

Company Profile

Organization Name:	Public Joint-Stock Company “National Depository of Ukraine” (hereinafter – NDU)
Country/ Region:	Ukraine
Name of CEO:	Mindaugas Bakas
Capital (US\$):	4.3 mln.
Number of Officers and Employees:	3 officers and 94 employees
Ownership and Governance (Main Shareholders)	<p>Ownership structure:</p> <ul style="list-style-type: none"> • National Bank of Ukraine (NBU) — 25 % • State represented by the National Securities and Stock Market Commission (NSSMC) — 25 % • Corporate non-state pension fund of NBU — 10.94 % • PJSC “State Savings Bank of Ukraine” — 24.99 % • Other stock market participants — 14.03 %
Brief History	<p>1997: Law of Ukraine “On National Depository System and Peculiarities of Electronic Circulation of Securities in Ukraine” defined a structure of the National Depository System, NDU role and place in the market</p> <p>1998: December 18, NBU and NSSMC signed an Agreement on NDU establishment</p> <p>1999: May 17, NDU was registered with the State</p> <p style="padding-left: 40px;">NDU became a member of the Association of National Numbering Agencies and started to exercise functions of a National Numbering Agency</p> <p>2004: NDU became a member of the Association of Eurasian Central Securities Depositories</p>

	<p>2006: NDU connected to S.W.I.F.T. system</p> <p>2008: NDU established a link with Oesterreichische Kontrollbank AG (Austrian CSD)</p> <p>2009: NDU started on-exchange securities transactions settlement</p> <p>2010: NDU became a member of the European Central Securities Depositories Association</p> <p>NDU established a link with Clearstream Banking Luxembourg (ICSD)</p> <p>2012: NDU became a member of the International Securities Services Association</p> <p>NDU established links with NSD (Russian CSD) and Belarusian CSD</p> <p>October 11, Law of Ukraine “On the Depository System of Ukraine” launched a process of establishing a single CSD in Ukraine on the basis of NDU</p> <p>2013: October 12, NDU began functioning as a single CSD on the grounds of GTC approved by the Ukrainian stock market Regulator (NSSMC)</p>
Types and number of Participants	<p>As of December 31, 2017, among NDU clients are:</p> <ul style="list-style-type: none"> • 10 504 issuers • 243 custodians • 1 correspondent depository • the National Bank of Ukraine • the Settlement Centre
Regulatory Environment	<p>NDU is governed by the Ukrainian legislation as well as regulatory acts that set legal framework for depository activity in Ukraine:</p> <ul style="list-style-type: none"> - Law of Ukraine “On the Depository System of Ukraine” - Law of Ukraine “On Securities and Stock Market”

	<ul style="list-style-type: none"> - Law of Ukraine “On Joint-Stock Companies” - NSSMC legal and regulatory acts
Stock Exchanges	<p>Together with the Settlement Centre NDU provides settlement of on-exchange securities transactions. There are 5 stock exchanges in Ukraine:</p> <ul style="list-style-type: none"> • PFTS Stock Exchange • Ukrainian Stock Exchange • Perspektyva Stock Exchange • Innex Stock Exchange • Ukrainian Interbank Currency Exchange
Other CSDs or clearing organization in your country	<p>CSD:</p> <p>NDU is responsible for servicing of all securities issued in Ukraine with the exception of government securities and municipal bonds.</p> <p>The depository of the National Bank of Ukraine is responsible for servicing government securities and municipal bonds.</p> <p>Clearing organisation: creation of clearing organizations is provisioned within the framework of the Law “On the Depository System of Ukraine”.</p>
Services Provided	<p>NDU exercises the following activities:</p> <ul style="list-style-type: none"> • securities safekeeping • safekeeping of global certificates • opening and maintenance of securities accounts for: <ul style="list-style-type: none"> ○ issuers ○ depository institutions ○ foreign (I)CSDs ○ clearing institutions ○ the National Bank of Ukraine ○ the Settlement Centre • securities settlement • corporate actions • proceeds • securities owners disclosure • securities numbering (National Numbering Agency) • book-keeping standardization • implementation of international

	<p>standards on depository activity</p> <ul style="list-style-type: none"> • establishing links with foreign CSDs • clients supervision (depository activity according to CSD rules and legislation)
Eligible Securities	<ul style="list-style-type: none"> • Shares • Corporate bonds • Investment certificates • Certificates of funds of real estate operations • Mortgage certificates • Mortgage bonds • Option certificates
<p>Corporate Action services Provided? Yes/No (If yes, what kinds of services provided?)</p>	<p>Yes, NDU services the following issuers' corporate actions:</p> <ul style="list-style-type: none"> - income payments - reflection of issuer's buy-back operations - operations related to change of share capital, share split, consolidation as well as operations related to restructuring, cancellation of the whole issue or its part, etc.
Value of Securities in Custody (US\$):	61.33 billion (as at 31.12.2017)
Amount of Cash Settled per annum (US\$):	NDU does not open cash accounts for participants. Cash accounts are held by participants with the Settlement Centre, which settles a cash leg upon DVP securities transactions.
Percentage of Securities Immobilized/ Dematerialized:	According to the current Ukrainian legislation all securities shall be issued in a book-entry form and securities issued in a documentary form shall be dematerialized. Securities eligible for settlement within NDU have to be in the book-entry form.
Market Capitalization/ Trading volume per annum (US\$):	
Total Revenue/ Expense and Net income Per annum (US\$):	N/A
Memorandum of Understanding/ Business Agreement (Date)	To facilitate servicing of cross-border securities transactions and to ensure maintenance of a number of financial instruments NDU initiates cooperation with leading depository institutions worldwide:

	<ul style="list-style-type: none"> - Memorandum of Understanding - signed by the State Agency of Ukraine for Investments and Innovations, NDU, the Vienna Stock Exchange, Central Counterparty Austria (CCP.A), and the Austrian CSD (OeKB) - Memorandum of Cooperation - signed between NDU and the National Depository Center of Azerbaijan - Memorandum of Cooperation - signed between NDU and the Latvian Central Depository - Memorandum of Cooperation - signed between NDU and the National Settlement Depository (Russian Federation)
Cross-Broader Transaction (Counterpart)	<p>To meet customer needs NDU initiates cooperation and strengthens relations with foreign CSDs. So far NDU has links with the following foreign depository institutions:</p> <ul style="list-style-type: none"> • Clearstream Banking Luxembourg (CBL) • National Settlement Depository (Russian CSD) • Republican Central Securities Depository (Belarusian CSD)
Withholding Tax Treatment of Cross-Border Trading Transactions (Details)	Ukraine is a party to more than 60 bilateral taxation treaties with different countries.
DVP Implementation (Yes/No)	Yes, most on-exchange transactions as well as part of OTC transactions are executed in the DVP mode. Both NDU and the Settlement Centre are responsible for successful DVP securities transactions settlement - NDU settling a securities leg, and the Settlement Centre settling a cash leg.
Settlement Period	The settlement period is T+0, T+n (depends on terms of the contract)
Contact Information	<p>Olga Dolgoplova +380445910411 dol@csd.ua</p>

Remarks	Goals and challenges: <ul style="list-style-type: none">- Preparation for transference of government bonds that currently fall within NBU's terms of reference to NDU, and their servicing;- Centralized corporate actions servicing of all financial instruments issued in Ukraine;- CSD's proprietary system upgrade and/or launch of a new settlement platform;- Growth of the number of issuers connected to the System of Electronic Documents Flow;- Harmonization of post-trade legislation in Ukraine with EU directives, regulations and standards;- Application of international best practices in order to facilitate integration of the Ukrainian stock market into the European capital market.
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