

**Decree no. 143 of April 17, 2000, published in the Official Gazette of June 6, 2000,  
Serie generale no. 130**

**REGULATIONS REGARDING THE CENTRALIZED DEPOSITORY OF  
GOVERNMENT BONDS**

The Minister of the Treasury, Budget and Economic Planning

**Considered** Legislative Decree no. 58 of February 24, 1998, and in particular, art.90, that provides, among others, that the Minister of the Treasury, Budget and Economic Planning governs the centralized depository of Government bonds, indicating the criteria for its execution and the party responsible;

**Considered** also art.1, commas 2, 80, 81 commas 2 and 3, 82, 84 comma1, 85, 86, 87, and 88 of the cited Legislative Decree no. 58/98, as well as the relevant implementation provisions;

**Considered** Legislative Decree no. 213 of June 24, 1998, regarding dispositions for the introduction of the Euro in the national order and in particular arts. 29, 30, 31, 32, 33, 34, 35, 38, and 39, as well as the relevant implementation provisions;

**Considered** art.17, commas 3 and 4, of Law no. 400 of August 23, 1988;

**Considered** art.45, comma 1, of Legislative Decree no. 80 of March 31, 1998;

**Considered** Ministerial Decree of July 15, 1998, published in the Official Gazette no. 167 of July 20, 1998;

**Considered** Ministerial Decree of July 31, 1998, published in the Official Gazette no. 183 of August 7, 1998;

**Having heard** the Council of State's opinion no.45/2000, expressed in the assembly of the Consultative Division for Regulatory Acts of March 20, 2000;

**Considered** the communication to the President of the Council of Ministers, in accordance with art.17, comma3, of the cited Law no. 400/1988 (note no. 10794 of March 27, 2000);

ADOPTS

The following regulation

## **Article 1** (Definitions)

1. In the present regulation, the following definitions apply:

- a) Consolidated Act: Legislative Decree no. 58 of February 24, 1998, “Consolidated Act of the dispositions regarding financial intermediaries, in accordance with arts. 8 and 21 of Law no. 52 of February 6, 1996”;
- b) Euro Decree: Legislative Decree no. 213 of June 24, 1998, “Dispositions for the introduction of the Euro in the national order in accordance with art.1, comma 1, of Law no. 433 of 17.12.1997”;
- c) Minister: Minister of the Treasury, Budget and Economic Planning;
- d) Ministry: Ministry of the Treasury, Budget and economic Planning;
- e) “Centralized Depository Company”: the depository company having its legal headquarters in Italy or in the European Union and which prevalently or exclusively carries out services of centralized depository of financial instruments;
- f) “Centralized Depository Company in Government bonds”: the depository company chosen in accordance with this present regulation;
- g) “Capital”: the capital stock of the centralized depository company entirely paid up and existing;
- h) “Systems”: centralized depository systems of financial instruments;
- i) “Issuer”: the Ministry;
- j) “Intermediaries”: the parties that can be account holders at the centralized depository through which they can carry out activities of transferring financial instruments that are subject to centralized depository and the exercising of the relevant patrimonial rights;
- k) “Financial instruments”: the financial instruments provided by art.1, comma 1, of the Consolidated Act;
- l) “Securities”: every document, certificate or entry, even in a dematerialized form, holding rights over financial instruments;
- m) “Coupon Stripping”: the separation of the coupon components from the reimbursement value of the bond.

## **Article 2** (Selection of the centralized depository company)

1. The centralized depository company in Government bonds is selected from those duly authorised in accordance with art.80, comma 9, of the Consolidated Act or that carry out, prevalently or exclusively, services of centralized depository of financial instruments, provided that they are subjectable to the supervision regulation provided by art.82 of the Consolidated Act.

2. The centralized depository companies that intend to carry out centralized depository of Government bonds and that comply with the criteria pursuant to comma 3 of the present article and to the requirements provided by art.80, commas 4 and 6, of the Consolidated Act, must send their applications to the Ministry.

3. The Ministry selects the centralized depository company in Government bonds according to the following criteria, which must derive from the statute, from the regulation of services or from suitable documentation:

- a) degree of capitalization, which includes a minimum capital of fifteen million Euros;
- b) organizational structure, with particular reference to the conditions and modalities of carrying out the activities of centralized depository, to the quality and types of services offered and the degree of transparency of the systems;
- c) operativeness with other centralized depository companies;
- d) carrying out of instrumental related activities;
- e) any costs of the service for the Issuer and charges for the participants to the system, in accordance with that provided by art.81, comma 3, of the Consolidated Act;
- f) intermediaries admitted to the system;
- g) an undertaking to observe, in the hypothesis pursuant to art.85, comma 1, of the Consolidated Act, the dispositions provided by the same article and by the following article 86, 87 and 88.

4. The Ministry communicates the outcome of the procedure initiated with the application pursuant to comma 2, within 60 days from the date of receipt of such application. The aforesaid time limit is suspended in the event that the Ministry requests further information, and, a new limit of 30 days begins from the date of receipt of the required information.

5. Following the selection of the centralized depository company in Government bonds, the Ministry can consider new applications for granting centralized depository functions. The Ministry can grant centralized depository in Government bonds to a number of companies.

### **Article 3**

(Parties admitted to the systems)

1. The Ministry is admitted to the systems and can also open its own accounts at the centralized depository company in Government bonds.

### **Article 4**

(Relations between the Ministry and the Centralized Depository Company)

1. The relation between the Ministry and the centralized depository company in Government bonds is regulated by a convention that in every case must provide:

- a) the modalities to check the account balances pursuant to the following article 6;
- b) the duration and renewal modalities;
- c) the causes, modalities and time limits for recession;
- d) the modalities for implementing the fulfilments pursuant to comma 2 of the present article;
- e) the modalities and time limits for sending, also to the Bank of Italy, information relevant to the daily movements of the stock of centralized Government bonds;
- f) the modalities and time limits for sending also to the Bank of Italy, information relevant to the payments to be made for maturing bonds;

g) the modalities and time limits for information to the public of the nominal values of Government bonds subject to coupon stripping;

h) the modalities for the cancellation of bonds subject to repurchase weighing on the availability of capital in the Fund for the amortising of government bonds and the time limits for information to the public of the aforesaid operations.

2. As from the time provided by article 7, comma 4, the fulfilments carried out by the Bank of Italy as centralized depository in Government bonds are executed by the centralized depository company in Government bonds.

3. The Bank of Italy will continue to perform the service of treasury for Government bonds according to the regulation in force.

### **Article 5**

(Issuance of non-dematerialized bonds into the systems)

1. The intermediaries, pursuant to art.30 of the Euro Decree, will continue to withdraw bearer- and registered bonds forming part of current loans, as provided by the Ministerial Decree of July 31, 1998 cited in the premises, which were presented at their offices by holders for dematerialization. The same intermediaries arrange:

a) to transform the same bonds into bookkeeping entries, sending the exchange slips to the centralized depository in Government bonds for emission into the centralized depository;

b) upon sending the same bonds, together with the exchange slips, to the Bank of Italy, that verifies their legitimacy, to proceed with their annulment and sends them to the Ministry and transmits the relevant information to the centralized depository in Government bonds.

2. Following the dematerialization procedure pursuant to the preceding comma, the centralized depository in Government bonds forwards the information regarding the movements executed during the day to the Ministry and the Bank of Italy which, within the next working day, verify that the balance of the accounts accessed at the centralized depository in Government bonds match with the issued amount of each bond, and if necessary, taking into account any purchases on the market and the residual outstanding of non-dematerialized bonds.

3. Any differences found at the verification office in accordance with comma 2, are communicated by the Ministry, in agreement with the Bank of Italy, to the centralized depository in Government bonds that duly sees to checks of competence and to appropriate corrections.

### **Article 6**

(Balancing of accounts)

1. The centralized depository company in Government bonds, after calculating all the transactions carried out on each accountable day, for every Government bond issued in the system, verifies that the total of the balances of the intermediary's accounts belonging to third parties, and of any account for the management of the financial instruments belonging to the same management company, matches with the dematerialized capital outstanding of each issuance, taking into account any purchases made on the market.

2. The centralized depository company in Government bonds must forward, periodically, the movements carried out and the daily balances of every issuance to the Ministry and the Bank of Italy, which carry out the checks pursuant to article 5, comma 2, for the entirely dematerialized issuances. Any differences found must be communicated by the Minister, in agreement with the Bank of Italy, to the centralized depository company in Government bonds that duly sees to checks of competence and to appropriate corrections.

3. The Bank of Italy, within the scope of treasury service bestowed upon it and it being understood that the fees paid by the Ministry for such service are in application of the convention of January 17, 1992, makes provisions for the timely payment of matured bonds, subject to verification of the information forwarded by the centralized depository company in Government bonds in accordance with article 4, comma 1, letter f), of the present regulation. The Bank of Italy must inform the Ministry of any differences found. The duty to render account of the payments in accordance with the regulations on Government accountability remains.

4. The balancing pursuant to comma 1, regarding Government bonds subject to coupon stripping and reconstitution operations in accordance with the Ministerial Decree of July 15, 1998 cited in the premises, is effected by the centralized depository company in Government bonds exclusively for the intermediaries.

#### **Article 7**

(Temporary dispositions)

1. During the first application of the present regulation, the applications pursuant to article 2, comma 2, must come before the Ministry within forty days of the coming into force of the present regulation.

2. Within twenty-five days of the lapsing of the period pursuant to the first comma, the Ministry must select the centralized depository company from those that have presented applications.

3. In the event that the Ministry requests additional information even from only one of the centralized depository companies that have presented applications, the time limits pursuant to the preceding comma are suspended for all the applicants, and a new limit of thirty days begins from the date of receipt of such information.

4. By December 31, 2000, the Bank of Italy must carry out the fulfilments necessary to allow the same company to perform the activity of centralized depository in Government bonds.

The present regulation, issued with the Government seal, shall be included in the Official Collection of Regulatory Acts of the Republic of Italy. It is obligatory to whomever it may concern to respect it and make it be respected.

April 17, 2000, Rome

THE MINISTER: AMATO