

AMENDMENTS TO EURONEXT CLEARING'S INSTRUCTIONS – SETTLEMENT ARRANGEMENTS FOR THE BOND SECTION

1st December 2025



EURONEXT CLEARING

The amendments described in the present Notice will enter into force on the **1st December 2025**.

1. Settlement Arrangements for the Bond Section

In the context of the repo expansion programme of Euronext, Euronext Clearing has recently expanded the scope of its government bond clearing offer, within the Bond Section, towards an additional set of cash and repo fixed income financial instruments. Notably, this extended scope is presently available to those Clearing Members of the Bond Section that have voluntarily activated the CCS infrastructure for the clearing of their activity executed on wholesale cash and repo markets cleared by Euronext Clearing.

Therefore, against this background, Euronext Clearing is amending the Instructions to the Regulations with the purpose of providing further clarity on the technical and operational arrangements governing settlement of the extended government bonds offering within the Bond Section, as mentioned above.

New Article B.5.1.2-quater of the Instructions clarifies the rules governing settlement balances' calculation and relevant attributes of the settlement instructions. In particular, it is clarified that Positions cleared are aggregated into net settlement balances per Delivery Account, based on intended settlement date and settlement currency. The configuration of the relevant Delivery Accounts shall be communicated by each Clearing Member at onboarding stage to Euronext Clearing.

Furthermore, new Article B.5.1.2-quinques is introduced to clarify the arrangements applicable for the final settlement of Positions. Notably, except for Positions for which the Contractual Scheme provides for the settlement to occur on the trade date, Euronext Clearing shall forward the instructions at the end of the day prior to the settlement date (ISD-1) to the relevant Settlement Service.

Additionally, in view of aligning the value proposition of the Bond Section and providing additional efficiencies to its membership, Euronext Clearing is extending the perimeter of settlement locations available for a given Financial Instruments, introducing additional settlement flexibility, and ensuing benefits for participants. As outlined within Article B.5.1.2-quinques, settlement will generally occur in the settlement system where the financial instrument is issued and held in custody (being a CSD or an (I)CSD), unless the Clearing Member identifies an alternative arrangements, that must be compliant with the settlement solutions available for the given Financial Instrument, and communicate its choice to Euronext Clearing.

Euronext Clearing will subsequently manage the rebalancing mechanisms across settlement systems: in case rebalancing is needed, Euronext Clearing shall direct settlement towards a specific rebalancing account, within the same settlement system used by the CM or its SA (internal settlement). Euronext Clearing will subsequently cross-settle the imbalance between its own accounts held in the settlement systems where the buyer and the seller maintain their securities accounts.

Lastly, the list of available Settlement Services specified in Article B.13.1.1 is further expanded, at the same time specifying that the list of available settlement solutions for each Financial Instrument is made available within a new, dedicated Annex B.512quinques.

2. Clearstream Banking Luxembourg as Eligible Triparty Collateral Agents

Furthermore, with regard to the Triparty Collateral Management Tool described within Article B.3.3.9 of the Instructions, the rules are amended to reflect the addition within the list of Eligible Triparty Collateral Agents of Clearstream Banking Luxembourg.

3. Additional Fine tunings

As part of ongoing efforts to enhance the clarity and consistency of its regulatory framework, the occasion has been taken to further clarify the scope of application of certain collateral management arrangements in the context of the Bond Section.

Also, taking note of the recent update of the commercial name of Clearstream Bank Frankfurt in Clearstream Europe AG, the Instructions are supplemented accordingly.

Below the excerpt of the amendments to Euronext Clearing's Instructions

INSTRUCTIONS

TITLE B Central Counterparty System

CHAPTER B.1 Membership

Heading B.1.1 Membership

Omissis

**Article B.1.1.1-bis Requirements for Clearing Members
(all Sections excluding Fixed Income Sections)**

1. Legal persons that intend to join the *Equity Section or the Financial Derivatives Section or Soft Commodity Derivatives Section or*, limited to the Markets listed in Article B.10.1.3, paragraph 1, letters c) and d), the *Bond Section*, shall submit to *Euronext Clearing*:
 - a) a "Request for Services" using the form provided by *Euronext Clearing*, available through the *Euronext Clearing* Internet site (www.euronext.com/it/post-trade/euronext-clearing).
 - b) the following documentation/information:
 - share structure and the *Group* the company belongs to;
 - membership of other central counterparty guarantee systems;
 - place of the Clearing office;
 - the referents indicated at Article B.2.1.2, paragraph 16, of the *Regulations*;
 - the last approved financial statement and the most recent quarterly or half-year report;
 - a description of the company's and parent company's activities and their risk management and back-office structure;

- a copy of the last rating issued to the company and/or the parent company;
 - the form outlining the *Clearing Member's Account Structure* set up, determined in compliance with the provisions of Chapter 3.0 of Part 3 of the Regulations;
 - the systematic posting choices for registration of *Positions*, pursuant to Article B.3.1.2, paragraph 3 of the Regulations;
- c) with regard to the asset requirements:
- a declaration attesting to the applicant's *Supervisory Capital*;
 - any guarantee as indicated at compliant with the contractual form available through Euronext Clearing's website;
- d) With reference to the execution of securities settlement obligations, the *Clearing Member* is required to open at least one *Delivery Account* per *Settlement Address*. To this purpose, the *Clearing Member* shall provide *Euronext Clearing* with the following information:
- a notification of the relevant selected Settlement platform/system for the settlement of financial instruments, **being as applicable:** (i) Target 2 Securities; and/or (ii) *Euroclear Bank S.A. and/or (iii) Clearstream Banking Luxembourg*;
 - a notification concerning the selected *Central Depository(ies)* of reference participating to T2S settlement platform and/or the *Euroclear Bank SA and/or Clearstream Banking Luxembourg*, related to the settlement of financial instruments, as indicated in Article B.13.1.1bis or for the Bond Section, Article B.13.1.1, of these Instructions;
 - the declaration of compliance concerning the relationship with any *Settlement Agent*, mentioned in Article B.1.1.6-bis;

- an indication of the details of the securities accounts to be used for settlement opened with the relevant *Settlement Service*, as indicated in Article B.13.1.1.bis or, for the Bond Section, Article B.13.1.1, of these Instructions participating to T2S settlement platform and/or with Euroclear Bank **SA and/or Clearstream Banking Luxembourg**;
- the power of attorney granted to *Euronext Clearing*, signed by the *Clearing Member* or the *Settlement Agent*, if any, for the transmission of the settlement instructions to the selected *Settlement Services* of reference, as indicated in Article B.13.1.1bis, **or, for the Bond Section, Article B.13.1.1**, of these Instructions, ~~participating to T2S settlement platform to Euroclear Bank or as~~ **in the fashion** indicated in Annex B.117bis or, **where applicable**, the confirmation that the participation in the Pre-settlement Service referred to in article B.11.1.1 has been set up to allow Euronext Clearing to instruct the settlement accounts of the Clearing Members or of the Settlement Agent. In such a case the Clearing Members must participate in the Pre-settlement Service referred to in Article B.11.1.1, also on behalf of the Trading Clients for whom they assume the role of General Clearing Member.

Omissis

Article B.1.1.1-ter CCS Infrastructure activation for Clearing Members active on the Bond Section

1. A Clearing Member participating within the Bond Section may request Euronext Clearing the activation of the CCS Infrastructure, limited to its clearing activity on the Markets listed in Article B.10.1.3, paragraph 1, letters c) and d), without change to its membership qualification.
2. To that end, said Clearing Member shall provide Euronext Clearing with:

- a. a signed "REPO Onboarding Form", made available by Euronext Clearing upon request;
 - b. the form outlining the Clearing Member's Account Structure set up, determined in compliance with the provisions of Chapter 3.0 of Part B.3 of the Regulations, including systematic posting choices for registration of Positions;
 - c. With reference to the execution of securities settlement obligations, the *Clearing Member* is required to open at least one *Delivery Account per Settlement Address*. To this purpose, the Clearing Member shall provide *Euronext Clearing* with the information of the relevant Central Depositories **in line with the provision of Article B.1.1.1bis, paragraph 1, letter d)**;
 - d. Where applicable, the information listed for from letter **e** d) to k) of Article B.1.1.1bis.
3. The information listed in paragraph 1 shall be transmitted, alternatively, via e-mail in the form of a Pdf document duly signed by the contractual representative of the Clearing Member as specified under the Request for services or in the Contract Representative Change/Supplement form or by using the "import function" available through Euronext Clearing's website (www.euronext.com/it/post-trade/euronext-clearing).
 4. With the request of activation of the CCS Infrastructure and the execution of the REPO Onboarding Form, the Clearing Member undertakes, with reference to Trading Clients and Clients registered within an ISA, to incorporate within the agreements with the Trading Clients and Clients registered within an ISA the Mandatory CCP Provisions available through Euronext Clearing's website and to provide Euronext Clearing with the evidence of the Trading Clients and Clients' identification details, including confirmation concerning the signing of the agreements, through the form outlining the Clearing Member's Account Structure set up. With reference to Clients registered within a Client Omnibus Account Structure, the Clearing Member undertakes to enter into

- clearing agreements with said Clients, which are not incompatible with the principles and rules governing the System.
5. With reference to the relationship with Settlement Agents, the Clearing Member undertakes to comply with the provisions of Article B.1.1.6-bis.
 6. Receipt by *Euronext Clearing* of the complete documentation as indicated above is a condition for examination of the request of activation of the CCS Infrastructure. Euronext Clearing shall confirm to the Clearing Member the date of start of operations on the CCS Infrastructure.
 7. In line with Article B.2.1.3 of the Regulations, in case the Clearing Member also intends to change its membership qualification shall provide in line with Euronext Clearing with a "Request for Services" following the process established in Article B.1.1.1bis of the Instructions.

Heading B.3.3 Assets admitted as security and transaction requests.

Article B.3.3.1 Handling of cash in Euros for Fixed Income Sections

Omissis

Article B.3.3.10 Handling of Collateral for Clearing Members which have activated CCS Infrastructure (Bond Section)

- 1.** In case a Clearing Member of the Bond Section has activated the CCS Infrastructure for the clearing of Positions negotiated on the Markets listed in Article B.10.1.3, paragraph 1, letters c) and d), the handling of Collateral through the CCS Infrastructure is performed pursuant Articles B.3.3.1bis, B.3.3.1ter, Article B.3.3.2bis and B.3.3.5bis. **In this case, the Clearing Member may also avail itself of Central Bank Guarantees mentioned in Article B.3.3.7 and Triparty Collateral Management Tool, mentioned in Article B.3.3.9.**

Omissis

CHAPTER B.5 Final settlement of Positions of Equity Section, Bond Section and ICSD Section

Article B.5.1.1 Final settlement of Positions of Equity Section, Bond Section and ICSD Section

1. The *Positions*, whose settlement date is after the trade date, shall be sent:
 - a. **For the Bond Section:** to the *Settlement Services* referred to in article B.13.1.1, paragraph 1, letter a) at the end of the day prior to the settlement date, ~~for the *Positions* of the *Sections* other than the *ICSD Bond Section* and other than *Equity Section*;~~
 - b. **For the ICSD Bond Section:** to the *Settlement Services* referred to in in article B.13.1.1 paragraph 1, letter b) on the open days of the *T2 System*, within the time limits indicated in Annex B.511A of the day prior to the settlement date, ~~for the *Positions* of the *ICSD Bond Section*;~~
 - c. **For the Equity Section:** to the *Settlement Services*, as defined in Article B.13.1.1-bis, on the open days of the *Settlement Services*, at the end of trade date, ~~for the *Positions* for the *Equity Section*.~~
2. The *Positions*, for which the *Contractual Scheme* makes provision for the settlement to occur on the trade date, shall be sent to the *Settlement Services* right after the conclusion of the contract.
3. *Positions* in the Bond Section and ICSD Bond Section may be partially settled, in the manner indicated in Annex B.511B.
4. Requests to change or cancel *Positions*, sent to the *Settlement Services* and awaiting settlement or not settled within the time limits established by the *Contractual Scheme*, may be sent to the *Settlement Services* only by *Euronext Clearing*. In the event of requests for cancellation sent by a *Member*, the provisions of Chapter B.7 shall apply.
5. For the *Equity Section*, *Clearing Members* may request to the *Settlement Service* to suspend the settlement of *Positions* already sent to the *Settlement Services* and awaiting settlement or not

settled within the time limits established by the *Contractual Scheme*.

6. **In case a Clearing Member of the Bond Section has activated the CCS Infrastructure for the clearing of Positions negotiated on the Markets listed in Article B.10.1.3, paragraph 1, letters c) and d), the related settlement balances are created according to the provisions of Article B.5.1.2quater and are settled within the Settlement System indicated in Article B.5.1.2quinques.**

Article B.5.1.2 Manner of creating the balances to be settled at a Settlement Service for Bond Section and ICSD Bond Section.

1. The *Positions* whose settlement takes place at a *Settlement Service* managed by Euronext Securities Milan are aggregated into bilateral balances calculated by the *Pre-settlement Service*, pursuant to Article B.11.1.1, in the manner indicated in its rules.
2. The *Positions* whose settlement takes place at a *Settlement Service* managed by a *Foreign Entity* are aggregated into bilateral balances calculated in the manner indicated in the *Manual for the creation of net balances for the ICSDs*. In this case The Pre-settlement information is made available by *Euronext Clearing* to the *Clearing Members* and the related *Settlement Agents* in the manner indicated in Article B.9.1.1.
3. The information on the settlement is provided to the *Clearing Members* or the related *Settlement Agents* by the *Settlement Service*.

Article B.5.1.2-bis Manner of creating the balances to be settled at a Settlement Service for Equity Section

1. The *Positions* registered in *Position Accounts* of the ~~*Euronext*~~ *Equity Section* are aggregated into net settlement balances calculated per *Delivery Account* according to the following attributes:
 - a. *Intended Settlement Date (ISD)*;

- b. *settlement* currency.
- 2. When the aggregation of *Positions* results in net settlement balances for delivery or receipt of cash or securities only, or for delivery or receipt of both cash and securities to the same *Clearing Member* ("strange nets") settlement instructions are entered into the relevant *Settlement Service* according to the configuration requested to *Euronext Clearing* by the *Clearing Member*, where available, or on the basis of the functioning rules of the relevant *Settlement Service*.
- 3. Each *Position Account* shall be linked to a *Delivery Account*. Each *Delivery Account* may be linked to one or several *Position Accounts*. The *Clearing Member* may request *Euronext Clearing* to open several *Delivery Accounts*. The *Clearing Member* defines the link between *Position Accounts* and *Delivery Account(s)*.
- 4. Each *Delivery Account* shall be linked only to one *Settlement Address* for the delivery of *Financial Instruments* in relevant *Settlement System*, unless *Euronext Clearing* requires the *Clearing Member* to specify an additional *Settlement Address* for operational reason.
- 5. The *Clearing Member* shall set the configuration of the *Delivery Accounts* and the relevant *Settlement Address* details specified in the Annexes and shall communicate relevant information to *Euronext Clearing* at the time of onboarding and shall communicate relevant information to *Euronext Clearing* later on, at any time, in case of configuration changes required by the *Clearing Member*.

Article B.5.1.2-ter Final settlement of Positions of the Equity Sections

- 1. Settlement of *Positions* is instructed by *Euronext Clearing* to the relevant *Settlement Service*, at the end of trade date, and according to the following rules:

- a. Settlement instructions on EURO denominated securities for final settlement in Settlement Services as defined in Article B.13.1.1-bis;
 - b. Settlement instructions on EURO denominated securities not eligible in Euronext Securities Milan, and on non-EURO denominated securities as well as on international exchange traded products issued by Euroclear Bank are sent to Euroclear Bank.
- 2. Euronext Clearing shall instruct the *settlement account in the relevant Settlement Service* associated to each Delivery Account, on behalf of the *Clearing Member* or on behalf of the *Settlement Agent* of the *Clearing Member* via a power of attorney or through the Pre-Settlement Service referred to in article B.11.1.1.
- 3. The *Clearing Member* may request that all settlement instructions are systematically suspended from settlement since the moment of the entry into the Settlement Service. In this case, the *Clearing Member* or its *Settlement Agent* shall request the *Settlement Service* to release each suspended instruction to allow for the settlement within the intended settlement date as provided by the *Contractual Scheme*. **Failure to release the suspended instruction shall result in a Failed Position and Euronext Clearing shall apply the provisions of Chapter B.7.**
- 4. Settlement instructions to be settled in the *Settlement Services* referred to in article B.13.1.1 bis letters from a) to g) are sent by *Euronext Clearing* as already matched. Settlement instructions to be settled in the *Settlement Services* referred to in article B.13.1.1-bis letters from h) and i) shall be matched by *Clearing Members* or their *Settlement Agents* according to the rules of *Settlement Service*.
- 5. Partial settlement is always allowed for all *Settlement Services*.

Article B.5.1.2-quater Manner of creating the balances to be settled at a Settlement Service for the Bond Section

1. With respect to Positions of the *Bond Section* cleared within the CCS Infrastructure, the *Positions* registered in *Position Accounts* are aggregated into net settlement balances calculated per *Delivery Account* according to the following attributes:
 - a. *Intended Settlement Date (ISD)*;
 - b. *settlement* currency.
2. When the aggregation of *Positions* results in net settlement balances for delivery or receipt of cash or securities only, or for delivery or receipt of both cash and securities to the same *Clearing Member* ("strange nets") settlement instructions are entered into the relevant *Settlement Service* according to the configuration requested to *Euronext Clearing* by the *Clearing Member*, where available, or on the basis of the functioning rules of the relevant *Settlement Service*.
3. Each *Position Account* shall be linked to a *Delivery Account*. Each *Delivery Account* may be linked to one or several *Position Accounts*. The *Clearing Member* may request *Euronext Clearing* to open several *Delivery Accounts*. The *Clearing Member* defines the link between *Position Accounts* and *Delivery Account(s)*.
4. Each *Delivery Account* shall be linked only to one *Settlement Address* for the delivery of *Financial Instruments* in relevant *Settlement System*, unless *Euronext Clearing* requires the *Clearing Member* to specify an additional *Settlement Address* for operational reason.
5. The *Clearing Member* shall set the configuration of the *Delivery Accounts* and the relevant *Settlement Address* details specified in the Annexes and shall communicate relevant information to *Euronext Clearing* at the time of onboarding and shall communicate relevant information to

Euronext Clearing later on, at any time, in case of configuration changes required by the ***Clearing Member***.

Article B.5.1.2-quinques Final settlement of Positions of the Bond Section

4. With respect to Positions of the ***Bond Section*** cleared within the CCS Infrastructure, the Settlement of ***Positions***, except where the Position's ***Contractual Scheme*** provides for the settlement to occur on the trade date, is instructed by Euronext Clearing at the end of the day prior to the settlement date (ISD-1) to the relevant ***Settlement Service***, and according to the following rules.
5. Positions of the Bond Section are settled in the Settlement Services indicated in Article B.13.1.1 of the Instructions.
6. Where settlement is available across multiple Settlement Services, it shall occur by default:
 - a) In the CSD where the Financial Instrument is issued, when the Financial Instrument is issued in Euronext Securities Milan or Euroclear France, or Euroclear Nederland, or NBB or Clearstream Europe or Iberclear, and when settlement occurs in EUR; or
 - b) In iCSD (Euroclear Bank or Clearstream bank Luxembourg) when the Financial Instruments is issued in a CSD other than those under preceding letter a) or when settlement occurs in non EUR.
7. Alternatively, the Clearing Member may indicate to Euronext Clearing its preferred settlement solution. For each cleared Financial Instruments, Euronext Clearing indicates the available settlement solutions within Annex B.512-quinques.
8. To address imbalances across settlement systems, Euronext Clearing may instruct, on behalf of the

Clearing Member or its Settlement Agent, the settlement to occur in a specific rebalancing account within the same settlement system used by the Clearing Member, or Settlement Agent. Euronext Clearing will subsequently settle the imbalance across its own accounts held in the two CSDs where the buyer and the seller maintain their accounts.

9. Euronext Clearing shall instruct the *settlement account in the relevant Settlement Service* associated to each Delivery Account, on behalf of the *Clearing Member* or on behalf of the *Settlement Agent* of the *Clearing Member* via a power of attorney or through the Pre-Settlement Service referred to in article B.11.1.1.
10. The *Clearing Member* may request that all settlement instructions are systematically suspended from settlement since the moment of the entry into the Settlement Service (hold and release). In this case, the *Clearing Member or its Settlement Agent* shall request the *Settlement Service* to release each suspended instruction to allow for the settlement on intended settlement date as provided by the *Contractual Scheme*. Failure to release the suspended instruction shall result in a Failed Position and Euronext Clearing shall apply the provisions of Chapter B.7.
11. Settlement instructions settled in the T2S *Settlement Services* are sent by *Euronext Clearing* as already matched. Settlement instructions settled in the *Settlement Services* managed by Euroclear Bank S.A or Clearstream Banking Luxembourg shall be matched by *Clearing Members* or their *Settlement Agents* according to the rules of *Settlement Service*.
12. Partial settlement is allowed for the following Settlement Services: T2S and Euroclear Bank S.A. or Clearstream Banking Luxembourg

CHAPTER B. 13 Settlement Services

Article B.13.1.1 Settlement Services for Fixed Income Sections

1. Companies that manage the Settlement Services, in which Euronext Clearing settles the Positions, in respect to Bond Section, are:

- Euronext Securities Milan S.p.A
- Euroclear Bank S.A. and Clearstream Banking Luxembourg.
- **Euroclear France S.A.**
- **Euroclear Nederlands (Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.)**
- **National Bank of Belgium – Securities Settlement System**
- **Clearstream Europe AG**
 - Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal, or Iberclear.

Euronext Clearing makes available within Annex B.512quater for each Financial Instrument the list of available settlement solutions

2. Companies that manage the Settlement Services, in which Euronext Clearing settles the Positions, in respect to ICSD Bond Section, are:

- Euroclear Bank S.A. and Clearstream Banking Luxembourg.

CHAPTER B.14 *Eligible Credit Institutions and Triparty Collateral Agent*

Omissis

Article B.14.1.3 List of eligible Triparty Collateral Agent

1. For the purposes of depositing Financial Instruments as Collateral by way of a Triparty Collateral Management Tool, Clearing Members may enter into arrangements with:
 - Euroclear Bank;
 - **Clearstream Banking Luxembourg**