



Qualification criteria for a Latvia`s primary dealer candidate

1. A candidate for primary dealership shall be a credit institution (bank) or its branche that fulfils at least one of the following criteria:
 - 1.1 is counterparty of the Treasury, or
 - 1.2. by the decision of the European Central Bank is classified as significant and is directly supervised by it , or;
 - 1.3. is a local or regional systemically significant institution, or;
 - 1.4. The candidate`s credit rating is evaluated by at least two international rating agencies is not less than A3.
2. A candidate for primary dealership shall have primary dealer status in at least one other Eurozone country.
3. A candidate is a member of NASDAQ Riga (stock exchange).
4. A candidate for primary dealership has been regularly active in Latvia government domestic securities primary market (LV and XS ISIN) over the last 12 (twelve) months:
 - 4.1. A candidate has purchased securities in the primary market (through existing PD) not less than 5% (five per cent) of the domestic securities issued during the relevant period.
 - 4.2. The total amount of the candidate's bids in the primary market (through existing PD) has be not less than 10% (ten per cent) of the total demand for domestic securities in auctions during the relevant period.
5. A candidate for primary dealership has been regularly active in Latvia government domestic securities secondary market:
 - 5.1. A candidate has provided quotes (buy and/or sales side prices) of Latvia government domestic securities in Bloomberg system:
 - (a) within the last 6 (six) months;
 - (b) quotes for at least 1 (one) domestic market benchmark security.
6. A candidate meets the Treasury`s Know-Your-Client basic principles.
7. The activity of the candidate for primary dealership (including the region of its activity) does not create reputational risks neither for the Treasury, nor to the Republic of Latvia.