



DEPOZITARUL CENTRAL

Depozitarul Central – Romania

Together we are building a regional financial centre in Bucharest



Preparing for the new European post-trade reality

Together we are building
a regional financial centre
in BUCHAREST

DESTINATION:	THE NEW POST-TRADE EUROPEAN REALITY
BOARDING GATE:	INNOVATIVE SOLUTIONS
CARRIER:	DEPOZITARUL CENTRAL
CLASS:	BUSINESS

Adriana Tanasoiu - Chief Executive Officer, Depozitarul Central



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Why did Depozitarul Central commit to T2S



- The modern Romanian capital market was established in 1995, after a closure of 50 years, and used from the very beginning an electronic trading and post-trading system, in a fully dematerialized environment; the CSD functions were part of the Bucharest Stock Exchange
- The CSD function was externalized to a separate legal entity, Depozitarul Central, which consolidated all the post-trade services and started to function on January 1st, 2007, at the same time that Romania joined the European Union

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- The biggest and continuous challenge that we had to face was to develop new services and products and offer our clients the best of what is available internationally in the shortest possible time
- The changes in the European post-trade environment, both as a result of T2S initiative, and of the proposed CSD Regulation, amplified the challenges ahead
- Depozitarul Central was among the first CSDs outside the euro area and the first in the CEE region to realise that the T2S initiative could not be ignored and that it will bring opportunities to the early adopters





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Benefits for Depozitarul Central's clients



- T2S will be a driver and a catalyst for harmonization in the Romanian market
- Depozitarul Central will be able to provide its clients with a state of the art settlement system, with enhanced functionality, no different than the ones of the biggest EU depositories, at no investment cost
- T2S will make cross-border settlements of Depozitarul Central clients more efficient from an operational and cost point of view, and it will reduce risks by providing access to central bank money
- By joining T2S from the very beginning, Depozitarul Central will be able to offer its clients financial benefits during the migration period

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- T2S and CSD Regulation will enhance the ability of issuers to reach across national borders, lowering their cost of capital
- T2S will be an indispensable tool for banks to optimize the management of collateral
- Depozitarul Central intends to further extend its collateral management service offering - for more than a year, the securities borrowing and lending service, based on the Global Master Securities Lending Agreement, was launched





- Depozitarul Central intends to offer its clients one access point to the region, both for settlement and asset servicing, which could significantly reduce their back-office costs
- By using the same “Boarding Gate”, Depozitarul Central's clients will be able to access T2S securities, as well as other securities accessible through the links opened with CSDs located on other continents
- Currently, Depozitarul Central has 18 links on 3 continents and is able to settle in 11 currencies
- Depozitarul Central will offer direct and indirect connectivity to domestic and international clients, having a local presence or using remote facilities

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- The use of omnibus accounts was extended to all the Romanian securities listed on the Bucharest Stock Exchange, in addition to the foreign securities and Government Bonds
- Depozitarul Central established the Market Implementation Group for Corporate Actions, which will work closely with the National Market Practice Group (led also by Depozitarul Central) to harmonize the corporate actions processing with the European standards





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Depozitarul Central in T2S Wave 1



➤ Besides competition, T2S will also encourage new types of cooperation amongst the post-trading players – the so-called “coo-petition” – leading to better service to end users

Doing more for each other in the value chain

➤ The introduction of choice and competition represents for Depozitarul Central and its clients the “Passport” to the new post-trade reality

➤ By committing to be in the first wave, Depozitarul Central will offer its entire client base the possibility to take advantage of the opportunities that the new post-trade reality will bring

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By adopting T2S at an early stage, the Romanian securities industry has shown that is willing and able to adapt quickly to change, and position Bucharest as a regional financial hub, encouraging the international investors to explore the Romanian market and giving the clients the ability to stay ahead

