

CSDs: SKDD d.d. (Croatia)

Date: 14 May 2013

SMI Markets: Croatia

CMIRR Markets: Croatia

Amendments to the Capital Markets Act

New amendments to the Capital Markets Act have been introduced that will bring Croatia's Securities market in line with the EU Standards that apply to the area of investment services, transparency requirements related to information about issuers whose securities are admitted to trading on a regulated market, market abuse and issuing of a prospectus. These changes are scheduled to enter into force on 1 July 2013 when Croatia will be admitted into the European Union.

Additional amendments include:

- Investors holding shares of the local stock exchange and the local CSD and clearing company must keep them in segregated accounts (if held in custody accounts) by 30 September 2013 at the latest;
- OTC transactions must be reported to the stock exchange when they involve financial instruments listed on the regulated market by the end of the trading day on which the transaction has been concluded, or by the beginning of the next trading day if concluded after the end of the trading day. The requirement to report a transaction does not refer to transactions of borrowing on the basis of financial instruments (for instance, repurchase agreements and reverse repurchase agreements, buy and sell back and sell and buy back).

CSD Risk Impact

SKDD d.d. (Croatia)

CSD Rating: A-

CSD Flash Impact: Positive

The measure obligating investors to keep the shares of the local stock exchange and the local CSD and clearing company in segregated accounts will allow greater transparency in the market. Asset safety risk is affected positively as clients' securities will not be commingled with those of the direct participant.

Market Information Impact

Croatia

This information affects the data contained in the Settlement, Safekeeping/Post Settlement and Other market where securities are traded sections of the Securities Market Information Service.

Infrastructure Risk Ratings Impact

Croatia

Market Rating: A-

Market Flash Impact: Positive

The measure obligating investors to keep the shares of the local stock exchange and the local CSD and clearing company in segregated accounts will allow greater transparency in the market. Asset safety risk is affected positively as clients' securities will not be commingled with those of the direct participant.

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