

Circular no. 04/2022, of 13th of December

AGREEMENTS WITH MARKETS, MULTILATERAL TRADING FACILITIES, CENTRAL COUNTERPARTIES AND OTHER ENTITIES

Please note that only the Spanish version of this Circular produces legal effect. Any translation is provided for commercial purposes only.

Circular no. 12/2017, of 4th of September on “Agreements with markets, multilateral trading facilities, central counterparties and other entities” establishes the scope and execution of the agreements that Iberclear enters into with markets, trading systems, central counterparties and other entities to enable access to the ARCO System and other services.

Due to the incorporation of BME into Six Group, it is necessary to align the BME standards of conduct with the SIX Group standards of conduct concerning risk assessment with regard to the agreements Iberclear enters into with markets, trading systems, central counterparties and other entities, as stipulated in Regulation (EU) no. 909/2014, on improving securities settlement in the European Union and on central securities depositories (CSDR) and to specify the documentation that said infrastructures requesting access to the ARCO system and other services must submit to Iberclear for one-time or periodic risk assessment.

The purpose of this circular is to amend Circular 12/2017, of 4 September and to update the regulatory references cited in said circular. Once this circular takes effect, the markets, trading systems, central counterparties and other entities must submit the documentation set out in Appendix 1 in order to perform the required risk assessment.

Therefore, the Board of Directors of IBERCLEAR has approved the following:

Unique rule. Amendment of Rule 8. “Procedure and execution. Assessment” under Circular 12/2017, of 4 September

Sections 1 and 3 of Rule 8 under Circular no. 12/2017 are amended to read as follows:

*“1. On receiving an application for access from one of the entities stipulated in this Circular **and documentation foreseen in Appendix 1**, IBERCLEAR will assess the appropriateness of entering into an agreement as set out in Rule 1 of this Circular, undertaking a thorough analysis of the risks involved in its signing and subsequent execution, pursuant to the provisions of the regulatory technical standards and implementing provisions set forth in subsection **3 2** of article 47 of the IBERCLEAR Regulation.*

2. The agreements covered by this Circular will come into effect once the entity has demonstrated the existence of adequate resources and connection systems to carry out the activity set out in the functional and technical scope of the agreement. IBERCLEAR will notify the Comisión Nacional del Mercado de Valores (“Spanish Securities Market Commission”) of the signature of such agreements.

3. ~~In addition~~, During the term of such agreements, IBERCLEAR may monitor and manage such risks as might arise from their execution, and may carry out the tests it deems appropriate to verify and ensure on-going compliance with access requirements and the adequacy and suitability of the technical and functional resources to the access. For this purpose, Iberclear may request additional documentation, if necessary, as well as periodically or punctually require the updating of the documentation provided in order to keep the entity's risk analysis up to date at all times.

The documentation foreseen in Appendix 1 and other documentation in this respect shall be submitted to Iberclear in the manner to be established by Instruction.”

ADDITIONAL PROVISIONS

1. Clarification of the references to article 47 of Iberclear's Bylaws included in Circular 12/2017. Section 3 of article 47 of said Bylaws shall be understood as implemented under Rule 3, and section 2 of said article will be understood as implemented under Rule 8.

2. Any operational, procedural and documentary aspects required to submit and update the documentation set out in this circular are permitted to be carried out by means of instruction, as are those required to update the list of documentation for risk assessment cited in Appendix 1.

FINAL PROVISION

This circular will take effect on the date established by means of Instruction.

In Madrid, on 13th of December 2022.

Francisco Béjar
Managing Director