></b>			
SETTLEMENT AGENT'S IDENTIFIER IN KDPW <sup>48</sup>			
KDPW ENTITY ACCOUNT IDENTIFIER <sup>49</sup>			
<b>RPW (NBP) IDENTIFIERS, CASH AND CONDITIONAL TRANSACTION MARKET</b>			
RPW ACCOUNT NUMBER <sup>50</sup>			
RPW PORTFOLIO TYPE <sup>51</sup>			
<b>ACCOUNT NUMBER ENTERED IN SWIFT MESSAGES<sup>52</sup></b>			
FOR TREASURY BONDS			
FOR TREASURY BILLS			

**3. Contact details<sup>53</sup>**

	DEPARTMENT	
	ADDRESS	
1	FIRST NAME, SURNAME	
	POSITION	
	PHONE	
	E-MAIL	
2	FIRST NAME, SURNAME	
	POSITION	
	PHONE	
	E-MAIL	

<sup>43</sup> Only for transactions in PLN

<sup>44</sup> Clearing member's code in KDPW\_CCP (4 numeric characters).

<sup>45</sup> KDPW\_CCP clearing account identifier (max. 16 characters); if an account has more than one SHORTCODE, specify each one in a separate line.

<sup>46</sup> SHORTCODE (max. 16 alphanumeric characters)

<sup>47</sup> Only for transactions in PLN

<sup>48</sup> KDPW settlement agent code (4 numeric characters)

<sup>49</sup> KDPW entity account identifier (max. 16 characters)

<sup>50</sup> RPW (NBP) account number (8 numeric characters)

<sup>51</sup> RPW portfolio type (4 numeric characters)

<sup>52</sup> Only for conditional transactions BSB,SBB

<sup>53</sup> If transactions in Treasury bonds and transactions in Treasury bills are settled separately, provide contact details for each unit.

**4. Treasury BondSpot Poland Persons authorised by the Settlement Agent to take actions under the Participant suspension procedure established on Treasury BondSpot Poland**

	DEPARTMENT	
	ADDRESS	
1	FIRST NAME, SURNAME	
	POSITION	
	PHONE	
	E-MAIL	
2	FIRST NAME, SURNAME	
	POSITION	
	PHONE	
	E-MAIL	
3	FIRST NAME, SURNAME	
	POSITION	
	PHONE	
	E-MAIL	

**5. Contact details – Compliance**

DEPARTMENT	
ADDRESS	
FIRST NAME, SURNAME	
POSITION	
PHONE	
E-MAIL	

We agree to keep details provided in this Card up to date and to notify BondSpot S.A. if the Clearing Member and the Settlement Agent of the Treasury BondSpot Poland Participant cease to perform such functions.

*In performance of obligations pursuant to Articles 13 and 14 (1) and (2) of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC (General Data Protection Regulation) (hereinafter "GDPR"), BondSpot S.A. announces as follows:*

*The data controller is BondSpot S.A. (BondSpot), ul. Książęca 4, 00-498 Warsaw, phone +48 22 537 74 00, bondspot@bondspot.pl*

*The controller has appointed a Data Protection Officer who can be contacted at daneosobowe@bondspot.pl*

*Data of authorised representatives and contact data of the Participant will be processed to perform legal obligations in connection with admission to and operation on the Treasury BondSpot Poland market, verification of the authorisation to represent the entity in connection with the submitted declaration of will, and for the purposes of communication, maintenance and development of business relations, the establishment, exercise or defence of potential claims.*

*Details concerning the processing of personal data in connection with admission to and operation on the markets operated by BondSpot S.A. are available on the website: <https://www.bondspot.pl/TBSPoland information on personal data en>*

*The entity represents that it has read and understood the information notice concerning the processing of personal data by BondSpot S.A. and agrees to present it to persons whose data it discloses to BondSpot S.A. in connection with the procedure of admission to and operation on the Treasury BondSpot Poland market.*

Signed<sup>54</sup> .....

First name and surname, function .....

Date .....

Enclosures:

1. Up-to-date copy of the entry in the business register or another document defining the powers and rights of the duly authorised representatives of the Clearing Member and the Settlement Agent.

---

<sup>54</sup> The Card should be signed by the duly authorised representative(s) of the Clearing Member and of the Settlement Agent.

#### J4. KDPW\_CCP, KDPW and NBP Member Declaration Templates

.....  
(place) (date)

.....  
(Participant's name)

BondSpot S.A.  
ul. Książęca 4  
00-498 Warsaw

#### KDPW\_CCP Member Declaration

..... hereby declares that is a KDPW\_CCP S.A. clearing member and maintains a clearing account. Furthermore, ..... declares that is a KDPW S.A. member and will act as the settlement agent for the indicated clearing account or has a settlement agent for the indicated clearing account who is a KDPW S.A. member.

This declaration concerns:

- the CASH Market  
 the REPO Market (for classical repos)

.....  
(stamp and signatures for the Participant)

#### KDPW Member Declaration

..... hereby declares that is a KDPW S.A. member and maintains an entity account for which it will act as the settlement agent.<sup>55</sup>

.....  
(stamp and signatures for the Participant)

#### Declaration of a Participant who is a member of the NBP SKARBNET4 Treasury bill registration system

..... hereby declares that the National Bank of Poland maintains, under an agreement, its Treasury bill depository account in the system SKARBNET4 in which Treasury bills are recorded and in which transactions in Treasury bills made on the Treasury BondSpot Poland Market organised by BondSpot S.A. may be recorded.

.....  
(stamp and signatures for the Participant)

---

<sup>55</sup> Declaration for the conditional market – BSB, SBB transactions.

**Declaration Templates for Participants representing other entities in KDPW\_CCP, KDPW and NBP**

.....  
(place) (date)

.....  
(Participant's name)

BondSpot S.A.  
ul. Książęca 4  
00-498 Warsaw

**Declaration of a Participant representing another entity in KDPW\_CCP S.A.**

..... hereby declares that is a KDPW\_CCP S.A. clearing member and maintains a clearing account for the client ..... whom it will represent in KDPW\_CCP S.A.

This declaration concerns:

- the CASH Market  
 the REPO Market (for classical repos)

.....  
(stamp and signatures for the Participant)

..... hereby declares that is a KDPW S.A. member and will act as the settlement agent for the indicated entity account for the client ..... or has a settlement agent for the indicated clearing account who is a KDPW S.A. member.

.....  
(stamp and signatures for the Participant)

**Declaration of a Participant representing another entity in KDPW S.A.**

..... hereby declares that is a KDPW S.A. member and maintains an entity account for the client ..... whom it will represent in KDPW S.A. and act as the settlement agent for the indicated entity account.<sup>56</sup>

.....  
(stamp and signatures for the Participant)

..... hereby declares that under relevant agreements concluded with ..... it confirms the ability of clear and settle<sup>57</sup> transactions made by such client on the Treasury BondSpot Poland Market organised by BondSpot S.A. in accordance with the Market regulations.

.....  
(stamp and signatures for the Participant)

**Declaration of a Participant who is a member of the NBP SKARBNET4 Treasury bill registration system**

..... hereby declares that the National Bank of Poland maintains, under an agreement, its Treasury bill depository account in the system SKARBNET4 in which Treasury bills are recorded for the entity ..... and in which transactions in Treasury bills made by that entity on the Treasury BondSpot Poland Market organised by BondSpot S.A. may be recorded.

.....  
(stamp and signatures for the

---

<sup>56</sup> Declaration for the conditional market - BSB, SBB transactions.

<sup>57</sup> Delete if inapplicable



## **Annex K – Trading Principles in the Institutional Segment**

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1. The Institutional Segment will constitute a separate Market part.
2. Institutional Investors and Market Makers can be the participants of the Institutional Segment.
3. Institutional Investors may trade in the Institutional Segment after they are admitted to operations in this Market part, pursuant to the principles stipulated in the Regulations.
4. Market Makers are entitled to execute transactions in the Institutional Segment since the commencement of their quotations in this segment. Market Makers perform their function in the Institutional Segment based on the principles stipulated in the Regulations. The withdrawal or suspension of the Market Maker function, results in an automatic loss or suspension of the right to trade in the Institutional Segment.
5. The trading in the Institutional Segment takes place during sessions on Trading Days listed in Annex F and during Trading Hours of the cash market, as defined in Annex E.
6. The minimum trading unit and the trading unit are defined in Annex C.
7. Trading in the Institutional Segment and the settlement and clearing of the transactions executed in this Segment, are performed based on the principles stipulated in the Trading Regulations of the cash market, except for the provisions of points 8 and 9 of this Annex.
8. Institutional Investors may execute cash market transactions in the Institutional Segment by submitting orders.
9. A participant of the Institutional Segment may appoint other Participants of this segment with whom he would not trade within the Institutional Segment due to statutory restrictions or due to other material reasons approved by the Market Committee.

**ANNEX L – (repealed)**

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## **ANNEX M – PUBLICATION OF INFORMATION BY THE COMPANY**

### **I. Publication of Information by the Company**

1. The Company ensures the publication, in electronic messages, of uniform information concerning Orders and transactions on the cash market, in particular the following data:
  - 1) the range of bid and offer prices and the depth of trading interest at those prices (pre-trade transparency) to the extent defined in Article 2 of Commission Delegated Regulation (EU) 2017/583;
  - 2) information on concluded transactions (post-trade transparency) to the extent defined in Article 7(1)-(3) of Commission Delegated Regulation (EU) 2017/583.
2. The information referred to:
  - 1) in point 1.1 – is published in real time,
  - 2) in point 1.2 – is published in the time limit defined in Article 7(4) of Commission Delegated Regulation (EU) 2017/583.
3. The Company publishes uniform delayed information of Orders and transactions on the cash market on the terms and conditions laid down in Article 13 of Regulation (EU) No 600/2014 of the European Parliament and of the Council.
4. In specially justified cases, if required by the safety of trading or the interest of Participants, the Company may decide to delay or suspend the publication of information and publish the reason for the delay or suspension and, to the extent possible, information on the planned resumption of the publication of information.
5. The provisions of points 1-3 do not apply to Orders and transactions on the repo market.

### **II. Exclusions from the Publication of Information by the Company**

1. In accordance with the applicable exclusions from pre-trade transparency for Mid Price Proposals, the Company does not publish the information referred to in Section I.1.1 if any of the following exceptions occurs:
  - 1) the Traded Security is not liquid;
  - 2) the size of the Mid Price Proposal is equal to or greater than the size of an order that is large in scale.
2. In accordance with the applicable exclusions from pre-trade transparency for Orders placed for the purpose of registration of transactions on the basis of the provisions referred to in Article 27a and 27b of the general part of the Rules, the Company does not publish the information referred to in Section I.1.1 if any of the following exceptions occurs:
  - 1) the Traded Security is not liquid;
  - 2) the size of the Order is equal to or greater than the size of an order that is large in scale.
3. In accordance with the applicable exclusions from pre-trade transparency, the Company does not publish the information referred to in Section I.1.1 concerning the undisclosed part of the Proposal.
4. An order that is large in scale means an Order within the meaning of Article 3 of Commission Delegated Regulation (EU) 2017/583, whose size is determined by the European Securities and Markets Authority for the purposes of Article 9(1)(a) of Regulation (EU) No 600/2014 of the European Parliament and of the Council.

### **III. Publication of Daily Statistics by the Company**

1. The list described in Article 31a point 2 of the general part of the Rules will be compiled and released to the public at the end of each Trading Day and will be divided into sections; the list will indicate, for each type of Traded Security:
  - 1) identification code of the type of Traded Security;
  - 2) description of the type of Traded Security;
  - 3) the minimum price;
  - 4) the maximum price;
  - 5) the volume weighted average price;

6) the volume negotiated.

Where items (3) – (5) are determined on the basis of transactions concluded in the Trading Day, excluding the transactions concluded on the basis of the provisions referred to in Article 27a and 27b of the general part of the Rules.

2. In case of conditional contracts in addition to the above data the period will be made public, describing the number of days between clearing day of opening transaction (including that day) and clearing day of closing transactions (excluding that day). All calendar days in a given year are taken into account.

**ANNEX N – PROCEDURE TO BE USED IN THE EVENT THAT A PARTICIPANT IS  
UNABLE TO VERIFY ON ITS SCREEN THE CONTRACTS EXECUTED  
BY IT ON THE MARKET**

---

1. In the event that Participant for technical reasons cannot access to the system, the Participant may receive from the Company information about the Market and about transactions concluded by this Participant.
2. The information referred to in point 1, are provided to Participant by the Company by telephone or via e-mail on request of this Participant.
3. Reported request should be confirmed:
  - 1) by telephone – in case of e-mail request,
  - 2) via e-mail – in case of telephone request.
4. The request should be reported and confirmed by a person authorized by the Participant to conclude transactions on the Market.
5. At the request of the Participant the Board will be entitled to suspend the Participant and remove all his Proposals until the removal of technical barriers referred to in point 1.

## **Annex O – Trade Cancellation and Correction Procedure**

---

### **I. Cancellation of trades concluded on the Market**

#### **§ 1. Cases of trade cancellation**

The Company may cancel trades concluded on the Market:

- 1) at the request of a counterparty to the trade, with the consent of both counterparties to the trade, on the terms set out in Articles 2 – 4 of Annex O to the Rules (bilateral cancellation);
- 2) at the request of a counterparty to the trade, if the other counterparty refuses to give consent for the cancellation, on the terms set out in Articles 5 – 8 of Annex O to the Rules (unilateral cancellation);
- 3) when an MMI occurs, on the terms set out in Article 9 of Annex O to the Rules,
- 4) on the occurrence of an event or error in the System, not caused by an MMI, resulting in the conclusion of a trade whose parameters do not comply with legal regulations, requirements arising from the Market Rules or other regulations applicable on the Market, on the terms set out in Article 10 of Annex O to the Rules.

#### **§ 2. Bilateral cancellation**

1. In case of consent of both counterparties for the cancellation, the trade cancellation procedure set out in Articles 2 – 4 shall apply.
2. The Company may initiate the trade cancellation procedure at a request of at least one counterparty to the trade sent by e-mail ([BNR@bondspot.pl](mailto:BNR@bondspot.pl)).
3. A trade cancellation request should be submitted by a person authorised to execute transactions on the Market.
4. A trade cancellation request should indicate a material reason for the trade cancellation.
5. A trade cancellation request should be delivered to the Company and confirmed by the other counterparty to the trade no later than 17:05 on the trade execution date and:
  - 1) within maximum 15 minutes after the execution of the trade in case of T+0 transactions, and
  - 2) within maximum 15 minutes after the execution of the trade in case of other transactions, subject to point 6.
6. Trades cleared by the Company may only be cancelled within the period set out in Article 5 point 2 of Annex I to the Rules.
7. The Company shall notify the other counterparty to a trade of a trade cancellation request immediately upon its receipt of such request.
8. The Company shall take actions to cancel a trade immediately upon its receipt of consents for the cancellation from both counterparties to the trade. In the absence of the consent of the other counterparty for the cancellation of the trade, the Company shall notify the requesting counterparty of the absence of consent for the cancellation of the trade.

#### **§ 3. Reasons for bilateral cancellation**

1. In particular, the cancellation of a conditional transaction may be performed by Company in case of Major Price Difference (MPD). MPD means that a reference price calculated by the System for the conditional transactions referred to in Annex R is significantly different from the actual price at which transactions are concluded on the cash market.

2. The Market Committee shall prepare a catalogue of incidents or criteria for estimation of incidents, others than mentioned in point 1 which may be recognised by the Company as material cause for trade cancellation.

#### **§ 4. Bilateral cancellation – actions after cancellation**

In case of the cancellation of a trade, the Company shall immediately inform both counterparties thereof and disclose the information about the cancelled trade to the public including:

- 1) the Traded Security's ISIN code,
- 2) the Traded Security's price,
- 3) the date and time of the contract.

#### **§ 5. Unilateral cancellation**

1. If one of the counterparties to a trade refuses to give its consent for the cancellation of the trade on the terms set out in Article 2 of Annex O to the Rules, the trade cancellation procedure set out in Articles 5 – 8 of Annex O to the Rules shall apply.
2. The Company may initiate the trade cancellation procedure at a request of a counterparty to the trade sent by e-mail ([BNR@bondspot.pl](mailto:BNR@bondspot.pl)).
3. A trade cancellation request should be submitted by a person authorised to execute transactions on the Market.
4. A trade cancellation request should indicate a material reason for the trade cancellation.
5. A trade cancellation request should be delivered to the Company no later than 17:10 on the trade execution date and no later than 5 minutes after the Company notifies the requesting counterparty by email of the refusal of the other counterparty to the trade for the cancellation of the trade on the terms set out in Article 2 of Annex O to the Rules, subject to point 6.
6. Trades cleared by the Company may only be cancelled within the period set out in Article 5 point 2 of Annex I to the Rules.

#### **§ 6. Reasons for unilateral cancellation**

1. The Company may cancel a trade at the request of one counterparty to the trade in the absence of consent of the other counterparty to the trade only if the transaction price differs at least by a value determined according to point 2:
  - 1) from the price of the last transaction in Traded Securities marked with the same ISIN code executed within 15 minutes before the execution of the transaction subject to the cancellation request,
  - 2) in case the price cannot be determined in a manner referred to in sub-point 1 above, from the last fixing rate of the Traded Securities marked with the same ISIN code, referred to in Article 31b of the general part of the Market Rules,
  - 3) in case the price cannot be determined in a manner referred to in sub-points 1 and 2 above, from the price of the Traded Securities marked with the same ISIN code fixed based on the opinion of at least two representatives of the Participants who are participants of the Market Committee, excluding representatives of the Participants who are parties to the transaction to be cancelled.
2. The acceptable difference should be equal at least to:
  - 1) the maximum Spread as specified in Annex G to the Rules – if the transaction involves Benchmark Securities, or

- 2) 40 basis points – if the transaction involves short-term Traded Securities, or
  - 3) the double maximum Spread for a given group of Traded Securities classified according to their maturity date as described in Annex A – if the transaction involves any other Traded Securities.
3. In order to obtain the opinion referred to in point 1.3, the Company shall apply to representatives of the Participants who are participants of the Market Committee for the identification of the price to be used in the determination of the market valuation adequate to the execution time of the transaction subject to the cancellation request, and then the Company shall determine the market value based on the price constituting the arithmetical average of the prices provided by representatives of the Participants issuing their opinions.
  4. The Market Committee shall prepare a catalogue of incidents or criteria for estimation of incidents other than specified in point 1 which may be recognised by the Company as material cause for trade cancellation.

### **§ 7. Unilateral cancellation – actions after cancellation**

In case of the cancellation of a trade, the Company shall immediately inform both counterparties thereof and disclose the information about the cancelled trade to the public including:

- 1) the Traded Security's ISIN code,
- 2) the Traded Security's price,
- 3) the date and time of the contract.

### **§ 8. Special reason for unilateral cancellation**

The provisions of Articles 6 and 7 shall not apply to the cancellation of transactions in the case referred to in Article 5.3 of Annex R to the Rules.

### **§ 9. Cancellation in case of MMI**

1. If an MMI has occurred, the Company shall perform cancellation of such trades as the Company shall, in its sole discretion, determine to be affected by the MMI, subject to point 2.
2. The Company may determine that:
  - 1) affected trades include trades executed outside the period of the MMI, and
  - 2) trades executed during the period of the MMI are not affected by the MMI.
3. The Company may consult with Participants before deciding whether to cancel a transaction.
4. The Company shall inform both counterparties, not later than 18:30 Central European Time on the Trading Day on which MMI occurs, of the trades that are subject to cancellation and disclose the information about the cancelled trades including:
  - 4) the Traded Security's ISIN code,
  - 5) the Traded Security's price,
  - 6) the date and time of the contract.In special circumstances, the Company may provide the above information later.

### **§ 10. Cancellation due to an event or error in the System not caused by MMI**



1. In the case of the occurrence of an event or error in the System, not caused by an MMI, resulting in the conclusion of a trade whose parameters do not comply with legal regulations, requirements arising from the Market Rules or other regulations applicable on the Market, the Company shall cancel the trades which the Company considers to be concluded as a result of such event or error.
2. Before deciding to cancel trades, the Company may consult the Participants who are counterparties to such trades.
3. The Company shall immediately notify the Participants who are counterparties to trades of the cancellation of such trades via 4BondNet or by email.

## **II. Correcting trades concluded on the Market**

### **§ 11. Correcting trade parameters**

1. The Company may correct data sent to the Clearing Institution or the Settlement Institution for transactions concluded on the Market if such correction is necessary for the appropriate clearing and settlement of the transactions.
2. The Company shall notify the counterparties to a transaction of the final transaction parameters sent to the Clearing Institution or the Settlement Institution.

## ANNEX P – FEE SCHEDULE

### I. CASH MARKET FEES

#### A. Schedule of fees for Market Makers and Market Takers

##### 1. Monthly fees for participation in the Market

- 1.1. Each Participant, referred to in part I.A. of this Annex, is charged monthly fee for the participation in the Market, in the amount specified in Table A.
- 1.2. Monthly fee is charged irrespectively to the value of transactions which were concluded by the Participant in the calendar month.
- 1.3. Under monthly fee in a given calendar month Participant may revoke transaction without cancelation fee to an amount equal to four times the value specified in Section III, point 1.1) of this Annex.
- 1.4. In case of admission of Participant to trading on the Market, the first monthly fee is charged for the month in which the Participant admitted to trading on the Market in accordance with Article 7.8 of the general part of the Market Rules. Regardless of the day of month in which Participant was authorized the first monthly fee is charged in full amount.
- 1.5. In case of resignation of Participant from trading on the Market or exclusion of Participant, the last monthly fee is charged in full amount for calendar month in which the Participant lost its status.
- 1.6. In case of change the status of the Participant from Market Maker to Market Taker or from Market Taker to Market Maker, monthly fee, for the calendar month in which the change of status of the Participant occurred is charged in full amount in accordance with rate which was binding for Participant prior to this change.

**Table A: Monthly fee**

<b>Participation type</b>	<b>Monthly fee</b>
Market Maker	30,000.00 PLN
Market Taker	15,000.00 PLN

##### 2. Transaction fees

1. Transaction fees will be charged from both transaction counterparties, with reference to the provisions of this chapter.
2. Subject to point 2.4, transaction fees from the Market Maker are collected only from the Aggressor, according to Table B at the rate of interest, according to the volume of the transactions in a given transaction threshold. All cash transactions concluded by the participant are included in the transaction volume calculated chronologically in a given calendar month, with the exception of transactions referred to in point 2.4. and in Section 3.

3. Transaction fees from the Market Taker will be charged according to the percentage rate specified in Table C.
4. In case of transactions concluded on the basis of the provisions referred to in Article 27a and 27b of the general part of the Rules, Institutional Investor Market Makers are not charged transaction fee and these transactions are not included in the transaction volume referred to in point 2.2.
5. In case of change the status of the Participant from Market Maker to Market Taker or from Market Taker to Market Maker, transaction fees, for the calendar month in which the change of status of the Participant are charged in the amount from the Participants prior to this change.

**Table B: Transaction fees charged from Market Maker**

Monthly transaction threshold	Market Maker	
	Aggressive	
	Fee in %	Fee in PLN for PLN 1 mln volume of transactions concluded
up to PLN 3 billion	0.0025 %	25.00 PLN
between PLN 3 and 5 billion	0.0015 %	15.00 PLN
over PLN 5 billion	0.0005 %	5.00 PLN

**Table C: Transaction fees charged from Market Taker**

Market Taker	
Fee in %	Fee in PLN for PLN 1 mln volume of transactions concluded
0.003 %	30.00 PLN

**3. Fees for transactions in Treasury Securities nominated in foreign currency**

1. In case of transactions in Traded Securities denominated in foreign currency, the transactions fees are charged according to the percentage rates in Table D.
2. In case of transactions in Traded Securities denominated in foreign currency, the transactions fees are charged from transaction volume in PLN, calculated according to point 5 Section IV in this Annex.
3. Both transaction counterparties are charged with transaction fees.

**Table D: Rates for transaction fees mentioned in point 3.1**

<b>Passive</b>		<b>Aggressive</b>	
<b>Fee in %</b>	<b>Fee in PLN for PLN 1 mln volume of transactions concluded</b>	<b>Fee in %</b>	<b>Fee in PLN for PLN 1 mln volume of transactions concluded</b>
0.0010 %	10.00 PLN	0.0015 %	15.00 PLN

**B. Schedule of fees for Institutional Investors**

Institutional investors are charged transaction fees:

- 1) for transactions concluded on the Cash Market on the basis of the provisions referred to in Article 27a and 27b of the general part of the Rules – as percentage rate stipulated in the Table E.
- 2) for transactions concluded in the Institutional Segment of the Cash Market – as percentage rate stipulated in the Table F.

**Table E: Rates for transaction fees mentioned in point 1)**

<b>Fee in %</b>	<b>Fee in PLN for PLN 1 mln volume of transactions concluded</b>
0.008 %	80.00 PLN

**Table F: Rates for transaction fees mentioned in point 2)**

<b>Fee in %</b>	<b>Fee in PLN for PLN 1 mln volume of transactions concluded</b>
0.003 %	30.00 PLN

**II. TRANSACTION FEES FOR CONDITIONAL TRANSACTIONS REPO (REPO MARKET)**

1. Conditional transaction fees, taking into consideration rates in Table G or Table H are calculated based on the following formula

$$\text{Fee} = \text{value of the opening transaction} * \text{date of repo}/365 * \text{rate}$$

where:

- fee means fee from conditional transaction charged by the Company,
- value of the opening transaction means “dirty” value of the opening transaction,

- “repo” means the duration of conditional transactions expressed in days, calculated as the difference between the closing transaction clearing date and the opening transaction clearing date,
  - rate means appropriate annual rate in accordance with Table G or Table H.
2. In case of transactions in Traded Securities denominated in foreign currency, value of the opening transaction is converted in accordance with sec. 5 in Chapter V of this Annex, when transaction fee for conditional transaction is calculated.
  3. Both transaction counterparties are charged with transaction fees.

**Table G: Rates of fees for conditional transaction, except transactions general collateral**

Number of Repo days	Participant admitted to trading on the Repo Market
	Annual Fee in basis points to conditional transactions, excluding general collateral transactions
1 day	3.5
Between 2 and 4 days	3.0
More than 4 days	2.5

**Table H: Rates of fees for transaction general collateral**

Number of Repo days	Participant admitted to trading on the Repo Market
	Annual Fee in basis points to general collateral transactions
1 day	1.5
Between 2 and 4 days	1.5
More than 4 days	1.5

### **III. FEES FOR CANCELLATION OF THE TRANSACTION**

1. Taking into account the provisions of points 3 and 4 and point 1.3 of Section I.A, in case of the bilateral cancellation of the transaction referred to in section I Article 1 point 1 of Annex O, will be taken:
  - 1) fee for the cancellation of the transaction equal PLN 500.00 from each party,
  - 2) fee for cancellation of the transaction equal PLN 1.000.00 from the party which undertook to pay a fee from both the sides.
2. Except for points 3 and 4 and point 1.3 of Section I.A, in case of a unilateral cancellation of transaction referred to in section I Article 1 point 2 of Annex O, from the party requesting the cancellation of this transaction will be taken fee for cancellation of the transaction PLN 1.000,00.
3. Taking into account point 1.3 Section I.A, in case of cancellation described in Article 5 point 3 of Annex R to the Rules, will be taken fee for cancellation of the transaction equal PLN 1,000, exclusively from the party who has made the allocation of Treasury Securities.
4. Trade cancellation fees are not charged in case of cancellation of transactions in connection with the occurrence of:

- 1) IZR
- 2) IRC referred to in section I Article 3 point 1 of Annex O,
- 3) an event of error referred to in section I Article 10 point 1 of Annex O.

#### **IV. RULES FOR CHARGING FEES**

1. All the Participants are charged with the fees in accordance with provisions of this Annex, excluding the Issuer Agent in scope of the transactions concluded on the Market in connection with the duties of Agent.
2. The invoices are issued within 7 days after the end of the month.
3. The invoices are issued in PLN or EUR, in accordance with Participant's request.
4. In the case of issue an invoices in Euro the Company makes a conversion of the fees on the base of the rate which is determined by deducting the 2% of the average exchange rate for the Euro published by the National Bank of Poland on the last business day in a given calendar month. If on a given business day, no average exchange rate for a foreign currency was announced, for conversion purposes, the last average exchange rate for that currency announced by the National Bank of Poland will be applied.
5. In case of Traded Securities denominated in foreign currency, the Company converts the value of transactions concluded by the Participant into PLN according to the average exchange rate for a foreign currency announced by the National Bank of Poland applicable on the last business day in a given calendar month. If on a given business day, no average exchange rate for a foreign currency was not announced, for conversion purposes, the last average exchange rate for that currency announced by the National Bank of Poland will be applied.
6. The Participant is obliged to pay the due fees on the account of the Company within 21 days from the date of issuing the invoice. The due date is considered to be kept when in date mentioned in previous sentence the account of the Company was credited.
7. In case when the Participant delays its payments, the Company is entitled to charge legal interests for the period of the delay, pursuant to the rules of law applicable in the Republic of Poland.
8. Within the framework of fee promotion the Company, by means of a resolution of the Management Board, may reduce or abolish payment collection for a definite period of time.

## **ANNEX R – Particular rules of the conditional (repo) transactions**

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### Article 1

A conditional (repo) transaction is a transaction whereby each party undertakes the obligation towards the other party, one party to sell securities and the other to their purchase and payment of the defined amount of money (the opening transaction). At the same time, within the same transaction, its parties undertake the obligation to the reverse transfer of the same type of securities or equivalent securities contained in the same basket at pre-defined price and date (the closing transaction) unless the parties of conditional (repo) transaction agreed otherwise, on the basis of relevant regulations of Clearing Institution.

### Article 2

1. The conditional (repo) transaction that can be executed on the Market is Buy Sell Back (BSB) and classic repo, and Participants may trade both individual Traded Securities and baskets of Traded Securities under the General Collateral transactions.

### Article 3

1. All the Traded Securities admitted to trading, excluding indexed bonds, may be subject to conditional (repo) transactions.
2. (repealed).
3. Minimum trading quantity and trading quantity on the Repo Market is expressed in Annex C.
4. Conditional transactions are concluded in accordance with Trading Day Schedule specified in Annex E.

### Article 4

A conditional transaction cannot be concluded when the opening transaction clearing date falls before and the clearing date of the closing transaction falls after the record date (the date that determines who is entitled to receive the interest and redemption amount).

### Article 5

1. Traded Securities which are subject to a fixing within the meaning of Article 31b of the general part of the Rules and are traded on the repo market may be part of the basket of Traded Securities of a General Collateral transaction.
2. The allocation of Traded Securities in the General Collateral transaction must take place within a 2 hour from the time of its conclusion, but not later than within 15 minutes after the close of the market trading phase.
3. The seller in the opening transaction may allocate not more than 4 series of Traded Securities. In case of allocating more than 4 series of Traded Securities, the buyer in the opening transaction may request to cancel the General Collateral transaction in whole or in part.
4. (repealed).

### Article 6

1. The Participant may submit Repo Proposals and conclude transactions on the basis of the provisions referred to in Article 27a and 27b of the general part of the Rules on the repo market.
2. The repo proposal submitted on the Market is provided by the System to all the Participants.

3. Participants may submit repo proposals on the Market to execute conditional transactions, in compliance with Article 21e of the general part of the Market Rules, in particular:
  - 1) name of Traded Securities or baskets of Traded Securities in the case of general collateral proposal;
  - 2) clearing dates for opening and closing the transaction;
  - 3) repo rate;
  - 4) nominal value of Traded Securities, subject to proposal.
4. The settlement date of an opening transaction cannot be longer than T+2. If the settlement date of an opening transaction is longer than T+2, the Company will cancel such conditional transaction in accordance with section I point 4 of Annex O.

#### Article 7

1. A conditional transaction is concluded from the moment confirmation of its conclusion by both parties or after 300 seconds counted from the moment of dispatch of the Application to the Repo Proposal issuer.
2. (repealed).
3. (repealed).
4. From the moment of placing the Proposal by the counterparty until the moment of confirming the execution of a conditional transaction by the Repo Proposal issuer, the Repo Proposal remains on the Market and is available to all Participants. The Repo Proposal issuer is obliged to confirm the previous Proposal, subject to point 5.
5. A participant may refuse to confirm of a buy/sell back repo transaction in Treasury Bonds and a conditional transaction in Treasury Bonds at the time referred to respectively in point 1. The only reason for the rejection of a repo transaction may be the lack of a credit limit available to the Participant for the counterparty of that transaction.
6. The Repo proposal may be suspended or cancelled by its issuer. After the confirmation of the transaction, the Repo proposal or any of its part being the subject of that transaction is automatically eliminated from the Market.

#### Article 8

1. The Company provides the Participants in real time via the System, in particular the following information:
  - 1) Repo rates, the volume of the best proposals for individual repo duration - in relation to the submitted Repo proposal;
  - 2) Repo rates, the volume and times of the last transactions - in relation to the concluded transaction.
2. The Company provides a given Participant of the list of transactions executed by this Participant.

#### Article 9

1. The repo rate ( $R_r$ ) means an annual interest rate as determined by the parties to the transaction in order to calculate closing transaction value ( $V_2$ ), based on an opening transaction value ( $V_1$ ) and repo date ( $R_d$ ).



2. The closing transaction value is determined in the following manner:

$$V_1 = C_1 \times Q$$

$$C_1 = P_1 \times N + A_1$$

$$C_2 = C_1 \left( 1 + R_r \frac{R_d}{D} \right)$$

$$V_2 = C_2 \times Q$$

Index 1 means a parameter of an opening transaction, whereas index 2 means a parameter of a closing transaction.

$N$  – par value of a Traded Security;

$Q$  – number of Traded Securities in the transaction;

$D$  – number of days for the purpose of settlements:

- 365 – for instruments denominated in PLN;
- 360 – for instruments denominated in EUR;

$P$  – transaction execution price expressed as a percentage of a par value;

$A$  – cumulated interest as at the transaction clearing date;

$C$  – clearing price of a Traded Security (expressed in currency of a par value of such Traded Security);

$V$  – transaction value.

3. The reference (CLEAN) price  $P_1$  is determined on an hourly basis based on the following formula:

- 1) It is the last transaction price from the external data stream input into the System during the last hour (the external data stream of MTS system received price information from Bloomberg system),
- 2) If the price was not determined based on point 1 – the average put/call offer prices from the cash market,
- 3) If the price was not determined based on points 1 and 2 – the last price from the cash market from the preceding day,
- 4) If the price was not determined based on points 1, 2 and 3 – the issue price of a TS

## ANNEX Q – Commissions for transactions concluded on the basis of the provisions referred to in Article 27a and 27b of the general part of the Rules

1. Each Market Maker is entitled to receive a Commission from the Company for transactions concluded with Institutional Investors in the given month on the Cash Market transactions on the basis of the provisions referred to in Article 27a and 27b of the general part of the Rules according to Table A, with restriction to point 8.

Table A

Fee (%)	Gross provision for PLN 1 million traded
0,004%	PLN 40

2. The Company prepares for Market Maker a transaction report (Report) with transactions concluded with Institutional Investors transactions on the basis of the provisions referred to in Article 27a and 27b of the general part of the Rules in given calendar month and the amount of resulting gross Commission. The Company provides the Market Maker with the Report right after the end of the month.
3. The amount of the Commission is gross if there is VAT due.
4. In case of Market Makers for whom the Company issues invoices in Euro, the Commission in the Report will be calculated into euro at the average exchange rate for the Euro published by the National Bank of Poland on the last business day in a given calendar month increased by 2%, with the restriction that the Commission on the request of Market Maker may be calculated in PLN without converting its equivalent. If on a given business day, no average exchange rate for a foreign currency was announced, for conversion purposes, the last average exchange rate for that currency announced by the National Bank of Poland will be applied.
5. In case of transactions concluded in Traded Securities denominated in foreign currency, the Company converts the value of transactions concluded by the Participant into zlotys according to the average exchange rate published by the National Bank of Poland on the last business day in a given calendar month. If on a given business day, no average exchange rate for a foreign currency was announced, for conversion purposes, the last average exchange rate for that currency announced by the National Bank of Poland will be applied.
6. As for the term related to execution of the service one assumes date of receipt of the Report by Market Maker, which constitutes the base for issuance of an invoice for the Company.
7. In order to make use of the right mentioned in point 1, the Market Maker is obliged to issue an invoice for amount indicated in the Report no later than 15 days from the end of the calendar month, in which the Report was received. The Company accepts issuing and delivering the invoice in the electronic form at the address: [faktury@bondspot.pl](mailto:faktury@bondspot.pl).
8. The entitlement for the Commission, mentioned in point 1, for the particular calendar month ceases if the Market Maker has not delivered to the Company the invoice issued in accordance to provisions from point 7, within final deadline of 30 days from the end of calendar month, in which the Report was received, however not later than 2 months from the end of calendar month, for which the Commission is calculated.
9. The Company will pay the Commission within 30 days of the receipt of the invoice to the bank account indicated by the Market Maker with restriction to point 10. The day of the payment is the day of debiting the Company's bank account.
10. In case the Market Maker is delayed with payment of fees mentioned in Annex P, the Company restricts the right to deduct those fees from the Commission payable to a given Market Maker with no need to individual acceptance by a Market Maker.

## **ANNEX S – Best Market Practices**

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### **1. GENERAL**

- 1) The Participants undertake to comply with the rules of proper functioning of the Market and to exercise due diligence and conscientiousness towards other Participants and to respect fair competition rules.
- 2) The Participants undertake to refrain from using techniques and procedures which could mislead other Participants as to their intentions.
- 3) Participants are required to:
  - a) act honestly and reliably, respecting legitimate interests of counterparties and the best interests of the market of Traded Securities and in accordance with the Market Rules,
  - b) cooperate in promoting best market practices,
  - c) cooperate in eliminating practices that hinder the development of the market of Traded Securities, and specifically actions that are unreliable or contrary to the best market practices,
  - d) ensure that dealer teams are composed of people with appropriate professional qualifications and integrity,
  - e) have resources and procedures necessary for efficient implementation and monitoring of the Participant's actions related to Traded Securities.

### **2. MARKET PRACTICES**

- 1) The best market practices will be considered to have been violated in particular in the following cases:
  - a) non-reporting to the Company any justified suspicions that the best market practices have been violated in the event that the Participant is an injured party or has knowledge that any other Participant has violated the best market practices,
  - b) disseminating information about suspected violations of the best market practices which could be detrimental to the interests and reputation of the Participants or the Market prior to the official statement of the Market Committee,
  - c) taking actions that could reasonably appear to be actions leading to the distortion of the real situation on the market with a view to achieving favourable transaction conditions, including in particular:
    - i. submitting Proposals that cause a price shift (including prices in Proposals submitted using tools for automating the process of submitting Proposals) and at the same time submitting opposite of Proposals or Applications (crossed market),
    - ii. submitting Proposals that cause a price shift (also using tools for automating the process of submitting Proposals), and then submitting opposite of Proposals or Applications within a period that makes it impossible for other Participants to adapt their Proposals following the removal of the Proposal causing the market shift;
  - d) no permanent supervision over the tools for automating the process of submitting Proposals which generates Proposals with prices that could cause a significant deviation from the market rate,
  - e) operating on the Market using access data of another Participant's representative,
  - f) preventing any third parties from accessing online the order template and parameters of transactions conducted on the Market,

- g) disclosing information about counterparties to the transaction to any third parties,
  - h) not making efforts aimed at timely clearing of transactions conducted on the Market,
  - i) not cancelling transactions conducted on the Market at non-market prices, and specifically their reversal outside the Market.
- 2) The Participants are required to accurately analyse and explain all and any situations related to transactions conducted on the Market if they are contacted by a counterparty to a given transaction.