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In case of legal matters the original documents written in Portuguese, and other Portuguese legislation should be consulted.

INTERBOLSA CIRCULAR 4/2016 – Non-Euro Currency Settlement System

(as amended by Interbolsa Circular 3/2019)

In compliance with Article 55 of INTERBOLSA Regulation no. 2/2016 on the establishment of operational rules of the centralized securities systems and of securities settlement systems managed by INTERBOLSA, this Circular sets out the subjects related to currencies and securities eligible for SLME – Non-Euro currency Settlement System as well as its operating rules.

Therefore, under the above established, the Board of Directors of INTERBOLSA - Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A. (INTERBOLSA), decided to approve the following Circular:

SECTION I – USE OF A NON-EURO CURRENCY SETTLEMENT SYSTEM

Article 1

(Participation in the system)

- 1.** All the Participants in the systems managed by INTERBOLSA can participate in the non-euro currency settlement system, through a specific request to that effect to INTERBOLSA.
- 2.** In order to participate in the Non-Euro Currency Settlement System, the Participants shall open an account in the payment system operated by CGD and ensure INTERBOLSA they have the necessary resources and adequate technical capacity to interact with the settlement system and, consequently, with the payment system operated by CGD, in order to carry out transfer operations in currencies different from euro, which, at any time, are accepted by the system.
- 3.** The access to the Non-Euro Currency Settlement System can be direct or indirect:

a) The participation will be direct if the participant have a direct account with the payment system operated by CGD;

b) The participation will be indirect if the participant uses, for settlement in a currency other than euro, an account of another participant open with the payment system operated by CGD, presenting for that purpose to INTERBOLSA the proper authorisation.

4. The Participants of the Non-Euro Currency Settlement System shall provide to INTERBOLSA, and keep it updated, the information concerning:

a) The identification of the account opened by currency, directly or indirectly, in the payment system operated by CGD;

b) The identification, for each currency, of the Correspondent Bank and the identification of the account opened.

5. The participant with direct access to the Non-Euro Currency Settlement System shall provide to CGD the documents and other elements established in the terms and conditions for opening and using of the account, that may, for this purpose, be requested by CGD.

6. Once the information referred to in the preceding paragraphs is communicated to INTERBOLSA and introduced into the system, the Participant is legitimized to use the Non-Euro Currency Settlement System managed by INTERBOLSA shall this fact be made known to CGD and to the concerned financial intermediary. CGD and the Participant will be informed of such fact.

Article 2

(Non-compliance with the participation rules)

1. Whenever a financial intermediary, non-participating directly or indirectly in the Non-Euro Currency Settlement System, is responsible for a financial movement in the System, the following procedures shall apply:

a) When concerning debits, the System shall treat the operation as a financial failure, being given by CGD immediate information to INTERBOLSA;

b) Whenever concerning credits, CGD shall open, for this purpose, in the payment system, a default account to credit the amount in question, giving immediate information thereof to INTERBOLSA.

2. In the situations referred to in the preceding paragraph, INTERBOLSA shall communicate such facts to CMVM, keeping them informed until the complete regularisation of the situation, and contacts, immediately, the financial intermediary concerned for a swift resolution of the ongoing situation.

3. The amount credited in the terms of subparagraph b) of paragraph 1 shall be withdrawn from the default account, in the shortest time, being INTERBOLSA responsible for the supervision of the ongoing situation.

4. In case of non-compliance with the participation rules, INTERBOLSA will charge the defaulting financial intermediary, the following penalty:

a) € 1,000 (one thousand euros) per currency on the first day of default;

b) € 1,500 (one thousand five hundred euros) per currency in the subsequent days, up to a maximum amount of € 5,500 (five thousand and five hundred euros).

CHAPTER II – CURRENCIES AND SECURITIES ELIGIBLE

Article 3

(Currencies)

1. The Non-Euro Currency Settlement System accepts any convertible currency which can be handled by the payment system operated by CGD.

2. INTERBOLSA discloses, through its Portal, the convertible currencies eligible, at every moment, in the Non-Euro Currency Settlement System.

Article 4

(Securities)

The Non-Euro Currency Settlement System accepts any securities issues representing debt securities (with the exception of any convertible securities) and *Exchange-Traded Funds* (ETFs) denominated in a currency other than the euro, provided that it is integrated in the centralized securities system managed by INTERBOLSA.

Article 5

(Coming into force)

This Circular comes into force on March 25, 2016, being, however, the entry into force subject to the effective migration of INTERBOLSA systems to T2S platform.