

17 January 2022

Amendments to the Euronext Clearing Regulations and relating Instructions

To the attention of:	All Participants
Priority:	Medium
Topic:	Amendments to the Euronext Clearing Regulations and relating Instructions

Dear Client,

In view of the entry into force of the European provisions on penalty mechanism set forth in Regulation (EU) 909/2014 (CSDR), as implemented by the Commission Regulation (EU) 122/2018 ("Settlement Discipline Regulation"), the Regulations of the Clearing and Guarantee System of Euronext Clearing are amended as follows.

In implementation of the provisions of Article 19 (b) and (c)) of Delegated Regulation (EU) 2018/2019, the Euronext Clearing Rules and Instructions are supplemented through the inclusion of specific provisions describing the procedure for the collection and distribution of penalties by the Central Counterparty, including the obligations of participants arising from the operation of the new penalty mechanism.

In this context it is specified, in particular, that Euronext Clearing will distribute the amounts resulting from the penalty mechanism only within the limits of what it has actually collected and that in case of non-payment of penalties by a participant will reduce proportionally the amounts subject to redistribution.

This publication is for information purposes only and is not a recommendation to engage in investment activities. This publication is provided "as is" without representation or warranty of any kind. Whilst all reasonable care has been taken to ensure the accuracy of the content, Euronext does not guarantee its accuracy or completeness. Euronext will not be held liable for any loss or damages of any nature ensuing from using, trusting or acting on information provided. No information set out or referred to in this publication shall form the basis of any contract. The creation of rights and obligations in respect of financial products that are traded on the exchanges operated by Euronext's subsidiaries shall depend solely on the applicable rules of the market operator. All proprietary rights and interest in or connected with this publication shall vest in Euronext. No part of it may be redistributed or reproduced in any form without the prior written permission of Euronext.

Euronext refers to Euronext N.V. and its affiliates. Information regarding trademarks and intellectual property rights of Euronext is located at [euronext.com/terms-use](https://www.euronext.com/terms-use).

© 2022, Euronext N.V. - All rights reserved.

The amendments relating to penalty collection and redistribution will become effective on the **1st of February 2022**.

With reference to the changes relating to the buy-in procedure, taking into account the ESMA statement of the 17th December 2021 (<https://www.esma.europa.eu/press-news/esma-news/esma-calls-deprioritise-buy-in-supervision>) the application of the regulatory changes for the implementation of the relevant EU regulations is suspended pending the finalization of the regulatory framework. Specific information will be provided as soon as the regulatory framework will be updated.

Specific information will be provided as soon as the regulatory framework will be updated. It is therefore confirmed that the buy-in procedures currently in force within the Euronext Clearing Clearing and Guarantee System will remain unchanged and that the relevant regulatory framework will continue to apply until otherwise notified.

The extract of the amendments to the texts of the Regulations and relating Instructions is published on Euronext Clearing's website at the following [link](#).

For further information please contact:

Operations

T: +39 06 32395 303

E: ccg-operations@euronext.com

Sales & Relationship Management

T: +39 02 7242 6504

E: ccg-sales@euronext.com