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In case of legal matters the original documents written in Portuguese, and other Portuguese legislation should be consulted.

INTERBOLSA REGULATION no. 3/2004 - General operational rules of the securities settlement systems

(as amended by Interbolsa Regulations no. 1/2005, 2/2005, 5/2005, 3/2006, 4/2006, 1/2007, 2/2007, 2/2008, 4/2008, 5/2008, 6/2008, 3/2009, 6/2009, 1/2011, 6/2011, 4/2012, 3/2014 and 6/2014)

TITLE I - General Provisions

Article 1

(Scope and Regime)

1. This Regulation contains the operational rules applicable to the management and running of securities settlement systems managed by *INTERBOLSA – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A.* (INTERBOLSA – Company for the management of settlement systems and centralized securities systems), hereinafter referred to as INTERBOLSA.

2. The settlement systems referred to in the previous number, will be subject to the Portuguese Securities Code ("PSC"), the present general rules and any other provisions that may be duly issued by competent entities.

3. In order to develop the matters foreseen in the present Regulation, the Managing Board of INTERBOLSA may issue other operational rules labelled as Circulars.

Article 2

(Functions)

INTERBOLSA is entrusted with organising and managing securities settlement systems, so as to secure, namely, financial transfers relating to securities transfers or inherent rights and collateral regarding securities operations.

Article 3

(Liaison agreements)

1. In order to perform the functions under its scope, INTERBOLSA liaises with the following entities:

a) The centralized securities systems under its management;

b) *EURONEXT LISBON – Sociedade Gestora de Mercados Regulamentados, S.A.*, hereinafter referred to as EURONEXT LISBON);

c) *Banco de Portugal* in the role of Central Bank which operates TARGET2-PT;

d) The Banque Centrale de Compensation, S.A., named as LCH.CLEARNET, SA;

e) *Caixa Geral de Depósitos, S.A.* (abbreviated as CGD), a credit institution designated by INTERBOLSA for financial service in currencies other than the Euro, inherent to the financial settlement of operations carried out through the Systems managed by this entity.

2. Under the liaison terms established with *Banco de Portugal*, INTERBOLSA, while Ancillary System, participates in TARGET2-PT, the component system of TARGET2 (the Real Time Gross Settlement System of the Eurosystem, based on a single shared platform); the references, in the present Regulation, to open accounts in the settlement system are made to TARGET2, considering that for other situations mainly those regarding the channeling of information to the System or the reporting of information, the designation *Banco de Portugal* or TARGET2 will be used.

Article 4

(Financial intermediaries - affiliation)

It is the responsibility of INTERBOLSA to define, through regulation, the functions and requirements necessary to obtain, maintain and perform the role of affiliate, namely the respective obligations and the related functions.

Article 5

(Service charges)

It is the responsibility of INTERBOLSA to define, through regulation, the fees and other remunerations to be charged for services rendered to financial intermediaries, issuers and other participants in the settlement systems.

Article 6

(Working hours)

The working hours regarding settlement systems and settlement cycles are set, through notice, by the Managing Board.

TITLE II – Information

Article 7

(Information feed to the settlement systems)

The information to be processed by the settlement systems is sent by entities legally qualified, within the time limits and conditions established in the present regulation, namely by Euronext Lisbon, LCH.Clearnet,

SA, *Banco de Portugal*, *CGD* , *Central de Valores Mobiliários* managed by Interbolsa and by the participants in the System.

Article 8

(Informative connection with *Banco de Portugal or with CGD*)

1. INTERBOLSA sends to *Banco de Portugal* or to *CGD*, within the time limits set by both entities, the necessary information for the operations financial settlement.

2. *Banco de Portugal* or *CGD* informs INTERBOLSA as to:

a) Any anomaly occurred during the processing of the financial settlement referred in the previous number;

b) The closing of the financial settlement, as soon as it happens.

Article 9

(Information to the participants in the settlement system)

The System issues, directly or indirectly, reports, directories and additional documentation intended for participants in the settlement systems.

TITLE III – Settlement systems

Article 10

(General provisions)

1. In order to carry out the physical movements and calculate the financial amounts in Euros and in a different currency, regarding the operations referred to in the present Regulation, there are, on a daily basis, three general settlement batch processings: two intraday batches, integrated in the General Settlement System and in the Non-Euro Currency Payment System and one overnight batch, integrated in the General Settlement System, beyond the Real time settlement processing.

2. Prior to the beginning of the intraday settlement batch processing integrated in the General Settlement System, the quantity of securities to be debited in that session is abated per financial intermediary or per account, so that the financial intermediaries may be able to carry out operations, based on the balance thus obtained, with immediate effect on the centralized systems, during the mentioned processing session.

3. For the purpose of financial settlement, the amounts calculated regarding operations carried out within the scope of the present regulation and INTERBOLSA regulation regarding the centralized securities systems are:

a) Rounded up or down, to the nearest cent;

b) Cleared in a single balance, in credit or debit, for each financial intermediary;

c) Processed through *Banco de Portugal*.

4. The regime described in paragraph *b)* above is not applicable to the amounts calculated corresponding to the operations to be settled through the real time Settlement System.

5. The balance in debit or credit referred to in no. 3 paragraph *b)* above and the amounts referred in the previous number are always expressed in euros.

6. For the purpose of financial settlement in a foreign currency, the financial amounts are always presented with the number of decimals corresponding to the minimum transferable amount, therefore applying, for the calculations made in a currency other than euro, the same rounding rules that are used in the calculations corresponding to euro taking, however, into account the number of decimals usable in each currency or the non-existence of the same.

Article 11

(The General Settlement System)

The General Settlement System processes operations namely related to:

a) The settlement of operations carried out in a regulated market;

b) The settlement of operations carried out in a multilateral trading system;

c) Settlement of operations carried out outside the market;

d) Settlement of transfers free of payment.

Article 12

(The real time Settlement System)

The real time Settlement System processes operations namely the ones related to outside market purchase and sale operations.

Article 12-A

(Non-Euro Currency Payment System)

The Non-Euro Currency Payment System processes the settlement of all operations carried out, through the System, on securities denominated in currencies other than euro, in particular the payment of interest, redemption and the settlement of non-guaranteed operations carried out in the market.

Article 13

(Irrevocability regarding transfer orders)

Transfer orders become final and irrevocable in so far as they are unsusceptible to unilateral modification or revocation by financial intermediaries, in accordance with the rules.

Article 14

(Settlement accounts and regularization transfers)

1. For the purpose of the settlement of the operations referred in the present Regulation, the affiliates must have open accounts in the System.

2. The settlement accounts that LCH.CLEARNET, SA holds in the System are dedicated.

a) To the movements of the securities related with the settlement of the operations it clears and/or it guarantees;

b) To the movements related with procedures set by LCH.CLEARNET, SA in the context of net fails on operations it guarantees.

3. In certain cases, INTERBOLSA may impose that the settlement accounts referred to in the previous numbers, assume certain characteristics.

4. The settlement accounts opened by the financial intermediaries must be communicated to Interbolsa via the means defined by this entity.

5. The opened accounts in the centralized system may be designated by the affiliated financial intermediaries in the settlement system as settlement accounts.

6. Before and after the settlement processing as established in this Regulation, if it is the case, the affiliated may initiate the necessary regularization transfers between the the centralized system accounts and the settlement ones, and *vice versa*, according with the procedures set by INTERBOLSA regulation related with the securities centralized system.

TITLE IV – Operations to be settled

CHAPTER I – Settlement of operations carried out in a Regulated Market and in a Multilateral Trading System

Article 15

(General Provisions)

Operations carried out or registered in regulated markets and multilateral trading systems are settled through the settlement systems managed by Interbolsa, including furthermore those managed by Euronext Lisbon, being applicable, according to each particular case, the procedures set out under the following sections, concerning the settlement of guaranteed and non-guaranteed operations, or others which may came to be defined for the settlement of the mentioned operations, in particular the procedures set out under the articles 26 and following ones.

SECTION I – Settlement of guaranteed operations

Article 16

(Sending of information)

1. In the preceding working day of the settlement date of the operations, LCH.CLEARNET, SA sends to INTERBOLSA the necessary information for the processing of the physical and financial settlement.

2. On the date of the sending of the information referred in the previous number, the System verifies that information and in the case of errors being detected the corresponding instructions are rejected and INTERBOLSA communicates that fact on that same day to LCH.CLEARNET, SA which can then proceed to the re-sending of the corrected information, during the time established between both entities; if LCH.CLEARNET, SA does not correct the information, INTERBOLSA will begin the settlement process without the rejected instructions, and LCH.CLEARNET, SA will send them, again, in the following business day, together with other information related to settlement that will be processed on that same day,

3. The information sent by LCH.CLEARNET, SA, can include only financial instructions or only physical instructions, namely due to the netting processes or the treatement of exercise of rights carried out by LCH.CLEARNET, SA, as well, fails from the previous processings of precedings days and instructions related to the buy-in of securities, following the terms of the substituting procedures to ensure the good settlement of the operations established in LCH.CLEARNET, SA rules.

4. The financial information sent by LCH.CLEARNET, SA related to fixed income securities, in addition to the amount of the operation shall include also the interest and other remunerations with similar nature corresponding to the legally prescribed period.

Article 17

(Physical settlement)

1. Physical settlement is processed, through the System, in the general daytime processing session of the second working day following that on which the operations took place, in accordance with the following procedures:

a) The System, based on the information referred in the previous article, , generates settlement notes, which have LCH.CLEARNET as mandatory counterparty, according to the following criteria:

a1) The quantities to be credited in an account open in the name of LCH.CLEARNET, SA by descending order of amount;

a2) The quantities to be debited in an account opened in the name of LCH.CLEARNET, SA by descending order of amount;

a3) Whenever the account to credit belongs to LCH.CLEARNET, SA, associated to buy-in operations, the System firstly credits this same account by descending order of amount and only after applies the criteria described above in paragraph a1) e a2).

b) The System calculates eventual insufficiencies in the balances of the concerned financial intermediaries' settlement accounts;

c) The System processes the corresponding credits and debits in the concerned settlement accounts.

2. The securities credited in the buyer's settlement accounts, under the terms set forth in paragraph *c)* of the previous number, can be used to settle, in the same processing session, non-guaranteed operations, thus:

a) Netting occurs when the operations involve the same security and the same financial intermediary's settlement account;

b) Netting is processed in a cyclic manner, and the credit balance resulting from the guaranteed operations is made available for the settlement of the notes related with the operations referred in the main part of no. 2.

3. Once netting has taken place, under the terms set forth in the previous number, the eventual credit balance is provisionally credited in the buyer's settlement account, becoming effective once financial settlement has been completed.

4. There shall not be partial settlement whenever the securities being settled are units of open or closed end investment funds or similar instruments represented with a fractional amount.

Article 18

(Financial settlement)

1. Following the regime set forth in the previous article, the System calculates the financial amounts for each participant involved in the settlement of the concerned operations.

2. The financial settlement is processed after the general daytime processing, according with the following procedures:

a) INTERBOLSA sends to TARGET2, following the processing of the physical settlement of guaranteed operations, under the terms set forth in the previous Article and until the agreed time, information concerning the balances, creditor or debtor, arising from the financial netting carried out, in relation to each financial intermediary, to LCH.CLEARNET, SA and to INTERBOLSA, indicating the account to credit or debit in TARGET2, for the purpose previously referred;

b) Based on the resulting balances mentioned in the previous paragraph, TARGET2 will carry out the debits or credits in the designated accounts, the settlement of operations therefore becomes definitive and irrevocable at that moment;

c) Once the financial settlement takes place, INTERBOLSA is immediately informed of such fact;

d) Once the communication mentioned in previous paragraph has been received, the settlement system makes effective, the provisional credits in the settlement accounts referred to in no. 3 of the previous article.

Article 19

(Information)

1. On the set date for the settlement of guaranteed operations, the financial intermediaries are sent information as to the amounts to settle, possible balance insufficiencies as well as provisional information as to the amounts to settle in TARGET2.

2. After the physical settlement processing and before or after the financial settlement processing, depending on the communication channel used, information is provided to the financial intermediaries regarding the settled and failed quantities, as well as the amounts to be settled or already settled.

3. On the subsequent working day after the settlement of the operations information is provided to the financial intermediaries regarding settled and failed quantities as well as paid amounts.

4. If and whenever the situation foreseen in no. 3 of Article 22 takes place, INTERBOLSA will immediately inform the financial intermediaries about the modifications that have been introduced.

5. Financial intermediaries must check all information referred to in the previous numbers and immediately inform INTERBOLSA, by fax, about any data that does not comply with the operations carried out.

Article 20

(Procedures within INTERBOLSA in case of insufficiency of securities)

1. If and whenever, due to an insufficiency detected in the balance of financial intermediaries' securities accounts, settlement notes regarding guaranteed operations still remain to be settled, even though settlement have been processed as set in Article 17 above, the System submits those operations for settlement in the real time Settlement System.

2. The settlement notes referred to in the previous number are submitted for settlement in the real time Settlement System, in the schedule set by notice issued by the Managing Board and following the procedures set forth in Articles 29 and 30, taking into consideration the following specificities:

a) The settlement notes are inserted in a waiting list and submitted to a new settlement attempt, together with the non-settled notes from the previous processings, before the processing of operations that, in accordance with Article 31 are still pending for settlement and before the closing of any existing securities lending operations, ordered by decreasing order of the amount;

b) The partial settlement can only take place during the last settlement attempt of the day, except when the securities in question are open or closed end investment funds units or other similar instruments represented with a fractional quantity, in which case a partial settlement is not possible;

c) The LCH.CLEARNET's account in which the movements regarding the physical settlement of the settlement notes take place is not provisionally credited, except if the same financial intermediary has, due the netting process, to deliver both securities and money to LCH.CLEARNET, SA;

d) For purposes of financial settlement, INTERBOLSA sends to TARGET2, once having submitted all the instructions, information per financial intermediary, regarding the amounts, creditor and debtor. The instructions are ordered with the following criteria:

d1) Firstly, credits in favour of LCH.CLEARNET, SA;

d2) Secondly, debits in favour of LCH.CLEARNET, SA.

3. If and when there is not sufficient balance for the total settlement of a note remaining pending of settlement, this will be submitted to new attempts, during the day the settlement has been attempted, in the schedule set by notice issued by the Managing Board; if the insufficient balance occurs in an account of LCH.CLEARNET, SA, and if the securities were not provisionally credited, the dispositions set forth in no. 3 of article 31 do not apply and the financial instruction will be submitted immediately to new settlement attempts, being applicable, the procedures foreseen in Article 31.

4. The non-settled instructions in the last resubmission processing of the day settlement has been attempted are cancelled and LCH.CLEARNET, SA and the envolving financial intermediaries are informed.

5. The cancelled settlement instructions can be sent, again, by LCH.CLEARNET, SA, to new settlement attempts, in the following days, together with the daily information sent, related to physical and financial settlement of guaranteed operations.

6. The information related with the settlement notes submitted to the real time Settlement System is sent to the concerned financial intermediaries.

Article 21

(Connection between Interbolsa and LCH.CLEARNET, SA in case of of insufficiency of securities)

1. Whenever LCH.CLEARNET, SA informs INTERBOLSA about the cancellation of a settlement instruction, the latter cancels the respective settlement notes, which are deemed non-settled, totally or partially, as the case may be, informing immediately the concerned financial intermediaries.

2. The additional procedures subsequent to the cancellation of a settlement instruction are set by LCH. CLEARNET, SA.

Article 22

(Procedures in case of insufficiency of funds)

1. Whenever, while processing a financial settlement of operations, TARGET2 detects any insufficiency of funds in the accounts, it will immediately report that information to Interbolsa.

2. In case of necessity to affect guaranteed operations, INTERBOLSA:

a) Informs LCH.CLEARNET, SA of that fact as a counterparty in those operations and CMVM;

b) Following the information issued by LCH.CLEARNET, SA, debits the securities credited in the buyer's account under the terms set forth in no. 3 of Article 17, against crediting the LCH.CLEARNET's dedicated account;

3. Following the adoption of the procedures stated in the previous number, INTERBOLSA prepares and sends a new information report to TARGET2, for the purposes foreseen in Article 18.

4. INTERBOLSA will keep CMVM permanently informed until the situation of insufficiency of funds has been completely solved.

5. It is a competence of CMVM, without prejudice to the competence granted to *Banco de Portugal*, to monitor the situation and adopt the necessary measures, in the event of non-compliance with the provisions set forth in the previous numbers.

6. INTERBOLSA will define, through means of a Circular, the system of penalties to apply to the defaulting financial intermediaries.

SECTION II – Settlement of non-guaranteed operations

SUBSECTION I – Settlement of non-guaranteed securities operations in Euros

Article 23

(Settlement of non-guaranteed operations)

1. Until the preceding working day of the settlement date of the operations, LCH.CLEARNET, SA sends to INTERBOLSA the necessary information for the physical and financial settlement.

2. On the date of the sending of the information referred in the previous number, the System verifies the information sent and in case of errors being detected, INTERBOLSA communicates that fact on that same day to LCH.CLEARNET, SA, and following the instructions and under the responsibility taken by the latter entity, INTERBOLSA may correct the information sent.

3. The financial information sent by LCH.CLEARNET, SA related to fixed income securities, in addition to the amount of the operation, shall include also the interest and other remunerations with similar nature corresponding to the legally prescribed period.

4. Physical settlement is processed, through the System, in the general daytime processing session of the second working day following that on which the operations took place, in accordance with the following procedures:

a) Considering the information referred in no. 1, the System generates notes for the settlement, respecting the order of the financial intermediaries by the sequence defined by LCH.CLEARNET, SA;

b) The physical settlement is processed note by note following the criteria adopted at the time of their respective creation, calculating, for each account, the debitor and creditor balance;

c) Calculation of eventual insufficiency of balance in the settlement accounts of the concerned financial intermediaries;

5. The creditor balance calculated following under the terms set forth in the previous number, can be used to net, in the same processing session, non-guaranteed operations, thus being applicable, *mutatis mutandis*, the regime defined by no. 2 and no. 3 of Article 17.

6. The information to be provided to the financial intermediaries follows, *mutatis mutandis*, the regime defined by Article 19.

7. Following the provisions as set forth in the previous numbers, the System calculates the amounts for each participant involved in the financial settlement of the concerned operations.

8. The financial settlement is processed immediately after the physical settlement processing, according with the procedures described in paragraphs *a)* to *d)* of no. 2 of Article 18 and in no. 3 and no. 4 of Article 22, with the necessary adaptations.

Article 24

(Insufficiency of securities and funds)

1. If and whenever, due to an insufficiency detected in the balance of financial intermediaries' securities accounts held in the Central settlement notes regarding non-guaranteed spot market operations still remain to be settled, even though netting and settlement have been processed as set forth in the previous article, the settlement system reverses the entire corresponding settlement note, informing the concerned financial intermediaries of that fact.

2. Upon verifying any insufficiency of funds in the financial intermediaries' accounts to debit or to credit in TARGET2 and if it is deemed necessary to affect non-guaranteed operations in the spot market, INTERBOLSA:

a) Immediately informs the defaulting financial intermediary and CMVM;

b) In case that the financial intermediary does not solve the defaulting situation within the deadline defined for the purpose, INTERBOLSA promotes de reversion of the settlement notes indicated by the financial intermediary;

c) In case that the financial intermediary does not indicate the settlement notes following the terms described in the previous paragraph or in the case that the indicated notes are not sufficient to solve the defaulting situation, INTERBOLSA promotes the reversion of the notes, minimizing the number of settlement notes to reverse.

3. Following the adoption of the procedures stated in the previous number, INTERBOLSA prepares and sends a new information report to TARGET2, for the purposes foreseen in no.2 of Article 18.

4. INTERBOLSA will keep CMVM permanently informed until the situation of insufficiency of funds has been completely solved.

5. It is a competence of CMVM, without prejudice to the competence granted to *Banco de Portugal*, to monitor the situation and adopt the necessary measures, in the event of non-compliance with the provisions set forth in the previous numbers.

6. INTERBOLSA will define, through means of a Circular, the system of penalties to apply to the defaulting financial intermediaries.

SUBSECTION II – Settlement of non-guaranteed operations on securities in non-Euro currency

Article 24-A

(Physical settlement)

1. Regarding the physical settlement of non-guaranteed operations carried out in a currency other than the Euro, the procedures described in nos.1 to 4 of article 23 are applied, with the necessary adaptations.

2. The resulting credit balance of the physical settlement of operations is provisionally credited in the buyer's account, becoming effective only after the respective financial settlement has been completed.

Article 24-B

(Financial settlement)

1. Following the dispositions set forth in the previous article, the System calculates, per settled operation and per each participant, the amounts referring to the financial settlement to process.

2. The financial settlement is processed immediately after the physical settlement of operations, according to the following procedures:

a) INTERBOLSA sends to CGD the payment instructions to settle, after the processing of the physical settlement of non-guaranteed operations, resulting (gross) per operation;

b) According to the instructions referred to in the previous paragraph, CGD debits or credits the open accounts for such purpose, thus the settlement of the operations becoming definitive and irrevocable, at that moment;

c) Once the financial settlement is complete, CGD immediately informs INTERBOLSA;

d) Once the communication referred to in the last paragraph is received, the settlement system makes the provisional credits effective, in the settlement accounts, as described in no. 2 of previous article.

3. The information to be provided to the financial intermediaries is subject to the rulings described in nos. 1 to 3 and 5 of article 19.

Article 24-C

(Insufficiency of securities and funds)

1. If, due to an insufficiency of funds detected in the financial intermediaries' accounts at the central, instructions are still pending to be settled, after physical settlement referring to non-guaranteed operations carried out in the spot market , the settlement system reverses the total amount of the settlement instruction in question and informs the financial intermediaries involved.

2. Once an insufficiency of funds is detected in the financial intermediaries' accounts held at CGD, the System will cancel the defaulting settlement instruction.

3. Upon verifying that the buyer does not hold an open account in the payment system operated by CGD, at the moment of the financial settlement, the procedures referred to in the previous number will apply. CGD will immediately inform INTERBOLSA of such fact.

4. Whenever the payment system operated by CGD detects that the seller does not hold an open account in the System, while processing the settlement of instructions sent by Interblosa, the former will immediately arrange the opening of a special account (default account) thereafter applying the procedures foreseen in article 38.

5. In the cases of non-compliance, foreseen in the previous numbers, INTERBOLSA must follow up on the situation and take the necessary measures, keeping CMVM informed at all times on facts and steps taken.

CHAPTER II – Settlement of outside market operations

SECTION I – General provisions

Article 25

(General provisions)

The settlement of outside market operations can be processed:

a) By means of transfer, in which case Central assures all debits and credits related to the physical settlement, under the terms set forth in INTERBOLSA Regulation concerning the securities centralized systems;

b) Through the real time Settlement System, under the terms set forth in Section II of the present chapter.

SECTION II – Settlement of the operations via Real Time Settlement System

SUBSECTION I – Registration of the operations

Article 26

(Registration procedures)

1. The settlement instructions are inserted in the System, according to the timetable defined by the Managing Board, by means of a notice, by any of the financial intermediary affiliated in the services managed by INTERBOLSA due authorized to participate in the physical and financial settlement of the registered operations.

2. When introducing the settlement instructions in the System, the financial intermediaries must identify completely the operation, including namely:

a) The date of the transaction;

b) The agreed settlement date;

c) The securities identification;

d) The number of traded securities or, alternatively, the nominal amount, which will be converted by the System in quantity (number of securities) before the settlement processing starts;

e) The financial amount to be paid;

f) The identification of the buyer and seller financial intermediaries and the respective clients;

g) The number of the relevant account open in the Central;

h) The type of the operation;

i) The settlement currency, which will always be the currency of nominal value or the Euro.

3. The information stated in paragraph b) of the previous number, may be a preceding, same or subsequent date to the instruction registration date.

4. The minimum quantity allowed to be introduced under the terms set forth by paragraph d) in no. 2 must be equal to or more than one security or, if expressed in nominal amount, an amount equal or multiple of the nominal value. In the case of issues in a currency different from the Euro, the amount must always be indicated in the currency of nominal value.

5. The information mentioned in paragraph g), referring to the account number involved in the operation, may be altered by the financial intermediary who introduced it, prior to the physical settlement of the operation in question.

Article 27

(**Matching of the instructions**)

1. Whenever the System detects two settlement instructions with similar specifications as referred to in paragraphs a), b), c), d), e), f), h) and i) of no. 2 in the preceding Article, it automatically matches the operation, thus fulfilling all the requirements to be settled through the real time Settlement System.

2. The information mentioned in paragraph e) of no. 2 in the previous Article, will only become eligible as a matching criteria if the respective financial instructions reveal a financial leg different from zero; a matching tolerance between two instructions is acceptable when it does not exceed the amounts that are, at each time and for each currency, released by Interbolsa in its Portal on the Internet. In the case of non coincidence and within the matching tolerance defined, the amount introduced by the seller financial intermediary prevails.

3. The reference contained in paragraph a) of no. 2 in the previous Article will only be a matching criterion if the instructions for settlement, seller and buyer, have the date field filled out with the same date or if this field, on both instructions, is left blank.

4. The information referred to in paragraph f) of no. 2 of the previous Article, concerning the identification of the financial intermediary's client will be a matching criterion whenever on the settlement instructions, buyer or seller:

a) The field referring to the client's identification is filled out and matches in both instructions;

b) The field referring to the client's identification is not filled out in both instructions;

c) The field referring to the client's identification is filled out in one instruction but not in the other.

Article 28

(**Information**)

Information is sent to the concerned financial intermediaries after the registration of each instruction and of its respective matching by the System as set forth in the previous article.

Article 28-A

(Hold and Release functionality)

1. The Hold function of the settlement may be used at the moment of or after the registration of the instruction, but always before the physical settlement of the operation in question.

2. The Release function of the settlement may be used at any moment, in which case the operation will immediately be settled, except if the contracted settlement date should be at a future time, in which case it will only have effect after its conclusion.

4. The Hold and Release functions are available during the schedule published for the registration of operations, within the real time Settlement System.

SUBSECTION II – Settlement of the operations

Article 29

(**Physical settlement**)

1. The settlement of operations through the real time Settlement System is carried out immediately after being introduced in the System, except if the registered settlement date is a future one, in which case the operation remains pending until the referred date, being therefore settled at the beginning of the indicated settlement date or if the operation is put on hold by one of the parties involved, thus awaiting release for settlement.

2. In any case, the physical settlement of the operation in the real time Settlement System is subject to the following procedures:

a) Following the information sent by Central, the System calculates eventual insufficiencies of securities balance in the relevant financial intermediaries accounts;

b) In case there is a sufficient balance for physical settlement of the operation, the settlement system sends to the Central information to debit the seller's account and credit provisionally the buyers' account, being this credit effective once financial settlement has been completed.

Article 30

(**Financial settlement**)

The financial settlement, in Euros or in a different currency, is carried out immediately after the physical settlement of operations, according to the following procedures:

a) INTERBOLSA sends to *Banco de Portugal* or to *CGD*, whether the operation is carried out in Euros or in a different currency and following the processing of the physical settlement of operations, under the terms set forth in the previous article, and until the deadline defined, the information regarding the amounts, creditor and debtor of the operation, specifying the relevant accounts;

b) Based on the information referred to in the previous paragraph, the payment system operated by *Banco de Portugal* or by *CGD*, according to each case, carries out the credits or debits in the designated financial intermediaries' accounts for such purpose. Therefore, the settlement of operations becomes definitive and irrevocable, at that moment;

c) Pursuing the operations above-mentioned, *Banco de Portugal* or *CGD*, informs INTERBOLSA as to the outcome of the financial settlement, thus becoming effective the provisional credit referred to in paragraph b) in no.2 of the previous Article.

Article 31

(Insufficiency of securities and of funds)

1. If and whenever, due to an insufficiency detected in the balance of the financial intermediaries' securities accounts held in the Central, the operation remains pending for settlement it will be submitted to new settlement attempts in the schedule set for that purpose.

2. Upon verifying any insufficiency of funds in the financial intermediaries' accounts to debit or to credit in TARGET2, the operation in question is cancelled and INTERBOLSA is notified of such fact.

3. In case that the situation referred to in the previous number occurs, the settlement system undoes the physical settlement of the operation and submits this one to another settlement processing.

4. Upon verifying any insufficiency of balance in the financial intermediaries' accounts held at *CGD*, INTERBOLSA will immediately be notified of such fact and the operation in question will immediately be cancelled, being applicable the established in no. 3 of the present article.

SUBSECTION III – Cancellation

Article 32

(Cancellation of registrations)

1. The settlement instructions may be always cancelled by the financial intermediary, who registered them, before matching by the System or acceptance by the counterparty, as set forth by the terms in Article 27.

2. After matching, the settlement operations are cancelled:

a) By mutual agreement, at any moment before the settlement date;

b) By decision taken by the non-defaulting financial intermediary, after a failed attempt to settle (physically or financially) the operation.

c) *(revoked)*

3. Before matching, the instructions are cancelled:

a) If the financial intermediary, who registered the instructions, wishes to;

b) If after a period of 20 working days subsequent to the designated settlement date or subsequent to the instruction registration date, according to the most recent one, the instruction is still unmatched or is in a hold status.

4. In the event of an exercise of patrimonial rights, processed by the Central, the settlement instructions or operations with a settlement date prior to the beginning date of the exercise of rights will be cancelled, even if they are in a hold status, except for the provisions set forth in the following articles.

5. An operation in a hold situation is subject to the same cancellation rules as referred to in the previous numbers.

SUBSECTION IV- Automatic adjustments of Operations (Market Claims and Transformations)

Article 32-A

(Market Claims for dividends and interest)

1. Whenever a dividend or interest payment processed by the Central takes place, the System generates a debt instruction for the seller's account, in the amount of the dividend or interest to receive by counterpart of the credit to the buyer, when:

a) There are non-settled matched instructions until the end of the day prior to the dividend or interest payment date (designated Record Date) whose intended settlement date is prior or equal to the Record Date, despite being or not in a hold status; the instruction is generated at the end of the Record Date;

b) There are instructions whose intended settlement date is prior or the same as the Record Date and which become matched after that same date, up to a maximum of 20 working days subsequent to the Record Date and since the matching date is not posterior to the 15th day of the month following the payment of the dividend or interest in question; the instruction is created the moment the matching occurs.

2. The new settlement instruction generated, under the terms set forth in the previous number, contains a clear reference as to the instruction and exercise of rights which have generated it.

3. The information on the instruction referring to the automatic adjustment of the dividend or interest is then transmitted to the financial intermediaries involved in the operation that created it.

Article 32 -B

(Settlement of the instruction for Market Claims for dividends and interest)

1. The instruction for the automatic adjustment of the dividend or interest, referred to in the previous article, is, automatically sent to be carried out in the payment system TARGET2 or in the non-euro currency payment system, in the specific situation of interest payment, only after the good settlement of the operation that generated it.

2. The adjustment instruction referred to in the present Article may only be settled until the established schedule for the settlement of operations with a financial component, as follows:

a) If the original operation matches after the Record Date and after the established schedule for the settlement of operations with a financial component, the adjustment instruction is therefore created immediately, but will only be settled at the beginning of the next working day;

b) If the original operation is settled during the last resubmission cycle, or, as an operation without a financial component, after the established schedule for the settlement of operations with a financial component, the instruction for the dividend or interest claim will only be settled in the beginning of the next working day.

3. In the event of a financial failure in the settlement of the claim, the same will be submitted to new settlement attempts within the established schedules and in accordance with the rules that are defined for the resubmission of settlement operations.

4. The information on the settlement of the instruction referring to the automatic claim for dividends or interest is transmitted to the financial intermediaries involved in the operation.

Article 32 -C

(Cancellation of the instruction on the Market Claims for dividends or interest)

1. The instruction will be cancelled whenever:

a) The operation which generated it is cancelled in the terms foreseen in Article 32, no. 2 and 5;

b) The financial intermediaries involved proceed to its cancellation under the terms set forth in Article 32, no.2 and 5;

2. If at the end of the 15th day of the month following the dividend or interest payment in question (or the previous working day, whenever the 15th is not a working day) the mentioned instruction is still pending for settlement, it will be automatically cancelled by the System.

3. In particular situations, duly justified, namely if the payment regarding the exercise of dividends or interest in question has to be corrected, Interbolsa may cancel an instruction concerning the adjustment of dividends or interest, as well as include a new one to replace the one cancelled.

Article 32-D

(Automated adjustment of redemptions)

1. In the event of a partial redemption processing, the System creates two new instructions from the original instruction, which is automatically cancelled:

a) One instruction is generated by transformation of the original, only adjusting the amount in question, to be debited to the buyer and credited to the seller; the instruction is thus created at the end of the Record Date, corresponding to the end of the day prior to the event of the redemption operation; and

b) One debit instruction is created to the seller's account, in the amount equal to that of the partial

redemption to be received, against the credit to the buyer with an amount of zero.

2. The procedures described in the previous number take place whenever:

a) There are matched instructions not settled until the end of the Record Date, whose intended settlement date is prior or equal to the Record Date, regardless of being in a hold status or not; the instructions are generated at the end of the Record Date;

b) There are instructions whose intended settlement date is prior or equal to the Record Date and become matched after this date, up to a maximum of twenty working/business days subsequent to the Record Date, considering that the matching date is not posterior to the 15th of the month following the event of the partial redemption operation in question; the mentioned instruction is created at the matching moment.

4. The new settlement instructions generated under the dispositions of the previous numbers contain clear reference to the instruction identification and to the exercise of rights that generated them.

5. The information on the instruction regarding the partial redemption automatic adjustment is communicated to the financial intermediaries involved in the operation that originated it.

6. Whenever, over the same security, there are, simultaneously, an interest payment and a partial redemption, three different settlement instructions are created, one of which for the adjustment of interest under the terms set forth in article 32. -A, one instruction to the partial redemption adjustment and one other transformed from the original, both under the dispositions of the present article.

7. To the settlement and cancellation of the instructions generated, under the terms set forth in the present article, following a partial redemption, the dispositions established under article 32.-B and 32.-C are applicable, with the necessary adaptations.

8. In the event of the processing of a total redemption, the procedures applicable are those established in the present article with the following specificities:

a) The transformed settlement instruction is created with the quantity and nominal value amount equal to zero;

b) The instructions with an intended settlement date posterior to the total redemption date and the unmatched operations, regardless of their intended settlement date, are cancelled;

c) In the beginning of the expected day for the event of total redemption, INTERBOLSA informs the financial intermediaries concerning the instructions pending for settlement, which under the terms of the preceding paragraph were cancelled, being created, at this point, the adjustment instruction as well as the instruction transformed from the original operation.

Article 32-E

(Automatic adjustment of share capital increase operations)

1. The operations of share capital increase, by capitalization of reserves (bonus issue), with or without detachment of bonus rights, or by subscription limited to shareholders may be decomposed in several

operations, named basic operations, depending on the type of corporate events in case:

a) Distribution – is an operation where the quantity of a new security is distributed in accordance to the position held regarding the underlying security, the position held is maintained as well as the characteristics of the security. The adjustment of pending operations is done by generating a Market Claim for the instructions which meet the adjustment criteria;

b) Reorganization – is an operation where the held position of the underlying security and/or its characteristics is changed. The adjustment of pending operations is done by generating a Transformation for the instructions which meet the adjustment criteria.

2. Whenever an increase of share capital operation, by capitalization of reserves (bonus issue), with or without detachment of bonus rights, or by subscription limited to shareholders, takes place, the System generates, automatically, adjustment instructions for pending operations, when:

a) There are matched non-settled instructions until the end of the Record Date of the basic operation, with intended settlement date prior or equal to Record Date, whether or not in a hold status;

b) There are instructions with intended settlement date prior or equal to Record Date of the basic operation, which have matched after that date, until the maximum of 20 business days after Record Date.

3. The adjustment of operations is carried out automatically:

a) By entering in the System a settlement instruction in order to transfer the resul of the event from the seller to the buyer (Market Claim);

b) By modifying the instruction already existing in the System, through its cancellation and inserting a new one (Transformation); or

c) By combining both of the above-mentioned operations (Market Claims and Transformations).

4. The generation of the adjustment instruction is based on the Record Date of the underlying basic operation.

Article 32-F

(Automatic adjustment of capital increase by capitalization of reserves (bonus issue) with detachment of bonus rights)

1. Following the distribution operation, substantiated in the detachment of bonus rights, a Market Claim instruction is generated and entered in the System, based on the existing pending operations, applying the following specific rules:

a) At the end of Record Date (date for the detachment of rights) the adjustment instruction is generated in a “buyer and seller hold status”, which, in order to be settled, only may be released by both parties;

b) Upon the matching moment, until the 5th day prior to the date of conversion of rights, the adjustment instruction is generated in a “buyer and seller hold status”, which only may be released by both parties;

c) At the matching moment, between the 4th day prior to the conversion of rights, the adjustment instruction is generated in a "system hold status", which, in order to be settled, and once the securities may not be freely moved, may not be released by the buyer or the seller;

d) In the night time processing of the 5th day prior to the date for the conversion of rights, for all the matched instructions pending over rights, the System changes the status of the instruction to "system hold status", which may not be released by the buyer or the seller;

e) All the instructions pending over rights, upon the right conversion date, are cancelled by the Sysytem in the night time processing of the same day.

2. Following the reorganization operation, substantiated in the conversion of rights in "provisional certificates" (*cautelas*) or directly in the final securities and of the conversion of provisional certificates (*cautelas*) into final securities, a Transformation is generated and entered in the System, according to the following specific rules:

a) The original instruction (of rights) is cancelled;

b) The substitution instruction regarding the securities that will arise from the share capital increase operation is entered into the System in a matched state:

b1) If the resulting securities are provisional certificates (*cautelas*) the System will place the instruction on "system hold" and neither buyer nor seller will be able to release it;

b2) If the resulting securities are final securities, the System places the instruction on "buyer and seller hold status", which, in order to be settled, will have to be released by both parties.

3. The new transformed settlement instruction shall contain the same fields as the original instruction, except for the following:

a) Security: final security arising from the conversion of rights (provisional or final securities);

b) Quantity: quantity of the initial operation corrected by the application of the allocation factor used in the conversion of rights of the corporate action, rounded down to an entire number.

4. The cancellation of the original (rights) instruction and the entering of the substitution instruction in the System is done after the close of business on Record Date (date for the conversion of rights) for the pending operations, including pending Market Claims which meet the adjustment criteria.

5. In the event of entering in the System an operation on the underlying security with an intended settlement date in the past and if this date is before or on the date of the detachment of rights (Record Date) and also if the matching occurs after the date of the conversion of rights but before the 20th business day since the mentioned Record Date:

a) The System maintains the underlying instruction in the System to be settled;

b) The System generates a transformed Market Claim instruction, from the final amounts the buyer would be entitled to, by applying the conversion factor:

b1) Upon the matching moment after the date for the conversion of rights and prior to the date for the conversion of the provisional certificates (*cautelas*) into final securities, the adjustment instruction is generated in a "system hold status" if the securities arising from the capitalization are provisional certificates (*cautelas*), and therefore, not able to be transferred; or in a "buyer and seller hold status", if the securities arising from the capitalization are final securities;

b2) Upon the matching moment after the conversion date of the provisional certificates (*cautelas*), the adjustment instruction is generated in a "buyer and seller hold status".

6. All the relevant information related with the creation of the automatic adjustment instructions is disclosed to the financial intermediaries involved in the operations.

7. To the securities deposited and registered in a foreign Central Securities Depository (CSD), registered in the Systems managed by Interbolsa in order to control the quantity of securities in circulation in Portugal, will be applied, if and when possible, the adjustment procedures defined to the other securities integrated in the Systems managed by Interbolsa, attending, however, to the specificities and special procedures in place to each issue.

Article 32-G

(Automatic adjustment of capital increase by capitalization of reserves (bonus issue) without detachment of bonus rights)

1. Following the distribution operation, substantiated in the allocation of provisional certificates (*cautelas*) or of the final securities, a Market Claim is generated and entered into the System, based on the existing pending operations, applying the following specific rules:

a) At the end of Record Date (date for the allocation of new securities), the adjustment instruction is generated in a "system hold status", if the securities arising from the capitalization are provisional certificates (*cautelas*), or in a "buyer and seller hold status", if the securities resulting from the capitalization are final securities;

b) Upon matching, after the date for the allocation of new securities and prior to the date of conversion of the provisional certificates (*cautelas*) into final securities, the adjustment instruction is created in a "system hold status";

c) Upon matching, after the date for the allocation of the final securities, the adjustment instruction is generated in a "buyer and seller satus";

d) Upon matching, after the conversion date of the provisional certificates (*cautelas*) into final securities, the adjustment instruction is generated in a "buyer and seller hold status".

2. Whenever necessary to process a reorganization, substantiated in the conversion of the provisional certificates (*cautelas*) into the final securities, and in what concerns the creation of a Transformation, the rules established in the previous article will apply, *mutatis mutandis*,

3. All the relevant information related with the creation of the automatic adjustment instructions is disclosed to the financial intermediaries involved in the operations.

Article 32-H

(Automatic adjustment of capital increase by subscription limited to shareholders)

1. Following the distribution operation, substantiated in the detachment of rights of the underlying securities, a Market Claim instruction is generated and entered in the System, based on the existing pending operations, applying the following specific rules:

a) At the end of Record Date (date for the detachment of rights) the adjustment instruction is generated in a "buyer and seller hold status", which, in order to be settled, only can be released by both parties;

b) Upon matching, until the date of cancellation of rights, the adjustment instruction is generated in a "buyer and seller hold status";

c) Without prejudice of what is established in paragraph b), (2) of the article 32-I, on the day for the cancellation of rights, operations may be registered over the rights.

2. The System shall not carry out automatic adjustment instructions (Market Claims and Transformations):

a) For the instructions over the original security, with an intended settlement date before or equal to the date for the rights detachment, which match after the cancellation date of rights, which will be kept in the System after the date of cancellation of rights;

b) For the instructions (unmatched and matched) over pending rights on the date for the cancellation of those rights, which shall be cancelled by the System in the night time processing on that same date.

Article 32-I

(Settlement of automatic adjustment instructions of share capital increase operations)

1. The settlement of adjustment instructions complies with the following specific rules:

a) The settlement of the adjustment instruction is not subject to the good settlement of the instruction which generated it, but since the instruction is on hold, in order to carry out its settlement both parties will have to release the operation;

b) If the operation which generated the adjustment is not settled, the latter shall be kept in the System (in resubmission or on hold) until settled or cancelled;

c) In the event of physical or financial failure in the settlement of the adjustment instruction, it will be subject to new settlement attempts, according to the timetable and rules defined to the resubmission of settlement instructions.

2. All the relevant information related with the creation of the automatic adjustment instructions is disclosed to the financial intermediaries involved in the operations.

Article 32-J

(Cancellation of automatic adjustment instructions of share capital increase operations)

1. The cancellation of the adjustment instructions shall be carried out according to the following specific rules:

a) If the operation which generated the adjustment is cancelled by the financial intermediary (or intermediaries), the System will not automatically cancel the corresponding Market Claim instruction;

b) If the adjustment instruction is cancelled, the operation which generated the adjustment will be maintained in the System;

c) The financial intermediaries may bilaterally cancel the adjustment instruction, but the operation which generated it is kept in the System.

2. In particular situations, duly justified, Interbolsa may cancel the instruction concerning an adjustment, as well as include a new instruction to replace the cancelled one.

SECTION III – Free of payment transfers

Article 33

(Transfers to be processed during the general overnight processing)

1. Following the registration and acceptance of the request of transfer or of the non refusal, until the end of the period referred to in no. 1 of Article 35 of INTERBOLSA Regulation related with the Centralized Securities System, Central sends for the General Settlement System the request for a definitive and irrevocable transfer.

2. As a consequence of the sending referred to in the previous number, the General Settlement System, in the overnight processing and based on the information sent by Central, verifies the balance of the account where the securities to be transferred are registered and in case of sufficient balance for the entire completion of the request processes the transfer.

3. After the processing referred to in the previous number, the settlement system sends to Central information in order for the latter debit and credit the concerned accoutst.

4. In case of insufficiency of balance, the request of transfer is rejected.

5. In any case, the settlement system together with Central issue adequate reports for the financial intermediaries who hold the concerned accounts.

CHAPTER III – Settlement of operations executed in special sessions of Euronext Lisbon

Article 34

(Settlement of operations executed in stock exchange special sessions)

1. EURONEXT LISBON sends to INTERBOLSA information regarding the corresponding physical and financial settlement on the working day prior to the one set for the settlement of the operations, executed in stock exchange special session.

2. The physical settlement of the operations referred to in the previous number, takes place in a settlement cycle specially created for the purpose, being applicable the procedures set by nos. 2 and 4 in Article 23.

3. The possible credit balance resulting from the physical settlement of operations is provisionally credited in the buyer's account, making it effective only after the respective financial settlement.

4. Following the provisions set forth by the previous numbers, the System calculates, per settled operation and to each participant involved, the amounts related to the financial settlement to process.

5. The financial settlement is carried out immediately after the processing of the physical settlement of operations, according to the following procedures:

a) Following the processing of the physical settlement, INTERBOLSA sends to TARGET2 the payment instructions to settle, generated (gross) per operation;

b) Based on the instructions referred to in the previous paragraph, TARGET2 carries out the debits or credits in the open accounts for the purpose. Therefore, the settlement of operations becomes definitive and irrevocable, at that moment;

c) Once the financial settlement takes place, INTERBOLSA is notified of such fact;

d) Following the acceptance of the communication referred to in the preceding paragraph, the settlement system makes the provisional credits, referred in no.3, now effective.

6. On the settlement day and on the following working day, the financial intermediaries are informed as to the amounts to settle and amounts settled, respectively.

7. If and in the event of an insufficiency of balance in the financial intermediaries' securities accounts at the Central, instructions remain unsettled, after the physical settlement is carried out, the settlement system reverses the total amount of the settlement instruction in question, thus informing the concerned financial intermediaries of such fact.

8. Upon verifying any insufficiency of funds in the financial intermediaries' accounts to debit or to credit in TARGET2, the System will reverse the defaulting settlement instructions.

9. The procedures described in the preceding paragraphs shall be applied, with the appropriate and necessary adjustments, to the settling of accounts carried out by the financial intermediary who holds the acceptance statements, under the terms set forth by paragraph a) in no. 1 of Article 127 in the Securities Code.

10. Interbolsa may, given the conditions and circumstances of the operation in question, define procedures and deadlines different from those described in this Article, in coordination with the entities involved, communicating to the market the procedures to be taken.

CHAPTER IV – Settlement operations through the Non-Euro Currency Payment System

SECTION I – General dispositions

Article 35

(Currencies)

1. The Non-Euro Currency Payment System accepts any convertible currency which can be handled by the payment system operated by CGD.

2. Interbolsa makes public, through its Portal, the convertible currencies usable in the Non-Euro Currency Payment System, at all times.

Article 36

(Securites)

The Non-Euro Currency Payment System accepts any security issue representing debt (with the exception of convertible securities) issued in a currency other than the Euro, provided that it is integrated in the centralized system managed by INTERBOLSA.

SECTION II – Non-Euro Currency Payment System - usage

Article 37

(System participation)

1. All the financial intermediaries affiliated may participate in the Non-Euro Currency Payment System by requesting Interbolsa to do so.

2. In order to participate in the Non-Euro Currency Payment System, the affiliated financial intermediaries must open an account in the payment system operated by CGD and ensure INTERBOLSA they have the necessary means and the adequate technical abilities to interact with the settlement system and therefore with the payment systems operated by CGD, in order to carry out transfer operations in currencies other than the Euro, which are accepted by the System at each time.

3. The access to Non-Euro Currency Payment System may be direct or indirect:

a) The participation is considered direct if the affiliated financial intermediary holds an open account in the payment system operated by CGD;

b) The participation will be indirect if the financial intermediary uses, for purposes of payments in currency other than Euro, another financial intermediary's account open in the payment system operated by CGD, presenting, beforehand, the necessary permission/agreement to INTERBOLSA.

4. The financial intermediaries participating in the Non-Euro Currency Payment System must submit to Interbolsa, and keep updated the information regarding the:

a) Identification of the account opened for each currency, directly or indirectly, in the payment system operated by CGD;

b) Identification of the Correspondent Bank, per each currency and the identification of the account opened.

5. The financial intermediaries with direct access to the Non-Euro Currency Payment System must present to CGD all the documents and further elements established by the terms and conditions set for account opening and use, which may eventually be request by CGD.

6. Once the referred information is communicated to Interbolsa and introduced in the System, the financial intermediary can legitimately use the Non-Euro Currency Payment System managed by INTERBOLSA. CGD and the financial intermediary in question will be informed of such fact.

Article 38

(Non-compliance with participation rules)

1. Whenever a financial intermediary, non-participating directly or indirectly in the Non-Euro Currency Payment System is responsible for a financial movement in the System, the following procedures will apply**:**

a) When concerning debits, the System will deal with the operation as a financial default, in which case, CGD immediately informs INTERBOLSA;

b) When concerning credits, CGD will open a special (default account) to credit the amount in question and immediately informs INTERBOLSA.

2. In the event of the situations mentioned above, INTERBOLSA communicates such facts to CMVM, keeping them updated until full completion of the process and immediately contacts the financial intermediary in question for a swift resolution of the ongoing situation.

3. The amount credited, under the terms set forth in paragraph b) in no. 1 must be withdrawn from the default account, open for the purpose, in the shortest time span, INTERBOLSA being responsible for supervising the ongoing situation.

4. In the case of non-compliance with the participation rules, INTERBOLSA will charge the defaulting financial intermediary with the following penalties:

a) EUR 1000 (a thousand Euros) per currency, on the first day of non-compliance;

b) EUR 1500 (a thousand five hundred Euros) per currency, in subsequent days, up to a maximum amount of EUR 5500 (five thousand five hundred Euros).

CHAPTER V – Settlement of operations carried out with the intervention of *Banco de Portugal*

Article 38-A

(Settlement of operations carried out with the intervention of *Banco de Portugal*)

1. To the pledging of securities to *Banco de Portugal* and to the extinction of the same, as well as to the Eurosystem credit operations, through reverse repo operations, with transfer of ownership of the securities to *Banco de Portugal*, referred to in articles 50 and 50-B of Interbolsa Regulation 3/2000, apply, with the necessary adaptations, the procedures of registration, matching, physical settlement and cancellation established in article 26 and following, except in what concerns the established in article 26, (5) and article 28-A.

2. Financial settlement is processed directly by *Banco de Portugal* with no intervention from INTERBOLSA.

TITLE V - Final and transitory provisions

Article 39

(Revoking provision)

Interbolsa Regulation no. 5/2000, regarding general operational rules of the securities settlement systems is revoked.

Article 40

(Coming into force)

This Regulation comes into force on 25 March 2004.