

REGULATION ON THE CLEARING OF TRANSACTIONS ON DERIVATIVES

IN COMPLIANCE TO ARTICLE 5, LAW 3152/2003

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The present Regulation, as in force, constitutes the English version of the Greek original document. In case of divergence between the provisions of the English version and the substantive and formal law provisions, it is obvious that the latter prevail.

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Article 1

Definitions

ADECH: Athens Derivative Exchange Clearing House.

ADECH Members: The ISFs entitled by law to offer clearing services for derivatives trades concluded in ADEX.

ADEX: Athens Derivatives Exchange.

ADEX Members: The ISFs entitled by law to conclude transactions in the ASE.

American Option: An option, which can be exercised by the option buyer at any time prior to its expiration date.

ATHEX: Athens Exchange.

Brokerage firm: A Brokerage Joint Stock Company incorporated, pursuant to the provisions of Law 1806/1988.

Call Option: The obligations of the option seller to sell the underlying asset subject to such option exercise.

Classes of Derivatives: The groups of derivatives, as determined by ATHEX from time to time, the characteristics and /or the underlying assets of which are of the same kind.

Clearing Account: The account kept by ADECH Member, ADECH on a client base, through which the Member clears the exchange derivative contracts, concluded on behalf of the client.

Clearing System: The electronic clearing system OASIS developed, from time to time, and approved by the Board of Directors of ADEX.

Client: Any person, natural or legal, on behalf of whom a Member of an organized Exchange provides investment services, particularly exchange transactions.

Collateral: Cash or securities or letter of guarantee of a credit institution, provided by ADEX and ADECH members to ADECH as security of their obligations to ADECH arising from the present Regulation and the legislation as in force.

Commission: The sum due by an ADEX or ADECH Member to ADEX or to ADECH as coverage in respect of the clients' obligations to ADECH, arising from the clearing and settlement of trades concluded in ADEX listed derivatives.

Conditional Quote: An order that specifies the price above which the buyer does not wish to buy or below which the seller does not wish to sell, as the case may be.

CSD: Central Securities Depository

DSS: Dematerialised Securities System of CSD.

Derivative Categories: The from time to time defined by ADEX groups of derivatives having similar characteristics or underlying assets.

Derivatives: Contracts on financial instruments, in particular futures, options, forwards and swaps on securities, exchange indices, capital market instruments, foreign exchange and position rates.

Derivatives Market: The regulated market of ATHEX of which the object of trades is the derivatives admitted to trading in it.

European Option: An option which can be exercised only upon its expiration date.

Exchange Transactions: The contracts concluded in ATHEX and in ADEX pursuant to the laws and regulations in force from time to time.

Future: A contract, which commits the parties to the transaction respectively to sell or buy under a time period an underlying asset.

Futures Buyer: The person who undertakes the obligation to buy the from time to time underlying asset.

Futures Seller: The person who undertakes the obligation to sell an underlying asset.

Institutional investor: Any ISF, mutual fund management company, portfolio investment company, insurance company and social security fund legally operating in Greece.

ISF: Investment Services Firm (including credit institutions) under Law 2396/1996.

Margin: The from time to time total value, estimated at a given time, in cash, securities or other forms of security provided by a client through an ADECH Member to ADECH as coverage in respect of the clients' obligations to ADECH, arising from the clearing of its transactions concluded at ADEX.

Margin Bank: Credit institutions in which margins and collateral are kept.

Market Maker type A or Trader: The Member of ATHEX who has the right to conclude trades on derivatives on its own account in accordance to the provisions of the ATHEX Regulation.

Market Maker type B or Market Maker: The Member of the Derivatives Market undertaking Market Making responsibilities.

Off session Transaction: An exchange transaction on a derivatives instrument concluded outside an ADEX session, pursuant to the provisions of this Regulation.

On Session Transaction: An exchange transaction on a derivative instrument concluded during an ADEX session pursuant to this Regulation.

Open position: The from time to time estimated sum of rights and obligations of any client deriving from his transactions on derivatives in ADEX, with respect to an underlying asset in a clearing account, including inter alia the number of contracts, the quantity of the underlying asset or the valuation of rights and obligations.

Option: A contract that grants the buyer the right, but not the obligation, to buy or sell within a given time period the underlying assets at a predetermined price.

Option Buyer: The person who pays a premium for the acquisition of the rights related to the underlying assets.

Option Price: the sum due by a client for the purchase of an Option.

Option Seller: The person who receives a premium in exchange for rights on the underlying asset.

Position limit: Any limitation imposed from time to time by ADEX and / or ADECH with respect to a person's capacity to maintain an open position and/ or the creation of an open position towards the market as a whole.

Premium: The amount paid by a party to a transaction in order to acquire an option.

Put Option: The obligations of the option seller to buy the underlying asset, subject to such option exercise.

Quote: Order transmitted to the market pursuant to the from time to time applicable rules of trading, constituting an offer or an acceptance of another offer with the intention to conclude an exchange transaction.

Regulation: The Regulation on clearing of transactions on Derivatives as this is issued approved and published in compliance to the provisions of article 5 Law 3152/2003 as in force.

Regulation on the operation of the DSS: The regulation which is issued in compliance to the provisions of article 105 paragraph 3 of law 2533/1997, as in force.

Regulation of ATHEX: The regulation of ATHEX, as this is issued approved and published in compliance to the provisions of article 3 Law 3152/2003 as in force.

Repurchase Agreement: A sale contract with the right to repurchase or resale, under which the seller sells and transfers the ownership of the underlying stocks, subject to a commitment to repurchase them, following the exercise of its repurchase right or the buyer's resale right or upon the expiration of the contract, against a sale price that is credited, bearing no interest, until the date of the exercise of the relevant right or the expiration of the contract, and against a repurchase price, both of which are concluded at the day of the contract conclusion, in accordance with the provisions of the present Regulation and the particular characteristics of the product.

Repurchase agreement Buyer: The person who buys and acquires the ownership of the underlying stocks subject to a commitment to resell them, following the exercise of its resale right or the seller's repurchase right or upon expiration of the contract, in accordance with the provisions of the present Regulation and the particular characteristics of the product.

Repurchase agreement Seller: The person who sells and transfers the ownership of the underlying stocks subject to the commitment to repurchase them, following the exercise of its repurchase right or buyer's resale right or upon expiration of the contract in accordance with the provisions of the present Regulation and the particular characteristics of the product.

Repurchase or Resale right: The right of the counterparties to repurchase or resale the underlying stocks arising from the stock repo and stock reverse repo contracts and the repurchase agreements.

Securities: The securities as defined in article 2 of law 2396/96 in conjunction with article 2 paragraph 2 of Presidential Decree 350/85, as currently in force.

Series: Category of listed derivative that is defined in relation to whether it concerns a call or a put option, the maturity date of a time period and/or the strike price.

Settlement Bank¹: The Credit institution, or Central Bank, through which the daily and final cash settlement of derivatives transactions is conducted.

Stock Repo on Session: A contract between a client and ADECH in which the client sells and transfers to ADECH the ownership of the underlying stocks, subject to the commitment to repurchase from ADECH these stocks, following the exercise of its repurchase right or ADECH resale right or upon expiration of the contract, against a sale price that is credited, bearing no interest, until the date of the exercise of the relevant right or the expiration of the contract and under a repurchase price that is stipulated at the date of the exercise of the respective right or the expiration of the contract in accordance with the provisions of the present Regulation and the particular characteristics of the contract.

Stock Repo Seller: The person who sells and transfers to ADECH the ownership of the underlying stocks subject to the commitment to repurchase them, in case its repurchase right or ADECH resale right is exercised or upon expiration of the contract in accordance with the provision of the present Regulation and the particular characteristics of the product.

Stock Reverse Repo Buyer: The person who buys and acquires from ADECH the ownership of the underlying stocks subject to a commitment to resell them, following the exercise of its resale right or ADECH's repurchase right or upon expiration of the

¹ The Term "Settlement Bank" has been replaced as above through paragraph 2 article 1 of ADECH BoD Resolution n° 132/27.9.2005 entitled " Amending the Derivatives Transactions' Clearing Regulation", as the relevant amendment has been approved by HCMC BoD decision n°22.367/22.12.2005 (Government Gazette issue B' /96/31.1.2006).

contract, in accordance with the provisions of the present Regulation and the particular characteristics of the product.

Stock Reverse repo on session: A contract between a client and ADECH, in which the client buys and acquires from ADECH the ownership of the underlying stocks, subject to the commitment to resale these stocks to ADECH, following the exercise of its resale right or ADECH repurchase right or upon expiration of the contract, under a purchase price that is credited, bearing no interest until the date of the exercise of the relevant right or the expiration of the contract and under a resale price, both specified at the date of the conclusion of the contract, in accordance with the provisions of the present Regulation and the particular characteristics of the contract.

Trading Account: The account kept by ADEX Member, ADEX and ADECH on a client base, through which the member concludes on behalf of the client exchange derivative contracts.

Trading System: The electronic trading system OASIS, as developed from time to time and approved by the Board of Directors of ATHEX.

Transacting party: Any person natural or legal on behalf of whom a Member of an organized Exchange provides investment services, particularly exchange transactions.

Underlying Assets: The securities, security based indices, the financial market assets and any other assets contracts or indices with respect to which a right to buy or sell is granted or which are used as reference for the valuation of derivatives.

PART I

Conditions for undertaking the clearing of Derivatives by ADECH

Article 2

Derivatives' suitability criteria

1. ADECH undertakes the clearing of Derivatives admitted to trading in the Derivatives Market of ATHEX as long as the necessary suitability conditions of the derivatives as standardized trading instruments are ensured, meaning the necessary circumstances for the smooth processing of trading, clearing and settlement of derivatives.
2. In order to undertake the clearing of derivatives admitted to trading in the Derivatives Market, ADECH assesses cumulatively:
 - a. Regarding Derivatives with underlying asset securities which are traded in a Regulated Market:
 - i. The Rules on the functioning of the Regulated Market, including those regarding clearing and settlement, applicable to this market.
 - ii. The Marketability of the Securities.
 - iii. The spread of the Securities.
 - b. For Derivatives with underlying asset Exchange Indexes, the rules of administration and calculation of the indexes' price from the relevant Regulated Market.
 - c. For Derivatives with Underlying Asset other indexes beyond Exchange indexes, the administration and calculation of the indexes' price from the entity responsible for the conclusion, administration and calculation of the prices of the relevant Index. These rules must, in any case, provide the guarantees for an impartial administration based on objective criteria and the calculation of price indexes as well as to provide for procedures of publishing these prices.
 - d. The liquidity of the Underlying Asset of the derivative.
 - e. Any other criterion or data regarding the function of the Derivative such as, indicatively, the number of the Members applying for the acquisition of Market Maker capacity on this derivative or the adequacy of the Member's Systems for the participation in the trading, clearing and settlement of the Derivative.
3. ADECH may determine specific criteria regarding the derivatives' characteristics the clearing of which it will undertake indicatively, conditions regarding the suitability of Underlying Assets of Derivatives (like the limits of marketability or spread of the underlying assets or the underlying asset's price variability limits, transparency terms regarding the index's or other underlying asset's price calculation) and, in general, regarding the suitability of the derivative's function.

Article 3

Conditions for undertaking clearing of derivatives admitted to trading.

1. ADECH undertakes clearing of derivatives admitted to trading under the following circumstances:
 - a. In order for ATHEX to decide on the admission to trading of the derivative, as provided by its Regulation, ADECH's BoD provides a relevant opinion to ATHEX regarding:
 - i. The derivative's characteristics of admission to trading, the settlement currency and the rest of the terms of clearing and settlement of that derivative which standardize it as a trading instrument.
 - ii. Each specific term of admission determining the function of the derivative, indicatively, the procedure of admission to trading of series of that derivative, the daily clearing / closing price calculation formula per trading series, the Market Making terms regarding that derivative, the readjustment formula regarding the rights and obligations arising from the derivative due to corporate actions or due to other events affecting the Underlying Asset and, in general, the derivative's characteristics.
 - b. After ATHEX having decided on the admission to trading of the derivative, ADECH checks if any necessary procedure regarding the processing of the trading, clearing and settlement of the derivative to be admitted to trading has been completed in accordance to the provisions of the aforementioned ATHEX's Resolution.
 - c. Through the completion of the aforementioned procedures and after having duly informed ATHEX, ADECH undertakes the clearing of the derivative to be admitted to trading.

Article 4

Amending characteristics and special terms of the Derivative

1. In order to amend the characteristics or the special terms of the derivative admitted to trading and the undertaking by ADECH of clearing of that derivative based on its amended characteristics or special terms the procedure provided by the previous article is proportionately applicable.
2. The amendment of the characteristics or special terms of the derivative admitted to trading is possible in cases where open positions on the derivative exist as long as, through that amendment, the economic value of the open positions is not affected.

PART II

Organization of the Derivatives Market

Chapter 1 Acquiring and maintaining ADECH Membership

Article 5

Members of ADECH

1. The Members of ADECH are distinguished into:
 - a. Direct Clearing Members
 - b. General Clearing Members
2. The Direct Clearing Members of ADECH have the right to exclusively clear trades effected on own account in their capacity of Members of ATHEX.
3. The General Clearing Members of ADECH have the right to clear trades on all classes of derivative products which have been concluded by any Member of ATHEX.

Article 6

Procedure of submission and judgement of the applications requesting acquisition of ADECH Membership.

1. The application is submitted through an application form which is provided by ADECH.
2. ADECH has the right to publish the application's submission and the identity of the applicant ISF.
3. ADECH has the right to request from the applicant ISF complementary data as well as confirmation of the data already submitted. ADECH may request the presence of one executive or more of the applicant ISF in person before its organs.
4. ADECH may postpone the Membership approval of the applicant ISF for a time lapse which will be determined upon discretion and which will not, in any case, exceed 3 months as long as the data submitted by the applicant are considered insufficient or insufficiently substantiated in order for the application to be examined.
5. Where an ADECH Membership application of a candidate ISF is rejected by ADECH, its BoD will motivate its decision. Indicatively but not exclusively, the unsuccessful fulfillment of any condition will constitute a reason for rejecting the application.
6. In case of rejection of the ADECH Membership application of a candidate ISF, will be returned without interest to the applicant all kinds of rights paid to ADECH for Membership registration.

Article 7

Acquiring ADECH Membership Capacity

1. ADECH Membership capacity is acquired as long as the relevant application has been approved by the Board of Directors of ADECH. Is accepted any person fulfilling cumulatively the conditions provided by article 21, law 2533/1997 as in force as well as the following:
 - a. Has totally paid in cash the registration rights which are determined through Resolution of ADECH's Board of Directors, based on the from time to time capacity of Member of ADECH in question, the from time to time derivatives that have been undertaken to clearing by the Member, even the participation or not of the candidate Member to derivatives trading as Member of ATHEX. The payment will be certified upon receipt of the Credit institution in which the deposit on the profit of ADECH takes place.
 - b. Fulfils, according to the judgement of ADECH's BoD, the conditions of article 8 of the present Regulation.
 - c. Has followed the procedure provided by article 6 of the present Regulation.
2. For maintaining the ADECH membership capacity, the Member of ADECH pays annually on the dates determined by ADECH the sum of its yearly subscription which is determined by ADECH BoD and is based on the, from time to time, capacity of Member of ADECH in question, the from time to time derivatives that have been undertaken to clearing by the Member, even the participation or not of the candidate Member to derivatives trading as Member of ATHEX.
3. ADECH's BoD has the right to exclude the Member from participation to the clearing of trades concluded in ATHEX due to defaulting performance of its obligations in accordance to the terms of the present article, indicatively due to the member's late fulfilment of obligations as regards providing collateral even full and complete satisfaction of those obligations.
4. In case of rights payment delay by a Member in accordance to all of the above, an overdue rate will be applied on the sum of the obligation. In such case, ADECH will not be obliged to return any right of registration or other subscription.

Article 8

Conditions of functional adequacy of ADECH Members

1. The candidate Member of ADECH must dispose a Trades Clearing Department (back office). In this department it will employ at least one employee, responsible for the clearing (clearing officer²). This employee must fulfil the professional adequacy requirements determined from time to time, through Resolution, by HELEX and to fulfil the adequacy criteria in accordance to the provisions in article 9 of the present Regulation. For the

Comment [EAB1]: Αιτιολογία πρότασης λεξιλογίου: Υπεύθυνος εκκαθάρισης. Κατά το "υπεύθυνος κανονιστικής συμμόρφωσης" (compliance officer) βλ και άρθρο 47.

needs of provision of knowledge adequacy certification for the Members or their employees or executives for fulfilling the tasks of Clearing, HELEX may on its own responsibility, assign in total or partially the performance of seminars or conducting exams concerning the knowledge adequacy certification in question, to other companies of the HELEX Group or other entities in accordance to the specific terms provided by HELEX's relevant Resolution². The employee responsible for the clearing of transactions cannot be employed simultaneously either in the Derivatives Trading department or in the Derivatives Market Making department.

2. The candidate Member is obliged to having ensured the direct and sufficient substitution of the employee in charge of Clearing mentioned above in the previous paragraph in any case of his/hers permanent or temporary impossibility of fulfilling his/hers duties.
3. The candidate Member is obliged to dispose a Risk Management department for the efficient follow up and administration of the risks undertaken by it in its capacity as a Direct Clearing Member or General Clearing Member of ADECH.
4. The candidate Member is obliged to dispose the appropriate accounting and IT infrastructure and of the appropriate technical means:
 - a. For the effective follow up administration and fulfilment of own and of clients' obligations arising from the clearing of trades having been concluded in ATHEX, indicatively but not exclusively regarding:
 - i. Collateral provision and collateral margin
 - ii. Rights' price payment
 - iii. Follow up of open positions
 - iv. Rights exercise
 - v. Daily and final settlement
 - vi. Follow up of position limits determined by ADECH
 - b. For the effective follow up, administration and fulfilment of clients' obligations to it and its own obligations vis a vis its clients, indicatively but not exclusively regarding delivery and receipt of securities subjected to derivatives traded in ATHEX, collection and payment of cash or delivery and receipt of securities that represent, depending on the case, the collateral margin, buy or sell price or outcome of exercise or derivative's settlement, depending on each case.
 - c. For the effective follow up, administration and fulfilment depending on each case of its obligations towards ADECH and the regulatory authorities.
 - d. For the effective follow up, administration and fulfilment of its position limits determined by the Member to its clients.
5. The Member is obliged to have taken all necessary actions for its cooperation with Margin Banks and Settlement Banks³.

² The third sentence of paragraph 1 has been replaced as above and the fourth sentence of paragraph 1 has been added as above through paragraphs 1 and 2 respectively of article 1 of Resolution 157/12.3.2007 of HELEX BoD entitled "Amending the Derivatives Transactions' Clearing Regulation", as the relevant amendment has been approved by HCMC BoD decision n°34.419/14.3.2007 (Government Gazette issue B' 922/8.6.2007).

³ Paragraph 5 Article 8 has been replaced as above through paragraph 3 article 1 of ADECH BoD Resolution n° 132/27.9.2005 entitled " Amending the Derivatives Transactions' Clearing Regulation",

6. The Member is obliged to be active operator in the DSS if the CSD in accordance to the provisions of the DSS operation Regulation, as in force.

Article 9⁴

Suitability Criteria for the position of Person in Charge of Clearing

For the exercise of duties of the person in charge of Clearing, the candidate person must, let alone the conditions of professional adequacy provided by article 8 paragraph 1 of the present Regulation, fulfil the suitability criteria established, through Resolution, by HELEX SA.

Chapter 2 Participation of third parties in Clearing

Article 10⁵

Margin Bank

1. Every ADECH Member must collaborate with at least one Margin Bank for the keeping of margin cash accounts and/ or collaterals.
2. ADECH sends to the HCMC a list of the Credit Institutions which it approves as Margin Banks. This list is directly updated in case it is amended through the dispatch by ADECH to the HCMC of a complete list. ADECH publishes the relevant list as in force through the means of its choice to the public.

Article 11⁶

Settlement Bank

1. ADECH may designate one or more Settlement Banks the derivatives' admission to trading characteristics as well as of the specific trading needs and circumstances from time to time being taken into account. In order for Credit institutions to function as Settlement Banks they must fulfil the terms and conditions set by ADECH. In case of designation of more than one settlement banks, ADECH determines the type of settlement undertaken on each case.

as the relevant amendment has been approved by HCMC BoD decision n°22.367/22.12.2005 (Government Gazette issue B' /96/31.1.2006)

⁴ Article 9 has been replaced as above through paragraph 3 of article 1 of HELEX BoD Resolution n° 157/12.3.2007 entitled " Amending the Derivatives Transactions' Clearing Regulation", as the relevant amendment has been approved by HCMC BoD decision n°34.419/14.3.2007 (Government Gazette issue B' 922/8.6.2007).

⁵ Article 10 has been replaced as above through paragraph 1 article 1 of ADECH BoD Resolution n° 132/27.9.2005 entitled " Amending the Derivatives Transactions' Clearing Regulation", as the relevant amendment has been approved by HCMC BoD decision n°22.367/22.12.2005 (Government Gazette issue B' /96/31.1.2006)

⁶ Article 11 has been replaced as above through paragraph 4 article 1 of ADECH BoD Resolution n° 132/27.9.2005 entitled " Amending the Derivatives Transactions' Clearing Regulation", as the relevant amendment has been approved by HCMC BoD decision n°22.367/22.12.2005 (Government Gazette issue B' /96/31.1.2006)

2. ADECH sends to the HCMC a list of the Credit Institutions which it approves as Settlement Banks containing data regarding the type of settlement undertaken on each case. This list is immediately updated in case it is amended through the dispatch by ADECH to the HCMC of a complete list. ADECH publishes the relevant list as in force through the means of its choice to the public.
3. Every ADECH Member must keep accounts in a Settlement Bank for the cash settlement of the trades it clears. The accounts that are required to be kept by the Member are distinguished in special expenses account, omnibus cash settlement account and Member's cash settlement account. The member is obliged to keep a clients' omnibus cash settlement account and an own cash settlement account per currency in which the relevant settlement is processed base on the derivatives' admission to trading characteristics. Specifically:
 - a. The special expenses account consists in the account through which the Member pays all kinds of rights to which it is obliged, fees and commissions of ADECH, ATHEX and third parties.
 - b. The clients' omnibus cash account consists in the account kept by the Member for the relevant settlement of its clients' trades.
 - c. The Member's cash settlement account consists in the account kept by the Member for the relevant settlement of own trades.
4. If the Settlement Bank is a Member of ADECH the following shall apply:
 - a. Payment by the Settlement Bank, in its capacity of ADECH Member, of all kinds of expenses in accordance to the provisions of subparagraph a) of the previous paragraph is effected directly to the accounts of ADECH and ATHEX kept before it.
 - b. For the cash settlement of trades cleared by the Settlement Bank, in its capacity of ADECH Member, the accounts of cases b and c of the previous paragraph kept before it by ADECH.

Article 12

Assigning Settlement to third parties

If, given the specific characteristics of the derivative product, settlement of trades on the derivative entails delivery of the underlying asset, ADECH may assign settlement of those trades regarding delivery of the underlying asset, the cash settlement of the price against delivery or and the follow up of delivery against payment to the CSD, Margin Banks, Settlement banks or the System for Monitoring Transactions in Securities in electronic Book Entry operated by the Bank of Greece (BoGS).

Chapter 3 Trades' Transparency and Supervision

Article 13⁷

Clearing Accounts

ADECH keeps three clearing Accounts per investor or /and per Member where it effects trades also for own account. Complete data of the beneficiaries' will be available in any case to the HCMC and to ATHEX.

Article 13a⁸

Client's Clearing Account

1. The Client's clearing account is opened by ADECH upon request by its Member representing the client on the clearing of trades and as long as the Member provides to ADECH the following data:
 - a. The Client identification Data.
 - b. The DSS Code number of the investors Share and Securities Account of the Client.
 - c. The Client Account provided to it by the ADEX Member (trading account)
 - d. The trading Account or the account provided by the member to the client according to the provisions of the ATHEX Regulation.
 - e. The number of the account kept at the margin bank held by the Member on the account of its client.
 - f. The licence of use provided to ADECH as account operator in the client's Investor Share held at the DSS
2. Each client's clearing Account held by an ADECH Direct Clearing Member is mandatorily connected to one and only trading account or a client's managed account kept on client's account by the Direct Clearing Member in its capacity of ATHEX Member.
3. Each Client's clearing Account kept by a General Clearing Member of ADECH is connected to at least one trading account or client's managed account kept on client's account by a Member of ATHEX which is a contracting party of the General Clearing Member and / or the General Clearing Member itself as long as it acts as Member of ATHEX.
4. For the needs of client trades' clearing concluded through one or more trading accounts, the ADECH Member undertaking the clearing of those trades is obliged to keep one and sole clearing account for its client.

⁷ Article 13 has been replaced as above through paragraph 6 article 1 of ADECH BoD Resolution n° 132/27.9.2005 entitled " Amending the Derivatives Transactions' Clearing Regulation", as the relevant amendment has been approved by HCMC BoD decision n°22.367/22.12.2005 (Government Gazette issue B' /96/31.1.2006)

⁸ Article 13a has been added through paragraph 7 article 1 of ADECH BoD Resolution n° 132/27.9.2005 entitled " Amending the Derivatives Transactions' Clearing Regulation", as the relevant amendment has been approved by HCMC BoD decision n°22/367/22.12.2005 (Government Gazette issue B' /96/31.1.2006).

5. For the needs of client trades' clearing concluded through transitory trading accounts in execution of massive orders of ISFs and are registered in the client's managed account or that are registered in such account thanks to management provided by an ISF to a client, in accordance to the specific provisions of the ATHEX Regulation, the ADECH Member undertaking clearing of those trades is obliged to keep one and sole client's clearing account per ISF and Member of ATHEX who are active in the relevant trades on their client's account.
6. Every ADECH Member is obliged to open and maintain a separate margin bank account per clearing account kept in accordance to the above provisions for the same client.

Article 13b⁹

Member's Clearing Accounts

1. The Member's Clearing Accounts are distinguished in:
 - a. Member's error Account.
 - b. ADECH Member's Account.
 - c. Trader's Account.
 - d. Market Maker's Account.
 - e. Securities Market Maker's Account.
 - f. Incomplete Trades Member's Account.
2. The Member's error account consists in the clearing account kept by the ADECH Member for the clearing of trades effected by an ATHEX Member as a consequence of an erroneous execution of orders by the ATHEX Member in accordance to the provisions of the ATHEX Regulation. The Member's error account is opened by ADECH for an ATHEX Member upon that Member's request and as long as the Member provides ADECH with the following data:
 - a. ATHEX Member identification data
 - b. The DSS Code number of the investors Share and Securities Account of the ATHEX Member
 - c. The ATHEX Member's Account provided to it by the ADECH Member for clearing
 - d. The error account kept by the ATHEX Member for the registration of erroneous trades in accordance to the provisions of the ATHEX Regulation.
 - e. The licence of use provided to ADECH as account operator in the ATHEX Member's Investor Share held at the DSS
3. ADECH Member's account consists in the clearing account which is kept by ADECH Members for the clearing of own trades. The ADECH Member's account is opened by ADECH for its Members upon Member's request and as long as the Member provides the following data to ADECH:
 - a. Member's identification data.

⁹ Article 13b has been added through paragraph 7 article 1 of ADECH BoD Resolution n° 132/27.9.2005 entitled "Amending the Derivatives Transactions' Clearing Regulation", as the relevant amendment has been approved by HCMC BoD decision n°22/367/22.12.2005 (Government Gazette issue B' /96/31.1.2006).

- b. The DSS Code number of the Investor Share and Securities Account of the Member.
 - c. The Member's Account provided to it by itself for clearing.
 - d. The trading or managed account provided by the ATHEX Member to the Member.
 - e. The number of the account kept at the margin bank held by the Member on the account of its client.
 - f. The licence of use provided to ADECH as account operator in the Member's Investor Share held at the DSS
4. The Trader's account consists in the clearing account kept by the ADECH Member for the clearing of trades effected by the ATHEX Member in its capacity as a Trader. A trader's account is created by ADECH for a Trader, upon ADECH Member's request and as long as the Member provides to ADECH the following data:
- a. ATHEX Member identification data
 - b. The DSS Code number of the investor's Share and Securities Account of the ATHEX Member.
 - c. The ATHEX Member's Clearing Account provided to it by the Member.
 - d. The Trader's account(s) kept by the ATHEX Member in its capacity as a Trader in accordance to the provisions of the ATHEX Regulation.
 - e. The number of the account kept at the margin bank held by the Member on the account of its client.
 - f. The licence of use provided to ADECH as account operator in the ATHEX Member's Investor Share held at the DSS
5. The Market Maker Account consists in the clearing account kept by the ADECH Member for the clearing of trades effected by a Member of ATHEX in its capacity as a Market Maker. The Market Maker's account is created by ADECH for a Market Maker, upon ADECH Member's request and as long as the Member provides to ADECH the following data:
- a. ATHEX Member identification data
 - b. The DSS Code number of the Derivatives Market Maker's Share and Securities Account of the ATHEX Member.
 - c. The ATHEX Member's Clearing Account provided to it, in its capacity as a Market Maker, by the Member.
 - d. The Market Maker's account(s) kept by the ATHEX Member in its capacity as a Market Maker in accordance to the provisions of the ATHEX Regulation.
 - e. The number of the account kept at the margin bank held by the Member on the account of its client.
 - f. The licence of use provided to ADECH as account operator in the ATHEX Member's Derivatives Market Maker's Share held at the DSS
6. The Securities Market Maker's Share consists in the clearing account kept by a HELEX Member for the clearing of trades in repurchase agreements, as provided by the ATHEX Regulation, effected by the Securities Market Maker, in accordance with the relevant provisions, as in force, or even for clearing of other trades on derivatives effected for hedging risks arising from securities

market making¹⁰. Securities Market Maker's account is created by ADECH for the Securities Market Maker, upon ADECH Member's request and as long as the Member provides to ADECH the following data:

- a. Securities Market Maker's identification data
 - b. The DSS Code number of the Securities Market Maker's Share and Securities Account.
 - c. The Securities Market Maker's Clearing Account provided to it by the Member.
 - d. The Trading account provided by the ATHEX Member to the Securities Market Maker.
 - e. The number of the account kept at the margin bank held by the Member for the Securities Market Maker for the own account trades effected by it.
 - f. The licence of use provided to ADECH as account operator in the ATHEX Member's Securities Market Maker's Share held at the DSS
7. The Failed trades Member's account consists in the clearing account kept by the ADECH Member for the clearing of Special Type repurchase agreements effected by the ATHEX Member for covering failed trades in accordance to the specific provisions of the ATHEX regulation. The Failed trades Member's account is created by ADECH for the ATHEX Member, upon ADECH Member's request and as long as the Member provides to ADECH the following data:
- a. Member of ATHEX's Securities Market identification data.
 - b. The DSS Code number of the Member's Share and Securities Account.
 - c. The Member's Clearing Account provided to it by the Member.
 - d. The trading account provided by the Member to the ATHEX Member.
 - e. The number of the account kept at the margin bank held by the Member for the ATHEX Markets Member for the own account trades effected by it.
 - f. The licence of use provided to ADECH as account operator in the ATHEX Member's ATHEX Markets Member's Share held at the DSS
8. The Member's Clearing accounts belonging to the Member must be kept mandatorily by one and sole ADECH Member. For these accounts the ADECH Member must create and maintain in the Member's name one and only margin Bank account.
9. The clearing of the delivery obligations monitored by the DSS arising from member's clearing account positions is mandatorily completed through the Share with which this account is connected in accordance to the provisions of the present article.

¹⁰ The first indent of paragraph 6 is replaced as above through paragraph 4 article 1 of HELEX BoD Resolution n° 157/12.3.2007 entitled "Amending the Derivatives Transactions' Clearing Regulation", as the relevant amendment has been approved by HCMC BoD decision n°34.419/14.3.2007 (Government Gazette issue B' 922/8.6.2007).

PART III

Rules for the Clearing in Listed Financial Instruments

Chapter 1 General Rules

Article 14

General provision

Notwithstanding the provisions of Law 2533/1997 (Government Gazette issue A 228), as in force, as well as the provisions of the present Regulation and the ATHEX Regulation, the assignment of rights or the transfer of obligations arising from open positions in contracts on derivatives or the transfer of a legal relationship from contracts on derivatives or the transfer of an open position between clearing accounts of different clients. Such assignment or transfer, by derogation of the above, is ipso jure null and void and of no effect towards ADECH.

Article 15

Clearing Requirements

1. The Members are obliged to be in order regarding their obligations towards ADECH, including the obligation of providing Collateral for covering all kinds of obligations towards ADECH.
2. ADECH may not register client's transactions to clearing as long as the client and the ADECH Member representing it in clearing are not in order with the fulfilment of all their obligations towards ADECH on the moment of clearing. Exceptionally, ADECH registers client's transactions to clearing where:
 - a. The trade has been concluded for the closing of the open position and relevant announcement has been provided by the ATHEX Member to ATHEX and ADECH or
 - b. The trade has been concluded by /under instruction of ADECH.In case of non registration in accordance to the above, the trade is registered on the ATHEX Member's account which concluded it. Any open position created by similar registration may be maintained only for a reasonable time lapse.

Article 16

Close out netting transactions by ADECH Member

1. An ADECH Member which does not manage in its capacity of ATHEX Member a trading account on behalf of its client, may proceed to concluding, through ADECH, of a close out netting transaction, for the mandatory closing or the balance of open positions on its client's account even if during the time of the conclusion of the Close out netting transaction, the Member's client is in order regarding its obligations towards ADECH.
2. For the conclusion through ADECH of a close out netting transaction on client's account the ADECH Member declares to ADECH its intention, determining the client's clearing account data as well as the content of the relevant declaration of intent entered on its account.
3. ADECH proceeds to the conclusion of the close out netting transaction upon receipt of the ADECH Member's declaration without further control of the data declared to it and of the reason/cause of the said contract.
4. In any case ADECH Member shall specify by the data, which it issues for the client in accordance with the provisions in force, the close out netting transaction in question and shall provide any needed information referring to the reason of the transaction's conclusion.

Article 17

Clearing System

The Clearing of Trades concluded in ATHEX is effected exclusively through ADECH's Clearing System. In special force majeure cases, where the clearing through ADECH's Clearing System is not possible for a time lapse and which is estimated that may disrupt the smooth functioning of the Market and harm the investors' interests, ADECH's BoD may approve the temporary clearing of trades, registered through other available means and relevant procedures.

Article 18

Trades for Clearing

1. ADECH clears trades on Derivatives according to a list transmitted to it by ATHEX for each session and as long as eventual errors or alterations of the initially registered data have been already corrected / effected, in accordance to the terms and conditions provided by the ATHEX Regulation.
2. Transfer instructions regarding actions of clearing of trades on derivatives, including set offs, are made final and irrevocable through their admission by ADECH

in the clearing system. On the basis of this admission to the clearing system ADECH announces the clearing results to its Members.

3. ADECH bears no liability for the trade data transmitted to it for clearing.

4. Member of ATHEX may give up the clearing of trades concluded through ADECH Members provided it has entered into a relative agreement for giving up the clearing.

Article 19

Clearing on the basis of sufficient data

ADECH clears only trades regarding which the following data are provided to it adequately:

- a. ATHEX Member Identification Code and ADECH Member's for each client
- b. Derivative's Series
- c. Buy or Sell or exercise or right
- d. Quantity
- e. Price
- f. Clearing Account of each client.

Article 20

Announcements

Each announcement of ADECH to its Members takes place through the clearing system or through any other available means chosen by ADECH's BoD. Announcements are considered to be received by Members through their entry in the Clearing System.

Chapter 2 Special Rules

Article 21

Clearing Operations

Clearing and Settlement of trades by ADECH contains the following specific actions:

- a. Settlement of the premium
- b. Daily Marking to Market
- c. Notification to ADECH Members regarding the rights and obligations arising from clearing.
- d. Daily, periodical and final cash settlement of the derivative products.
- e. Exercise of the options
- f. Physical delivery of underlying assets in cases where such delivery is stipulated.
- g. Readjustment of fees and commission in case in case of corporate actions regarding the underlying assets.
- h. Collection of fees and commissions owed to ADECH, ATHEX, CSD and to any other implicated person or entity.
- i. Calculation of margin and collaterals' provision requirements.
- j. Calculation and monitoring of limit positions.
- k. Confirmation of the fulfilment of obligations of Members and clients.
- l. Default procedures with respect to ADECH and
- m. Assignment of clearing accounts to another ADECH Member.

Article 22

Settlement of Option Premium

The settlement of premium is accomplished the business day following trade day. The premium is due from the buyer to the seller and is settled, mandatorily through ADECH, in cash or by set off.

Article 23

Marking to Market and set off

1. ADECH marks to market, after the closing of every session of ATHEX, the value of all kinds of rights and obligations corresponding to non cleared trades, based on the prices of the underlying, in every case, assets and the corresponding settlement prices.
2. Unless the derivative's standards provide otherwise or the set off is expressly negated by the client, the registration of the trade on the derivative in a client's clearing account whereon an open position is kept, allows the automatic set off of the relevant claims and obligations.

Article 24

Cash Settlement: General principles

1. ADECH calculates on a daily basis, with respect to every clearing account, the monetary claims and rights as these arise from the description of the corresponding derivative's characteristics. Cash claims and obligations, as these arise per currency, in accordance to the abovementioned characteristics, are set off in any case per clearing account every day.
2. The cash settlement for derivatives is effected between ADECH and its Members representing the clients by means of debits and credits on as the case may be, between ADECH's settlement account and the corresponding omnibus bank accounts of cash settlement kept by the Members for their clients in the Settlement Bank. In case the ADECH Member clears the trades registered in the Member's clearing account, the settlement of those trades is effected directly through the account for cash settlement kept by the Member in the Settlement Bank.
3. All kinds of obligations relating day-to-day settlement must be performed, at the latest, 30 minutes prior to the opening of the next session of ATHEX.

Article 25

Exercise of Options

1. The statement pertaining to the exercise of the option is transmitted to ADECH through the Electronic Clearing System (OASIS). Any other means of declaration is neither valid nor opposable to ADECH and may not produce any effect even if ADECH has been otherwise notified thereof.
2. The exercise of option rights may be effected even within the 30 minutes following the end of the session and it is freely revocable until that time.
3. Option's exercise may arise either due to receipt by ADECH of the declaration of option exercise or automatically on derivative's expiration date as it is mentioned in detail below:
 - a. ADECH shall be entitled to exercise the option without any instructions on the part of the beneficiary as regards options which do not entail delivery of the Underlying Asset and provided that the exercise of the said option is, according to ADECH, profitable for the beneficiary.
 - b. In any other case and in the case the beneficiary notifies ADECH that it does not wish the automatic exercise of its option by ADECH, option's exercise is effected only through beneficiary's instructions.
4. In case of option's exercise ADECH has the right to randomly select, by any method it deems appropriate, the Clearing Account on which it will exercise the reverse right.

Article 26

Physical delivery of the underlying asset

1. Any settlement entailing physical delivery of an underlying asset is completed within the relevant deadline set in the particular characteristics of the derivative.
2. Unless the credit of the price due against delivery is permitted in accordance with the special characteristics of the derivative, the delivery of underlying asset is effected on the condition of a simultaneous payment of the price (Delivery versus Payment principle).
3. Notwithstanding articles 33, 34 and 35 of the present Regulation, no person is entitled to set off its obligations to deliver underlying assets against its rights to take delivery of those assets, in case that such rights become due and payable on different to the above obligations' settlement dates.
4. In case the deliverable assets are monitored by the CSD's DSS, delivery to ADECH is effected according to the following terms and procedure below:
 - a. ADECH takes delivery of the due assets from the Operator Account of the Investor's Share of the client liable for delivery, operated by the client's ADECH Member which represents the client to the clearing of its transactions, and transfers the assets to the respective Operator Account of the client entitle to take delivery, either through the Share of ADECH or directly through the aforementioned client's Accounts.

The CSD, following relevant instruction of ADECH, settles by virtue of the Delivery versus Payment principle. In this case asset's delivery is effected by the CSD through the transfer of the deliverable asset from and to the abovementioned accounts of the obligor client and the beneficiary client while settlement of price against delivery through the corresponding debits and credits on the settlement cash accounts kept by ADECH members in accordance with the provisions of the present Regulation.

- b. In the cases of delivery obligations arising from on session stock repo contracts or stock reverse repo contracts, delivery is effected as follows:
 - i. As regards delivery to ADECH, the ADECH Member that manages the Operator account of the Investor's Share of the liable for delivery client is obliged either to specify through the above account the deliverable stocks as "stocks to be delivered to ADECH", where in this case ADECH takes delivery of the stocks directly from the above account, or to transfer the stocks directly from the abovementioned Account to the account of the Share of ADECH.
 - ii. As regards delivery from ADECH the ADECH transfers the stocks to be delivered to the managed by the ADECH Member Operator Account of the Investor Share of the entitled for delivery client. Stocks that are delivered from ADECH in compliance to a relevant obligation arising from the conclusion of a stock reverse repo contract are specified through the Investor's Share of the entitled for delivery client as "stocks available from repo".

For the total monitoring of the open positions arising from the aforementioned stock repo and stock reverse repo transactions, per client, through the respective clearing

account, and in particular, for the monitoring of any client's open position to repurchase from ADECH or resale to ADECH, respectively the underlying stocks ADECH may take into consideration the accounting balances "expected stocks" "owed stocks" as kept by the CSD, for information purposes in the relevant client's Account.

Stock transfers in compliance to the above delivery obligations are effected through the DSS of CSD pursuant to the relevant provisions of the DSS operation Regulation.

5. If the deliverable underlying assets are dematerialised securities of the Hellenic Republic, the delivery may be effected by the following procedure:

The delivery of dematerialised securities of Hellenic Republic to clients that are members of the Book Entry System for the Monitoring of Dematerialised Securities of Hellenic Republic, administered by the Bank of Greece, is effected directly through their Own Portfolio Account and delivery to ADECH through the "Own Portfolio Account for Delivery to ADECH" kept in the name of the client. The above transfers of securities are effected by CSD under its capacity as a member of the Book Entry System for the Monitoring of Dematerialised Securities of Hellenic Republic, following a relevant ADECH instruction.

Article 27

Variation of the characteristics of the underlying assets

1. In case of corporate actions that affect any of the characteristics of the underlying assets, ADECH shall readjust accordingly the rights and obligations which arise from the clearing of transactions on derivatives.
2. ADECH shall affect the aforementioned adjustments according to the adjustment methods stipulated by the particular characteristics of the derivatives.
3. ADECH and ADEX notify such adjustments to their members on the day they take place at the latest.

Article 28

Collection of fees and commissions

During the time and the procedure of settlement of monetary claims and obligations, ADECH collects and pays as the case may be to the beneficiaries any amount due to ADEX, ADECH CSD and every other entity (with the exception of the ISFs of any kind participating in the transactions as professional intermediaries) having a claim for fees due to its participation in the trading and clearing of trades in ADEX. The settlement of fees and commissions of any kind is effected on the settlement day where from they derive.

Article 29

Obligation to provide margins

1. Notwithstanding the following indent, ADECH calculates the margin due with respect to each clearing account. Where an ADECH member keeps more than one clearing account for the same member, in accordance to the provisions of article 13b of the present Regulation, the calculation of obligations to provide margins or even other risk management obligations, as indicatively of the obligations to respect the eventual position limits set by ADECH or the claims arising from Member's default management, as this results from the relevant accounts kept for that member¹¹. ADECH takes into account the following particular parameters:
 - a. The open positions of clients
 - b. The marked to market prices of the underlying assets, calculated by the method of its choice.
 - c. The variability of underlying assets, as provided by ADECH from time to time and based on the method of its choice.
 - d. The characteristics of each derivative for which the clearing account indicates open positions.
2. ADECH is entitled to change, at any time the methods for the calculation and valuation of any variable used to determine the margins.
3. In case that the margin required per clearing account exceeds in value the balance of the already provided margin with respect to this account, as calculated from time to time by ADECH based on the method of its choice, then the ADECH member that is responsible for the particular accounts receives a relevant notification from ADECH no later than 8:00 a.m. of the next business day and is obligated to cover the deficit by means of paying cash, no later than half an hour (30') prior to the same day's opening of the ATHEX session.
4. ADECH is entitled, at any time, to ask for additional margins, for all the clearing accounts as well as for individual accounts, and set a time limit for their payment, taking into account the anticipated risk.
5. The provision of margins to ADECH is effected:
 - A) By depositing cash in the account of a client as provided by article 22 paragraph 2 of law 2533/1997 (G.G. A' 228), as in force. The relevant cash deposit is made in euro. Moreover, margin provision is possible in foreign currency too, as this is from time to time announced by ADECH to its members. Deposit in foreign currency is made in the account provided by article 22, paragraph 2 of law 2533/1997 which is kept by the ADECH Member in the same margin bank where is kept the margin account in euro for the same client. Case deposits in foreign currencies are valued as following:
 - i. Exchange value is assessed base on the last official closing price as this is announced daily by the ECB.

¹¹ The Second and third indents of paragraph 1 article 29 have been abolished and a new indent has been added after the first indent of paragraph 1 of the article in question as above through paragraph 8 article 1 of ADECH BoD Resolution n°132/27.9.2005 entitled "Amending the Derivatives Transactions' Clearing Regulation", as the relevant amendment has been approved by HCMC BoD decision n°22/367/22.12.2005 (Government Gazette issue B' 96/31.1.2006).

- ii. A value ratio is applied per currency on the aforementioned closing price, the price of which is from time to time determined upon discretion by ADECH.
- B) By the transfer of the securities from an Operator Account operated by the ADECH Member managing the clearing account of the client, to the ADECH Operator Account of the Share of the client in the Dematerialised Securities System of the Central Securities Depository under the following conditions:
- a. The transfer is effected by the ADECH Member that manages the respective clearing account of the client.
 - b. The ADECH Member which effects the transfer declares to ADECH, by a means prescribed by the latter, that the transferred securities are provided as margin.
 - c. Securities accepted as margin shall:
 - i. Be fully owned by the client, free from any encumbrance, attachment, demand or third party rights or other blocking including, indicatively, the blocking for participation in the General Meeting of Shareholders and the exercise of minority rights.
 - ii. Be freely and fully traded and
 - iii. Meet the criteria set from time to time by ADECH, including inter alia, the capitalisation of the Issuing Company, the participation of the securities in the index FTSE/ATHEX – 20, MidCap/ATHEX – 40 or the General Index of ATHEX, the spread of the securities.
 - d. ADECH based on the above criteria issues, periodically, a list of the securities that may be provided as margin. ADECH notifies the above list to ADECH members.
 - e. The legal lien in favour of ADECH over securities provided as margin:
 - i. Is expanded by operation of law to securities:
 - Distributed by the Issuing Company free of charge or following a split or a reverse split.
 - Arising from the changes occurred to the legal entity of the Issuing Company, in particular due to a merger or a demerger occurred in any form.
 - ii. Is not expanded to rights :
 - Of preference, that have been cut off, including inter alia rights of preference due to increase of share capital or due to issue of convertible debenture loan.
 - On dividends or interest payments
 - f. So long as the securities are under ADECH, management as, margin ADECH is not entitled to exercise voting rights arising therefrom.
 - g. With regard to the valuation by ADECH of the provided as margin securities, the following rules are applicable:
 - i. Valuation of securities is based on the closing price of the last market session, where these securities are traded.

Comment [EAB2]: Generic appellation proposed: Cash distributions ?? (και για τα δύο)

- ii. There is a weighing factor for every security calculated on the basis of the above closing price. The factor's value, even if it is zero, is set, from time to time by ADECH.
 - h. Following a relevant application of the ADECH Member that represents the client, ADECH is entitled, but not obliged, to transfer the securities provided as margin to the Operator Account of the ADECH member kept in the Share of the client.
- C) With the exception of the provisions of paragraph (B), in case that margin is provided in dematerialised securities of Greek State by a client who is member of the System of the Account Monitoring of Dematerialised Securities of the Bank of Greece according to the rules of this system. ADECH shall accept the above securities provided by the client as margin upon receipt of a relevant confirmation of the securities transfer by the Bank of Greece.
- D) In case of provision of margin in dematerialised securities of the Greek State by a client non member, with the exception of the provisions of paragraph (B) and until CSD will become an active member of the System of the Monitoring of Dematerialised Securities of the Bank of Greece, by transfer of the dematerialised securities of the Greek State from the clients account of the member of ADECH that keeps the relevant clearing account of the client and is a member of the System of monitoring of the dematerialised securities of the Bank of Greece to a clients blocked account kept in the Bank of Greece. The minimum nominal value of the securities provided as margin per client is equal to € 880.000. ADECH shall accept the above securities provided by the client as margin upon receipt of a relevant confirmation of the transfer of said securities by the Bank of Greece.
6. If ADECH notifies a Member that the required margin with respect to a clearing account is, at the time of notification, lower than the balance of the margin account, then, with the exception of the provisions of paragraph 7 herein, the Member may withdraw the amount of excessive amount from the respective cash account and render it to the beneficiary.
7. ADECH may refuse to debit the margin account balance despite the existence of a relevant request by the ADECH Member operating the relevant account and despite the fact that the balance available exceeds in value the minimum margin, in case ADECH deems that excessive value may be used in order to cover other potential claims.
8. The Margin Bank is obliged to keep the collateral or margin cash account for transactions concluded on its own account in another credit institution approved by ADECH as a Margin Bank.
9. In cases where the collection or forced sale by ADECH of the deposited margin is not possible for any legal cause, such as, indicatively, due to attachment through court order or through administrative act or due to the bankruptcy or any other case where the Margin bank becomes insolvent or in difficulty, ADECH is entitled to demand again the margin payment by the debtors until coverage of its claims¹².

¹² Paragraph 9 of article 29 has been added as above through paragraph 9 article 1 of ADECH BoD Resolution n°132/27.9.2005 entitled "Amending the Derivatives Transactions' Clearing Regulation", as the relevant amendment has been approved by HCMC BoD decision n°22/367/22.12.2005 (Government Gazette issue B' 96/31.1.2006).

Article 30¹³

Obligation to provide collateral in favour of ADECH

1. In order to ensure the ADECH Member's compliance to their obligations towards ADECH, arising by the law and the present Regulation, ADECH Members are obliged to provide collateral in favour of ADECH. This collateral provision obligation in favour of ADECH is applicable also to ATHEX Members who are not members of ADECH whenever this is considered necessary by ADECH for ensuring the performance of eventual obligations of the relevant members arising, by law, from the trades they conclude. ADECH is entitled to use, at any time, the collaterals provided by a Member in order to satisfy its payable claims against the Member.

2. For the needs of the present provision should be determined as:

a. Initial Collateral: The minimum, as valued by ADECH from time to time, value of collateral required by it from ADECH Members for their active involvement on the clearing of trades. The initial Collateral that must be provided in favour of ADECH is :

Capacity	Minimum Value
Direct Clearing Members of ADECH	500.000 euros
General Clearing Members of ADECH	3.000.000 euros

b. Minimum Collateral: The minimum, as valued by ADECH from time to time, value of collateral required by it from ADECH Members, as the relevant value results from ADECH's calculations in accordance with the provisions of paragraphs 3 and 4 of the present article. In any case minimum collateral may not be less than the Initial Collateral.

3. ADECH calculates the minimum collateral, per Member, on the closing of each session or and at any other time it consider this useful, such as during the session or even on an extraordinary basis. For this calculation ADECH takes under consideration the following parameters:

- a. Open positions of all kinds of clearing accounts kept by the Member.
- b. The characteristics of each derivative regarding which these accounts show open positions.
- c. The margins provided in favour of ADECH as regards those accounts.
- d. The valuation prices of derivatives or underlying assets, calculated through the method of its choice.

¹³ Paragraph 1 article 30 has been amended through paragraph 1 article 1 of ADECH BoD Resolution 119/2.12.2004 entitled "Amending the Derivatives Transactions' Clearing Regulation", as the relevant amendment has been approved by HCMC BoD decision n°3/319/9.12.2004 (Government Gazette issue 1884B'/20.12.2004). Through paragraph 2 article 1 of the same Decision as above a new paragraph 6 has been added after the end of paragraph 5 of article 30. Subsequently article 30 has been replaced as above through paragraph 5 article 1 of ADECH BoD Resolution 132/ 27.9.2005 entitled "Amending the Derivatives Transactions' Clearing Regulation", as the relevant amendment has been approved by HCMC BoD decision n°22/367/22.12.2005 (Government Gazette issue B' 96/31.1.2006).

- e. The variability of underlying assets as defined from time to time by ADECH through the method of its choice.
 - f. The Member's risk as it results on the basis of the open positions of the clearing accounts kept by the Member.
 - g. The parameters set for hedging market risk. As an element of those parameters, ADECH may determine a certain amount or percentage on the calculated risk per Member, which is payable in advance by the Member let alone the collaterals corresponding to such risk.
4. ADECH is entitled at any time to:
- a. Change the calculation and valuation of each parameter methods in order to determine the collateral's minimum requirements any eventual market risks and conditions being taken under consideration.
 - b. Raise the minimum collateral requirements for individual Members of ADECH the open positions of all kinds of clearing accounts kept by its Members and the corresponding risks being taken under consideration.
5. In case where the necessary minimum collateral is of higher value than the collateral already provided by the Member in favour of ADECH, the Member is obliged to fulfil its obligations as follows:
- a. As regards collateral requirements arising on the closing of the session, the Member receives relevant notification by ADECH at the latest until the opening of the session of the next business day and is obliged to cover the short fall before the opening of the session of that business day. If the Member has, in the meantime, reduced its risk then it will owe only the amount corresponding to that risk.
 - b. As regards collateral requirements arising on session, or on another extraordinary basis, the Member receives immediately relevant notification by ADECH and is obliged to cover the shortfall within a reasonable deadline set upon notification. If the Member has, in the meantime, reduced its risk, then it will owe only the amount corresponding to that risk.
6. Notwithstanding the provisions of the previous paragraph, in case the necessary minimum collateral is less than the collateral already provided by the ADECH Member, the Member may claim the return or release of the surplus.
7. ADECH has the right to deny any return or release of such collateral surpluses if it considers that the collateral surplus may be used for the coverage of its other eventual requirements towards the Member.
8. In case of resignation or deletion of a Member, for any reason, or if a Member becomes insolvent, as indicatively, bankrupt or wound up, as soon as ADECH receives the relevant notification, it will determine the amount of the collateral which will be returned to that Member. In this case ADECH may retain in part or in total the asset to be returned in order to satisfy all kinds of claims it has against the Member, arising from any pendencies of the Member in clearing. The asset that will be withheld will be returned to the Member in the part that has not been used, after the final satisfaction of those obligations. Where the arithmetic value that is due to be returned to the Member is, in accordance of the above, a negative number, ADECH reserves and maintains against that Member a corresponding claim immediately payable and claimable.

Article 31

Acceptable Collateral Assets

1. The assets that will be accepted as collateral are displayed in the following table:

Asset Type	Percentage on Market-to-Market Value
Deposits in Euros in a Margin Bank	100%
Deposits In US Dollars in A Margin Bank	95,75%
Letters of credit on first demand	100%
Short term bonds up to 3 years and bonds of variable position rate, irrespective of duration	93%
Medium term bonds expiring from 3 to 9 years	90%
Long term bonds expiring 9 years and beyond	85%

2. ADECH accepts guarantee letters issued by credit institutions lawfully operating in Greece. Through Resolution of ADECH BoD, specific conditions may be set as regards to the acceptance of such cover letters, as, indicatively, in relation of the issuer of such letters, the eventual levels or credit risk ratings of the issuing credit institution coming from distinguished rating agencies or the specific procedures applicable for the forfeiture of the guarantee letters¹⁴. Letters of guarantee issued by a credit institution as coverage in respect of its own obligations for the provision of collateral in favour of ADECH or as coverage in respect of relevant obligations of a Member with whom ADECH has a participation relationship according to the provisions of the cases a, b and c of paragraph 5 of article 42e of Law 2190/1920, as in force, are not accepted.

3. In case of provision of a guarantee letter of limited duration, prorogation or renewal, through provision of new collateral by the Member, of such guarantee must take place before its expiration within the time limit determined from time to time by ADECH.

4. The highest bond valuation is made on the clean price of the bond as it is announced by the Electronic Trading System of Dematerialised Securities of the Bank of Greece (ETDS).

5. ADECH reserves the right to modify the above table from time to time by adding or removing assets or modifying the attributed percentage per asset class.

6. Besides the measures provided in the case of default by a client or by a Member with respect to an obligation to ADECH, ADECH will make available to any Member having a legal interest a detailed list of measures of any kind taken in order to deal or remedy the default to the extent that the measures affect the party's property rights.

¹⁴ The first indent of paragraph 2 article 31 has been replaced by two new indents as above through paragraph 10 article 1 of ADECH BoD Resolution n°132/27.9.2005 entitled "Amending the Derivatives Transactions' Clearing Regulation", as the relevant amendment has been approved by HCMC BoD decision n°22/367/22.12.2005 (Government Gazette issue B' 96/31.1.2006).

Article 32

Position limit

1. The position limit is determined from time to time by the ADECH BoD and it is valid on the sixth (6th) business day after its announcement. ADECH BoD may, upon discretion and given the risks entailed, determine a different position limit per ATHEX Member or ADECH Member taking into account the risks deriving therefrom.
2. The position limit per ADECH Member concerns the total of the open positions cleared by an ADECH Member, either on its own account or on the account of its clients.
3. ATHEX BoD, following an opinion of the ADECH BoD, may also set in the products' characteristics a position limit per product or per client, in cases where the physical delivery of the underlying assets is stipulated therein.
4. A violation of the position limit during the session entails the obligation of the Member to close its position in that session. After the closing of the session, a violation of the position limit entails the imposition to the ADECH Member of the measures provided in Part IV of the present Regulation.

Chapter 3 Default

Article 33

General provisions

1. In case of default regarding obligations arising from contracts on derivatives, on the part of a client, ADECH is entitled to set off all kinds of claims it may have against the defaulter even if such claims and counterclaims are not of the same kind or are not payable.
ADECH is entitled to claim from the defaulter damages and forgone profits it incurs including, without limitation, expenses, taxes, duties and additional charges arising from contracts concluded in order to cover its outstanding obligations, compensations in accordance with the particular characteristics of each derivative.
2. Specifically, in case the default consists in the failure to deliver the underlying asset, ADECH is entitled to transform its claim in a monetary one, taking into account the highest market price of the underlying asset on the default day.
3. In case the default consists in the failure to accept the delivery of the underlying assets, ADECH is entitled to transform its obligation into a monetary one, taking into account the lowest market price of the underlying asset on the default day.
4. ADECH is entitled to transform into cash, partially or totally, any of its delivery obligations to its counterparties, in case that non performance of such obligations is

attributable to a default of ADECH counterparties, which ADECH cannot cover by means of entering into a stock reverse repo contract or any other transaction for the close out netting of the defaulter's positions.

5. For the above transformation of its obligations into cash, ADECH takes into account the highest market price of the underlying due assets on the delivery day increased by the compensations defined in the particular characteristics of the relevant derivative products.

6. ADECH pays the referred as above due amounts to its counterparties by the procedure of cash settlement following a set off exercised by ADECH of any of its counterclaims against the above counterparties. Any cash difference in favour of ADECH that may arise from the aforementioned offsetting arrangement does not entail an obligation for payment to the above counterparties.

7. In any case ADECH communicates such transformation of its obligations, effected in accordance with the provisions of the present article, to the members that manage the respective accounts as soon as ADECH realises that delivery of the underlying assets can not be performed.

Article 34

Default by an ADECH Member's client

1. ADECH checks, on every trading day, the fulfilment, per principal/client clearing account of due and payable obligations of any kind that arise from the clearing of the transactions. In particular ADECH checks:

- a. Thirty (30) minutes before the opening of the ATHEX session:
 - i. The cash settlement accounts of par. 3 article 11 of the present Regulation as regards the availability of the required amounts for the cash settlement and the payment of costs of any kind. In case there is no sufficient balance in the latter account, the ADECH Member is obliged to notify ADECH immediately the clearing accounts of the defaulting principals/clients.
 - ii. The margin accounts of case (a) of paragraph 5 article 29 of the present Regulation as regards the availability of the required margin amounts.
- b. Whenever a relevant obligation becomes due and payable in accordance with the characteristics of the derivatives products and the provisions of the present Regulation:
 - i. The securities accounts provided by article 26 as regards the availability of the securities required, as the case may be, for the fulfilment of the delivery obligations.
 - ii. The margin securities accounts of the cases (B) (C) and (D) of paragraph 5 article 29 of the present Regulation as regards the availability of the securities required, as the case may be, for the fulfilment of the provision of margining obligations.

2. As soon as a principal/client default is ascertained with respect to its obligations to ADECH, ADECH takes, cumulatively or alternatively, as the case may be, the following measures:

- a. Communicates to ATHEX the trading accounts of the defaulting principal / client.

- b. Notifies the default to the Margin Bank, which keeps the respective account of the defaulting principal/client. Following a relevant ADECH instruction, the Margin Bank shall immediately block the total of the cash balances of all the accounts of the defaulting principal/client on which ADECH legal pledge is expanded in any case by operation of law. Removal by the Margin Bank of any blocking is only permitted following a relevant ADECH instruction.
 - c. Notifies the ADECH Member which is liable for its client's default as well as the ATHEX Members that operate trading accounts on behalf and on account of the defaulting client.
 - d. Effects immediately a compulsory close out netting transaction or a balancing transaction of the defaulting client's open positions. In case that the client's default relates exclusively to the non provision of the required margin, ADECH effects a compulsory close out netting or an offsetting of the defaulting client's open position, only in case of non removal of such default within one hour and thirty minutes following the opening of the ATHEX session.
 - e. Postpones temporarily the fulfilment of its obligations of any kind towards the defaulting client.
 - f. Effects a set off of any of the defaulting client's counterclaims against its claims towards the client in accordance with the provisions of article 33 of the present Regulation and notifies relatively the ADECH Member which is liable for the client's default as well as any other ADECH Member managing a clearing account on behalf of the defaulting client.
 - g. In case the client fails to deliver the underlying assets ADECH may conclude on behalf of the defaulting client a stock reverse repo contract or/and exercise the right of reselling or repurchasing arising from such contract or conclude on its behalf other transactions of purchase of the due assets for the purpose of covering or close out netting of its obligations, taking in any case into account the particular damage – including any loss of bargain – arising from the default, as suffered by ADECH.
 - h. Following a relevant statement of the ADECH member being liable for its client default, ADECH may proceed to any action necessary for the fulfilment of the defaulting client's delivery obligations through the above member's own assets.
 - i. In case if the default has not been removed the latest thirty (30) minutes before the opening of the next ATHEX session, ADECH may exercise all its rights against the client's margin and the ADECH member's collateral.
3. For the exercise of any default measures of article 35 of the Regulation against the ADECH Member being liable for its client's default, ADECH takes, mainly, into account the value of the balances (cash or cash equivalent) in the blocked accounts per clearing account of the defaulting client, any additional payments to ADECH by the client, the outcome of the settlement of derivatives of any kind on behalf of the client and the daily from time to time marking to market of the securities provided to ADECH as margin or collateral.

Article 35

Default of an ADECH Member

1. In case that an ADECH Member does not meet any of its obligations to ADECH in time (including any obligations with respect to transactions concluded on its own account), the provisions of this article apply in accumulation with article 30 of the present Regulation. ADECH may, without any further warning to the defaulter, take one or more of the following measures:

- a. Exercise any king of rights on collateral provided by the Member in order to satisfy any claims it my have against the Member.
- b. Notify by any means it deems appropriate the market and ATHEX of the Member's default.
- c. Refuse to accept new transactions for clearing or/and refuse to clear transactions given up to an account kept by the Member on its own behalf or on behalf of others until the full and final end of the default, with the exception of trades related to the closing or offsetting of an open position.
- d. Exercise its authorities and transfer the accounts of the defaulter to other ADECH Members.
- e. Notify ATHEX and/or the Hellenic Capital Market Commission about the default in order to proceed to further administrative and other measures, in cases concerning a total inability to perform due to a liquidity problem, capital inadequacy or creditworthiness of the Member problem that endangers the smooth operation of the Derivatives Exchange.

2. If the Member's default is not caused by its own fault, the Member should immediately notify ADECH in writing, explaining the reason for the non-timely settlement. ADECH decides, prior to the opening of the same day's session, whether the reason invoked by the Member for the non-timely settlement is due to a Member's fault. If the reason, according to ADECH's decision, is due to the Member's fault, ADECH may proceed to the aforementioned measures against the Member. If the reason, according to ADECH's decision, is not due to the Member's fault, the Member may be obliged to deposit a respective amount to another credit institution or to act according to the suggestions of the Risk Management Committee.

Article 36

Substitution of client's accounts operator by decision of ADECH

1. ADECH may decide to substitute a Member for another Member as regards to the responsibility from the operation of the client's accounts if the latter Member is incapable of performing its obligations towards ADECH or prior to its becoming bankrupt and determine the procedure of such substitution, as the case may be.
2. The clearing of trades through these accounts is prohibited with the exception of trades relating to the closing or offsetting positions provided that these trades have been entered into after the transfer of the clearing accounts.
3. ADECH provides the Member that undertakes the management of these accounts with full data of the beneficiary clients.

Article 37

Impossibility of notification of data

1. In case the Settlement Bank fails to timely notify ADECH on the outstanding balances of the settlement accounts and to proceed to the cash settlement, ADECH'S Members shall be invited by ADECH to avail ADECH of the money owed to it by any other available means determined by ADECH. In case an ADECH Member does not avail ADECH of the amount due, all clients represented by the Member are prohibited from entering into trades in derivatives with the exception of closing of open positions. When the default on the part of the Settlement Bank ends, the procedure of the cash settlement is continued and said prohibition is removed, unless the prohibition remains effective due to other reasons. If the default on the part of the Settlement Bank has not ended until the opening of the next session, the session may be postponed or the cash settlement may be assigned to another Bank (after a decision of ADECH) until the default definitely ends.
2. In case the Margin Bank fails to notify ADECH the necessary data on time in order for the latter to carry out the audit provided in the law, ADECH proceeds to the following acts:
 - a) Orders the Margin bank in default to block the total of the margin account kept by it.
 - b) Prohibits the execution of transactions for all the clearing accounts kept with the Margin Bank in default, , except for the closing of open positions.
 - c) On the basis of the data available and the method of its selection ADECH carries out an audit for the determination of a likely insufficiency in the balance of a margin account per investor. ADECH may remove or restrict the prohibition of case (b) of the present article for those investors that it deems that adequate funds do exist.
 - d) In any other case, except for the one mentioned in the first indent of case (c), ADECH informs the ADECH Members representing the defaulting clients. If, according to ADECH's judgement, the insufficiency in the balance deriving therefrom is above 15% of the required margin or if the deficit exceeds thirty thousand euros (30.000), ADECH can apply the provisions for client's defaults. In any case the prohibition of the execution of transactions, as provided for in case (b) remains effective until ADECH is notified on the basis of sufficient evidence that the obligations of the client are duly met.
 - e) If the default of the Margin Bank has not ended until the opening of the next session of ATHEX, then the prohibition of paragraph (b) applies until ATHEX proceeds to further actions.
3. In case of a default on the part of CSD to comply with the procedure relating to the delivery of shares, the sum of the cash claims shall be retained by ADECH. If CSD is unable to proceed to the further actions within the day, ADECH defines what these further actions are, including, inter alia, the suspension of trades in those derivative products whose underlying asset cannot be delivered.

Chapter 4 Assignment of Client's clearing accounts

Article 38

Assignment by agreement of a client's clearing accounts to another ADECH Member

In case of announcement towards ADECH of an assignment agreement of the article 30 of the L.2533/1997 (Government's Gazette A' 228), as amended, ADECH may object to the assignment if it has reasonable grounds to question the ability of the assignee to respond to its respective obligations to ADECH, especially if the Member has defaulted in the past with respect to its obligations or if the assigned legal relationship is disproportionate to its financial capacity.

Article 39

Announcement of the assignment

1. The announcement of the assignment will contain the statements of the assignor Member, of the assignee Member and of the client as well as the clearing account and identification data of the client.
2. ADECH's objection to the assignment is announced to both Members no later than the opening of the next day's session. In case ADECH raises an objection, the assignment is not effective. ADECH is committed by the objection, and may approve anytime of a later/new request based on a new evaluation of the available data.

PART IV

General Products' Characteristics

Article 40

General provisions

The rights and obligations of clients are formed according to the particular characteristics of derivatives traded in ATHEX and the provisions of the present Part.

Article 41

Futures

The calculation of rights and obligations arising from futures is effected according to the following principles:

- a. With respect to the day of conclusion of the transaction, the buyer owes the seller the trade price minus the settlement price of the future when the former is higher than the latter, and the seller owes the buyer the difference when the trade price is lower than the settlement price of the future.
- b. In relation to any other day prior to (but not including) the maturity date of the future, the seller owes the buyer the settlement price of the future minus the price of the previous session when the former is higher than the later. The buyer owes the seller the difference when the derivative's settlement price is lower than the price of the previous session and
- c. On maturity date, the buyer owes the seller the price of the previous session minus the price of the final settlement price, as determined on that date by ADECH through a procedure selected per derivative, on the basis of the current price of the underlying asset (final price) and the buyer owes the seller the difference when the final settlement price is lower than the price of the previous session.
- d. The settlement price is currently determined by ADEX on the basis of a method of its selection and on the basis of the particular characteristics of the derivative.
- e. In case where, on maturity date of the future contract, the physical delivery of the underlying asset is provided, the relevant provisions of article 12 and 26 of the present Regulation.

Article 42

Delivery for futures on dematerialized securities of the Greek State

1. In case the securities that are due for delivery are dematerialized securities of the Greek State, the ADECH member is obliged to notify irrevocably to ADECH by 12:00 p.m. of the second working day following the last trading date of the derivative

series, the particular (kind and quantity) dematerialized securities from the deliverable securities, as stipulated by ATHEX on the first business day of the expiration month. The abovementioned deliverable securities must be delivered by the ADECH member to ADECH for each clearing account. In case of delayed or inappropriate notification, ADECH may stipulate the kind and quantity of the securities of the Greek State due for delivery for each clearing account.

2. ADECH notifies, on the third working day following the end of trading in the derivative series, to its members and to CSD the particular (kind and quantity) dematerialized securities of the Greek State that will be delivered and the particular rights and obligations arising from the cash settlement for each clearing account in connection to said futures.

3. The dematerialized securities of the Hellenic Republic due for delivery shall be available in the clients' accounts, as specified by article 22 of this Regulation, one day prior to the day of final settlement at the latest.

4. At the final settlement day ADECH accepts and delivers the securities of the Greek State, through the accounts of article 26 of the present Resolution.

Article 43

Options

The calculation of the rights and obligations arising from options is effected as follows:

1. The option Buyer must pay the Seller a premium.
2. The option buyer is entitled to exercise the right in question within a period of time or upon the expiration date, depending on whether it is an American or a European option respectively. Upon exercise of the option by the beneficiary, the respective rights and obligations of ADECH are created
3. If, on the basis of their particular characteristics, the options are cleared in cash, the calculation of the rights and obligations deriving upon expiration or exercise of options therefrom, is effected as follows:
 - a. The seller of a call owes the buyer an amount equal to any positive difference between the settlement price of the underlying asset, as defined from time to time by ADECH on the basis of the calculation method of its selection, and the strike price.
 - b. The seller of a put option owes the buyer an amount equal to any positive difference between the strike price and the last day settlement price of the underlying asset, as defined from time to time by ATHEX on the basis of its calculation method.
4. If, on the basis of the options' particular characteristics, an obligation for physical delivery of the underlying assets exists upon expiration or exercise, the clearing is effected as follows:
 - a. The call option buyer should sell the underlying assets to the seller of a similar right at a price equal to the price for the exercise of the option.

- b. The put option seller should buy the underlying assets from the buyer of the same right at a price equal to the price for the exercise of the option.

Article 44

Stock Repo

The following rights and obligations of the seller and ADECH arise from a stock repo concluded on session:

1. The seller sells and transfers to ADECH the ownership of the underlying stocks.
2. The sales price due by the seller to ADECH, is credited, bearing no interest, until the date of the exercise of the repurchase or the resale right or of the expiration of the contract. The sale's price is set to 100 Euro per stock reduced by the daily transaction price of the day of the conclusion of the transaction, as this price is defined in the particular characteristics of the product and as is announced daily by ATHEX and ADECH in the opening of the session of the product.
3. Without prejudice to any restrictions referring to the repurchase right exercise, as provided in the product characteristics, the seller is entitled to exercise at any time to ADECH its right to repurchase the underlying stocks. The exercise of the repurchase right takes place through the ADEX Member that concluded the transaction on behalf of the seller by a notice addressed through the system to ADECH no later than two hours prior to the closing of the session of the product and it is freely revocable until that time.
4. ADECH is entitled to exercise at any time to the seller the ADECH right to resale the underlying stocks. The exercise of the resale right takes place through the ADECH Member which manages the respective clearing account of the seller by a notice addressed through the system no later than an hour prior to the closing of the session of the product and it is freely revocable till half an hour after the closing of this session. ADECH is obliged to exercise its resale right on the last business day of June with respect to all contracts concluded during the previous calendar year.
5. The exercise of the repurchase or resale right extinguishes the respective right of the counterparty and results to the expiration of the contract.
6. The seller is obliged, upon expiration of the contract or in case the resale or repurchase right is exercised, to repurchase from ADECH the underlying stocks or other equivalent securities, in case of modification of the characteristics of the underlying stocks due to corporate actions or other events resulting to such a modification. The calculation of these securities and the readjustment of the respective rights and obligations arising from the transaction are effected according to the readjustment methods as defined in the particular characteristics of the product and according to the provisions of the present resolution.
7. The repurchase price due and payable by the seller to ADECH in case the resale or repurchase right is exercised or upon expiration of the contract is stipulated on the day of the exercise of the respective right or of the expiration of the contract. The repurchase price is set to 100 Euro per stock reduced by the daily transaction price of

the day of the exercise of the respective right or the day of the expiration of the contract.

8. Stock repo contracts expire on the last business day of each month and are ipso jure renewed on the expiration day by contracts of the same series having a sales price equal to 99 Euro per stock.

9. Stock repo contracts may be novated prior to their time period expiration, with new contracts at the same kind in new series, upon a seller's statement of novation being transmitted to ADECH through the ADECH Member that manages the seller's clearing account. For the purposes of the contract novation, ADECH, acting for and on behalf of the seller, exercises, in accordance with the above statement, its repurchase right and concludes within the same day the new contract in the new series in the daily transaction price of the novation date.

10. Due and payable obligations to discharge the sale price and repurchase price arising from the exercise of the repurchase or resale right or the expiration of the contract and due obligations to take delivery and deliver underlying stocks arising from the ipso jure expiration and the novation of the contract or the novation of the contract in new series pursuant to the previous paragraph are offset per clearing account on the date of the exercise of the respective right or of the expiration of the contract.

Article 45

Stock reverse Repo

The following rights and obligations of the buyer and ADECH arise from a stock reverse repo concluded in session:

1. The buyer buys and acquires from ADECH the ownership of the underlying stocks.

2. The purchase price due by the buyer to ADECH, is credited, bearing no interest, till the date of the exercise of the resale or repurchase right or of the expiration of the contract. The purchase price is set to the closing exchange price of the underlying stocks of the business day prior to the day of the conclusion of the transaction.

3. The buyer is entitled to exercise at any time to exercise its right to resell the underlying stocks, to ADECH. The exercise of the resale right takes place through the ATHEX Member which concluded the transaction on behalf of the buyer by a notice, addressed through the system, to ADECH within half an hour after the closing of the session and it is freely revocable until this time.

4. ADECH is entitled to exercise at any time to the buyer the ADECH right to repurchase the underlying stocks. When the seller's repurchase right in stock repo is exercised, ADECH may exercise the respective seller's rights it has in respective stock reverse repo, if ADECH considers such an exercise a necessary step. If there are more than one buyers in the stock reverse repo, ADECH may exercise the repurchase right by starting with the most long-standing contract and proceeding to the less long-standing ones. The exercise of the repurchase right takes place through the ADECH Member which manages the respective clearing account of the buyer by a notice

addressed through the system within half an hour after the closing of the session and it is freely revocable until this time. ADECH is obliged to exercise its repurchase right on the last business day before six months have passed since the day the contract was signed.

5. The exercise of the resale or repurchase right extinguishes the respective right of the counterparty and results to the expiration of the contract.

6. The buyer is obliged, upon expiration of the contract or in case the repurchase or resale right is exercised, to resell to ADECH the underlying stocks or other equivalent securities, in case of modification of the characteristics of the underlying stocks due to corporate actions or other events resulting to such a modification. The calculation of these securities and the readjustment of the respective rights and obligations arising from the transaction are effected according to the readjustment methods as defined in the particular characteristics of the contract and according to the provisions of the present regulation.

7. The resale price due and payable by ADECH to the buyer in case the resale or repurchase right is exercised or upon expiration of the contract is stipulated on the day of the conclusion of the contract. The resale price is defined as the purchase price reduced by the daily price as the later is set by the particular characteristics of the product.

8. Stock reverse repo contracts expire on the business day following the day of its conclusion and are ipso jure renewed on a daily basis by contracts of the same series that expire on the next business day of the expiration day.

9. Stock repo contracts may be novated, prior to their time period expiration, with new contracts of the same kind in new series, upon a buyer's statement of novation being transmitted to ADECH through the ADECH Member that manages the buyer's clearing account. For the purposes of contract novation in accordance with the above statement, which shall be transmitted to ADECH within ten (10) working days prior to day of the contract final expiration, the ADEX Member that manages the buyer's trading account exercises the buyer's resale right and, within the same day, ADECH concludes, for and on behalf the buyer, the new contract in the new series, under a new purchase price and in a daily price, as it's formulated in accordance with the product characteristics. In any case the conclusion of a new contract has no effect on the daily price as it's formulated in accordance with the product characteristics.

10. Due and payable obligations to discharge the purchase price and resale price arising from the exercise of the resale or repurchase right or the expiration of the contract and due obligations to deliver and take delivery of the underlying shares arising from the ipso jure expiration and the novation of the contract or the novation of the contract in new series pursuant to the previous paragraph are offset per clearing account on the date of the exercise of the respective right or of the expiration of the contract.

Article 46

Repurchase Agreement

Conclusion of a repurchase agreement confers to both the seller and the buyer the respective rights and obligations of a stock reverse repo contract as provided in par. 1,

2, 3 first indent, 4 first indent, 5 to 8 and 10 of the article 45 of the present Regulation. In any case the exercise of the repurchase or resale right under the agreement is effected by the transmission of an order by the relevant seller or buyer to the ADEX Member which concluded on its behalf the agreement in question.

PART V

Measures taken in case of non compliance to the provisions of the Present Regulation.

Chapter 1 Measures against ADECH Members

Article 47

Types of Measures

1. ADECH BoD has the right to take the following measures against its Members:
 - a. Written reprimand.
 - b. Imposition of conditions or restrictions on the Member's participation in the clearing of trades on derivatives, indicatively but not limited to, the imposition or reduction of position limits or the imposition of mandatory closing of positions or undertaking exclusively close out netting transactions as regards clearing accounts kept by the Member.
 - c. Prohibition on the participation of the clearing officer as provided by paragraph 1 article 8 of the present Regulation in the clearing of trades on derivatives.
 - d. Enforcement of penalty clauses amounting to between one hundred thousand (100, 000) and one hundred and fifty thousand (150,000) euro, as such penalty clauses are expressly stipulated and the relevant decision of the Board of Directors of ADECH, in the event of culpable non-fulfilment, improper fulfilment or default with respect to the fulfilment of obligations emanating from the provisions of article 48. Imposition of the aforementioned penalties does not impede any claim for damages that ADECH may raise for reparation of the damages it has suffered and caused by the Member. Enforcement of the aforesaid penalty clauses does not prejudice any claim for compensation by ADECH for the purpose of making good any loss caused to it by its Member. It is expressly understood that the penalty clauses have been mutually agreed as a sanction imposed also in view of the particular importance attached to the proper and timely fulfilment of the obligations laid down in the provisions of this Regulation for the orderly operation of the exchange market and, as a consequence, for protecting the lawful interests of ADECH Members, issuing companies, the investing public and the shareholders of ADECH S.A.
 - e. Suspension of the capacity of Member as such for a period of time to be set on a case-by-case basis by the Board of Directors of ADECH. The consequence of suspension is the revocation of the Member's right to participate in the clearing of trades on derivatives for as long as the suspension lasts. Imposing the suspension measure in no way releases the Member from its obligations towards ADECH to pay any fees, including but not limited to those arising from its obligations to pay annual subscription fees, commissions and other amounts

Comment [EAB3]: Αιτιολογία πρότασης λεξιλογίου: Υπεύθυνος εκκαθάρισης. Κατά το υπεύθυνος κανονιστικής συμμόρφωσης (compliance officer) βλ και άρθρο 8.

charged to Members by ADECH, even if these arise during the suspension period.

- f. Termination of Membership. The consequence of Membership termination is the immediate and compulsory loss of capacity of Member. Imposition of the measure of Membership termination renders immediately due and compulsorily payable any and all obligations of the Member to ADECH and the Member must fulfil its obligations immediately, fully and properly, in the manner stipulated by ADECH.

2. The imposition of measures against a Member under no circumstances discharges that Member from its liability for acts or omissions in respect of ADECH or third parties.

Article 48

Cases in which measures are imposed

ADECH BoD shall impose measures against a Member, in accordance with the provisions of the preceding article, in the following cases:

1. In case of infringement, by a Member, of the provisions of this Regulation, and in particular:
 - a. When a Member fails to meet or meets inadequately the requirements laid down for acquiring the capacity of Member such as, indicatively but not limited to:
 - i. A Member's lack of the required organisational and operational adequacy.
 - ii. The reduction of a Member's share capital to below the minimum threshold laid down by law for acquiring the relevant capacity.
 - iii. Failure as regards to the employees and especially the clearing officer of a Member, as the case may be, to satisfy the suitability criteria stipulated with respect to professional competence.
 - iv. Non-payment or default with respect to the payment of the necessary subscriptions, charges and fees in general of the Member to ADECH.
 - v. Failure to fulfil requirements pertaining to the clearing of trades on derivatives.
 - b. If a Member fails to comply with the technical instructions of ADECH with the technical specifications set by ADECH for the use and operation of the systems used by a Member for its participation in ADECH trading sessions.
 - c. In the event of unlawful or unauthorised use or operation of the systems used by a Member to participate in the clearing of trades on derivatives.
 - d. Member's non compliance to the requirements, as set by ADECH from time to time, as regards to the clearing and risk management arising from the Member's participation, such as, indicatively but not exclusively:
 - i. Exceeding the position limits set to the Member.
 - ii. Not paying the from time to time due and payable to ADECH margins or collaterals.
 - iii. Undue diligence as regards to risks arising from open positions of the clearing accounts kept by the Member.

- iv. Member's non compliance of its obligations or to ADECH's directives regarding the Member's clearing account default management or defaulting performance of its obligations.
2. If a Member submits false or misleading information to ATHEX, including but not limited to the following cases:
 - a) When submitting its application to acquire the capacity of Member
 - b) When a Member opens or uses codes and accounts of any type in the framework of its activities in the clearing of trades on derivatives.
 - c) When a Member furnishes the data, supporting documents or information requested at any time by ADECH.
 3. If a Member fails to comply with the announcements, decisions or instructions of ADECH.
 4. If a Member fails to fulfil or improperly fulfils its obligations emanating from any agreements it has signed with ADECH, including, but not limited to, agreements for acquiring the capacity of Member of ADECH, technical agreements and in general the agreements which the Member has signed with ADECH for its connection with the Clearing or Trading System, as well as all of its obligations emanating from the Member's commitments towards ADECH.
 5. If a Member's acts or omissions prejudice the reputation and standing of ADECH or consist in defamations as regards the services and activities exercised and provided by ADECH.
 6. If events occur which affect the operation of a Member, such as the winding-up of a Member's undertaking or company, the initiation of insolvency proceedings, including bankruptcy, forced liquidation or rehabilitation of the Member's undertaking or company or suspension of the Member's licence for providing investment services which are dependent on the capacity of Member it has acquired or the suspension or revocation of the Member's operating licence.
 7. If sanctions are imposed on a Member by the relevant regulatory authorities.
 8. If ADECH is informed by the competent regulatory authorities about the imposition of measures against a Member for the protection of the Market and the investor's interests.
 9. If a Member commits serious violations of the provisions of stock exchange legislation.

Article 49

Measures' imposition procedure

1. The body responsible for imposing measures against Members is the Board of Directors of ADECH. Before imposing a measure, the Board of Directors of ADECH shall invite the Member to an oral or written hearing before it at a time to be set in its relevant notification to the Member. The hearing procedure may be omitted if the Board of Directors of ADECH deems it necessary to immediately impose the measure for the purpose of protecting the market and investors' interests.
2. The Board of Directors of ADECH may authorise other bodies to impose measures:
 - a) Whenever it deems it necessary to immediately impose measures for the purpose of protecting the market and the interests of investors or to avert a threat to the smooth clearing of transactions. The Board of Directors of ADECH shall by virtue of its

decision specify the cases of immediate imposition of measures and the bodies responsible for imposing them.

b) In the case of the enforcement of pecuniary penalties as provided by article 47, depending on the type and gravity of the breach and on the basis of the criteria set in the relevant decision of the Board of Directors of ADECH.

3. Within the framework of the procedure launched in order to impose measures against Members, ADECH shall be entitled:

a) To request from the Member any data or information, which it deems necessary for the purpose of investigating the respective case, including details of the telephone calls of the Member, or data movement records kept by the Member.

b) To have access to any and all documents kept by a Member that relate to the respective case, and to receive from the Member a copy thereof and/or request confirmation by the Member's senior officers or statutory bodies of the data or documents submitted by the Member.

c) To request the personal appearance before it of one or more employees, officers, representatives and Members of the management of the Member.

d) To carry out on-the-spot checks at the offices or premises of the Member.

e) To demand the immediate cessation of practises or procedures being implemented by the Member in the course of the clearing, indicatively regarding the way of monitoring clients' positions and, in general, regarding the way it manages the risks taken through the trades it clears.

4. ADECH may impose measures against a Member either cumulatively or alternatively, depending on the case in question, on each occasion taking into consideration all the relevant circumstances.

5. Decisions imposing measures against Members are communicated to them and a copy thereof is stored in the Member's file, which is kept by the relevant departments of ADECH.

Article 50

Review of Decisions

1. A decision of the Board of Directors of ADECH or of other specifically authorised bodies of ADECH relating to the imposition of measures against a Member may be reviewed by the Board of Directors of ADECH at the request of the Member which must be submitted within a time limit of five (5) days from notification of the decision to the Member.

2. Decisions on the above requests for review of some matter are communicated to the Member and a copy thereof is stored in the Member's file which is kept by the relevant departments of ADECH.

Article 51

Enforcement of Decisions

1. Once a decision imposing some measure against a Member becomes final and irrevocable, it shall be enforced by the relevant bodies of ADECH. In the case of enforcement of a penalty clause, the Member must pay the relevant amount stipulated

in the clause within a time limit of thirty (30) days from the time at which the decision confirming enforcement of the penalty clause and stipulating the size of the penalty became final and irrevocable.

2. A decision imposing measures becomes final and irrevocable:

a) On expiry of the five-day time limit for the submission by the Member of a request for the review of the case.

b) Upon notification to the Member of the decision of the Board of Directors of ATHEX on the Member's request for a review of the case.

3. Measures imposed directly by the Board of Directors of ADECH or the bodies of ADECH duly authorised, in accordance with paragraphs 1 and 2 of article 49 of the present Regulation, for this purpose shall be enforced directly.

Article 52

Notifications

Notification of summon to hearing or of decisions taken by ADECH concerning the Member is effected through any available means chosen by ADECH, even electronically, as long as ADECH has the ability to easily prove the receipt of such notifications by the Member.

Article 53

Professional Confidentiality

1. ADECH is obliged to confidentiality as regards all data, documents or information which may become known to it during the procedure of imposition of measures to the Member.

2. Given the condition of complying to the relevant provisions regarding confidentiality, ADECH provides exceptionally such data, documents or information to:

- a. The competent regulatory authorities or other authorities entitled by law to access and control such data or documents or information
- b. ATHEX and
- c. Any other regulated market or clearing or settlement entity with whom ADECH is collaborating as long as those entities are also bound by the same confidentiality obligations by the law or by agreement, within the framework of their collaboration with ADECH.

Article 54

Reporting

1. ADECH informs in any case the Member's competent regulatory authority about:

- a. The imposition of a measure against the Member, furnishing it with all necessary details and information with respect to the relevant breaches or the reasons for the imposition of the measure.
- b. About the lifting of the measure, for example when the reasons for its implementation no longer apply.

2. ADECH may make public by any appropriate means at its discretion the imposition of a measure against a Member, as well as the lifting of the measure.

Chapter 2 Measures against ATHEX Members

Article 55

ADECH, in cases where a Member of ATHEX does not fulfil its obligations arising from the Law, the Present Regulation, the ADECH's BoD Resolutions and all kinds of agreements it has concluded with ADECH:

- a. Directly informs ATHEX
- b. May proceed to termination of the agreements signed with the Member without warning deadline
- c. May ask from the Member, as long as it has a contractual relationship with an ADECH Member, the termination of the contract provided by article 18 paragraph 4.

PART VI¹⁵

Issues relating to the implementation of the present Regulation

Article 56

1. Where in the present Regulation the terms “ADECH”, “HELEX SA”, “ADECH Members” or “HELEX Members” and “Clearing System” are mentioned, it should mean, respectively, the Société Anonyme “Hellenic Exchanges SA Holding, Clearing, Settlement and Registration” or according to its abbreviation, HELEX SA, acting as the Derivatives Transactions Clearing and Settlement System Administrator as provided by article 83 of law 3606/2007. For the necessities of the present Regulation the following terms are adopted: the term “HELEX” having the abovementioned meaning instead of the term “ADECH”, the terms “HELEX Members” instead of “ADECH Members” and the term “Clearing System” instead of “Trades on Derivatives Clearing System”.
2. Where, in the provisions of the present Regulation, reference is made to an ADECH decision or resolution, that decision or resolution, is made by the Board of Directors of HELEX SA, unless such prerogative has been assigned in accordance with the provisions of the following paragraph.
3. HELEX’s Board of Directors, through Resolution, may, within the framework provided by the Law and its articles of association, delegate the exercise of its competencies regarding the making of decisions or the taking of other actions on issues concerning the implementation of the provisions of the present Regulation, to other organs, individual or collegial, determining through relevant Resolution the scope of the, from time to time, delegated competencies as well as any other issue or necessary detail regarding the way such delegated competencies will be exercised. In order to delegate powers or competencies to the organs mentioned above, HELEX BoD checks the appropriateness of the persons forming those organs, this meaning the reliability, trustworthiness, capability, experience and qualities of those persons.

¹⁵ Part VI has been added as above through paragraph 5, article 1 of HELEX SA BoD Resolution n°157/12.3.2007 entitled “Amending the Derivatives Transactions’ Clearing Regulation”, as the relevant amendment has been approved by HCMC BoD decision n°34.419/14.3.2007 (Government Gazette issue B’ 922/8.6.2007).