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# Central Depository & Clearing Company

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## Overview



SREDIŠNJE  
KLIRINŠKO  
DEPOZITARNO  
DRUŠTVO d.d.

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# About us

- **Established in 1997 by government**
- **Services:**
  - **Depository for dematerialised securities**
  - **Clearing and settlement**
  - **Corporate action processing**
  - **NNA for securities issued in Croatia (ISIN,CFI)**
  - **ICS fund management**
- **44 employees**
- **Supervised by HANFA**

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# Participants

- **Issuers**
- **Banks**
- **Brokerage houses**
- **Fund management companies**
- **By role:**
  - Custodians
  - Brokers
  - Money market participants
  - Portfolio managers
- **Single passporting (Slovenia, Bulgaria)**

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# Depository

- **Eligible securities**

- **Equities**
- **Bonds**
- **T-bills**
- **Certificates**

- **Account structure**

- **Individual accounts at beneficial ownership level (free of charge)**
- **Representative and co-ownership accounts**
- **Nominee accounts**
- **Portfolio accounts**
- **Escrow accounts**
- **Over 900.000 accounts opened**

# Clearing and settlement

- **Compliance with G30 / ISSA recommendations**
- **SSS for all trades/transactions in Croatia**
- **CCP (novation) for contractual settlement**
- **Types of settlement:**
  - **Contractual settlement (multilateral netting, novation)**
  - **Trade for trade**
  - **DVP, FoP, DvD**
- **T+2 settlement cycle for Stock Exchange trades**
- **Cash settlement using RTGS via SWIFT (Central bank money) in real time**
- **Same day turnarounds possible**
- **Same day funds principle**

# Clearing and settlement

- **TFT (BIS model 1)**
  - **Gross cash, gross securities**
  - **Settlement in real time or in 30 min batches**
  - **DvP from 7.30h-16h**
  - **FoP from 7.30h-18h**
- **Contractual settlement (BIS model 3)**
  - **Net cash, net securities**
  - **Guaranteed by SKDD**
  - **Cash leg until 11h**
  - **Securities leg until 8.30h**
  - **Securities and cash delivery to participants at 12.30h and 14.30h**

# Risk management

## ■ Guarantee fund

- Set up to cover insolvency in contractual settlement. All members are due to pay a contribution in the form of cash (10% minimum) or bank guarantees based on their activity volume in the previous three months.
- Daily mark-to-market adjustments

## ■ Buy-in

- Starts on SD 8:30
- Failing participant must cover its short position(s) until SD+3 (T+5)

## ■ Sell-out

- Starts on SD 12:30
- All participant securities at CS clearing account are held as collateral
- Failing participant must cover its cash position until SD+1

# Corporate actions

- **Issuers are obliged to inform CDCC about corporate events**
  - Prescribed by SKDD Rules and Procedures
- **Providing services for various types of CA**
  - AGM, dividends, stock splits, maturity and interest payments, conversions, mergers, takeovers, squeeze-out etc.
- **Acting as a paying agent**
  - dividends, maturity and interest payments, takeovers etc.
- **Acting as a tax agent**
  - dividends
- **All corporate action events are published on our web site**



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# Reporting

- **Public information**
  - TOP 10 shareholders
  - CA diary
  - Eligible securities
  - ISIN's
- **Investors portal**
  - Account statements
  - Transactions
  - CA payments
  - Pledges
  - Client details
  - Reports ordering/purchase

# Questions

