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Cash equity migration programme of Euronext markets and new VaR model – consolidated amendments to Euronext Clearing’s Rules, Instructions and Annexes

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| To the attention of: | All Participants |
| Priority: | High |
| Topic: | Cash equity migration programme of Euronext markets and new VaR model – consolidated amendments to Euronext Clearing’s Rules, Instructions and Annexes |

Dear Client,

in view of the clearing migration programme concerning Euronext cash equity markets, Euronext Clearing carried out several amendments to its Rules and Instructions which were published on 1 June 2023 in order to introduce a new target service model, which will be adopted for the clearing of cash financial instruments negotiated on the trading venues managed by Euronext.

Meanwhile, further to requests arisen from Members, it has been deemed appropriate to carry out some minor fine-tuning amendments to the Instructions to the Rules concerning registration of

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settlement balances, management of failed position and buyer protection, which have been highlighted in the Instructions.

In particular, Euronext Clearing will become the default CCP for the Euronext Amsterdam, Brussels, Dublin, Lisbon and Paris cash markets. The Brussels markets will be the first to migrate clearing to Euronext Clearing as from 23 October 2023, while on 6 November 2023, Euronext Amsterdam, Dublin, Lisbon and Paris cash Markets will migrate their default CCP arrangement to Euronext Clearing.

In addition, as previously announced in the Market Notice on 7 September to the following link [Notices | euronext.com](https://www.euronext.com/notice/2023/09/07/euronext-clearing-vaR-based-margin-methodology) a new VaR-based margin methodology will go live as from 9 October 2023 replacing the SPAN model (MARS) currently applied to Euronext Clearing's Equity and Equity Derivatives sections, subject to the competent authorities authorisation. In this context, the Instructions to the Rules were revised to reflect the enhancement.

We are pleased to provide the consolidated version of the Euronext Clearing's Rules, Instructions as well as the related Annexes with respect to the migration of the Euronext cash markets as well as the new VaR-based methodology, which have been published on Euronext Clearing's website at the following link: <https://www.euronext.com/en/post-trade/euronext-clearing/rules-and-regulations>.

The documents will also be published on the Connect portal.

The amendments concerning the adoption of the VaR-based model will become effective **on 9th October** whereas the amendments concerning the cash equity migration will enter into force on **23 October 2023**.

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