

**Rules and Regulations Governing the Activities  
of the Treasury Securities Dealer  
as of September 15th, 2015**

**I. General provisions**

**§1.**

These Rules and Regulations determine the principles governing the activities of a Treasury Securities Dealer and they set in particular:

- 1) duties and rights of the Treasury Securities Dealers;
- 2) duties and rights of the Minister of Finance;
- 3) selection criteria for the Treasury Securities Dealers;
- 4) selection criteria for the Electronic market for trading Treasury securities issued in the domestic market, excluding bonds offered in the retail market, where Applicant's duties, defined in §5, are realized and Treasury securities fixing is organized.

**§2.**

The following terms used in the Rules and Regulations shall mean:

- 1) Minister – the Minister of Finance;
- 2) NBP – the National Bank of Poland;
- 3) NDS – the National Depository for Securities;
- 4) Entity – a bank, a credit institution or a financial institution and their branches under the Banking Act as of August 29<sup>th</sup>, 1997 (Journal of Laws of 2015 item 128 with subsequent changes);
- 5) Domestic entity – an Entity which is seated in the Republic of Poland;
- 6) Foreign entity – an Entity which is seated outside the Republic of Poland;
- 7) TSD – an entity with which the Minister concluded the agreement on fulfilling the function of the Treasury Securities Dealer;
- 8) TS – Treasury Securities offered in the domestic primary market, excluding bonds offered in the retail market;
- 9) TS fixing – activities undertaken in order to set fixing and informational rates for bid and offer price quotations in accordance with the TS Fixing Regulations determined by NBP in consultation with the Minister;
- 10) Electronic market – TS electronic trading market, operated in consultation with the Minister, where Applicant's duties, defined in §5, are realized and TS Fixing is organized;
- 11) Entity operating Electronic market – an entity which signed an agreement with the Minister on operating the Electronic market;
- 12) TS Market Participants Council – an advisory body to the Minister, consisting of the representatives of the TSDs; regular participants of the Council's meetings are representatives of the Minister, NBP, NDS and the Entity operating the Electronic market;
- 13) Rules and Regulations – Rules and Regulations Governing the Activities of the Treasury Securities Dealer;
- 14) Competition period – each of four consecutive quarters commencing on October 1<sup>st</sup>, 2015;
- 15) Competition – a competition for fulfilling TSD function in 2017, organized by the Minister and lasting four consecutive periods;

- 16) Applicant – an entity applying for the status of TSD, eligible under the Rules and Regulations and approved by the Minister to participate in the Competition;
- 17) Periodical assessment – Applicant’s assessment made basing on the rules defined in the Rules and Regulations in consecutive competition periods;
- 18) DAI – the Dealer's Activity Index;
- 19) Benchmark issues – TS issues defined by the Minister, in consultation with the TS Market Participants Council, in particular fixed rate bonds with at least one year maturity and total face value not less than PLN 10 billion or on-the-run issues with total face value not less than PLN 2 billion;
- 20) Ordinance – the Ordinance of the Minister of Finance as of August 30<sup>th</sup>, 2013 on the general terms of issuing Treasury bonds offered through wholesale sales (Journal of Laws item 1089);
- 21) Auction – an auction under §15 of the Ordinance;
- 22) Non-competitive auction - an auction under §21 of the Ordinance;
- 23) Switching auction – an auction under §32 of the Ordinance;
- 24) T-bill auction – an auction and a non-competitive auction under §15 and §21 of the Ordinance of the Minister of Finance as of August 30<sup>th</sup>, 2013 on the general terms of issuing of Treasury bills (Journal of Laws item 1088);
- 25) Buy-back auction – an auction under §45 of the Ordinance or §33 of the Ordinance of the Minister of Finance of August 30<sup>th</sup>, 2013 on the general terms of issuing of Treasury bills;
- 26) Announcement – every information concerning the Competition or TSD published on the Ministry of Finance website and in information networks according to the Rules and Regulations;
- 27) Settling participant – an institution which settles the TS transactions concluded by a TSD or an Applicant and possesses Treasury bills account with the NBP or Treasury bonds deposit account with the NDS;
- 28) International bonds – Treasury bonds issued by the Minister on international markets;
- 29) Business day – any day between Monday and Friday, except for statutory holidays;
- 30) Banking group – a group that includes a TSD or an Applicant, as well as banks or credit institutions, one of which is a dominant entity related by capital with other entities (§24.3.4) being its subsidiaries, provided that a subsidiary can also be a foreign branch of a bank or credit institution, as well as an entity which is in a relationship of dependence with a subsidiary.

## **II. Duties and rights of the TSDs**

### **§3.**

1. TSDs are obliged to participate in the Treasury bond auctions organized by the NBP on behalf of the Minister.
2. TSDs are obliged to purchase not less than, defined for a given calendar year, the minimum required share (“MIN”) expressed as a percentage of the total, weighted face value of TS sold at auctions, non-competitive auctions, switching auctions and Treasury bill auctions within a given Competition period.

The weights are set as follows:

- 1) 0.5 - for TS with maturity less than four years,
- 2) 1.5 - for TS with maturity equal or above four years.

3. MIN is calculated as 50% divided by the number of TSDs selected for a given year. MIN will be announced to TSDs before the beginning of a given year.
4. The Minister defines total, weighted face value of TS, specified in §3.2, on the last business day of a given Competition period.
5. Non-compliance with the requirement referred to in §3.2 during two consecutive competition periods shall result in dismissal of the TSD from its function with immediate effect, subject to §3.6.
6. In justified cases, when the number of TS auctions organized in a given Competition period is limited, the Minister may decide to waive §3.5.

#### **§4.**

1. TSDs are obliged to participate in TS Fixings.
2. The list of TS subject to TS Fixing is determined by the Minister.
3. The TS quotation ratio at TS Fixings (“*KF*”) shall amount to at least 90%. *KF* is an arithmetic mean of each Fixing ratio in a given Competition period calculated as the number of TS quoted by a TSD divided by the number of TS subject to Fixing.
4. Non-compliance with the condition referred to in §4.3 during two consecutive competition periods shall result in dismissal a TSD from its function with immediate effect.

#### **§5.**

1. TSDs and Applicants are obliged to submit TS quotations on an Electronic market, in particular for Benchmark issues, by presenting bid and offer prices in accordance with the rules relevant for the Electronic market. The minimum daily time for quoting of each Benchmark issue by a given TSD or an Applicant is 5 hours.
2. The TS quotation for Benchmark issues (“*KB*”) for each TSD shall amount to at least 90%, subject to §5.5. *KB* is an arithmetic mean of daily ratios for each business day, which is a trading day on the Electronic market in a given Competition period, which are calculated as a total TS quotation time for Benchmark issues, in accordance with the Electronic market rules, divided by the total required time of quotation.
3. Non-compliance with the condition referred to in §5.2 during two consecutive competition periods shall result in dismissal a TSD from its function with immediate effect.
4. Information on quotations and transactions on the Electronic market may be published in information networks in accordance with the rules determined by the Minister in consultation with the TS Market Participants Council.
5. The Minister reserves the right to temporarily change *KB* if justified by the market situation. The Announcement including a new value of *KB* and its effective period shall be communicated to TSDs and Applicants.

#### **§6.**

1. TSDs and Applicants are, in addition, obliged to:
  - 1) duly fulfill their duties resulting from the participation in the depository systems,
  - 2) co-operate with the Minister towards further development of the transparent, liquid and efficient TS market,
  - 3) widen the base of investors purchasing TS,
  - 4) promote the government TS market,
  - 5) undertake actions supporting liquidity of the international bonds,

- 6) submit, directly or through appropriate Settlement participants, data in electronic form according to the Appendix 1.1-1.3 within 14 days following the end of each month,
- 7) reply, in an electronic form, to the questionnaires specified in the Appendix 1.5, sent out by the Minister once a week, within the deadline specified in the questionnaire.
2. It is permitted to provide data specified in the Appendix 1.6-1.8 related to transactions concluded by all entities within a banking group, of which a given TSD is a member, excluding transactions among the entities within a banking group.
3. Presenting the data specified in §6.2 is not obligatory and does not exempt TSD from the obligation of providing the data referred to in §6.1.6.
4. TSDs are also obliged to quote bid and offer TS prices at any request of the Minister.

#### **§7.**

1. TSDs are entitled to:
  - 1) Exclusive submission of bids at auctions in accordance with the rules defined in the Ordinance,
  - 2) Exclusive rights or preferences in concluding individual transactions with the Minister concerning:
    - a) repo and buy-sell back transactions,
    - b) hedging transactions,
    - c) private placement transactions,
    - d) TS issues on foreign markets,
    - e) other financial market transactions defined by the Minister.
2. The extent and scale of the exclusive rights or preferences, mentioned in point §7.1.2, shall depend on the type of transaction, scale of transactions concluded by the Minister in particular market segment and level of TSD's commitment to particular market segment. The position taken in the last Periodical assessment might be taken into account within the exclusive rights or preferences for TSDs.
3. The key criterion for selection of a counterpart for the transactions mentioned in point §7.1.2a concluded on the Electronic market or using automatic systems of matching proposals will be the level of received quotations. In case of equal quotations received from two or more TSDs, the transaction shall be concluded with the TSD that achieved the higher position in the last Periodical assessment.

#### **§8.**

TSD, during the term of the agreement on fulfilling the function of TSD, has an exclusive right to use the title of the "Treasury Securities Dealer".

### **III. Duties and rights of the Minister**

#### **§9.**

1. The Minister is obliged to draw up lists of Benchmark issues and TS subject to TS Fixing and publish that information, at least once a year, in an Announcement.
2. The Minister, having considered the opinion of the TS Market Participants Council, determines lists of Benchmark issues and TS subject to TS fixing with reservation about TS subject to Fixing which maturity shall be longer than 3 months.
3. The Minister is obliged to present to the public the TS issuance calendar according to the following schedule:

- 1) once a year - issuance plan for the coming calendar year, containing information on total amount of Treasury bills and Treasury bonds issue as well as scheduled TS auction dates,
- 2) once a quarter - issuance plan for coming quarter, containing information on offered papers type and range of planned offer,
- 3) on the auction day at the latest - the exact value of TS offer.

#### **§10.**

1. The Minister is obliged to:
  - 1) organize TS auctions using an electronic system,
  - 2) announce TS auction results not later than:
    - a) at 11:30 hrs for sale auctions, buy-back auctions and Treasury bill auctions,
    - b) at 12:00 hrs for switching auctions,
    - c) at 13:45 hrs for non-competitive auctions;
  - 3) perform annual and Periodical assessments of Applicants in accordance with §15,
  - 4) organize meetings with TSDs in order to:
    - a) solve subject-matter, organizational and technical problems connected with organization and functioning of the TS market and the TSD system,
    - b) discuss issuance policy, plans for financing state budget borrowing needs and financial market conditions.
2. Duties mentioned in §10.1.1-2 shall not apply to unpredicted events or technical problems which make it impossible to organize an auction using the electronic system or announce TS auction results at the mentioned times.
3. When it is impossible to organize an auction using the electronic system, alternative means of data transmitting (phone, fax) shall be used.
4. When the reasons mentioned in §10.2 occur, the Minister announces deadline for publication of auction results and information on such delay reasons. The announcement shall be published not later than original deadline for auction results announcement.

#### **§11.**

The Minister, pursuant to the powers granted by TSD under the agreement on fulfilling the function of TSD, has the right to perform in TSD's or Settling participant's premises, verification of information and data submitted to the Minister due to fulfilling the functions of TSD.

In parallel TSD authorizes the Minister to undertake other, deemed necessary by the Minister, verification and control actions with regard to TSD's activity connected with its functioning as TSD.

#### **§12.**

1. In case of default execution of the provisions of the Rules and Regulations, the Minister, after prior consideration of TSD's clarification, may impose on TSD a written reminder pointing reasons behind that move. Unless properly clarified each reminder shall result in TSD's Periodical assessment reduction not less than 0.5 and not more than 2 points.
2. In case of gross defaults in TSD functions fulfilling, the Minister may dismiss a TSD from its function with immediate effect.
3. In case of a reasonable suspicion that particular actions undertaken by TSD or Applicant are aimed at overvaluing DAI defined in §15, the Minister, after prior consideration of

TSD's or Applicant's explanation, may dismiss the TSD from its function with immediate effect or exclude the Applicant from the Competition, respectively.

4. In case of termination of the agreement with immediate effect the Minister may sign the agreement on fulfilling the function of TSD with an Applicant that achieved the highest average score in the Periodical assessments during the current Competition from among the entities that were not granted the status of TSD by the time of termination of the agreement defined in §12.2, §12.3, §3.5, §4.4 and §5.3. The agreement with this entity shall be in force till the end of calendar year.
5. Information on a dismissal of a given entity from the TSD system and information on signing of the agreement with a new TSD shall be published in an Announcement.

#### **IV. Rules of selection of Treasury Securities Dealers**

##### **§13.**

1. The Minister shall arrange the Competition for Entities that apply for a TSD function.
2. Terms for participation in the Competition are:
  - 1) having the Treasury bills account with the NBP or securities/deposit account with the NDS or pointing a Settling participant and consent to provide by that Settling participant data on activity of the Entity applying for TSD on financial markets in extent needed for this Entity evaluation in the Competition,
  - 2) submitting, according to Appendix 2 to the Rules and Regulations:
    - a) the statement including data on:
      - credit rating,
      - net capital,
      - TS portfolio value and its changes within last three years,
    - b) in case of Foreign entity, the statement on fulfilling the function of government securities dealer in at least one OECD member country, excluding the Republic of Poland,
  - 3) submitting Entity's and Settling participant's statements, according to Appendices 3 and 4 to the Rules and Regulations, giving the Entity's and Settling participant's consent to provide data on Entity's activity on financial markets and for verification and control these data by the Minister, the NBP and the NDS,
  - 4) participation in the Electronic market as market-maker according to the regulations of Electronic market.

##### **§14.**

1. Entity intending to apply for TSD status should submit to the Minister a written declaration of participation in the Competition, according to Appendix 5 to the Rules and Regulations, and the statement referred to in §13.
2. The declaration and the statement mentioned in §14.1 are the basis for assessment initiation of an Entity applying for TSD status and mean the acceptance of the obligations specified in §5 and §6 and the rules defined in §11 and §12.
3. The declaration should be delivered to the Minister non later than on the last business day of the first Competition period. In case of later start in the Competition, the given Entity's assessment shall begin with the first day of the Competition period during which the declaration was delivered to the Minister.

4. The Minister reserves a right to verify the submitted statements and to reject the declaration in case of not fulfilling the conditions specified in §13.
5. In case of not fulfilling the obligations, mentioned in §14.2 and §13.2.4, the Minister may dismiss an Entity from the Competition.

### §15.

1. Each Applicant is subject to the Periodical assessment made in consecutive competition periods.
2. The basis for Applicant's assessment is the DAI calculated as a weighted mean of points granted to an Applicant in the following criteria and with appropriate, below specified weights:
  - 1) TSDs activity on the primary market, i.e. percentage share ("UZ") of total weighted face value of TS sold at auctions, non-competitive auctions, switching auctions and Treasury bill auctions within a Competition period (weight of 40%)
  - 2) Activity on the secondary market, i.e. quality of TS quotation on Electronic market (weight of 40%)
  - 3) Co-operation with the Minister (weight of 20%), in particular in the following areas:
    - a) Consultation on issuance policy, in particular consultation on general supply at particular auctions,
    - b) Consultation on current financial markets situation,
    - c) Quality of quotations of TS and other financial instruments at a request of the Minister,
    - d) Other activities, especially performed in order to fulfill the duties specified in §6.1.
3. Scoring in terms of the criterion specified in §15.2.1 is assigned as follows:

| Scoring    | UZ value  |
|------------|---|
| $(N-20)/2$ | $N \times (MIN/20) \leq UZ < (N+1) \times (MIN/20)$ for $N=0, \dots, 19$  |
| $0$        | $UZ = MIN$  |
| $(N-19)/2$ | $N \times (MIN/20) < UZ \leq (N+1) \times (MIN/20)$ for $N=20, \dots, 39$ |
| $+10$      | $UZ > 2 \times MIN$   |

4. The calculations of UZ is made with accuracy to two decimal places and is rounded according to general rules.
5. Scoring in terms of the criterion specified in §15.2.2 is assigned as follows, an "I" means quotation quality index:

| Scoring   | I value  |
|-----------|--|
| $0$       | $I \leq 100\%$   |
| $(N+1)/2$ | $100\% + N \times [(I_{max}-100\%)/20] < I \leq 100\% + (N+1) \times [(I_{max}-100\%)/20]$ , for $N=0, \dots, 19$ ,<br><br>$I_{max}$ is higher value between: <ul style="list-style-type: none"> <li>– the highest I value in a given Competition period among all Applicants,</li> <li>– 100%.</li> </ul> |

6. Quotation quality index, specified in §15.2.2, is calculated for each TSD as an arithmetic mean of daily indices ("ID") in a given Competition period. Daily quotation quality

indices are calculated as weighted means of daily quotation indices (“W”) for the particular TS. The weights used in this calculation are as follows:

| TS type / maturity                    |  | Weight |
|---------------------------------------|--|--------|
| Non-benchmark bonds subject to fixing |  | 0.75   |
| Benchmark bonds with maturity:        | below 2.5 years                            | 1.50   |
|                                       | equal or above 2.5 years but below 6 years | 2.00   |
|                                       | equal or above 6 years                     | 2.50   |

The last working day of the given Competition period is regarded as weights setting day for Periodical assessment.

7. Daily quotation indices for particular TS, specified in §15.6, are calculated as follows:

$$W = [\alpha \times S + (1 - \alpha) \times V] \times T$$

where:

S - a ratio of the reference spread to the daily average spread quoted by an Applicant on a given day;

V - a ratio of the volume quoted by an Applicant on a given day to the reference volume;

T - a ratio of the quoting time by an Applicant on a given day to the reference time; time of reference is equal to the minimum quoting time specified in §5.1;

$\alpha$  - the weight of 0.75.

8. The reference values of spread and volume, specified in §15.7, are calculated as quoting-time-weighted average spread and average volume respectively, for a particular TS, calculated with all Applicants' quotations on a given day.
9. Spread, specified in §15.7, is calculated as a difference between best bid price and best ask price among quotations set at the time by an Applicant and presented as percentage points for 100% of the face value; only quotations fulfilling below conditions are taken into account when calculating daily quotation indices::
- 1) in case of benchmark issues - quotations within maximum spread allowed for a given TS according to the Electronic market regulations,
  - 2) in case of non-benchmark issues subject to fixing - quotations with spread not higher than the maximum spread allowed for the TS with the longest maturities according to the Electronic market regulations.
10. Volume of spread, specified in §15.7, is calculated as an arithmetic mean of nominal values of two best mentioned in §15.9 quotations with following restrictions:
- 1) in case of quotations with hidden volume - hidden volume is not taken into account;
  - 2) in case of quotations with volume higher than PLN 100 million - volume of PLN 100 million is taken into account.
11. Reference time T, specified in §15.7, may be changed during Competition by decision taken by the Minister in consultation with the TS Market Participants Council.
12. Weight of  $\alpha$ , specified in §15.7, may be changed during Competition by decision taken by the Minister in consultation with the TS Market Participants Council.
13. Scoring of criterion specified in §15.2.3a is set within 0 to 4 points, every 0.25 points.
14. Scoring of all criteria specified in §15.2.3b-d is set within 0 to 2 points, every 0.25 points.
15. The scoring in each criteria is made with accuracy to one decimal place and is rounded according to general rules.

16. In the Periodical assessment Applicant's DAI scoring represents the sum of points and negative points specified in §12.1. Annual assessment is calculated as an arithmetic mean of four Periodical assessments.
17. Regulations specified in §12.1 also apply to Applicants with no TSD status.

#### **§16.**

1. The value of TS purchased by a particular TSD, referred to in §3.2 is calculated with regard to the sum of TS purchased by the TSDs. The calculation is made on the basis of the NBP and the NDS data. Unsettled transactions are not included.
2. The criteria specified in §15.2.2 are calculated on the basis of data provided to the Minister by entity operating Electronic market.

#### **§17.**

1. The Minister shall publish an Announcement with TSDs' ranking after completing Periodical or annual assessment and after every change in the list referred to in §18.2.
2. The Minister shall provide each of Applicants with information that would enable them to estimate their position in the Competition; such information shall include in particular the position and the number of points scored within the confines of the respective criteria.

#### **§18.**

1. The Minister shall conclude agreements on fulfilling the function of TSD for one year with those Applicants who have achieved the highest scores in the annual assessment.
2. The list of Entities, with which the Minister concluded the agreement on fulfilling the function of TSD, shall be published in an Announcement.

### **V. Rules of Selection of Electronic market.**

#### **§19.**

1. The selection of Electronic market for the following three competitions, of which the first one begins in the year of Electronic market selection, is done by the TSDs in a current year.
2. The Entity operating electronic market must ensure the following:
  - 1) safe and efficient entering into transactions, both outright and repo / buy-sell back and their efficient settlement according to rules specified by:
    - a) the NDS for transactions on Treasury bonds;
    - b) the NBP for transactions on Treasury bills;
  - 2) efficient organization of everyday TS fixing, accordingly to the TS fixing Regulations;
  - 3) equal access for all market participants to information on functioning of TS trading system and technical requirements;
  - 4) equal access for all market participants to the market, specifically in regard to the level of fees charged;
  - 5) access via TS trading system in real time to information on everyday operations for each TS, specifically on price and value of best buy and sell offers; price, value and time of last trades; low, high and weighted average price and value of turnover for the period since market opening; in regard to each particular market participant – a detailed list of all trades;

- 6) publishing at least at the end of each business day information on daily low, high and weighted average price and total volume for each TS being traded, calculated on the basis of all trades done during a given day;
- 7) free access for the Minister to daily, weekly and monthly statistics according to the Appendix 6 to the Rules and Regulations and provide, if necessary, any required technical infrastructure.

#### **§ 20.**

Procedure of selection of Electronic market:

- 1) each TSD indicates, according to its own preferences, up to two electronic markets and entities operating those markets; market indicated as first receives two points and market indicated as second receives one point;
- 2) each TSD submits information about its choice to the Minister in a form of a statement accordingly to the Appendix 7 to the Rules and Regulations within a deadline set by the Minister;
- 3) after receiving statements from all TSDs or after the above mentioned deadline, the sum of points received by each electronic market is calculated and a ranking is prepared;
- 4) if two markets or more referred to in §20.2 receive the same number of points, the procedure is applied again to those market only.

#### **§ 21.**

1. The entity operating Electronic market that received the highest score and agreed to fulfill requirements specified in the Rules and Regulations, in particular in §22, will be selected as the entity operating Electronic market. Information on selection of such entity will be made public in an Announcement.
2. If the entity referred to in §21.1 does not agree to fulfill requirements specified in the Rules and Regulations, the next entity from the ranking is chosen.
3. If all the entities referred to in §21.1 do not agree to fulfill requirements specified in the Rules and Regulations, then the Minister appoints without the selection procedure specified in §20 and signs the agreement with entity operating electronic market.

#### **§ 22.**

1. The entity operating the selected Electronic market is obliged to:
  - 1) submit, within two months after being informed about the selection, a written declaration of fulfilling of the criteria referred to in §19.2;
  - 2) sign an agreement with the Minister governed by Polish law within the deadline allowing to conduct the Competition according to the Rules and Regulations.

#### **§ 23.**

1. Selection procedure mentioned in §20 is performed in January every three years, subject to §23.2.
2. In case of a significant deterioration of quality of services provided by the entity mentioned in §21.1, at the request of at least 50% of TSDs the Minister may perform the selection procedure mentioned in §20 earlier. If other Electronic market is selected, then the agreement mentioned in §22.1.2 is terminated upon at least 6-month notice.

3. In case of situation described in §23.2 the Minister may in consultation with TS Market Participants Council change the rules concerning fulfilling the duties mentioned in §4-5 and scoring criteria mentioned §15.2.2.

## **VI. TSD status transfer**

### **§24.**

1. Applicant or TSD is not allowed to transfer the rights and duties deriving from the Rules and Regulations to other Entities, with reservation of §24.2-4.
2. The Minister, after prior consultation with the committed Entities, is entitled to consent to transfer TSD's or Applicant's rights and duties deriving from TSD or Applicant status to another Entity, hereinafter referred to as "Taking over entity", providing that following requirements are met:
  - 1) Taking over entity must comply with all the criteria mentioned in §13.2;
  - 2) Taking over entity must submit the declaration and statements mentioned in §14;
  - 3) TSD or Applicant must submit to the Minister the statement containing its assent to transfer the rights and duties deriving from TSD or Applicant status to Taking over entity.
3. The rights and duties, mentioned in §24.2, may be transferred in the following cases:
  - 1) TSD's or Applicant's merger or division – to merging Entity or to new Entity established in result of merger or division,
  - 2) establishing a branch in the Republic of Poland by a Foreign entity possessing TSD's or Applicant's status – to this branch,
  - 3) liquidation of Foreign entity's branch in the Republic of Poland possessing TSD's or Applicant's status – to this Foreign entity,
  - 4) presence of capital relationship between TSD or Applicant and Taking over entity with the following characteristic:
    - a) Taking over entity has directly or indirectly majority of votes in managing bodies of TSD or Applicant, also on the basis of the agreement with other entities, or
    - b) Taking over entity is entitled to elect and dismiss majority of managing bodies members of TSD or Applicant, or
    - c) more than a half of TSD's or Applicant's members of board is simultaneously the members of board, authorized clerks or managers in Taking over entity or in other Entity dependent from Taking over entity, or
    - d) sale of enterprise, within the meaning of article 55 of the Civil Code, by TSD or Applicant.
4. Transfer of the rights and duties mentioned in §24.2 becomes effective on the first day of the Competition period commencing directly after the Competition period during which the Minister made consent mentioned in §24.2. Points scored by TSD or Applicant in Periodical assessments before the transfer of the rights and duties mentioned in §23.2 shall be treated as a Taking over entity scoring.
5. In the case of transfer of the rights and duties mentioned in §24.2 by TSD that is not an Applicant simultaneously the Taking over entity steps in the rights and duties on the day agreed by committed parties and accepted by the Minister.

6. The Minister is entitled to refuse its consent mentioned in §24.2. The Minister informs TSD or Applicant on reasons behind such a decision on paper.

## **VII. Transitory and final provisions.**

### **§25.**

The Bank Gospodarstwa Krajowego is entitled to participate in the auctions according to the agreement signed with the Minister.

### **§26.**

In case of any changes to the Rules and Regulations the Minister is obliged to inform TSDs and Applicants about them not later than two weeks before they come into effect.

### **§27.**

The Rules and Regulations become effective as of October 1<sup>st</sup>, 2015.

MINISTER OF FINANCE

**Appendices to the Rules and Regulations Governing the Activities of the Treasury  
Securities Dealer as of September 15th, 2015**

**Appendix 1.1**

Outright transactions in T-bonds\* secondary market (excluding Electronic market) settled by  
.....(name of TSD or Applicant).....during a month .....

| date<br>(yyyy-mm-dd) | ISIN | buy <sup>1)</sup><br>(nominal value in<br>PLN) | sell <sup>2)</sup><br>(nominal value in<br>PLN) | counterpart type <sup>3)</sup> | counterpart<br>location <sup>4)</sup> |
|----------------------|------|--|---|--------------------------------|---------------------------------------|
| -1-                  | -2-  | -3-  | -4-   | -5-                            | -6-                                   |
|                      |      |  |   |                                |                                       |
|                      |      |  |   |                                |                                       |
|                      |      |  |   |                                |                                       |

\* applies only to T-bonds issued on the domestic market, excluding bonds offered in the retail network.

- 1) bank buys from a counterpart;
- 2) bank sells to a counterpart;
- 3) use the numbering/code as follows:
  - 1-TSD,
  - 2-bank (non-TSD),
  - 3-broker,
  - 4-central bank,
  - 5-public institutions (governments, local and regional governments, sovereign wealth funds),
  - 6-insurance companies,
  - 7-pension funds,
  - 8-investment company (and similar institutions governed by foreign laws, such as asset managers, fund managers, mutual funds),
  - 9-hedge funds,
  - 10-retail,
  - 11-non-financial entities,
  - 12-other;
- 4) country according to ISO 3166-1 alpha-3 (or ISO 3166-1 alpha-2) or, if and only if the value entered in column 5 is 4 ("central bank"), a code of geographical region as defined in Appendix 1.4:
  - AAA-Africa,
  - BBB-South America (including Caribbean),
  - CCC-North America,
  - DDD-Australia and Oceania,
  - EEE-Asia (excluding Middle East),
  - FFF-Middle East,
  - GGG-Europe (Eurozone),
  - HHH-Europe (EU outside Eurozone),
  - JJJ-Europe (outside EU).

NOTE: This table is to be filled out by TSD and Applicant (directly or via appropriate Settlement participant) and submitted as a spreadsheet.

## Appendix 1.2

Outright transactions in T-bills secondary market (excluding Electronic market) settled by .....(name of TSD or Applicant).....during a month .....

| date<br>(yyyy-mm-dd) | ISIN | buy <sup>1)</sup><br>(nominal value in<br>PLN) | sell <sup>2)</sup><br>(nominal value in<br>PLN) | counterpart type <sup>3)</sup> | counterpart<br>location <sup>4)</sup> |
|----------------------|------|--|---|--------------------------------|---------------------------------------|
| -1-                  | -2-  | -3-  | -4-   | -5-                            | -6-                                   |
|                      |      |  |   |                                |                                       |
|                      |      |  |   |                                |                                       |
|                      |      |  |   |                                |                                       |

- 1) bank buys from a counterpart;  
 2) bank sells to a counterpart;  
 3) use the numbering/code as follows:  
 1-TSD,  
 2-bank (non-TSD),  
 3-broker,  
 4-central bank,  
 5-public institutions (governments, local and regional governments, sovereign wealth funds),  
 6-insurance companies,  
 7-pension funds,  
 8-investment company (and similar institutions governed by foreign laws, such as asset managers, fund managers, mutual funds),  
 9-hedge funds,  
 10-retail,  
 11-non-financial entities,  
 12-other;
- 4) country according to ISO 3166-1 alpha-3 (or ISO 3166-1 alpha-2) or, if and only if the value entered in column 5 is 4 (“central bank”), a code of geographical region as defined in Appendix 1.4:  
 AAA-Africa,  
 BBB-South America (including Caribbean),  
 CCC-North America,  
 DDD-Australia and Oceania,  
 EEE-Asia (excluding Middle East),  
 FFF-Middle East,  
 GGG-Europe (Eurozone),  
 HHH-Europe (EU outside Eurozone),  
 JJJ-Europe (outside EU).

NOTE: This table is to be filled out by TSD and Applicant (directly or via appropriate Settlement participant) and submitted as a spreadsheet.

## Appendix 1.3

Outright transactions in international bonds secondary market (excluding Electronic market) settled by.....(name of TSD or Applicant).....during a month .....

| date<br>(yyyy-mm-dd) | ISIN | buy <sup>1)</sup><br>(nominal value in<br>the currency of<br>issue) | sell <sup>2)</sup><br>(nominal value in<br>the currency of<br>issue) | counterpart type <sup>3)</sup> | counterpart<br>location <sup>4)</sup> |
|----------------------|------|---|--|--------------------------------|---------------------------------------|
| -1-                  | -2-  | -3-   | -4-  | -5-                            | -6-                                   |
|                      |      |   |  |                                |                                       |
|                      |      |   |  |                                |                                       |
|                      |      |   |  |                                |                                       |

- 1) bank buys from a counterpart;
- 2) bank sells to a counterpart;
- 3) use the numbering/code as follows:
  - 1-TSD,
  - 2-bank (non-TSD),
  - 3-broker,
  - 4-central bank,
  - 5-public institutions (governments, local and regional governments, sovereign wealth funds),
  - 6-insurance companies,
  - 7-pension funds,
  - 8-investment company (and similar institutions governed by foreign laws, such as asset managers, fund managers, mutual funds),
  - 9-hedge funds,
  - 10-retail,
  - 11-non-financial entities,
  - 12-other;
- 4) country according to ISO 3166-1 alpha-3 (or ISO 3166-1 alpha-2) or, if and only if the value entered in column 5 is 4 (“central bank”), a code of geographical region as defined in Appendix 1.4:
  - AAA-Africa,
  - BBB-South America (including Caribbean),
  - CCC-North America,
  - DDD-Australia and Oceania,
  - EEE-Asia (excluding Middle East),
  - FFF-Middle East,
  - GGG-Europe (Eurozone),
  - HHH-Europe (EU outside Eurozone),
  - JJJ-Europe (outside EU).

NOTE: This table is to be filled out by TSD and Applicant (directly or via appropriate Settlement participant) and submitted as a spreadsheet.

## Geographical classification of countries:

| English short name                     | ISO3166-1 Alpha-2 | ISO3166-1 Alpha-3 | Geographical region             | Region code |
|--|-------------------|-------------------|---------------------------------|-------------|
| Afghanistan                            | AF                | AFG               | Asia (excl. Middle East)        | EEE         |
| Åland Islands                          | AX                | ALA               | Europe - non-EU                 | GGG         |
| Albania                                | AL                | ALB               | Europe - non-EU                 | JJJ         |
| Algeria                                | DZ                | DZA               | Africa                          | AAA         |
| American Samoa                         | AS                | ASM               | Australia and Oceania           | DDD         |
| Andorra                                | AD                | AND               | Europe - non-EU                 | JJJ         |
| Angola                                 | AO                | AGO               | Africa                          | AAA         |
| Anguilla                               | AI                | AIA               | South America (incl. Caribbean) | BBB         |
| Antarctica                             | AQ                | ATA               | (*)                             |             |
| Antigua and Barbuda                    | AG                | ATG               | South America (incl. Caribbean) | BBB         |
| Argentina                              | AR                | ARG               | South America (incl. Caribbean) | BBB         |
| Armenia                                | AM                | ARM               | Asia (excl. Middle East)        | EEE         |
| Aruba                                  | AW                | ABW               | South America (incl. Caribbean) | BBB         |
| Australia                              | AU                | AUS               | Australia and Oceania           | DDD         |
| Austria                                | AT                | AUT               | Europe - eurozone               | GGG         |
| Azerbaijan                             | AZ                | AZE               | Asia (excl. Middle East)        | EEE         |
| Bahamas (the)                          | BS                | BHS               | South America (incl. Caribbean) | BBB         |
| Bahrain                                | BH                | BHR               | Middle East                     | FFF         |
| Bangladesh                             | BD                | BGD               | Asia (excl. Middle East)        | EEE         |
| Barbados                               | BB                | BRB               | South America (incl. Caribbean) | BBB         |
| Belarus                                | BY                | BLR               | Europe - non-EU                 | JJJ         |
| Belgium                                | BE                | BEL               | Europe - eurozone               | GGG         |
| Belize                                 | BZ                | BLZ               | South America (incl. Caribbean) | BBB         |
| Benin                                  | BJ                | BEN               | Africa                          | AAA         |
| Bermuda                                | BM                | BMU               | North America                   | CCC         |
| Bhutan                                 | BT                | BTN               | Asia (excl. Middle East)        | EEE         |
| Bolivia, Plurinational State of        | BO                | BOL               | South America (incl. Caribbean) | BBB         |
| Bonaire, Sint Eustatius and Saba       | BQ                | BES               | South America (incl. Caribbean) | BBB         |
| Bosnia and Herzegovina                 | BA                | BIH               | Europe - non-EU                 | JJJ         |
| Botswana                               | BW                | BWA               | Africa                          | AAA         |
| Bouvet Island                          | BV                | BVT               | (*)                             |             |
| Brazil                                 | BR                | BRA               | South America (incl. Caribbean) | BBB         |
| British Indian Ocean Territory (the)   | IO                | IOT               | (*)                             |             |
| Brunei Darussalam                      | BN                | BRN               | Asia (excl. Middle East)        | EEE         |
| Bulgaria                               | BG                | BGR               | Europe - EU non-eurozone        | HHH         |
| Burkina Faso                           | BF                | BFA               | Africa                          | AAA         |
| Burundi                                | BI                | BDI               | Africa                          | AAA         |
| Cambodia                               | KH                | KHM               | Asia (excl. Middle East)        | EEE         |
| Cameroon                               | CM                | CMR               | Africa                          | AAA         |
| Canada                                 | CA                | CAN               | North America                   | CCC         |
| Cape Verde                             | CV                | CPV               | Africa                          | AAA         |
| Cayman Islands (the)                   | KY                | CYM               | South America (incl. Caribbean) | BBB         |
| Central African Republic (the)         | CF                | CAF               | Africa                          | AAA         |
| Chad                                   | TD                | TCD               | Africa                          | AAA         |
| Chile                                  | CL                | CHL               | South America (incl. Caribbean) | BBB         |
| China                                  | CN                | CHN               | Asia (excl. Middle East)        | EEE         |
| Christmas Island                       | CX                | CXR               | Australia and Oceania           | DDD         |
| Cocos (Keeling) Islands (the)          | CC                | CCK               | Australia and Oceania           | DDD         |
| Colombia                               | CO                | COL               | South America (incl. Caribbean) | BBB         |
| Comoros                                | KM                | COM               | Africa                          | AAA         |
| Congo                                  | CG                | COG               | Africa                          | AAA         |
| Congo (the Democratic Republic of the) | CD                | COD               | Africa                          | AAA         |
| Cook Islands (the)                     | CK                | COK               | Australia and Oceania           | DDD         |
| Costa Rica                             | CR                | CRI               | South America (incl. Caribbean) | BBB         |
| Côte d'Ivoire                          | CI                | CIV               | Africa                          | AAA         |
| Croatia                                | HR                | HRV               | Europe - EU non-eurozone        | HHH         |
| Cuba                                   | CU                | CUB               | South America (incl. Caribbean) | BBB         |
| Curaçao                                | CW                | CUW               | South America (incl. Caribbean) | BBB         |
| Cyprus                                 | CY                | CYP               | Europe - eurozone               | GGG         |
| Czech Republic (the)                   | CZ                | CZE               | Europe - EU non-eurozone        | HHH         |
| Denmark                                | DK                | DNK               | Europe - EU non-eurozone        | HHH         |
| Djibouti                               | DJ                | DJI               | Africa                          | AAA         |
| Dominica                               | DM                | DMA               | South America (incl. Caribbean) | BBB         |
| Dominican Republic (the)               | DO                | DOM               | South America (incl. Caribbean) | BBB         |
| Ecuador                                | EC                | ECU               | South America (incl. Caribbean) | BBB         |
| Egypt                                  | EG                | EGY               | Africa                          | AAA         |
| El Salvador                            | SV                | SLV               | South America (incl. Caribbean) | BBB         |
| Equatorial Guinea                      | GQ                | GNQ               | Africa                          | AAA         |
| Eritrea                                | ER                | ERI               | Africa                          | AAA         |
| Estonia                                | EE                | EST               | Europe - eurozone               | GGG         |
| Ethiopia                               | ET                | ETH               | Africa                          | AAA         |
| Falkland Islands (the) [Malvinas]      | FK                | FLK               | South America (incl. Caribbean) | BBB         |
| Faroe Islands (the)                    | FO                | FRO               | Europe - non-EU                 | JJJ         |
| Fiji                                   | FJ                | FJI               | Australia and Oceania           | DDD         |
| Finland                                | FI                | FIN               | Europe - eurozone               | GGG         |
| France                                 | FR                | FRA               | Europe - eurozone               | GGG         |
| French Guiana                          | GF                | GUF               | South America (incl. Caribbean) | BBB         |
| French Polynesia                       | PF                | PYF               | Australia and Oceania           | DDD         |
| French Southern Territories (the)      | TF                | ATF               | (*)                             |             |
| Gabon                                  | GA                | GAB               | Africa                          | AAA         |
| Gambia (The)                           | GM                | GMB               | Africa                          | AAA         |
| Georgia                                | GE                | GEO               | Europe - non-EU                 | JJJ         |
| Germany                                | DE                | DEU               | Europe - eurozone               | GGG         |
| Ghana                                  | GH                | GHA               | Africa                          | AAA         |
| Gibraltar                              | GI                | GIB               | Europe - non-EU                 | JJJ         |
| Greece                                 | GR                | GRC               | Europe - eurozone               | GGG         |
| Greenland                              | GL                | GRL               | North America                   | CCC         |
| Grenada                                | GD                | GRD               | South America (incl. Caribbean) | BBB         |
| Guadeloupe                             | GP                | GLP               | South America (incl. Caribbean) | BBB         |
| Guam                                   | GU                | GUM               | Australia and Oceania           | DDD         |

|  |    |     |                                 |     |
|--|----|-----|---------------------------------|-----|
| Guatemala                                    | GT | GTM | South America (incl. Caribbean) | BBB |
| Guernsey                                     | GG | GGY | Europe - non-EU                 | JJJ |
| Guinea                                       | GN | GIN | Africa                          | AAA |
| Guinea-Bissau                                | GW | GNB | Africa                          | AAA |
| Guyana                                       | GY | GUY | South America (incl. Caribbean) | BBB |
| Haiti  | HT | HTI | South America (incl. Caribbean) | BBB |
| Heard Island and McDonald Islands            | HM | HMD | (*)                             |     |
| Holy See (the) [Vatican City State]          | VA | VAT | Europe - non-EU                 | JJJ |
| Honduras                                     | HN | HND | South America (incl. Caribbean) | BBB |
| Hong Kong                                    | HK | HKG | Asia (excl. Middle East)        | EEE |
| Hungary                                      | HU | HUN | Europe - EU non-eurozone        | HHH |
| Iceland                                      | IS | ISL | Europe - non-EU                 | JJJ |
| India  | IN | IND | Asia (excl. Middle East)        | EEE |
| Indonesia                                    | ID | IDN | Asia (excl. Middle East)        | EEE |
| Iran (the Islamic Republic of)               | IR | IRN | Middle East                     | FFF |
| Iraq   | IQ | IRQ | Middle East                     | FFF |
| Ireland                                      | IE | IRL | Europe - eurozone               | GGG |
| Isle of Man                                  | IM | IMN | Europe - non-EU                 | JJJ |
| Israel                                       | IL | ISR | Middle East                     | FFF |
| Italy  | IT | ITA | Europe - eurozone               | GGG |
| Jamaica                                      | JM | JAM | South America (incl. Caribbean) | BBB |
| Japan  | JP | JPN | Asia (excl. Middle East)        | EEE |
| Jersey                                       | JE | JEY | Europe - non-EU                 | JJJ |
| Jordan                                       | JO | JOR | Middle East                     | FFF |
| Kazakhstan                                   | KZ | KAZ | Asia (excl. Middle East)        | EEE |
| Kenya  | KE | KEN | Africa                          | AAA |
| Kiribati                                     | KI | KIR | Australia and Oceania           | DDD |
| Korea (the Democratic People's Republic of)  | KP | PRK | Asia (excl. Middle East)        | EEE |
| Korea (the Republic of)                      | KR | KOR | Asia (excl. Middle East)        | EEE |
| Kuwait                                       | KW | KWT | Middle East                     | FFF |
| Kyrgyzstan                                   | KG | KGZ | Asia (excl. Middle East)        | EEE |
| Lao People's Democratic Republic (the)       | LA | LAO | Asia (excl. Middle East)        | EEE |
| Latvia                                       | LV | LVA | Europe - eurozone               | GGG |
| Lebanon                                      | LB | LBN | Middle East                     | FFF |
| Lesotho                                      | LS | LSO | Africa                          | AAA |
| Liberia                                      | LR | LBR | Africa                          | AAA |
| Libya  | LY | LBY | Africa                          | AAA |
| Liechtenstein                                | LI | LIE | Europe - non-EU                 | JJJ |
| Lithuania                                    | LT | LTU | Europe - eurozone               | GGG |
| Luxembourg                                   | LU | LUX | Europe - eurozone               | GGG |
| Macao  | MO | MAC | Asia (excl. Middle East)        | EEE |
| Macedonia (the former Yugoslav Republic of)  | MK | MKD | Europe - non-EU                 | JJJ |
| Madagascar                                   | MG | MDG | Africa                          | AAA |
| Malawi                                       | MW | MWI | Africa                          | AAA |
| Malaysia                                     | MY | MYS | Asia (excl. Middle East)        | EEE |
| Maldives                                     | MV | MDV | Asia (excl. Middle East)        | EEE |
| Mali   | ML | MLI | Africa                          | AAA |
| Malta  | MT | MLT | Europe - eurozone               | GGG |
| Marshall Islands (the)                       | MH | MHL | Australia and Oceania           | DDD |
| Martinique                                   | MQ | MTQ | South America (incl. Caribbean) | BBB |
| Mauritania                                   | MR | MRT | Africa                          | AAA |
| Mauritius                                    | MU | MUS | Africa                          | AAA |
| Mayotte                                      | YT | MYT | Africa                          | AAA |
| Mexico                                       | MX | MEX | South America (incl. Caribbean) | BBB |
| Micronesia (the Federated States of)         | FM | FSM | Australia and Oceania           | DDD |
| Moldova (the Republic of)                    | MD | MDA | Europe - non-EU                 | JJJ |
| Monaco                                       | MC | MCO | Europe - non-EU                 | JJJ |
| Mongolia                                     | MN | MNG | Asia (excl. Middle East)        | EEE |
| Montenegro                                   | ME | MNE | Europe - non-EU                 | JJJ |
| Montserrat                                   | MS | MSR | South America (incl. Caribbean) | BBB |
| Morocco                                      | MA | MAR | Africa                          | AAA |
| Mozambique                                   | MZ | MOZ | Africa                          | AAA |
| Myanmar                                      | MM | MMR | Asia (excl. Middle East)        | EEE |
| Namibia                                      | NA | NAM | Africa                          | AAA |
| Nauru  | NR | NRU | Australia and Oceania           | DDD |
| Nepal  | NP | NPL | Asia (excl. Middle East)        | EEE |
| Netherlands (the)                            | NL | NLD | Europe - eurozone               | GGG |
| New Caledonia                                | NC | NCL | Australia and Oceania           | DDD |
| New Zealand                                  | NZ | NZL | Australia and Oceania           | DDD |
| Nicaragua                                    | NI | NIC | South America (incl. Caribbean) | BBB |
| Niger (the)                                  | NE | NER | Africa                          | AAA |
| Nigeria                                      | NG | NGA | Africa                          | AAA |
| Niue   | NU | NIU | Australia and Oceania           | DDD |
| Norfolk Island                               | NF | NFK | Australia and Oceania           | DDD |
| Northern Mariana Islands (the)               | MP | MNP | Australia and Oceania           | DDD |
| Norway                                       | NO | NOR | Europe - non-EU                 | JJJ |
| Oman   | OM | OMN | Middle East                     | FFF |
| Pakistan                                     | PK | PAK | Asia (excl. Middle East)        | EEE |
| Palau  | PW | PLW | Australia and Oceania           | DDD |
| Palestine, State of                          | PS | PSE | Middle East                     | FFF |
| Panama                                       | PA | PAN | South America (incl. Caribbean) | BBB |
| Papua New Guinea                             | PG | PNG | Australia and Oceania           | DDD |
| Paraguay                                     | PY | PRY | South America (incl. Caribbean) | BBB |
| Peru   | PE | PER | South America (incl. Caribbean) | BBB |
| Philippines (the)                            | PH | PHL | Asia (excl. Middle East)        | EEE |
| Pitcairn                                     | PN | PCN | Australia and Oceania           | DDD |
| Poland                                       | PL | POL | Europe - EU non-eurozone        | HHH |
| Portugal                                     | PT | PRT | Europe - eurozone               | GGG |
| Puerto Rico                                  | PR | PRI | South America (incl. Caribbean) | BBB |
| Qatar  | QA | QAT | Middle East                     | FFF |
| Réunion                                      | RE | REU | Africa                          | AAA |
| Romania                                      | RO | ROU | Europe - EU non-eurozone        | HHH |
| Russian Federation (the)                     | RU | RUS | Europe - non-EU                 | JJJ |
| Rwanda                                       | RW | RWA | Africa                          | AAA |
| Saint Barthélemy                             | BL | BLM | South America (incl. Caribbean) | BBB |
| Saint Helena, Ascension and Tristan da Cunha | SH | SHN | Africa                          | AAA |
| Saint Kitts and Nevis                        | KN | KNA | South America (incl. Caribbean) | BBB |
| Saint Lucia                                  | LC | LCA | South America (incl. Caribbean) | BBB |
| Saint Martin (French part)                   | MF | MAF | South America (incl. Caribbean) | BBB |
| Saint Pierre and Miquelon                    | PM | SPM | North America                   | CCC |
| Saint Vincent and the Grenadines             | VC | VCT | South America (incl. Caribbean) | BBB |

|  |    |     |                                 |     |
|--|----|-----|---------------------------------|-----|
| Samoa  | WS | WSM | Australia and Oceania           | DDD |
| San Marino                                   | SM | SMR | Europe - non-EU                 | JJ  |
| Sao Tome and Principe                        | ST | STP | Africa                          | AAA |
| Saudi Arabia                                 | SA | SAU | Middle East                     | FFF |
| Senegal                                      | SN | SEN | Africa                          | AAA |
| Serbia                                       | RS | SRB | Europe - non-EU                 | JJ  |
| Seychelles                                   | SC | SYC | Africa                          | AAA |
| Sierra Leone                                 | SL | SLE | Africa                          | AAA |
| Singapore                                    | SG | SGP | Asia (excl. Middle East)        | EEE |
| Sint Maarten (Dutch part)                    | SX | SXM | South America (incl. Caribbean) | BBB |
| Slovakia                                     | SK | SVK | Europe - eurozone               | GGG |
| Slovenia                                     | SI | SVN | Europe - eurozone               | GGG |
| Solomon Islands (the)                        | SB | SLB | Australia and Oceania           | DDD |
| Somalia                                      | SO | SOM | Africa                          | AAA |
| South Africa                                 | ZA | ZAF | Africa                          | AAA |
| South Georgia and the South Sandwich Islands | GS | SGS | South America (incl. Caribbean) | BBB |
| South Sudan                                  | SS | SSD | Africa                          | AAA |
| Spain  | ES | ESP | Europe - eurozone               | GGG |
| Sri Lanka                                    | LK | LKA | Asia (excl. Middle East)        | EEE |
| Sudan (the)                                  | SD | SDN | Africa                          | AAA |
| Suriname                                     | SR | SUR | South America (incl. Caribbean) | BBB |
| Svalbard and Jan Mayen                       | SJ | SJM | Europe - non-EU                 | JJ  |
| Swaziland                                    | SZ | SWZ | Africa                          | AAA |
| Sweden                                       | SE | SWE | Europe - EU non-eurozone        | HHH |
| Switzerland                                  | CH | CHE | Europe - non-EU                 | JJ  |
| Syrian Arab Republic (the)                   | SY | SYR | Middle East                     | FFF |
| Taiwan (Province of China)                   | TW | TWN | Asia (excl. Middle East)        | EEE |
| Tajikistan                                   | TJ | TJK | Asia (excl. Middle East)        | EEE |
| Tanzania, United Republic of                 | TZ | TZA | Africa                          | AAA |
| Thailand                                     | TH | THA | Asia (excl. Middle East)        | EEE |
| Timor-Leste                                  | TL | TLS | Asia (excl. Middle East)        | EEE |
| Togo   | TG | TGO | Africa                          | AAA |
| Tokelau                                      | TK | TKL | Australia and Oceania           | DDD |
| Tonga  | TO | TON | Australia and Oceania           | DDD |
| Trinidad and Tobago                          | TT | TTO | South America (incl. Caribbean) | BBB |
| Tunisia                                      | TN | TUN | Africa                          | AAA |
| Turkey                                       | TR | TUR | Asia (excl. Middle East)        | EEE |
| Turkmenistan                                 | TM | TKM | Asia (excl. Middle East)        | EEE |
| Turks and Caicos Islands (the)               | TC | TCA | South America (incl. Caribbean) | BBB |
| Tuvalu                                       | TV | TUV | Australia and Oceania           | DDD |
| Uganda                                       | UG | UGA | Africa                          | AAA |
| Ukraine                                      | UA | UKR | Europe - non-EU                 | JJ  |
| United Arab Emirates (the)                   | AE | ARE | Middle East                     | FFF |
| United Kingdom (the)                         | GB | GBR | Europe - EU non-eurozone        | HHH |
| United States (the)                          | US | USA | North America                   | CCC |
| United States Minor Outlying Islands (the)   | UM | UMI | North America                   | CCC |
| Uruguay                                      | UY | URY | South America (incl. Caribbean) | BBB |
| Uzbekistan                                   | UZ | UZB | Asia (excl. Middle East)        | EEE |
| Vanuatu                                      | VU | VUT | Australia and Oceania           | DDD |
| Venezuela, Bolivarian Republic of            | VE | VEN | South America (incl. Caribbean) | BBB |
| Viet Nam                                     | VN | VNM | Asia (excl. Middle East)        | EEE |
| Virgin Islands (British)                     | VG | VGB | South America (incl. Caribbean) | BBB |
| Virgin Islands (U.S.)                        | VI | VIR | South America (incl. Caribbean) | BBB |
| Wallis and Futuna                            | WF | WLF | Australia and Oceania           | DDD |
| Western Sahara                               | EH | ESH | Africa                          | AAA |
| Yemen  | YE | YEM | Middle East                     | FFF |
| Zambia                                       | ZM | ZMB | Africa                          | AAA |
| Zimbabwe                                     | ZW | ZWE | Africa                          | AAA |

## Appendix 1.5

Questionnaire on the liquidity in given Treasury bonds reported by .....(name of TSD or Applicant)..... during<sup>1)</sup> .....

| date<br>(yyyy-mm-dd)                  | ISIN <sup>2)</sup> | maximum amount of a possible single sale transaction in the TSD's or Applicant's opinion which can be executed in the current market conditions without any impact on the bond price <sup>3)</sup><br>(PLN million) | change in bond price estimated by the TSD or Applicant as a result of executing a single sale offer in the amount specified in column 5 <sup>3)</sup><br>(bp) | nominal amount of a single sale offer<br>(PLN million) <sup>4)</sup> |
|---------------------------------------|--------------------|---|---|--|
| -1-                                   | -2-                | -3-   | -4-   | -5-  |
| Benchmark bonds                       |                    |   |   |  |
|                                       |                    |   |   |  |
|                                       |                    |   |   |  |
| Non-benchmark bonds subject to fixing |                    |   |   |  |
|                                       |                    |   |   |  |
|                                       |                    |   |   |  |

- 1) refers to the market situation on average on a given day/week – the period is defined each time;
- 2) current (on a given day) list T-bonds subject to fixing (fields including Benchmark bonds are mandatory, the rest is optional);
- 3) fill in or leave blank if you have no specific view on a given TS;
- 4) the amount is defined each time by the Minister.

NOTE: The information presented in the table does not constitute buy/sell offer of a given T-bond but comprises the best available expertise of a TSD or an Applicant on current market conditions at a given time.

## Appendix 1.6

Outright transactions in T-bonds\* secondary market (excluding Electronic market) settled by:  
 .....(name of an entity within a banking group of which a given TSD or Applicant is a member).....  
 .....(name of an entity within a banking group of which a given TSD or Applicant is a member).....  
 .....(name of an entity within a banking group of which a given TSD or Applicant is a member).....  
 during a month .....

| date<br>(yyyy-mm-dd) | ISIN | buy <sup>1)</sup><br>(nominal value in<br>PLN) | sell <sup>2)</sup><br>(nominal value in<br>PLN) | counterpart type <sup>3)</sup> | counterpart<br>location <sup>4)</sup> |
|----------------------|------|--|---|--------------------------------|---------------------------------------|
| -1-                  | -2-  | -3-  | -4-   | -5-                            | -6-                                   |
|                      |      |  |   |                                |                                       |
|                      |      |  |   |                                |                                       |
|                      |      |  |   |                                |                                       |

\* applies only to T-bonds issued on the domestic market, excluding bonds offered in the retail network.

- 1) bank buys from a counterpart;
- 2) bank sells to a counterpart;
- 3) use the numbering/code as follows:
  - 1-TSD,
  - 2-bank (non-TSD),
  - 3-broker,
  - 4-central bank,
  - 5-public institutions (governments, local and regional governments, sovereign wealth funds),
  - 6-insurance companies,
  - 7-pension funds,
  - 8-investment company (and similar institutions governed by foreign laws, such as asset managers, fund managers, mutual funds),
  - 9-hedge funds,
  - 10-retail,
  - 11-non-financial entities,
  - 12-other;
- 4) country according to ISO 3166-1 alpha-3 (or ISO 3166-1 alpha-2) or, if and only if the value entered in column 5 is 4 ("central bank"), a code of geographical region as defined in Appendix 1.4:
  - AAA-Africa,
  - BBB-South America (including Caribbean),
  - CCC-North America,
  - DDD-Australia and Oceania,
  - EEE-Asia (excluding Middle East),
  - FFF-Middle East,
  - GGG-Europe (Eurozone),
  - HHH-Europe (EU outside Eurozone),
  - JJJ-Europe (outside EU).

NOTE: This table is to be filled out by TSD and Applicant (directly or via appropriate Settlement participant) and submitted as a spreadsheet.

## Appendix 1.7

Outright transactions in T-bills secondary market (excluding Electronic market) settled by:

.....(name of an entity within a banking group of which a given TSD or Applicant is a member).....

.....(name of an entity within a banking group of which a given TSD or Applicant is a member).....

.....(name of an entity within a banking group of which a given TSD or Applicant is a member).....

during a month .....

| date<br>(yyyy-mm-dd) | ISIN | buy <sup>1)</sup><br>(nominal value in<br>PLN) | sell <sup>2)</sup><br>(nominal value in<br>PLN) | counterpart type <sup>3)</sup> | counterpart<br>location <sup>4)</sup> |
|----------------------|------|--|---|--------------------------------|---------------------------------------|
| -1-                  | -2-  | -3-  | -4-   | -5-                            | -6-                                   |
|                      |      |  |   |                                |                                       |
|                      |      |  |   |                                |                                       |
|                      |      |  |   |                                |                                       |

1) bank buys from a counterpart;

2) bank sells to a counterpart;

3) use the numbering/code as follows:

1-TSD,

2-bank (non-TSD),

3-broker,

4-central bank,

5-public institutions (governments, local and regional governments, sovereign wealth funds),

6-insurance companies,

7-pension funds,

8-investment company (and similar institutions governed by foreign laws, such as asset managers, fund managers, mutual funds),

9-hedge funds,

10-retail,

11-non-financial entities,

12-other;

4) country according to ISO 3166-1 alpha-3 (or ISO 3166-1 alpha-2) or, if and only if the value entered in column 5 is 4 (“central bank”), a code of geographical region as defined in Appendix 1.4:

AAA-Africa,

BBB-South America (including Caribbean),

CCC-North America,

DDD-Australia and Oceania,

EEE-Asia (excluding Middle East),

FFF-Middle East,

GGG-Europe (Eurozone),

HHH-Europe (EU outside Eurozone),

JJJ-Europe (outside EU).

NOTE: This table is to be filled out by TSD and Applicant (directly or via appropriate Settlement participant) and submitted as a spreadsheet.

## Appendix 1.8

Outright transactions in international bonds secondary market (excluding Electronic market) settled by:

.....(name of an entity within a banking group of which a given TSD or Applicant is a member).....

.....(name of an entity within a banking group of which a given TSD or Applicant is a member).....

.....(name of an entity within a banking group of which a given TSD or Applicant is a member).....

during a month .....

| date<br>(yyyy-mm-dd) | ISIN | buy <sup>1)</sup><br>(nominal value in<br>the currency of<br>issue) | sell <sup>2)</sup><br>(nominal value in<br>the currency of<br>issue) | counterpart type <sup>3)</sup> | counterpart<br>location <sup>4)</sup> |
|----------------------|------|---|--|--------------------------------|---------------------------------------|
| -1-                  | -2-  | -3-   | -4-  | -5-                            | -6-                                   |
|                      |      |   |  |                                |                                       |
|                      |      |   |  |                                |                                       |
|                      |      |   |  |                                |                                       |

1) bank buys from a counterpart;

2) bank sells to a counterpart;

3) use the numbering/code as follows:

1-TSD,

2-bank (non-TSD),

3-broker,

4-central bank,

5-public institutions (governments, local and regional governments, sovereign wealth funds),

6-insurance companies,

7-pension funds,

8-investment company (and similar institutions governed by foreign laws, such as asset managers, fund managers, mutual funds),

9-hedge funds,

10-retail,

11-non-financial entities,

12-other;

4) country according to ISO 3166-1 alpha-3 (or ISO 3166-1 alpha-2) or, if and only if the value entered in column 5 is 4 (“central bank”), a code of geographical region as defined in Appendix 1.4:

AAA-Africa,

BBB-South America (including Caribbean),

CCC-North America,

DDD-Australia and Oceania,

EEE-Asia (excluding Middle East),

FFF-Middle East,

GGG-Europe (Eurozone),

HHH-Europe (EU outside Eurozone),

JJJ-Europe (outside EU).

NOTE: This table is to be filled out by TSD and Applicant (directly or via appropriate Settlement participant) and submitted as a spreadsheet.

*(stamp of an Entity)*

**STATEMENT**

In accordance with §13 of the Rules and Regulations Governing the Activities of the Treasury Securities Dealer we declare that:

- 1) at the end of 2014 we had:
  - a) credit rating: .....
  - b) net capital: .....
- 2) value of our portfolio of TS amounted to:
  - a) at the end of June 2015 - ..... PLN million
  - b) at the end of December 2014 - ..... PLN million
  - c) at the end of December 2013 - ..... PLN million
- 3) we fulfill the function of government securities dealer in following OECD member countries<sup>1</sup>:.....
- 4) we commit ourselves to inform the Minister about all changes in our credit rating.

Signed: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

Signed: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

<sup>1</sup> This statement is submitted by Foreign entity only.

*(stamp of an Entity)*

**STATEMENT**

We hereby inform that our transactions involving Polish Treasury securities are settled by:  
.....*(name of a Settling participant)*.....

We consent to the provision of data, to the Minister by the Settling participant, concerning our activity on the financial market in extent needed for our evaluation in the Competition.

Signed: \_\_\_\_\_

Signed: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

*(stamp of a Settling participant)*

**STATEMENT**

We hereby inform that:

.....(*name of a Settling participant*).....

is the Settling participant for TS transactions concluded by:

.....(*name of Entity*).....

hereinafter referred to as "*the Applicant*".

We authorize the Minister's representatives to perform at our premises verification of information and data provided to the Minister in connection with Applicant's participation in the Competition.

Signed: \_\_\_\_\_

Signed: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

(stamp of an Entity)

**DECLARATION**

We hereby declare the intention of participating in the Competition for governing the activities of Treasury Securities Dealer, which shall take place from October 1<sup>st</sup>, 2015 until September 30<sup>th</sup>, 2016 (“Competition”).

To this end we commit ourselves to conform to Rules and Regulations and to the provision to the Minister, directly or via Settling participant, of the information mentioned in the Rules and Regulations.

We also consent to:

- 1) the provision of data concerning TS to the Minister or its authorized representatives by the NBP, NDS, Entity operating Electronic Market,
- 2) the provision of data necessary to assess Entity’s credit rating to the Minister by the NBP<sup>1</sup>,
- 3) an inspection and verification performed by authorized representatives of Minister during the Competition with regard to obeying the Rules and Regulations and reliability of the reports mentioned in the Rules and Regulations.

We authorize the Minister and their authorized representatives to perform at our premises verification of information and data provided to the Minister in connection with the Competition. To this end we will make available all information necessary for this verification. In addition we authorize the Minister and their authorized representatives to undertake other necessary verification and inspection measures concerning our activity related to the Competition.

We consent to undergo an assessment of fulfilling the above-mentioned tasks performed by the Minister and its representatives, and to accept the annual assessment mentioned in the Rules and Regulations as our assessment achieved in the course of the Competition.

Signed: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date: \_\_\_\_\_

Signed: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date: \_\_\_\_\_

---

<sup>1</sup> Refers to the Domestic entity only. Data are provided at the end of each quarter and contain information regarding: cash, funds on its account in the NBP, interbank deposits, *nostro* accounts at banks, non-performing loans of non-financial clients, non-performing loans of the budget sector, loans in default of non-financial clients, loans in default of the budget sector, loans of non-financial clients, loans of the budget sector, total net assets, total liabilities, net profit, capital and reserves, total capital ratio.

## Appendix 6.1

Outright transactions traded on Electronic market on..... (date) .....

| <b>date</b> | <b>ISIN</b> | <b>volume<br/>(number of<br/>TS)</b> | <b>price</b> | <b>value<br/>(PLN<br/>thousands)</b> | <b>buyer</b> | <b>seller</b> | <b>aggressor*</b> |
|-------------|-------------|--------------------------------------|--------------|--------------------------------------|--------------|---------------|-------------------|
|             |             |                                      |              |                                      |              |               |                   |
|             |             |                                      |              |                                      |              |               |                   |
|             |             |                                      |              |                                      |              |               |                   |

\* Counterparty initiating a transaction.

Note: This table is to be filled out by the Entity operating Electronic market.

## Appendix 6.2

Repo, buy-sell back transaction traded on Electronic market on..... (date) .....

| <b>date</b> | <b>ISIN /<br/>bond<br/>series</b> | <b>volume<br/>(number<br/>of TS)</b> | <b>open<br/>settlement<br/>date</b> | <b>close<br/>settlement<br/>date</b> | <b>open price</b> | <b>close price</b> | <b>buyer</b> | <b>seller</b> | <b>aggressor*</b> |
|-------------|-----------------------------------|--------------------------------------|-------------------------------------|--------------------------------------|-------------------|--------------------|--------------|---------------|-------------------|
|             |                                   |                                      |                                     |                                      |                   |                    |              |               |                   |
|             |                                   |                                      |                                     |                                      |                   |                    |              |               |                   |
|             |                                   |                                      |                                     |                                      |                   |                    |              |               |                   |

\* Counterparty initiating a transaction.

Note: This table is to be filled out by the Entity operating Electronic market.

## Appendix 6.3

TSD participating in TS fixing on ..... (date) .....

| <b>TSD</b> | <b>number of bid offers</b> | <b>number of ask offers</b> | <b>number of TS quoted</b> |
|------------|-----------------------------|-----------------------------|----------------------------|
|            |                             |                             |                            |
|            |                             |                             |                            |
|            |                             |                             |                            |

Note: This table is to be filled out by the Entity operating Electronic market.

## Appendix 6.4

Results of TS fixing on ..... (date) .....

| ISIN | number of bid offers | number of ask offers | bid price | ask price | bid yield | ask yield | fixing |       | number of TSDs quoting |
|------|----------------------|----------------------|-----------|-----------|-----------|-----------|--------|-------|------------------------|
|      |                      |                      |           |           |           |           | price  | yield |                        |
|      |                      |                      |           |           |           |           |        |       |                        |
|      |                      |                      |           |           |           |           |        |       |                        |
|      |                      |                      |           |           |           |           |        |       |                        |

Note: This table is to be filled out by the Entity operating Electronic market.

## Appendix 6.5

Statistic of TSD and Applicant's performance in regard to the requirements referred to in §5 of Rules and Regulations on..... (date) .....

| <b>TSD or Applicant</b> | <b>ISIN</b>   | <b>quoting time*<br/>(hh:mm:ss)</b> | <b>average spread*<br/>(bps)</b> | <b>average size*<br/>(PLN million)</b> | <b>maximum spread required<br/>(bps)</b> | <b>minimum size required (PLN million)</b> |
|-------------------------|---------------|-------------------------------------|----------------------------------|--|--|--|
| entity1                 | PL00001aaaaaa |                                     |                                  |  |  |  |
| entity1                 | PL00001bbbbbb |                                     |                                  |  |  |  |
| entity1                 | PL00001cccccc |                                     |                                  |  |  |  |
| ...                     | ...           |                                     |                                  |  |  |  |
| entity2                 | PL00001aaaaaa |                                     |                                  |  |  |  |
| entity2                 | PL00001bbbbbb |                                     |                                  |  |  |  |
| entity2                 | PL00001cccccc |                                     |                                  |  |  |  |
| ...                     | ...           |                                     |                                  |  |  |  |
|                         |               |                                     |                                  |  |  |  |

\* Fill in when appropriate minimum, according to the Rules and Regulations, is not fulfilled.

Note: This table is to be filled out by the Entity operating Electronic market.

## Appendix 6.6

TS quotation on Electronic market referred to in §15.2.2 of Rules and Regulations on .....(date) .....

| <b>TSD or Applicant</b> | <b>ISIN</b>   | <b>Time weighted average spread (pb)</b> | <b>Time weighted average size (PLN million)</b> | <b>Total quotation time (hh:mm:ss)</b> | <b>Reference spread (bp)</b> | <b>Reference size (PLN million)</b> | <b>Reference time (hh:mm:ss)</b> |
|-------------------------|---------------|--|---|--|------------------------------|-------------------------------------|----------------------------------|
| entity1                 | PL00001aaaaaa |  |   |  |                              |                                     |                                  |
| entity1                 | PL00001bbbbbb |  |   |  |                              |                                     |                                  |
| entity1                 | PL00001cccccc |  |   |  |                              |                                     |                                  |
| ...                     | ...           |  |   |  |                              |                                     |                                  |
| entity2                 | PL00001aaaaaa |  |   |  |                              |                                     |                                  |
| entity2                 | PL00001bbbbbb |  |   |  |                              |                                     |                                  |
| entity2                 | PL00001cccccc |  |   |  |                              |                                     |                                  |
| ...                     | ...           |  |   |  |                              |                                     |                                  |
|                         |               |  |   |  |                              |                                     |                                  |

Note: This table is to be filled out by the Entity operating Electronic market.

## Appendix 6.7

Statistics of TS quotation on Electronic market on ..... (date) .....

| -1- | -2- | -3- | -4- | -5- | -6- | -7- | -8- | -9- | -10- | -11- | -12- | -13- | -14- | -15- | -16- | -17- | -18- | -19- | -20- | -21- | -22- |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|------|------|------|------|------|------|------|------|------|------|------|------|
|     |     |     |     |     |     |     |     |     |      |      |      |      |      |      |      |      |      |      |      |      |      |
|     |     |     |     |     |     |     |     |     |      |      |      |      |      |      |      |      |      |      |      |      |      |
|     |     |     |     |     |     |     |     |     |      |      |      |      |      |      |      |      |      |      |      |      |      |

where the numbers have the following meaning:

1. date (yyyy-mm-dd),
2. ISIN,
3. time when the spread was defined (hh:mm:ss),
4. average spread between best bid price and best ask price time weighted (bp),
5. quoting time of at least one bid offer (hh:mm:ss),
6. average best bid price time weighted (%),
7. yield of price of column 6 (%),
8. average volume of the best bid price time weighted (PLN million),
9. time weighted average of all average bid prices volume weighted (%),
10. yield of price of column 9 (%),
11. time weighted average of total volume of all bid prices (PLN million),
12. time weighted average of all bid prices average (%),
13. yield of price of column 12 (%),
14. quoting time of at least one ask offer (hh:mm:ss),
15. average best ask price time weighted (%),
16. yield of price of column 15 (%),
17. average volume of the best ask price time weighted (PLN million),
18. time weighted average of all average ask prices volume weighted (%),
19. yield of price of column 18 (%),
20. time weighted average of total volume of all ask prices (PLN million),
21. time weighted average of all ask prices average (%),
22. yield of price of column 21 (%).

Note: This table is to be filled out by the Entity operating Electronic market.

*(stamp of an Entity)*

**DECLARATION**

In accordance with §20 of Rules and Regulations we hereby indicate the following electronic markets as the markets of our preference for the TS electronic trading:

- 1.....(*market and entity operating it*)..... (2 points)
- 2.....(*market and entity operating it*)..... (1 point)

Signed: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

Signed: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_