

Circular on the regulatory framework of Iberclear as the entity responsible for the administration of the registration and record of negotiable securities represented through systems based on distributed ledger technology

Circular no 03/2025, 28th of May of 2025



Iberclear

May 2025

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

General description

This Circular addresses the regulatory framework of Iberclear's activity as the entity responsible for the administration of the registration and record-keeping of negotiable securities represented through systems based on distributed ledger technology.

Impact

Issuing entities may designate Iberclear as the entity responsible for the administration of the registration and record-keeping of negotiable securities represented through systems based on distributed ledger technology.

Effective date

This Circular will enter into force on the date determined by Instruction.

Contact

If you have any questions, you can contact the Entities Department via email entidadesiberclear@grupobme.es

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Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U., domicilio social en Madrid, Plaza de la Lealtad 1, C.I.F. A-82695677 e inscrita en el Registro Mercantil de Madrid en el tomo 15.611, folio 5, sección 8, hoja núm. M-262818

Pursuant to Article 8.4 of the Securities Markets and Investment Services Act ("LMVSI"), Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. ("Iberclear") may maintain the registry of negotiable securities represented through distributed ledger technology ("DLT") systems.

In the development of this provision, the Iberclear Regulation, for its part, establishes in its article 1.1 b) that Iberclear may keep the accounting record corresponding to negotiable securities and other financial instruments not admitted to trading on regulated markets or multilateral trading systems.

In light of ongoing technological advancements and the growing adoption of distributed ledger technologies (DLT), this Circular establishes the regulatory framework applicable to the accounting registry of negotiable securities represented through DLT systems, provided such securities are not admitted to trading venues and Iberclear is designated as the Entity Responsible for the Administration of the Registration and Record ("ERIR")

This regulatory framework is essential to address the specific requirements associated with the maintenance of accounting records for DLT-based securities (hereinafter, "**DLT-based negotiable securities**") and to ensure the necessary legal certainty

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

Section I.- Object and Basic Functions of Iberclear as ERIR

Regulation 1.- Object

The purpose of this Circular is to establish the regime applicable to Iberclear's activity as the entity responsible for the administration of the registration and record-keeping of DLT-based negotiable securities, when the issuer of the securities has designated Iberclear as ERIR.

For the development of this activity, Iberclear may use one or more distributed ledger systems.

Section II.- Issuers

Regulation 2.- Designation of Iberclear

1. Issuers of DLT-based negotiable securities must designate Iberclear as the ERIR by submitting Annex 1 of this Circular.
2. This designation must be explicitly included in the issuance documentation.

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3. Iberclear reserves the right to deny the designation following a comprehensive risk assessment, or in cases where Iberclear does not provide initial registration services for securities issued under the applicable national legal framework governing the issuance for which it has been designated.

Regulation 3.- Document of the issuance and its modifications

Issuers that have designated Iberclear as ERIR must submit the issuance documentation and any supporting materials required for the initial registration of the securities. This obligation also applies to subsequent issuances, redemptions, or any amendments to the terms and conditions of the securities, in accordance with the LMVSI and other applicable regulations.

Regulation 4.- Corporate event management

Issuers must notify Iberclear of all financial and corporate actions affecting the securities, in accordance with the procedures established by Iberclear for DLT-based negotiable securities.

Regulation 5.- Information on the ownership of the rights to the securities

The issuers of securities will be able to access the position of the holders of said securities in real time.

For their part, the holders of the rights over the negotiable securities in DLT will have access to the corresponding information about them, as well as to the operations on the securities carried out by them.

Regulation 6.- Payment of fees

Issuers are required to pay the fees established by Iberclear for the designation, registration, maintenance of the accounting record, amendments to the securities' characteristics, and any additional services requested.

Regulation 7.- Transfer of securities to another entity and/or resignation from Iberclear

1. Issuers may transfer the registration of a securities issuance to another entity. The effectiveness of the substitution will be conditioned upon the transfer to the new entity, with the transfer being considered to have occurred at the moment when the

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new entity can fully assume the management and is registered in the corresponding administrative register of the CNMV.

2. The transfer expenses will be borne by the issuer.
3. Iberclear may also renounce the maintenance of the register, and the issuer must designate a new entity within one month from the renunciation. If the issuer does not designate an entity within that period, the corresponding issuance will be transferred to the entity proposed by Iberclear.

Section III.- Distributors

Regulation 8.- Subjects who can acquire the status of Distributor

Securities firms, securities agencies, and credit institutions—whether or not they are participating entities in Iberclear—may apply for Distributor status, provided they are authorized to offer custody and administration services on behalf of clients for DLT-based negotiable securities. To obtain this status, applicants must enter into the agreement attached as Annex 2 to this Circular with Iberclear.

Regulation 9.- Functions

1. The Distributors are responsible for requesting the opening of individual third-party accounts and for managing these accounts.

The Distributors may also request the opening of their own accounts in which the securities they own will be recorded.

2. Distributors have the responsibility to properly identify their clients regarding those who request the opening of individual third-party accounts, gathering from them reliable documentation and the information necessary for the proper management of said accounts, and will update the obtained information with the frequency required by the applicable regulations. The Distributor is responsible for the proper identification and assessment of the suitability of said account holders, being obliged to carry out the appropriate "Know your client" processes, as well as any other processes foreseen by the regulation. They will also be responsible for the continuous application of anti-money laundering obligations on said account holders.
3. The Distributors will be responsible for providing all the information required by the holders who are their clients, in a timely manner and in an accessible format, thus fulfilling the established contractual obligations. This will also include the certificates of legitimation that the Distributors request from Iberclear on behalf of their clients.

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4. Iberclear has no responsibility for the functions performed by the Distributors in relation to their clients.

Regulation 10.- Payment of Fees

The Distributors will be required to pay the fees established by Iberclear for the maintenance of the securities register and any additional services provided by Iberclear, as regulated at any given time.

Section IV.- Account Structure

Regulation 11.- Structure of the Register of the DLT-based negotiable securities

Iberclear will register the DLT-based negotiable securities in the distributed ledger systems, using the following types of accounts:

- i. Proprietary accounts of Distributors: These accounts reflect the balances of DLT-based negotiable securities owned by each Distributor.
- ii. Individual third-party accounts: These accounts reflect the balances of securities held by the clients of each Distributor. Distributors are responsible for managing these accounts and must agree with their clients on the terms and conditions governing the disposition of the securities recorded therein. Each account shall exclusively reflect the securities of a single holder and must be segregated from the accounts of other holders. Distributors must ensure that the securities of each holder are clearly identified and kept separate from those of other clients.
- iii. Blocking accounts: These accounts are used exclusively by Iberclear to temporarily restrict access to a holder's securities. Such restrictions may apply in specific circumstances, including but not limited to, the imposition of liens or other real rights over the securities.

Regulation 12.- Tokenized money deposit accounts

1. For the management of events involving cash settlement, issuers that have designated Iberclear as ERIR must maintain tokenized money deposit accounts with a credit institution participating in a cash tokenization platform connected to Iberclear's DLT-based system. Issuers must ensure that these accounts are sufficiently funded to meet payment obligations arising from such events.

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2. In addition to maintaining their own tokenized money deposit accounts, Distributors may open such accounts on behalf of their clients.

Additional provision

The following documents are attached as annexes to this Circular:

- Annex 1: Request for acceptance by Iberclear.
- Annex 2: Distributor Agreement.

Final provision

The present Circular shall come into effect on the date established by means of an Instruction.

Madrid, 28th of May of 2025

Jesús Benito
Chief Executive Officer Iberclear

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BME
Plaza de la Lealtad,1
Palacio de la Bolsa
28014 Madrid

www.bolsasymercados.es



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