

Company Profile

Organization Name:	Central Depository AD /CDAD/
Country/ Region:	Bulgaria
Name of CEO:	Mr. Vasil Golemanski
Capital (US\$):	BGN 1000000 (EUR 511292)
Number of Officers and Employees:	27
Ownership and Governance (Main Shareholders) as of 31/08/2018	Ministry of Finance: 43.70% Bulgarian Stock Exchange – Sofia: 6.61% Banks: 40.01% Others: 9.68%

Brief History

CDAD is a joint-stock company with one-tier system of governance. A five-member Board of Directors is the operational body which exercises management control over its activity. The Board of Directors appoints one of its members as a Chief Executive Officer who leads and manages the daily activities and reports to the rest of Board members at least once a month. Representatives of Financial Supervision Commission may also attend the BOD's sessions.

CDAD was established in August 1996 under Art. 91 of the Securities, Stock Exchanges and Investment Intermediaries Act (superseded by the Law on Public Offering of Securities, effective from December 31, 1999) Operations commenced in January 1997. CDAD maintains a reliable system for book-entry registration of dematerialized securities. The depository performs also clearing and settlement of transactions in dematerialized securities as well as administration of such securities. Use of the depository for safekeeping and settlement of all dematerialized securities, except Bulgarian Government Bonds, is compulsory. All transactions are subject to the rules and procedures approved by the Board of Directors, agreed and accepted by participants upon joining.

Types and number of Participants

According to Art. 131 of the Law on Public Offering of Securities, members of CDAD may be: banks, management companies, investment intermediaries, stock exchanges, market operators when different from exchanges, foreign depository and clearing institutions. Members are obliged to meet some financial, technical and operational criteria, described in CDAD's Rules and Regulations. Participants are required to sign an agreement upon joining.

Number of participants: 87 as of 31/08/2018.

Regulatory Environment	<p>Law on Public Offering of Securities, Law on Markets in Financial Instruments, Commercial law and Ordinance № 8 of the Financial Supervision Commission set the basic rules for the organization and operation of CDAD.</p> <p>Financial Supervision Commission (FSC) and The Deputy Chairperson of the FSC exercise control over the operation and activity of CDAD.</p>
Stock Exchanges	Bulgarian Stock Exchange
Other CSDs or clearing organization in your country	YES: The Government Securities Settlement System, owned and operated by the Bulgarian National Bank, acts as the issuer CSD and securities settlement system for the Bulgarian government securities.
Services Provided	<p>CDAD maintains the national registration system for dematerialized securities and performs:</p> <ul style="list-style-type: none"> - registration of dematerialized securities and of transfers of dematerialized securities, as well as storing and maintaining of data about dematerialized securities by opening and keeping of accounts of their issuers and holders; - clearing and settlement of transactions in dematerialized securities; - administration of dematerialized securities, including keeping of a book of the holders of dematerialized securities, distributions of dividends, interest and other payments; - registration of special pledges on dematerialized securities; - ISIN, FISN, CFI allocation;
Eligible Securities	Dematerialized securities registered at CDAD include: shares, shares rights, corporate bonds, municipal bonds, compensation instruments, units of collective investment schemes, warrants.
Corporate Action services Provided? Yes/No	YES
(If yes, what kinds of services provided?)	Keeping of a book of the holders of dematerialized securities, effecting of payment of dividends, interests, principals and other payments through the System for gross settlement in real time at the Bulgarian national bank, registration of capital increase / decrease, general meetings notification, etc.
Value of Securities in Custody (US\$):	
Amount of Cash Settled per annum (US\$):	
Percentage of Securities Immobilized/ Dematerialized:	
Market Capitalization/ Trading volume per	

annum (US\$):

**Total Revenue/ Expense and Net income
Per annum (US\$):** TR 2017: BGN 2 158 000 / EUR 1 103 000
TE incl. profit tax 2017:
BGN 2 648 000 / EUR 1 352 000
NI 2017: BGN (447 000) / EUR (228 500)

**Memorandum of Understanding/ Business
Agreement (Date)**

Cross-Broader Transaction (Counterpart) Not yet

**Withholding Tax Treatment of Cross-
Border Trading Transactions (Details)** Not

DVP Implementation (Yes/No) Yes

Settlement Period CDAD operates a single intra-day settlement processing cycle, with DVP gross settlement of securities and netting of cash (9BIS Model 2). Clearing and settlement of securities takes place on T+2

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Remarks