

# Rules of Operations and Procedures of Georgian Central Securities Depository

## Annex №1

GEORGIAN CENTRAL SECURITIES DEPOSITORY (GCSD)				
Service Fees*				
No	Service	Payable by	Fee	Calculation period and/or payment Frequency
<b>I. Registration **</b>				
1	Participant registration fee	Participant	GEL 500	One Off
<b>II. Opening / Closing and maintenance of Securities Account(s)</b>				
2	Account(s) Opening / Closing		Free	
	Account(s) maintenance fee for a Member Participant	Participant	GEL 60	Monthly
	Account(s) maintenance fee for a Non-Member Participant	Participant	GEL 150	Monthly
<b>III. Admission of Securities</b>				
3	Admission of local securities to the System of GCSD (within 10 business days)	Applicant	GEL 1,000	One Off
	Accelerated admission of local securities to the System of GCSD (within 1 business day)	Applicant	GEL 2,500	One Off
4	Admission of foreign securities	Applicant	Same as Local***	One Off
<b>IV. Safekeeping of Securities</b>				
5	Safekeeping of local shares		Free	
6	Safekeeping of foreign shares		Free***	
7	Safekeeping of debt securities issued in Georgia	Participant	0.03% of the daily value of the securities, but not less than GEL 2.5 per day ****	Monthly
8	Safekeeping of debt securities issued outside Georgia	Participant	Same as in point 7****	Monthly

9	Safekeeping of debt securities issued by a Georgian or a foreign government or a domestic municipality		Free***	
<b>V. Transactions with securities</b>				
10	Acceptance of local securities from the Registrar in nominal ownership by the GCSD		Free	
11	Transfer of local securities to the Registrar to a nominal owner account or a Registered Owner account	Participant	0.001% of the value of the securities, but not less than GEL 5 and not more than GEL 1,000 *****	Per transaction
12	Acceptance of foreign securities from a foreign depository in nominal ownership by the GCSD		Free***	
13	Transfer of foreign securities to a foreign depository to a nominal owner account or a Registered Owner account	Participant	Same as in point 11***	Daily
14	Blocking, pledging, repo and related transactions	Participant	GEL 2 ***	Per transaction
15	GeDN Issuance fee: deposit of Notes and issuance of GeDNs	Participant	0.05% per aggregate nominal value	Per transaction
16	GeDN Cancellation Fee: surrender of GeDNs for cancellation and withdrawal of Notes	Participant	0.05% per aggregate nominal value	Per transaction
<b>VI. Clearing and Settlement</b>				
17	Delivery Versus Payment (DVP) of shares or cancellation of the settlement	Transaction Parties	GEL 5	Per transaction
18	Free Of Payment (FOP) of shares or cancellation of the settlement	Transaction Parties	GEL 5	Per transaction
19	Delivery Versus Payment (DvP) of debt securities or cancellation of the settlement	Transaction Parties	GEL 5	Per transaction
20	Free Of Payment (FOP) of debt securities or cancellation of the settlement	Transaction Parties	GEL 5	Per transaction
<b>VII. Corporate Actions***</b>				
21	Dividend payout	Issuer	GEL 1	Per payment
22	Coupon payout	Issuer	GEL 1	Per payment
23	All other corporate actions	Issuer	GEL 5	Per account

24	Representation (participation) on the shareholders' meeting	Account Owner	On agreement	Per payment
<b>VIII. Account Statement Information</b>				
25	Safekeeping Account statement release	Participant	GEL 20	Per transaction
26	Account turnover statement release	Participant	GEL 20	Per transaction
27	Portfolio statement release	Participant	GEL 20	Per transaction
28	Pledge / account blocking confirmation statement	Participant	GEL 20	Per transaction
29	All other statements (not listed above)	Account Owner	On agreement	Per transaction
<b>IX. Other Services</b>				
30	Other Services	Participant	On agreement	Per transaction

\* - Fees are VAT exclusive

Payments shall be made in GEL in accordance with the exchange rate set by the National Bank of Georgia (NBG), except payments made by a non – resident participant.

Fees, charges and penalties must be settled within 5 business days from invoice value date, unless otherwise stated. Payment by a Participant must be executed directly from his account or the GCSD will debit the Participant's account held at the GCSD.

If the payment is not executed by the account holder within 5 business days, the GCSD has the right to impose a fine of 0.1% per day on the overdue amount.

Payment of the invoice will be executed in accordance with the invoice issued by GCSD.

\*\* - The fee is not payable by a Member Participant of GCSD.

\*\*\* - In the event of foreign securities, additional costs incurred by GCSD for service rendered (e.g. international depository, local or foreign custodian charges) may apply. For Eurobonds the following additional costs will be incurred:

- Clearstream:
  - Monthly safekeeping fee is accrued daily based on bond nominal value and is calculated by multiplying 0.001% monthly fee on the end of day balance(s) and dividing on the actual number of days per month;
  - Securities transaction will incur additional EUR 10, cancellation/ modification fee per transaction is EUR 5;
  - Fee for blocking, pledging and for related operations is GEL 30 per transaction;

- Corporate action notification is EUR 10; Corporate action confirmation is EUR 60;
- Other additional fees may apply.
- Euroclear:
  - Monthly safekeeping fee is accrued daily based on bond nominal value and is calculated by multiplying 0.001% monthly fee on the end of day balance(s) and dividing on the actual number of days per month;
  - Securities transaction will incur additional EUR 10, cancellation/ modification fee per transaction is EUR 10;
  - Fee for blocking, pledging and for related operations is 0,02% on the principal value of the security per transaction;
  - Corporate action notification is EUR 20; Corporate action confirmation is EUR 100;
  - Other additional fees may apply.

\*\*\*\* - Fees indicated in percentage are on an annual basis. The fee is calculated on the basis of the total daily value of the securities held by the Participant on the account(s) at the GCSD. Daily values of the securities of a single type (i.e. debt security or shares) held on Participant's account(s) are used to calculate total daily value of the Participant's account(s). Daily values of securities held on the account is calculated as follows:

- Debt securities - quantity of the debt security multiplied by the nominal value.
- Shares – quantity of the shares multiplied by the share price:
  - If the shares are admitted on to the organised market, the value of the share is determined by the closing price. In the event the shares did not trade, the price will be the closing price on the last day of trading.
  - If the shares are not admitted on to the organised market, the price of the shares will be deemed to be its market price (obtained from a reliable source or valuation).
  - In case the share has no market price, the price of the share will be its nominal value.
- Depositary Notes/Receipts will incur an additional custody fee related to the custody of their underlying assets.

\*\*\*\*\* - Fee is calculated by taking the sum of transaction(s) value(s) performed during a business day and multiply it by 0.001%. Total value of the transaction performed during the day is calculated by summing up the values of the securities in the transactions. Min / max payable fee will apply to each transaction. Transaction value is the value of the securities participating in the transaction. Value of securities is calculated as follows:

- Debt securities - quantity of the debt security multiplied by the nominal value.
- Shares – quantity of the shares multiplied by the share price:
  - If the shares are admitted on to the organised market, the value of the share is determined by the closing price. In the event the shares did not trade, the price will be the closing price on the last day of trading.
  - If the shares are not admitted on to the organised market, the price of the shares will be deemed to be its market price (obtained from a reliable source or valuation).
  - In case the share has no market price, the price of the share will be its nominal value.

## Membership Rules of Georgian Central Securities Depository

### Annex №2

No	Service	Fee	Frequency
1	Admitted as a custodian member*	GEL 12,500	One-off, payment is made upon application
2	Admitted as a trading member**	GEL 3,750	One-off, payment is made upon application

\* - A commercial bank can be admitted as a custodian member, that carries out the activities under Article 20 Para 1 Section “h” of the Georgian Law on “Commercial Bank Activities” (Storing and Registering Valuables, including securities)

\*\* - A trading member must be at the same time a member of the Stock Exchange with which the depository has an existing service contract.