

Amendments to the Service Rule Book:
ACCOUNT OPERATOR SETTLEMENT

The amendments described in the present notice shall enter into force on the **26 January 2026**.

Following some requests from market operators, the possibility for participants to allow third parties to settle on their accounts (account operator settlement) have been introduced.

With such configuration, participants to the settlement service will be able to allow third parties (such as central counterparties) to enter already-matched settlement instructions.

Specifically, participants have to request the relevant service configuration and notify a specific power of attorney (POA) to Monte Titoli. Moreover, in order to manage the operational risks arising from this configuration, authorised third parties (account operators) are required to meet the following requirements (a) adequate organizational structure and qualified staff; (b) adequate technological and IT systems, as well as appropriate technical measures; (c) technical measures for IT security and processing continuity; (d) identifiability of the settlement instructions sent; (e) authentication of settlement instructions by means of check digit.

In addition, authorised third parties are required to enter into a specific agreement with Monte Titoli, to allow the latter to perform the appropriate checks, as well as to have adequate documentation at its premises.

Below is an excerpt from the text highlighting the amendments.

The full text of the Rules will be published on the website <https://www.euronext.com/it/post-trade/euronext-securities>

PART II – SERVICE REGULATIONS

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TITLE III – RULES GOVERNING THE SETTLEMENT SERVICE AND INCIDENTAL SERVICES

CHAPTER I – SETTLEMENT SERVICE

Article 58 - Characteristics of the Settlement Service

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Article 59 – Categories of Participants and methods of participation

1. Access to the Settlement Service can be gained, in the capacity of participants, by assuming the obligations arising from the transfer orders within the scope of the system by central counterparties and central securities depositories and the following categories of entities:
 - a) Italian banks and EU banks, as defined in the Consolidated Law on Finance, as well as central banks and the Cassa Depositi e Prestiti, as bodies listed in Article 2(5) sub-paragraph 2 of Directive 2013/36/EU of the European Parliament and of the Council, dated 26 June 2013 pursuant to Article 1(1), letter h, no. 1 of the Finality Decree;
 - b) Italian investment firms (SIM) and EU investment firms, pursuant to Article 1(1), letter h, no. 2 of the Finality Decree;
 - c) firms in third-party countries that perform the same kind of activities as the entities referred to in letters a) and b) pursuant to Article 1(1), letter h, no. 4 of the Finality Decree;
 - d) public authorities, or public enterprises as defined in Article 8 of Regulation no. 3603/93 of the EC Council of 13 December 1993, such as Poste Italiane, the Italian Ministry of Finance (MEF) and the European Investment Bank, as well as businesses whose activities are guaranteed by the State, pursuant to Article 1(1), letter h, no. 3 of the Finality Decree;
 - e) issuers which do not perform the same kind of activities as the entities referred to in letters a) and b) and which participate in Notary Services and Maintenance Services as entities whose activity is significant as regards systemic risk, pursuant to Article 1(1), letter h, no. 5 of the Finality Decree;
 - f) financial intermediaries entered in the register kept by the Bank of Italy and referred to in Article 106 the Consolidated Law on Banking, and authorised to perform the activities covered by Article 1(5), letters c) and c)-bis, of the Consolidated Law on Finance and, exclusively with regard to the trading of derivative financial instruments, authorised to perform the activities covered by Article 1(5), letters a) and b), of the Consolidated Law on Finance, as entities whose activity is significant

as regards systemic risk, pursuant to Article 1(1), letter h, no. 5 of the Finality Decree.

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5. Participants can ask Monte Titoli to authorize third parties, belonging to one of the categories under paragraph 1, to enter settlement Instructions to be drawn on their own accounts. To this end, participants shall notify the power of attorney (POA) to Monte Titoli.

Authorized third parties must meet the following prerequisites:

- a) have an organizational structure adequate for the volume of work, as well as staff members with appropriately qualified expertise, and designate one or more contact persons for relations with Monte Titoli;**
- b) adopt technological and IT systems ensuring the integrity, accuracy, completeness and confidentiality of data concerning the Settlement Instructions, adopting appropriate technical measures;**
- c) adopt technical measures for information security and processing continuity;**
- d) ensure that the individual Settlement Instructions sent to the Settlement Service are identified in such a way as to allow their univocal nature and correct order to be checked;**
- e) use authentication procedures by means of Settlement Instruction check digits that guarantee the correct origin and the integrity of the data received.**

Authorized third parties must sign a specific agreement with Monte Titoli and allow the latter to perform check activities to verify the adequacy, compatibility and suitability of the technological systems and interaction with the settlement system and the requirements provided for in this paragraph. The authorized third party must have at its premises adequate documentation on the architecture, functionality, operating methods and service levels.

Should Monte Titoli consider that the operational conditions of the authorised third party or the participant cause, or could cause:

- a. technical issues for Monte Titoli;**
- b. any risk to the normal functioning of the service; or**
- c. risk of Monte Titoli breaching its regulatory responsibilities**

Monte Titoli may, after notifying the relevant parties, suspend the authorisation of the third party or issue instructions to the authorised third party, the participant or both, which must be followed without delay.

5. 6. Participants can ask Monte Titoli to recognise their own customers as indirect participants provided that:

- a) the customers fall under one of the categories referred to in paragraph 1, letters a), b) or c);
- b) the participants use one or more securities accounts, opened in the Monte Titoli accounting records system, dedicated exclusively to the settlement of instructions pertinent to the customer that asks to be recognised as an indirect participant;
- c) the customer identification data that the participants intend to recognise as indirect participants, and any of their amendments, are known to Monte Titoli for having been communicated by the participant to Monte Titoli for this purpose, using the procedures described in the Instructions.
- d) limited to the entities referred to in paragraph 1 letter c), the participants have checked that there are no impediments to the substantial application of these Regulations and the Order of 2 August 2018 issued by the Bank of Italy in agreement with Consob pursuant to Article 10(4) of the Finality Decree, in the event of the opening of insolvency procedure against the entity which the participant intends to recognise as an indirect participant, taking account of the regulatory framework applicable thereto.