

Mandate Alert

The following content will be pasted directly in an e-mail for distribution to the press by Société Générale's press department.

Subject : SGSS MANDATE ALERT: SGSS mandated by Hungary's central securities depository for T2S payment bank services



SGSS MANDATE ALERT

Societe Generale Securities Services (SGSS) has been mandated by KELER, the Hungarian central securities depository, to facilitate connection to the Target-2-Securities (T2S) platform providing access to liquidity management and collateral transformation solutions for T2S, the European platform for securities settlement. The mandate will take effect when KELER connects to the platform during the 4th migration wave in February 2017.

As a participating non-euro country, SGSS will provide the hungarian CSD with a single line of liquidity in euro currency to settle its transactions for both domestic and regional clients seeking access to European markets.

Services provided by SGSS:

- Payment bank services which include:
 - Liquidity provision in central bank money through Societe Generale's dedicated cash account in T2S in euro currency
 - Cash pooling and netting services for securities settlement in multiple T2S markets
 - Flexible funding options in and out of T2S through external guarantees, collateralization and unsecured credit facilities
 - Management of the Credit Memorandum Balances
 - Reporting on intraday liquidity usage

Benefits for Keler include removing fixed costs linked to setting-up and running euro currency liquidity management in T2S and providing instant access to the euro markets in T2S on a "pay as you go" basis

Geographic scope:

- Europe

Why SGSS:

- An in-depth understanding of the new processes inherent to T2S implementation.
- The capacity to provide both bundled and unbundled T2S solutions to support clients, whether they opt for an unbundled liquidity provision or require a complete offering, comprising settlement, asset servicing, liquidity management and T2S connectivity.
- An innovative payment bank service offering adaptable to specific client requirements for liquidity management services across T2S markets.
- A track record for providing liquidity to third party institutions in the ESES markets with over 50 ESES participant accounts managed.
- The flexibility to progressively adjust the model and cater for guarantees in securities collateral and manage T2S auto-collateralization.
- Full integration possible with SGSS' wide range of custody solutions
- A competitive and evolutive pricing model.

Keler

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KELER Central Depository Ltd. (KELER), the sole central securities depository in Hungary, founded in 1993, is owned by the National Bank of Hungary and the Budapest Stock Exchange. KELER provides the infrastructure for Hungarian securities issuance and settlement of Hungarian securities transactions.