SUMMARY OF CHANGES RELATED TO THE KELER SERVICE DEVELOPMENT PROGRAM

(KSDP)

v.1.2

⊘ UniCredit Bank

INTRODUCTION

In early 2019 the Hungarian CSD, KELER decided to redesign its system modernization program (SMP) and embarked on a new comprehensive project under the name of KELER Service Development Program (KSDP). Within the scope of KSDP KELER will introduce a new settlement system while maintains the current securities and cash account management systems.

In the case of a T2S currency or a dedicated T2S securities account involved in the settlement instruction, KELER does not settle in its own securities settlement system, but settles through the T2S platform. Although the vast majority of settlements are still carried out through KELER's own settlement system, the rules for managing instructions have been largely developed taking into account the international T2S standards and the relevant legal regulations (CSDR and SRDII).

The go- live date of KSDP developments is planned for the 6th of December, 2021, except for the penalty mechanism and compulsory buy-in which are expected to be launched in February 2022 in line with the postponed deadline.

Connectivity tests with market participants were succesfull, Market Acceptance Tests took place in two phases. The first phase was carried out between 01 June – 12 July, 2021 while the second phase ended on 08 November, 2021.

We have prepared this current paper based on the information available in the Service Description Document and in the Instruction catalogue provided by KELER with the aim to give you an overview of the services that the CSD will be offering once its new system will be implemented.

At the end of each function description, we highlighted if any CHANGES can be expected in the service. Comparison is always made between the current live operation and the enhanced operation of the new system as of the go-live date.

Please also note that this description includes preliminary information on the upcoming developments and changes may occur in the plans of the CSD. In line with the progress of the program we plan to provide you with regular updates and keep you duly informed on any available detail.

1. Status messages relating to instructions

In accordance with legal requirements the status messages sent by KELER will convey significantly more information. However, it will not result in changes on our side as the extended content has already been provided to our clients. We will keep sending the same statuses upon change.

The status messages will also contain, on a permanent basis, additional information on the standby status of instructions (hold indicator) and partial settlement (partial settlement indicator), as well as a specific set of reference numbers.

Another new element is the timestamps for the acceptance and matching of instructions, which are of key importance both for the finality of the settlement (finality rules) and for the application of the penalties prescribed by the CSDR.

If a transaction is sent to T2S, in addition to the KELER standard status messages, our clients will also receive the statuses sent by T2S, including the T2S reference (MITI).

CHANGE: Timestamps for acceptance and matching of instructions will be introduced along with additional information on the standby status of the instruction and on partial settlement. In case of T2S settlement the MITI reference will be used additionally.

2. Elements used in settlement instructions

After the introduction of the new system KELER expects that settlement instructions are submitted in a format that complies with the requirements of T2S, CSDR and international standards (ISO). Message communication formats to be used and the rules to be complied with in the future will change.

To settle equities or fixed income securities in the HU market the Common List of Data Elements (Data Content Format) need to be used as follows:

HU Business element name	Data Content Format
Sender's Message Reference	4!c//16x
Trade Date	8!n
Intended settlement date	8!n
Identification of Financial Instrument	ISIN1!e12!c
Quantity of Financial Instrument to be settled	4!c/15d with 4!c = UNIT for equities 4!c = FAMT for fixed income
Safekeeping account to be credited or debited	35x
Delivering/Receiving agent	BIC11
Client of Delivering/Receiving agent	BIC11
Place of Settlement	BIC11
Settlement Amount (including currency)	3!a15d
Transaction code	4!c//4!c
Partial indicator	4!c/[8c]/4!c
Matched/Unmatched indicator	4!c/[8c]/4!c

- **Sender's Message Reference** (SEME) is mandatory; however, Common Trade Reference (COMM) becomes a matching criterion if instructed by both parties (optional matching field).

- **Intended Settlement Date** can be any date that is agreed between the parties. It can be different from the general on exchange settlement cycle (T+2). Compared to the sending date/receiving date it can be a business date in the past, it can be any business date in the future. Please note that the CSD accepts instructions from custodians with settlement date maximum 20 business days more in advance or in the past.

- The **Delivering or Receiving agent** (DEAG/REAG) shall be identified by KELER participants' BIC11 (mandatory matching field). If this field is received with the four digit KELER code the instruction will be considered non-STP and will be repaired at UniCredit level. The repair fee will be calculated on the basis of the prices in the effective fee schedule.

  In order to differentiate UniCredit GSS from the retail business line, the matching BIC code of UniCredit GSS will be changed to **BACXHUHBCUS** as of the 6th of December 2021.

- Account of Delivering or Receiving agent (97A – 10 digits account number in KELER books and records) is an optional field and becomes matching criterion at the CSD if present.

- **The Client of the Delivering or Receiving agent** (SELL/ BUYR or DECU/RECU, depending on the length of the custody chain) is an optional field and becomes a matching criterion in the CSD if both fields (SELL and BUYR or DECU and RECU) are populated by both parties with BIC11 (optional matching field). This information is used for matching purposes that is why its usage is highly recommended, especially for

internal and inter-agent trades. The non-provision of this information will not stop the settlement of an Against Payment instruction, because the data given in DEAG/REAG field is sufficient for settlement.

- Place of settlement shall be **KELRHUHBXXX,** for KELER Ltd. as the Hungarian CSD. After the 6th of December UniCredit Hungary offers a grace period for the free repair of this field. Instructions received with the 8 digit BIC (KELRHUHB) will be accepted and repaired free of charge at UniCredit Hungary level until further notice.

- UniCredit Hungary will support the following **Transaction codes (22F:SETR//):** TRAD, OWNI, REPU, RVPO. If the field is not populated UniCredit Hungary will automatically fill the field with the default TRAD value.

- **Unmatched indicator (MTCH/NMAT)** is mandatory at CSD in all cases**.** If we do not receive this indicator we will always use the default value (NMAT).

- Please note that **Place of Trade (94B:TRAD**) field will not be mandatory in case of transactions settled on the Hungarian market only in T2S settlements. The field can be left empty or can be populated with OTCO or MIC/. Please note that if MIC code is used KELER will check the validity of the value and in case of an invalid value the instruction may be rejected.

- In case the **Partial indicator** (PART/NPAR) is not instructed in the 22F//STCO, UniCredit will populate the field with NPAR by default.

- Settlement amount and currency are not applicable in case of free of payment instructions.

- Mandatory elements for Single Message Repo Transactions:

  - :98A::TERM qualifier (REPO closing date) in Sequence D is mandatory as it indicates the maturity date of the repo agreement. The repo closing date must be greater than or equal to the intended settlement date of the repo opening leg
  - :20C::REPO qualifier (REPO reference - Common reference that links the repo opening and closing legs)
  - :20C::SECO qualifier (Second leg reference - Unique reference chosen by the instructing party that will be assigned to the second leg instruction once automatically generated by KELER
  - :19A::TRTE qualifier (Termination Transaction Amount – Repurchase Amount)

Please find the detailed illustration of common elements in ANNEX1.

CHANGE: Trade date, unmatched indicator, partial settlement indicator will be new mandatory fields.

Provided partial settlement indicator is not included in the instruction, UniCredit Hungary will populate the field with NPAR.

Provided unmatched indicator is not included in the instruction, UniCredit Hungary will populate the field with NMAT.

Intended settlement date can be maximum of 20 business days in advance or in the past.

DEAG/REAG, place of settlement will be identified with BIC 11 – instructions received in old format (4 digit KELER code) will be considered non-STP, and automatically repaired against the applicable repair fee.

PSET will be identified with BIC 11 – Instruction received in old format (BIC 8) will be will be accepted and repaired free of charge at UniCredit Hungary level until further notice.

Transaction codes supported by KELER: TRAD, OWNI, REPU, RVPO

4

3. Matching

In the future, KELER performs order matching for domestic settlements aligned with T2S rules.

The system applies mandatory, additional and optional criteria during matching. The following data are mandatory matching criteria to be instructed by both counterparties:

- direction of securities movement *(opposite direction is expected)*
- payment type
- intended settlement date
- trade date
- ISIN code
- securities quantity to be settled
- ID of seller and buyer KELER participants (Party 1) (in BIC11 format)

In addition, for settlement instructions to be settled against payment (DVP and PFOD):
- currency
- settlement amount
- direction of cash flow *(opposite direction is expected)*

For repo transactions, in addition to the above, further mandatory matching fields are required:

- Repo maturity date
- Repurchase amount taking into account tolerance limits

The **additional matching** fields will be introduced, which are optional to be used, but if filled in by one of the parties, they become a matching element. The additional matching fields are as follows:

- Opt-out indicator
- Ex-Cum indicator
- counterparty account number
- Total linked instructions (in case of linked FOP)
- Linkage type (in case of linked FOP)

The **optional matching fields** become matching elements only if both counterparties populate them:

- common trade reference
- BIC11 code of KELER participant's client. (The system always matches Party 2-level settlement parties (DEAG/REAG), regardless of whether the specified party chain has 2 or 3 elements.)

KELER will not take into account further additional data in the instruction (e.g. LEI code, or partial settlement indicator) for matching purposes. In case the LEI code is present at DEAG/REAG level, it should be a valid LEI code. If no valid LEI code is provided the CSD will reject the message. We do not recommend to include LEI code in settlement party fields.

The matching process can result in the following outcomes:

- Matched, i.e. the system found a counterparty instruction, the data of which meets the matching requirements (the matching fields are the same, and the direction fields are different)

-Unmatched, i.e. the system has not found a counterparty instruction, with which a potential match can be made. The system returns a CMIS reason code in the status message.

3.1. Major changes affecting matching

3.1.1. Automatic matching and crediting FOP transfers

The matching of transfers and settlement instructions to be executed between the different main accounts will become mandatory on the basis of the SDR regulations, thus the automatic transfer crediting function ('dump') currently provided by KELER will also be transformed. In the future, KELER will provide a passive-matching mechanism for its clients, during which the CSD actually generates the settlement instruction in the name and instead of the receiving participant if the settlement partner initiates a free of payment transfer to the relevant receiving account. The instructions of the delivering and receiving participants thus go through an actual matching process. The generation of the recipient instruction is still subject to the currently used sub-account level indicator, which can be set by the participant when opening the sub-account (or later). UniCredit Hungary doesn't support automatic crediting without instruction on its customer accounts, For FOP settlements we always require instruction from clients.

3.1.2. Counterparty identification

Based on the new rules, counterparty identification is based on BIC, i.e. matching in both KELER and T2S will be based on the BIC code of 11-character length. Counterparty identification with 8-digit BIC code or 95R Data Source Scheme will not be possible.

KELER as the place of settlement is also identified with BIC11. Accordingly, the KELRHUHBXXX BIC is to be used in the instruction to state the place of settlement (PSET or Depository). If KELER as the place of settlement is identified with BIC of 8 characters, the instruction will be rejected.

UniCredit Bank Hungary GSS Department's counterparty identifying BIC 11 code (READ/DEAG) will change to BACXHUHBCUS

3.1.3. Counterparty account number

The use of the counterparty securities account number will also change. The account number field, which is currently only mandatory for FOP transactions, will become an additional matching field, given that the counterparty will be identified primarily on the basis of the matching BIC code.

At the same time, if one of the counterparties populates the field, the system will use it as mandatory matching criterion, as the account number of the instructing party is always stated in the instruction.

The indication of the counterparty account number in the instructions is highly recommended, as based on this information the Client of KELER that is involved in the settlement can be clearly identified. Accordingly, lack of account number may result in cross-matching.

3.1.4. Intended settlement date

The scheduled settlement date can be indicated in the instructions with a value date in advance and retroactively, but it cannot be earlier or later than 20 settlement days before or after the date of submission of the instruction. In the case of instructions to be settled in T2S, it will also be possible to specify a Hungarian public holiday, because on these days KELER provides a settlement service (for FOP and EUR DVP transactions) according to the business calendar for T2S transactions.

3.1.5. Trade date

It is a change compared to the current practice that trade date will be a mandatory field and matching criteria at the same time.

Trade date can be the date of submitting the instruction or an earlier date, and it is permitted to instruct a trade date that is a KELER non-settlement day.

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3.1.6. Opt-out, Ex/Cum indicators

The Automatic Market Claim (NOMC – Opt out) and Trade Transaction Condition Indicator (TTCO - Ex-Cum) indicators will be introduced. These attributes will be taken into account as additional matching criteria during matching, i.e. if either counterparty populates them, they become mandatory matching elements.

Please note that currently no market claim service is available at the CSD, therefore until no such services provided by the CSD the market participants will reserve the right not to forward these indicators to the CSD in order to raise the matching efficiency on the market. As a consequence, we do not recommend using this indicator when sending instructions to the Hungarian market until the service is not offered by the CSD. Unicredit will suppress the indicator and we will not forward it until CSD's market claim service is not available

3.1.7. Common Trade Reference (COMM)

As an optional matching element, it will be possible to state in the settlement instruction the transaction reference agreed by counterparties bilaterally. If both counterparties populate the field, references must be identical for successful matching.

3.1.8. Settlement tolerance limit

Tolerance limits will be used in tiers in the future: for settlement amounts up to EUR 100 000 it will be EUR 2, for settlement amounts exceeding EUR 100 000 it will be EUR 25, or equivalent currency amounts for instructions to be settled in both KELER and T2S.

Matching is performed by the system if the difference of settlement amounts is less than the tolerance limit. The system checks the band to be applied based on the settlement amount instructed by the buyer, based on the limit, but if there is a difference in settlement amounts for matched instructions, settlement is based on the amount instructed by the seller. If the system receives several instructions with similar parameters, it matches the two instructions for which the difference of the settlement amount is the least. If the amount is the same for several instructions, the principle of LIFO is applied (the latest submitted from among the possible matches).

For transactions settled within the tolerance limit, the buyer receives in the status messages, confirmation and end-of-day statement after matching the counter value stated by the seller.

KELER plans to calculate (revalue) the bands and tolerance limits valid in each currency once a year, on the first business day of each calendar year based on the current ECB exchange rates. Deviation from this may occur in case of extraordinary volatility or major exchange rate shift on the market.

In the event of a change during the settlement cycle, the bands and tolerance limits in effect on the day of matching will apply, regardless of whether the transaction is settled later.

CHANGE: Trade date will be a mandatory matching criteria,

Opt-out, Cum-ex will be additional matching fields, but will not be forwarded by UniCredit GSS until the service is provided by CSD.

COMM and counterparty account number will be optional matching fields.

Tolerance limit used in T2S will be introduced, seller's instructed amount will prevail.

3.2. Priority management

With the introduction of the new system KELER harmonizes the number of current client priorities (0-9) with the priorities established by T2S and available to Clients (3-4), where 3 is the high priority and 4 is the normal priority.

For values other than priority 3 or 4, the instruction is rejected. If the value of the field is not specified, the default value will be set to 4. Priority can be specified in both the seller's and the buyer's side instructions, however, only the seller's side (determining the securities account debiting) priority is taken into account in the queue processing.

Priority management and modification will be supported by KELER. The service is still under analysis, further information will follow at a later phase.

CHANGE: priority management will be harmonized with T2S standards for all transactions. The Priority 3 (High) and 4 (Normal) will be used, Normal (4) set as default.

3.3. Hold and release

Settlement instructions can be submitted in Release or Hold status. If the instruction is submitted in hold status, its settlement will be blocked, however, these instructions will also be involved in the matching process.

There are several ways to change the hold/release status:

- If the original instruction was received in a MT540/541/542/543 message:
  - In the same MT54x message, the hold/release status can be set by entering the message function (23G) (NEWM and PREA)
  - In the MT530 message with the Hold Indicator (22F NPRE and YPRE)

The current hold/release status of the instruction will be confirmed in MT548 status messages.

Only one instruction can be performed at a time in a status change message, multiple functions cannot be interpreted in one message, such instructions will be rejected. i.e priority modification and hold and release cannot be instructed in the same message. In case of CSD level omnibus account structure the instruction will only be released after successful cover check.

With the introduction of the new system, the current hold/release functionality will be fully extended to all types of settlement instructions (except blocking) in accordance with the SDR requirement.

In the future, the submission of hold/release messages will be possible outside the KELER operating time assigned to the given transaction type, but also within the given business day (in the technical processing period). KELER forwards the status messages related to the execution or rejection of these instructions to its clients prior to the closing of the business day.

Please note that partial release will not be introduced on the Hungarian market as KELER does not support this function.

CHANGE: Hold and release can be instructed in MT530 SWIFT message for all settlement order types.

3.4. Cancellation of settlement instructions

Settlement instructions can be cancelled until transaction settlement as follows:

- Unmatched instructions with unilateral cancellation, based on the cancellation instruction of the party submitting the original instruction
- FOP reception transfers generated by KELER based on the delivering client's cancellation instructions (in case the FOP instruction is still in hold status)
- transactions successfully matched by KELER or T2S with bilateral cancellation.

Cancellation can be initiated using MT54x (CANC function) referring to the transaction reference of the original instruction and it should contain the same elements as the original instruction to be cancelled. It is mandatory to include the reference to the settlement instruction to be cancelled. For this the Linkage Block and the qualifier 20C::PREV//16x shall be used.

In the case of bilateral cancellation, the cancellation instruction will be matched also. If the instruction is cancelled by one of the parties, the counterparty will be sent a status message (with IPRC//CPRC code), however, the transaction takes part in settlement (and can also be settled) until the other counterparty submits cancellation. The unmatched cancellation request is linked to the transaction to be cancelled and shall be recycled together with it until the transaction gets in a final status.

To avoid settlement, UniCredit Hungary will place the instruction in hold status and submit the cancellation request only after the instruction has been successfully placed in a hold status.

The settlement system of KELER may also cancel the instruction in the following cases:

- Unmatched instructions are cancelled automatically on the 20th settlement day after the intended settlement date or the date of the last status change, whichever occurs later. In the CXLR (End of Life) MT548 message the EXPI (Expired) reason code notifies the client of the cancellation.

- In the case of matched instructions, the system automatically cancels the instructions on the intended settlement day, or on the 60th settlement day following the date of the last status change. In the CXLR (End of Life) MT548 message the EXPI (Expired) reason code notifies the clients of the cancellation.

- The settlement system of KELER re-validates the master data in the instruction at each step of the processing and during the closing of each business day. If it finds invalid data, the given instruction is cancelled by the system (in matched cases, together with its match). The status message is sent with the CANS reason code, and the narrative fields contain the error messages for the failed validation rules.

CHANGE: Effective from the launch of the new system matched instructions can only be cancelled bilaterally.

3.5. Reference numbers

The submitted settlement instructions will be identified with the following references during the process of settlement of an OTC transaction

Reference type	Content
References that can be specified by the client	**Common Trade reference:** An identifier agreed bilaterally by the clients and optionally marked for KELER as part of the instruction. It is an optional matching criterion, i.e. if both counterparties populate the field, it becomes a matching element. Mandatory: No Length: up to 16 characters ISO: MT54x: (Sequence A1) :20::COMM//
	Repo reference: Reference to identify the starting repo transactions; it identifies the maturing repo and the modified repo also. Mandatory: Yes in case of repo Length: up to 16 characters ISO: MT54x: (Sequence D) :20::REPO//

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Second leg reference:

As part of the initial repo instruction, it is mandatory to indicate the identifier which KELER

allocates to the maturing leg as a transaction reference during the generation of the repo second leg.

Mandatory: Yes in case of repo
Length: up to 16 characters
ISO: MT54x (Sequence D) :20::SECO//

Pool reference (for linked FOP transactions):

In the case of linked FOP (TRAD) instructions, a common identifier linking the related instructions.

Mandatory: Yes for linked FOP
Length: up to 16 characters
ISO: MT54x (Sequence A1) :20::POOL//

References provided by KELER / T2S	
	Matching reference
	Identifier given by KELER after successful matching.
	Mandatory: Conditional (Only for matched status) Length: 16 characters ISO: MT548 (Sequence A1) :20::PCTI//
	Format: MRYYYYMMDDXXXXXXXX
	Where MR refers to the nature of the reference (Matching Reference), YYYYMMDD is the date of acceptance, and the remaining 8 characters are assigned a running serial number that restarts daily.
	T2S acceptance reference
	The identifier allocated to the instruction transferred by T2S to KELER after its acceptance. (Market Infrastructure Reference).
	This reference only appears if the place of settlement is T2S.
	Mandatory: Conditional (T2S transaction only) Length: 16 characters ISO:MT548 (Sequence A1) :20::MITI//
	Format: numeric identifier of 16 digits

CHANGE: New references of domestic settlement and T2S will be supported

3.6. Recycling

As a major change, in the case of recycling at the end of the day the actual status reflecting the reason of failed settlement (Settlement status) will be shown for the settlement instruction, including transactions pending for several days.

KELER will recycle the matched transactions until the original settlement date or 60 business days after the last status change - or until the bilateral cancellation of the settlement partners or until the expiry of the security. Unmatched instructions will be recycled for 20 settlement days after the intended settlement date, or if the intended settlement date is a past date, then for 20 business days after receipt or the last status change, and then unmatched transactions will be cancelled by the system. Blockings cannot be recycle beyond the intended settlement date so these transactions will get a 'Cancelled by system' status. UniCredit Hungary will cancel the instruction upon expiry at CSD and inform its clients in an MT548 message. The deleted instruction will not be regenerated.

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CHANGE: Matched transaction will be recycled for 60 days, unmatched transactions for 20 days. End of day request of cancellation at instruction level will not be available.

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3.7. Partial Settlement

KELER will support partial settlement as an optional service both in its own system and on the T2S platform.

Instead of the total quantity of securities included in the settlement instruction, KELER (or T2S) may even partially use the coverage available on the securities account of the seller and may make an intermediate settlement at the request of the instructing party by recycling the transaction for the remaining amount of securities until the required coverage is available.

Partial settlement will not be possible for DELIVERY transactions in case of omnibus client account at CSD due to the lack of partial release on the market. In order to avoid any cross-funding UniCredit GSS will only release the transaction if sufficient securities are available on the account kept in our books. The cover check is always done in UniCredit's system. Please note that the CSD will only initiate partial settlement in case of lack of securities, in case of lack of money there is no partial settlement. Therefore, instructions - even with PART flag - will always be covered and if there is no cash coverage of the counterparty, there will not be partial settlement on the market.

To summarize, UniCredit will build up partial settlement functionality but only for clients with n>1 to 1 account setup where n reflects the numbers of client account at UniCredit and 1 reflects the linked CSD account. UniCredit will not allow to release the transactions without cover check in order to protect client assets, so transactions flagged to participate for partial settlement will be released only if they are fully covered.

In case of RECEIVE transactions, partial confirmation will be available if both the delivering and receiving counterparty allows for partial settlement (PART) and there is partially available securities coverage on the delivery side and enough cash cover on the receipt side.

KELER attempts to perform partial settlement at times defined in advance on the settlement date, in line with the following schedule:

08:00 – 08:15
10:00 – 10:15
12:00 – 12:15
14:00 – 14:15
15:30 – 15:45
17:00 – 17:15

In the case of DVP-type transactions, the CSD system apportions the amount of cash to be settled during each partial settlement based on the matched settlement amount for the total quantity of securities and initiates financial settlement to the various cash settlement systems for this calculated amount.

Partial settlement can take place under the following conditions:

- Both settlement parties authorise the function, i.e., they indicated their intention to do so in their instruction (with the PART code word) or requested the setting of the partial settling indicator to PART in a status change order. If none of the counterparties requested partial settlement, then KELER attempts settlement for the full securities coverage, as currently.
- Within the business day, the partial settlement time window is open.
- The transaction has already gone through all the precautionary steps required for coverage verification, i.e., it is validated, matched, its planned settlement, date has arrived, it is within operating time, both parties' instructions are in the released status and the relevant seller order is in the first place in the securities processing queue.
- In the case of DVD type instructions, the buyer must have at least financial coverage calculated for the quantity of securities to be partially settled otherwise KELER will only attempt partial settlement if a credit is received, and the partial settlement time window is open again.

The partial settlement option will not be available in the following cases:

- Linked FOP transfers,
- PFOD type transactions,
- Repo transactions,
- Investment unit issuance and cancellation (FOP and DVP)
- Blockings and releasing of blockings
- In the case of self-contracting, i.e., when the seller's and buyer's securities account are the same

Please note that in the instructions submitted to KELER, the indication of partial settlement in the 22F::STCO// field of the MT54x instruction (PART or NPAR) is mandatory in all cases. If at least one of the parties includes an "NPAR" code in the order, partial settlement is not possible.

If the 22F::STCO// field is populated the value will be forwarded to the CSD.
- If the flag is PART, the instruction will be released to the market if full cover is available and **can be settled partially by the CSD.**
- If the flag is NPAR the instruction will be released to the market if full cover is available and **cannot be settled partially by the CSD.**

If the 22F::STCO// field is received blank, UniCredit will populate the field with NPAR by default.

Please note that partial settlement cannot be set up as default and no standing instruction can be submitted either. The authorisation of partial settlement shall always be indicated in the 22F::STCO// field of the MT54x instruction.

Confirmation of partial settlement will be sent in MT544-547 confirmation messages which will always include the reference number of the original transaction.

Please find an example for the partial settlement process and the messages sent in Annex 2.

CHANGE: KELER will attempt partial settlement at predefined times on the settlement day if both counterparties allow this function, partial release will not be introduced on the Hungarian market.

Partial settlement shall be indicated in the MT54x instruction.

3.8. REPO Transactions

With the introduction of the new system KELER keeps supporting the Delivery-type repo transactions however hold-in-custody repo transactions will not be available anymore.

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Client level¶
Account level¶
Instruction level (in the 22F::STCO// field of the MT54x messages)¶

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If the client or account level set up allows for partial settlement (it is set up for PART) it can be overridden in the instruction by indicating partial settlement in field 22F::STCO//NPAR. ¶
However, if the client level or account level set up does not allow partial settlement (it is set up for NPAR) and the instruction has indicator 22F::STCO//PART an error will be raised. ¶
If the partial settlement indicator is not set up neither on client level nor on account level and 22F::STCO// field is not populated in the instruction either, we will use the 22F::STCO//NPAR as default value in the instructions to be sent to the CSD.¶
¶
Please note that in the instructions submitted to KELER, the completing of the indicator of partial performance (PART or NPAR) is mandatory in all cases. If at least one of the parties includes an "NPAR" code in the order, partial performance is not possible¶

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From 6 December 2021, KELER will settle fixed rate and term repurchase / reverse repurchase agreements (REPO transactions) based on 'Single Message Market Practice' that require one instruction for two legs.

As an alternative to the requirements of KELER, clients may choose to send two messages (DVP and RVP) using the standard :22F::SETR/TRAD indicator. In this case and if the counterparty follows the same logic, the instruction settles as normal DVP/RVP at the CSD.

If one instruction is sent for both legs by using :22F::SETR/REPU (MT543) or RVPO (MT541) instead of :22F::SETR/TRAD, they are automatically processed as REPO transactions by KELER and therefore must contain the following (otherwise the instruction will be rejected):

- :98A::TERM qualifier (REPO closing date) in Sequence D is mandatory as it indicates the maturity date of the repo agreement. The repo closing date must be greater than or equal to the intended settlement date of the repo opening leg
- :20C::REPO qualifier (REPO reference - Common reference that links the repo opening and closing legs)
- :20C::SECO qualifier (Second leg reference - Unique reference chosen by the instructing party that will be assigned to the second leg instruction once automatically generated by KELER
- :19A::TRTE qualifier (Termination Transaction Amount – Repurchase Amount)

If any of these qualifiers is not received, the instruction will be forwarded to the CSD as regular trade (TRAD).

Local custodians may also change the :22F::SETR indicator sent by their clients when sending the message to the CSD according to their practice. Where there is a maturity change of the closing leg under the single message method, it is mandatory to provide a previous reference (PREV) in the linkages sequence of the cancellation that contains the reference number of the original instruction (SEME from the original or first instruction) that is being amended.

In the event multiple closing scenarios occur, the PREV reference of the follow-up cancellation will contain the most recent replacement instruction SEME and not the original opening repo. The modification of a repo or reverse repo instruction, like :22F::REPT// must follow the normal cancel and replace settlement process. The following modification options are available:

- :22F::REPT//CALL (Repo call) - The actual closing date of the repo will be changed to an earlier date.
- :22F::REPT//ROLP (Repo Contract Rollover) - The actual closing date of the repo will be extended to a later date.

Please note that REPT/CALL indicator should be used in the CANC instructions as well. In case of partial rollover multiple new instructions must be submitted so that the total settlement quantities of the new instructions (closing legs) sum up the settlement quantity of the cancelled closing leg. KELER will only cancel original closing leg if the cancellation itself and all the new modified instructions are sent and matched.

With the launch of the new system the closing time for repo transactions will be uniformly postponed to 18.00.

CHANGE: Hold-in-custody repo transactions will not be available, Single Message Market Practice will be introduced.

3.9. Penalty

Regarding the management of penalties, KELER follows the recommendations of the European Central Securities Depository Association (ECSDA).

3.9.1. Instructions subject to a penalty

Penalties are to be imposed on matched settlement instructions that do not settle on the intended settlement

13

date and are for the settlement of financial instruments

- that can be traded on EU trading venues or can be cleared by EU central counterparty
- where the primary trading venue of the share is not outside the EU, in so-called third country

The above criteria are defined based on databases operated by ESMA:

- Instruments listed on an EU trading venue are contained in the Financial Instruments Data System (FIRDS) database.

-The list of shares whose primary trading venue is outside the EU can be determined on the basis of the Short Selling Regulation (SSR) list.

Penalties are determined based on the status the matched instruction has at the end of the settlement time window (at cut-off) and the reason of failure. This reason defines whether for the given instruction the penalty could be counted, i.e. the party for which the penalty is to be imposed, thus e.g. in case of insufficient securities cover the seller, in case of insufficient cash cover the buyer, in case of instructions in hold status penalties can be imposed on both parties at the same time.

KELER calculates the penalty for all instructions to be settled in its own system.
The external settlement platform (T2S) or the central securities depositories calculating and reporting the penalty will report to KELER the penalties imposed on instructions to be settled outside KELER (T2S or cross-border) directly (e.g. KDPW) or indirectly (e.g. SIX SIS). KELER also includes these penalties in the daily and monthly reports, and the penalties imposed and passed on at these external settlement places are settled together with the penalties calculated by KELER.

3.9.2. Types and calculation of penalties

LMFP (Late Matching Fail Penalty): If, on the intended settlement date (ISD), the settlement instructions are successfully matched after the cut-off time allowing settlement, either on an ISD day, before the close of the business day, or on a later business day, the settlement date of the transaction shall be up to the date of matching, a penalty may be imposed, even retroactively for several days (N) at a time, to sanction late matching. The participant who initiated the last operation before matching is obliged to pay the penalty (e.g. the one that has sent the instruction which is the second instruction).

Calculation formula DF, RF, RVP, DVP (i.e., for instructions resulting in actual securities movements):

$$LMFP = \sum_{n=1} (Penalty\ rate * Securities\ daily\ reference\ price * Securities\ quantity)$$

Calculation formula PFOD (i.e., for instructions that do not result in an actual movement of securities):

$$LMFP = \sum_{n=1}^{N} (Penalty\ rate\ (daily\ discount\ rate) * Settlement\ amount)$$

SEFP (Settlement Fail Penalty): Penalty calculated for the period between the intended and effective settlement date(s), payable for settlement instructions that are matched until the applicable cut-off on the intended settlement date but are not settled on the intended settlement date or on the following business day(s). On one business day, only the SEFP applicable to the day concerned is charged.

Calculation formula DF, RF, RVP, DVP (i.e., for instructions resulting in actual securities movements):
SEFP = Penalty rate * Securities daily reference price* Securities quantity

Calculation formula PFOD (i.e., for instructions that do not result in an actual movement of

securities): SEFP = Penalty Rate (daily discount rate) * Settlement Amount

Penalties can be imposed only to matched trades. In case of late matching and failing settlement trade at the same time - both penalties will be imposed - for late matching and failing settlement.

Penalty rate:

- in the case of an instruction with lack of securities (LACK) or a withheld instruction (PREA, BOTH) or an instruction failed due to a related transaction (INBC, LINK): value depending on the type of security
- in the case of transactions with lack of funds (MONY): prorated part of the discount rate defined by the central bank issuing the currency concerned (on a 360-day basis).

Penalty rates for the calculation of penalties

Liquid shares	1.00 bp
Illiquid shares	0.50 bp
Government bonds	0.10 bp
Corporate bonds	0.20 bp
Financial instruments other than bonds traded on the SME growth market (e.g., BSE Xtend) *	0.25 bp
Bonds traded on the SME growth market *	0.15 bp
Other financial assets	0.50 bp
In case of cash shortage (RVP and PFOD transactions)	Official interest rate charged for daily credit by the central bank issuing the currency of settlement, which cannot be less than 0

Currency for calculation and collecting the penalty:

- if the original settlement instruction type is FOP, in HUF (also for trades in securities denominated in other currencies or in the case of a market price recorded in a foreign currency)

- if the settlement method is DVP, the penalty will also be calculated in the original currency of the settlement instruction

Example:

The date of a failed (fictitious) transaction include:

- *Intended settlement day:*   *14.02.2022*
- *Method of settlement:*   *Against payment (APMT)*
- *Currency of settlement:*   *HUF*
- *The quantity of securities to be settled:*   *25.000 units*
- *Type of security:*   *Liquid stock (SHRS)*
- *Penalty rate:*   *1.0 bp (=0.0001)*
- *The market price of the security on the individual days:*
  - o   *14.02.2022.:*   *HUF 15,000*
  - o   *15.02.2022:*   *HUF 15,300*
  - o   *16.02.2022:*   *HUF 14,600*
- *O/N credit interest rate (HUF):*   *2.0 % (annual)*
- *Time stamp of the acceptance of the seller's (DVP) instruction: 16.02.2022 13:00:00*
- *Time stamp of the acceptance of the buyer's (DVP) instruction: 14.02. 2022 08:05:00*
- *Date/time of pairing:*   *16.02.2022 13:00:01*

The Seller in the example sends their instructions two business days after the intended settlement day so the successful pairing of the two parties' instructions can only take place on 16.02.2022. However, the transaction cannot be completed on 16.02.2022 as the Buyer's cash account is uncovered. Settlement only takes place a day later, on 17.02.2022.

Based on the above, the first occasion when the fail can be detected and the penalty can be calculated is 16.02.2021 (following cut-off at the end of the day), as the instructions can be regarded as paired only from this day. Based on the detection of the fail, KELER calculates the following penalties:

1. For two business days between 14.01.2022 – 16.02.2022: LMFP, the party at fault: the Seller. The penalty is calculated retroactively for two business days. As instruction type is DVP, the calculation algorithm is SECU, that is the penalty's amount is determined by the security's daily reference price and the penalty rate depending on the type of the security:

   - 14.04.2022:25.000 units x HUF 15,000 x 0,0001 = HUF 37,500
   - 15.02.2022:25.000 units x HUF 15,300 x 0.0001 = HUF 38,250

   Total (LMFP) penalty: for 2 days: ... HUF 75,750

2. On 16.02.2022, the RVP instruction of the Buyer is cash-uncovered at the time of day-end cut off (reason: MONY fail), therefore the party at fault is the Buyer, so the penalty amount for one day must be calculated based on the Buyer's instruction. Calculation algorithm= MIXE, that is the penalty rate is the daily credit interest rate (annual interest rate divided by 360), that must be determined for the security's reference price and quantity:

   25.000 units x HUF 14,600 x (0.02 /360) = HUF 20,778 (SEFP)

KELER reports the above penalties as of the penalty detection date of 16.02.2022, in their daily penalty reports submitted until 12:00 on 17.02.2022.

3.9.3. Reporting of penalties

Daily report:

The daily report will provide information on the penalties to be paid or credited for the previous business day (per currency /securities account) and will also contain the details of the related settlement instructions. UniCredit Hungary will forward the daily report received from the CSD without reconciliation via MT537 PENA SWIFT message on status day+1 day around noon.

The daily penalty report will contain both the new and the amended penalties. UniCredit Hungary will not send daily report if no penalty is applied for the given day.

Please note that as no final report template has been published by the CSD we will be able to provide you with the message details at a later phase.

Monthly report:

The monthly report will contain the aggregated penalty received from the CSD and will be allocated on securities account (in UniCredit Hungary's book) level. The monthly report does not include individual penalties and related transaction data. UniCredit will not check if the calculation is correct however monthly MT537 messages will be reconciled against the daily messages based on the PREF reference if totals match up. Account level split messages will also be reconciled against the aggregate MT537 received from KELER.

KELER will send the monthly report based on the finalised penalties of the previous month on the 14th business day. The CSD may make changes to the penalties calculated for the previous month by the 12th business day of the month.

The amount indicated in the monthly report (netted CR and DR) will be either direct debited or credited against the main cash account of our clients with value date in line with the CSD process. According to the plans it will take place on the 17th business day of the following month.

Regarding the management of any possible non-payment of penalties, it is expected that KELER would apply the following procedure:

None of the participants may receive a penalty credit on the 17th business day (PBD) as long as and until any of the participants fails to meet their payment obligation. KELER would not make payments to any of the entitled_participants until KELER managed to successfully collect the amounts from all participants, that is until such time KELER would withhold the settlement of the affected PFOD instructions (in hold status). Consequently, UniCredit Hungary will also credit its clients account with the penalty amount only upon receiving it in full amount from KELER.

Appeals can be submitted to the CSD until the designated deadline of the month following the relevant month, up to and including the 10th business day. UniCredit will forward to the CSD the appeals received by email or by MT599 till the 9th business day of the following month.

KELER may make changes to the calculated penalties without appeal by the 12th business day of the month at the latest, if any of the data and parameters used for the calculation change in its own system. (E.g., the market price of the security).

If KELER modifies a penalty item or records it later, the item will appear in the next day's report. The daily reports will include both new and modified penalties for that day so a consolidated report will be provided, and no separate report will be sent for the new and amended penalties.

If any of the above penalty business days is not a KELER business day, then the given event is due on the last day before the penalty business day.

CHANGE: In line with the Settlement Discipline regime, the penalty mechanism will be introduced as of February 2022. Daily and monthly penalties will be reported in MT537 messages. Template and further details on the process will be communicated at a later phase.

3.10. Compulsory buy-in

Pursuant to the legal provisions, the parties involved in the transaction are obliged to partially settle their settlement instructions at the end of the mandatory settlement extension grace period. The pending settlement instruction must be suspended by the non-performing party (the participant delivering the securities) and a compulsory buy-in process must be performed instead. The original seller instruction must be kept in the hold condition until the end of the buy-in process. At the instruction level, the reason for the suspension might be optionally indicated in the status change message (Buy-in reason: BYIY).

The receiving (innocent buyer) participant settles the buy-in transaction against the buy-in agent of their choice or performs cash compensation if the buy-in is not or only partially successful. KELER enables the settlement of buy-in transactions with the transaction code 'TRAD' or 'OWNI'.(Dedicated 'BYBIY transaction type will not be supported by KELER at the time of the go-live date).

In case of a partially successful buy-in, new instructions must be created between the original parties and submitted with regard to the remaining quantity of securities with the same details of the original settlement instruction including the intended settlement date. These settlement instructions may be given a special designation in order to be exempt from the LMFP-type penalty, as the penalty is only applicable from the time of acceptance to the settlement system. To indicate instructions, the code 'BPSS' must be used in accordance with the rules for filling in the particular message type. (As part of the SWIFT release of 2021 November the release code will change from BSSP to BPSS.) The exemption can only be enforced if both participants have indicated their instructions as required.

At the end of the buy-in (or cash compensation) process, the participants concerned are obliged to cancel their original settlement instructions.

Deleted: BSSP

The receiving trading party is obliged to report on the final result of the buy-in process to the CSD. UniCredit Hungary will forward the reports received in MT530 (based on ISO15022 standard 2020) message format to KELER.

The report shall include, among others, the following information:

- The ID of the failed settlement instruction
- Securities account number
- The outcome of the buy-in process (fully successful, partially successful, financial   compensation was provided)
- Quantity of bought-in financial instruments
- Price and currency of bought-in financial instruments
- Amount and currency of cash compensation
- Date of buy-in

CHANGE: In line with the Settlement Discipline regime, the compulsory buy-in mechanism will be introduced as of February 2022. Further details on the process will be communicated at a later phase.

4. Access to T2S services

Our Clients can continue to use T2S services in indirect mode (as ICP, Indirectly Connected Party), in the communication channels provided by KELER and with the use of the message formats determined by KELER. Accordingly, all settlement instructions must be sent to KELER, which KELER forwards to the T2S platform for settlement according to the routing rules and informs the participants about the exact status of the settlement, supplemented by the statuses originating therefrom.

In the first phase of the Program, direct access to T2S, and thus the use of T2S securities settlement services in direct mode (as DCP, Directly Connected Party) will not be possible.

ANNEX 1

Illustration of common elements used in against payment instructions:

Detailed Field Name	Data Field Content	Example	
Start of block	GENL	:16R:GENL	
Sender's Reference	16x	:20C::SEME//21324	
Function of the message	4!c	:23G:NEWM	
End of block	GENL	:16S:GENL	
Start of block	TRADDET	:16R:TRADDET	
Intended Settlement Date	8!n	:98A::SETT// 20210303	
Trade Date	8!n	:98A::TRAD//20210301	
Identification of the Financial Instruments	ISIN1!e12!c	:35B:ISIN HU0000012345	
End of block	TRADDET	:16R:TRADDET	
Start of block	FIAC	:16R:FIAC	
Quantity of Financial Instrument	4!c/15d	:36B::SETT//xxxx/10000	
Safekeeping Account at the local Custodian	35x	:97A::SAFE//xxxxxxxxxx	
End of block	FIAC	:16R:FIAC	
Start of block	SETDET	:16R:SETDET	
Settlement Transaction Type Indicator	1!a	:22F::SETR//TRAD	
IDENTIFICATION OF PARTIES WILL VARY ACCORDING TO THE SETTLEMENT CHAIN OF ACCOUNT			
Start of block	AMT	:16R:AMT	
Settlement amount	3!c15d	:19A::SETT//HUF300000	
End of block	AMT	:16S:AMT	
End of block	SETDET	:16S:SETDET	
Elements in the settlement chain:			
Delivering or Receiving agent Client of Delivering or Receiving agent (SELL/BUYR or DECU/RECU) Place of settlement	BIC11 BIC11 and account number* BIC11		
* It is not mandatory for the settlement but highly recommended for matching purposes. BIC8 is also accepted by the CSD however it is not taken into consideration in the matching process.			
Start of block	SETPRTY	:16S:SETPRTY	
Party (Delivering agent)	BIC11	:95P::DEAG// HUCAGENTXXX	
End of block	SETPRTY	:16S:SETPRTY	
Start of block	SETPRTY	:16R:SETPRTY	
Party (Seller)	BIC	:95P::SELL//ABCDGB2LXXX	
		:97A::SAFE//67891	

End of block	SETPRTY	:16S:SETPRTY
Start of block	SETPRTY	:16R:SETPRTY
Party (place of settlement)	BIC11	:95P::PSET//KELRHUHBXXX
End of block	SETPRTY	:16S:SETPRTY

ANNEX 2

Instruction settled in three parts on three days. In this scenario, an instruction to deliver 2000 units of securities HU0000061726 from ZZZZHUYYXXX to BACXHUHBXXX settles partially. 1000 units settle on settlement date followed by 500 units on ISD+1 and 500 units on ISD+2.

Sent to CSD MT541 BACXHUHBXXX	Initial instructions	Sent to CSD MT543 ZZZZHUYYXXX
:16R:GENL		:16R:GENL
:20C::SEME// 123456		**:20C::SEME// 654321**
:23G::NEWM		:23G::NEWM
:16S:GENL		:16S:GENL
:16R:TRADDET		:16R:TRADDET
:98A::TRAD//20201130		:98A::TRAD//20201130
:98A::SETT//20201201		:98A::SETT//20201201
:35B:ISIN HU0000061726		**:35B:ISIN HU0000061726**
:22F::TTCO//XCPN		:22F::TTCO//XCPN
:25D::MTCH//NMAT		:25D::MTCH//NMAT
:16S:TRADDET		:16S:TRADDET
:16R:FIAC		:16R:FIAC
:36B::SETT//UNIT/2000		**:36B::SETT//UNIT/2000**
:97A::SAFE//0318000123		:97A::SAFE//0390000050
:16S:FIAC		:16S:FIAC
:16R:SETDET		:16R:SETDET
:22F::STCO//NOMC		:22F::STCO//NOMC
:22F::STCO//PART	Optional indication that partial settlement is allowed (e.g. to override a standing instruction)	**:22F::STCO//PART**
:22F::SETR//TRAD		:22F::SETR//TRAD
:16R:SETPRTY		:16R:SETPRTY
:95P::PSET//KELRHUHBXXX		:95P::PSET//KELRHUHBXXX
:16S:SETPRTY		:16S:SETPRTY
:16R:SETPRTY		:16R:SETPRTY
:95P::DEAG//ZZZZHUYYXXX		:95P::DEAG//BACXHUHBXXX
:97A::SAFE//0390000050		:97A::SAFE//0318000123
:16S:SETPRTY		:16S:SETPRTY
:16R:AMT		:16R:AMT
:19A::SETT//HUF 25000000		**:19A::SETT//HUF 25000000**
:16S:AMT		:16S:AMT
:16S:SETDET		:16S:SETDET

Sent by CSD to BACXHUHB MT545 KELRHUHB	FIRST partial settlement on ISD	Sent by CSD to ZZZZHUYYXXX MT547 KELRHUHB
:16R:GENL		:16R:GENL
:20C::SEME// AAAAAA		:20C::SEME// BBBBBB
:23G::NEWM		:23G::NEWM
:22F::PARS//PAIN	**Partial settlement indicator**	**:22F::PARS//PAIN**
:16R:LINK		:16R:LINK

:20C::RELA// 123456	Link to Client's original message	:20C::RELA// 645321
:16S:LINK		:16S:LINK
:16S:GENL		:16S:GENL
:16R:TRADDET		:16R:TRADDET
:98A::TRAD//20201130		:98A::TRAD//20201130
:98A::SETT//20201201		:98A::SETT//20201201
:98A::ESET//20201201		:98A::ESET//20201201
:35B:ISIN HU0000061726		:35B:ISIN HU0000061726
:16S:TRADDET		:16S:TRADDET
:16R:FIAC		:16R:FIAC
:36B::ESTT//UNIT/1000	Quantity effectively settled during this partial	:36B::ESTT//UNIT/1000
:36B::RSTT//UNIT/1000	Remaining quantity to be settled.	:36B::RSTT//UNIT/1000
:19A::RSTT//HUF 12500000	Remaining amount to be settled.	:19A::RSTT//HUF 12500000
:97A::SAFE//0318000123		:97A::SAFE//0390000050
:16S:FIAC		:16S:FIAC
:16R:SETDET		:16R:SETDET
:22F::STCO//NOMC		:22F::STCO//NOMC
:22F::STCO//PART		:22F::STCO//PART
:22F::SETR//TRAD		:22F::SETR//TRAD
:16R:SETPRTY		:16R:SETPRTY
:95P::PSET//KELRHUHBXXX		:95P::PSET//KELRHUHBXXX
:16S:SETPRTY		:16S:SETPRTY
:16R:SETPRTY		:16R:SETPRTY
:95P::DEAG//ZZZZHUYYXXX		:95P::REAG//BACXHUHBXXX
:97A::SAFE//0390000050		:97A::SAFE//0318000123
:16S:SETPRTY		:16S:SETPRTY
:16R:AMT		:16R:AMT
:19A::ESTT//HUF 12500000	Effective settlement amount	:19A::ESTT//HUF 12500000
:16S:AMT		:16S:AMT
:16S:SETDET		:16S:SETDET

Sent by CSD to BACXHUHB MT548 KELRHUHB	Settlement status after Partial settlement on ISD	Sent by CSD to ZZZZHUYYXXX MT548 KELRHUHB
:16R:GENL		:16R:GENL
:20C::SEME// AAAAAB		:20C::SEME// BBBBBA
:23G::INST		:23G::INST
:16R:LINK		:16R:LINK
:20C::RELA// 123456	Link to Client's original message	:20C::RELA// 645321
:16S:LINK		:16S:LINK
:16R:STAT		:16R:STAT
:25D::SETT//PEND	Reason why the settlement of the remaining quantity did not take place	:25D::SETT//PEND
:16R:REAS		:16R:REAS
:24B::PEND//CLAC		:24B::PEND//LACK
:16S:REAS		:16S:REAS
:16S:STAT		:16S:STAT
:16S:GENL		:16S:GENL
:16R:SETTRAN		:16R:SETTRAN
:35B:ISIN HU0000061726		:35B:ISIN HU0000061726
:36B::SETT//UNIT/1000	Remaining quantity to be settled	:36B::SETT//UNIT/1000
:19A::ESTT//HUF 12500000	Remaining amount to be settled	:19A::ESTT//HUF 12500000
:97A::SAFE//0318000123		:97A::SAFE//0390000050
:22F::SETR//TRAD		:22F::SETR//TRAD

:22H::REDE//RECE		:22H::REDE//DELI
:22H::PAYM//APMT		:22H::PAYM//APMT
:22F::STCO//PART		:22F::STCO//PART
:98A::TRAD//20201130		:98A::TRAD//20201130
:98A::SETT//20201201		:98A::SETT//20201201
:16R:SETPRTY		:16R:SETPRTY
:95P::PSET//KELRHUHBXXX		:95P::PSET//KELRHUHBXXX
:16S:SETPRTY		:16S:SETPRTY
:16R:SETPRTY		:16R:SETPRTY
:95P::DEAG//ZZZZHUYYXXX		:95P::REAG//BACXHUHBXXX
:97A::SAFE//0390000050		:97A::SAFE//0318000123
:16S:SETPRTY		:16S:SETPRTY
:16S:SETTRAN		:16S:SETTRAN

Sent by CSD to BACXHUHB MT545 KELRHUHB	SECOND partial settlement on ISD +1	Sent by CSD to ZZZZHUYYXXX MT547 KELRHUHB
:16R:GENL		:16R:GENL
:20C::SEME// CCCCCC		:20C::SEME// DDDDDD
:23G::NEWM		:23G::NEWM
:22F::PARS//PAIN	Partial settlement indicator (still open)	:22F::PARS//PAIN
:16R:LINK		:16R:LINK
:20C::RELA// 123456	Link to Client's original message	:20C::RELA// 645321
:16S:LINK		:16S:LINK
:16S:GENL		:16S:GENL
:16R:TRADDET		:16R:TRADDET
:98A::TRAD//20201130		:98A::TRAD//20201130
:98A::SETT//20201201		:98A::SETT//20201201
:98A::ESET//20201202		:98A::ESET//20201202
:35B:ISIN HU0000061726		:98A::ESET//20201202
:16S:TRADDET		:16S:TRADDET
:16R:FIAC		:16R:FIAC
:36B::ESTT//UNIT/500	Quantity effectively settled during this partial	:36B::ESTT//UNIT/500
:36B::PSTT//UNIT/1000	Previously settled quantity .	:36B::RSTT//UNIT/1000
:36B::RSTT//UNIT/500	Remaining quantity to be settled.	:36B::RSTT//UNIT/500
:19A::PSTT//HUF 12500000	Previously settled amount .	:19A::PSTT//HUF 12500000
:19A::RSTT//HUF 6250000	Remaining amount to be settled.	:19A::RSTT//HUF 6250000
:97A::SAFE//0318000123		:97A::SAFE//0390000050
:16S:FIAC		:16S:FIAC
:16R:SETDET		:16R:SETDET
:22F::STCO//NOMC		:22F::STCO//NOMC
:22F::STCO//PART		:22F::STCO//PART
:22F::SETR//TRAD		:22F::SETR//TRAD
:16R:SETPRTY		:16R:SETPRTY
:95P::PSET//KELRHUHBXXX		:95P::PSET//KELRHUHBXXX
:16S:SETPRTY		:16S:SETPRTY
:16R:SETPRTY		:16R:SETPRTY
:95P::DEAG//ZZZZHUYYXXX		:95P::REAG//BACXHUHBXXX
:97A::SAFE//0390000050		:97A::SAFE//0318000123
:16S:SETPRTY		:16S:SETPRTY
:16R:AMT		:16R:AMT
:19A::ESTT//HUF 6250000	Effective settlement amount	:19A::ESTT//HUF 6250000
:16S:AMT		:16S:AMT

:16S:SETDET | :16S:SETDET

Sent by CSD to BACXHUHB MT548 KELRHUHB	Settlement status after Partial settlement on ISD + 1	Sent by CSD to ZZZZHUYYXXX MT548 KELRHUHB
:16R:GENL		:16R:GENL
:20C::SEME// CCCCCD		:20C::SEME// DDDDDC
:23G::INST		:23G::INST
:16R:LINK		:16R:LINK
:20C::RELA// 123456	Link to Client's original message	:20C::RELA// 645321
:16S:LINK		:16S:LINK
:16R:STAT		:16R:STAT
:25D::SETT//PENF	Reason why the settlement of the remaining quantity did not take place	:25D::SETT//PENF
:16R:REAS		:16R:REAS
:24B::PENF//CLAC		:24B::PENF//LACK
:16S:REAS		:16S:REAS
:16S:STAT		:16S:STAT
:16S:GENL		:16S:GENL
:16R:SETTRAN		:16R:SETTRAN
:35B:ISIN HU0000061726		:35B:ISIN HU0000061726
:36B::SETT//UNIT/500	Remaining quantity to be settled	:36B::SETT//UNIT/500
:19A::ESTT//HUF 6250000	Remaining amount to be settled	:19A::ESTT//HUF 6250000
:97A::SAFE//0318000123		:97A::SAFE//0390000050
:22F::SETR//TRAD		:22F::SETR//TRAD
:22H::REDE//RECE		:22H::REDE//DELI
:22H::PAYM//APMT		:22H::PAYM//APMT
:22F::STCO//PART		:22F::STCO//PART
:98A::TRAD//20201130		:98A::TRAD//20201130
:98A::SETT//20201201		:98A::SETT//20201201
:16R:SETPRTY		:16R:SETPRTY
:95P::PSET//KELRHUHBXXX		:95P::PSET//KELRHUHBXXX
:16S:SETPRTY		:16S:SETPRTY
:16R:SETPRTY		:16R:SETPRTY
:95P::DEAG//ZZZZHUYYXXX		:95P::REAG//BACXHUHBXXX
:97A::SAFE//0390000050		:97A::SAFE//0318000123
:16S:SETPRTY		:16S:SETPRTY
:16S:SETTRAN		:16S:SETTRAN

Sent by CSD to BACXHUHB MT545 KELRHUHB	THIRD partial settlement on ISD +2	Sent by CSD to ZZZZHUYYXXX MT547 KELRHUHB
:16R:GENL		:16R:GENL
:20C::SEME// CCCCCC		:20C::SEME// DDDDDD
:23G::NEWM		:23G::NEWM
:22F::PARS//PARC	Partial settlement indicator last portion	:22F::PARS//PARC
:16R:LINK		:16R:LINK
:20C::RELA// 123456	Link to Client's original message	:20C::RELA// 645321
:16S:LINK		:16S:LINK
:16S:GENL		:16S:GENL
:16R:TRADDET		:16R:TRADDET
:98A::TRAD//20201130		:98A::TRAD//20201130
:98A::SETT//20201201		:98A::SETT//20201201

:98A::ESET//20201203		:98A::ESET//20201203
:35B:ISIN HU0000061726		:35B:ISIN HU0000061726
:16S:TRADDET		:16S:TRADDET
:16R:FIAC		:16R:FIAC
:36B::ESTT//UNIT/500	Quantity effectively settled during this partial	:36B::ESTT//UNIT/500
:36B:PSTT//UNIT/1500	Previously settled quantity .	:36B::RSTT//UNIT/1500
:19A::PSTT//HUF 18750000	Previously settled amount .	:19A::PSTT//HUF 18750000
:97A::SAFE//0318000123		:97A::SAFE//0390000050
:16S:FIAC		:16S:FIAC
:16R:SETDET		:16R:SETDET
:22F::STCO//NOMC		:22F::STCO//NOMC
:22F::STCO//PART		:22F::STCO//PART
:22F::SETR//TRAD		:22F::SETR//TRAD
:16R:SETPRTY		:16R:SETPRTY
:95P::PSET//KELRHUHBXXX		:95P::PSET//KELRHUHBXXX
:16S:SETPRTY		:16S:SETPRTY
:16R:SETPRTY		:16R:SETPRTY
:95P::DEAG//ZZZZHUYYXXX		:95P::REAG//BACXHUHBXXX
:97A:.SAFE//0390000050		:97A:.SAFE//0318000123
:16S:SETPRTY		:16S:SETPRTY
:16R:AMT		:16R:AMT
:19A::ESTT//HUF 6250000	Effective settlement amount	:19A::ESTT//HUF 6250000
:16S:AMT		:16S:AMT
:16S:SETDET		:16S:SETDET