

	CONTENT	SUBTITLE	TITLE
ARTICLE	<p><div class="crrArticle"> <p>For the purposes of this Regulation, the following definitions apply:</p> <ol class="crrCharList"></p> <p>clearing member means an undertaking as defined in point (14) of Article 2 of Regulation (EU) No 648/2012 of the European Parliament and of the Council Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories (OJ L 201, 27.7.2012, p. 1).; exchange-traded fund (ETF) means a fund as defined in point (46) of Article 4(1) of Directive 2014/65/EU of the European Parliament and of the Council Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (OJ L 173, 12.6.2014, p. 349).; execution of orders means execution of orders on behalf of clients as defined in point (5) of Article 4(1) of Directive 2014/65/EU; retail client means a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU; settlement instruction means a transfer order as defined in point (i) of Article 2 of Directive 98/26/EC of the European Parliament and of the Council Directive 98/26/EC of the European Parliament and of the Council of 19 May 1998 on settlement finality in payment and securities settlement systems (OJ L 166, 11.6.1998, p. 45).; trading party means a party acting as principal in a securities transaction referred to in point (c) of the first subparagraph of Article 7(10) of Regulation (EU) No 909/2014; trading venue member means a member of, or a participant to, a trading venue. </div></p>	Definitions	Article 1
SUBTITLE	General		
TITLE	CHAPTER I		

	CONTENT	SUBTITLE	TITLE
	<p><ol class="crrNumList"> <p>Investment firms shall require their professional clients to send them written allocations of securities or of cash to the transactions referred to in Article 5(1) of Regulation (EU) No 909/2014, identifying the accounts to be credited or debited. Those written allocations shall specify the following:</p> <ol class="crrCharList"> one of the following types of transaction: <ol class="crrRomanList"></p> <p>purchase or sale of securities; collateral management operations; securities lending/borrowing operations; repurchase transactions; other transactions, which can be identified by more granular ISO codes; the International Securities Identification Number (ISIN) of the financial instrument or where the ISIN is not available, some other identifier of the financial instrument; the delivery or the receipt of financial instruments or cash; the nominal value for debt instruments, and the quantity for other financial instruments; the trade date; the trade price of the financial instrument; the currency in which the transaction is expressed; the intended settlement date of the transaction; the total amount of cash that is to be delivered or received; the identifier of the entity where the securities are held; the identifier of the entity where the cash is held; the names and numbers of the securities or cash accounts to be credited or debited. Written allocations shall include all other information required by the investment firm for facilitating the settlement of the transaction.
Investment firms that have received confirmation of the execution of a transaction order placed by a professional client shall ensure through contractual arrangements that the professional client confirms its acceptance of the terms of the transaction in writing, within the timeframes set out in paragraph 2. That written confirmation may also be included in the written allocation.
Investment firms shall provide their professional clients with the option of sending the written allocation and the written confirmation electronically, through the international open communication procedures and standards for messaging and reference data referred to in Article 35 of Regulation (EU) No 909/2014. <p>Professional clients shall ensure that written allocations and written confirmations referred to in paragraph 1 are received by the investment firm by one of the following deadlines:</p> <ol class="crrCharList"> by close of business on the business day on which the transaction has taken place where the investment firm and the relevant professional client are within the same time zone; by 12.00 CET on the business day following that on which the transaction has taken place where one of the following occurs: <ol class="crrRomanList"></p> <p>there is a difference of more than two hours between the</p>	Measures concerning professional clients	Article 2

ARTICLE

time zone of the investment firm and the time zone of the relevant professional client;

- the orders have been executed after 16.00 CET of the business day within the time zone of the investment firm.

Investment firms shall confirm receipt of the written allocation and of the written confirmation within two hours of that receipt. Where the written allocation and the written confirmation is received by an investment firm within less than one hour before its close of business, that investment firm shall confirm receipt of the written allocation and of the written confirmation within one hour after the start of business on the next business day.

Where investment firms receive the necessary settlement information referred to in paragraph 1 in advance of the timeframes referred to in paragraph 2, they may agree in writing with their professional clients that the relevant written allocations and written confirmations are not to be sent.

Paragraphs 1, 2 and 3 shall not apply to professional clients holding, at the same investment firm, the securities and cash relevant for the settlement.

Investment firms shall require their retail clients to send them all the relevant settlement information for transactions referred to in Article 5(1) of Regulation (EU) No 909/2014 by 12.00 CET on the business day after that on which the transaction has taken place within the time zone of the investment firm, unless that client holds the relevant financial instruments and cash at the same investment firm.

Measures concerning retail clients

Article 3

CSDs shall process all the settlement instructions on an automated basis.

CSDs that have intervened manually in the automated settlement process in the manner referred to in either point (a) or point (b) of paragraph 3 shall notify the competent authority of the reason for that intervention within 30 days of its occurrence, unless the same reason has already been notified for previous interventions.

A manual intervention in the automated settlement process shall occur in the following circumstances:

- where the feed of a received settlement instruction into the securities settlement system has been delayed or modified or where that settlement instruction itself has been modified outside of the automated procedures;
- where in the processing of received settlement instructions in the settlement engine, an intervention takes place outside of the automated procedures, including the management of IT incidents.

Competent authorities may inform CSDs at any time that a particular reason does not justify manual interventions in the automated settlement process. CSDs shall not intervene manually in the automated settlement process thereafter on the basis of that reason.

Settlement facilitation and processing

Article 4

CSDs shall provide to participants a functionality that supports fully automated, continuous real-time matching of settlement instructions throughout each business day.

CSDs shall require participants to match their settlement instructions through the functionality referred to in paragraph 1 prior to their settlement, except in the following circumstances:

- where the CSD has accepted that the settlement instructions have already been matched by trading venues, CCPs or other entities;

where the CSD itself has matched the settlement instructions;

in the case of free of payment (FoP) settlement instructions, referred to in point (g)(i) of Article 13(1), which consist of orders for transfers of financial instruments between different accounts opened in the name of the same participant or managed by the same account operator.

Account operators referred to in point (c) shall include entities that have a contractual relationship with a CSD and that operate securities accounts maintained by that CSD by means of recording book entries into those securities accounts.

CSDs shall require participants to use the following matching fields in their settlement instructions for the matching of settlement instructions:

- the type of settlement instruction, as referred to in point (g) of Article 13(1);
- the intended settlement date of the settlement instruction;
- the trade date;
- the currency, except in the case of FoP settlement instructions;
- the settlement amount, except in the case of FoP settlement instructions;
- the nominal value for debt instruments, or the quantity for other financial instruments;
- the delivery or receipt of the financial instruments or cash;
- the ISIN of the financial instrument;
- the identifier of the participant that delivers the financial instruments or cash;
- the identifier of the participant that receives the financial instruments or cash;
- the identifier of the CSD of the participant's counterparty in the case of CSDs that use a common

Matching and population of settlement instructions

Article 5

<p>participants' counterparties, in the case of CSDs that use a common settlement infrastructure, including in the circumstances referred to in Article 30(5) of Regulation (EU) No 909/2014;</p> <p>other matching fields required by the CSD for facilitating the settlement of transactions.</p> <p>In addition to the fields referred to in paragraph 3, CSDs shall require their participants to use a field indicating the transaction type in their settlement instructions based on the following taxonomy:</p> <ul style="list-style-type: none"> purchase or sale of securities; collateral management operations; securities lending/borrowing operations; repurchase transactions; other transactions (which can be identified by more granular ISO codes as provided by the CSD). 		
<p>For the purpose of matching, CSDs shall set tolerance levels for settlement amounts.</p> <p>The tolerance level shall represent the maximum difference between the settlement amounts in two corresponding settlement instructions that would still allow matching.</p> <p>For settlement instructions in EUR, the tolerance level per settlement instruction shall be EUR 2 for settlement amounts of up to EUR 100000 and EUR 25 for settlement amounts of more than EUR 100000. For settlement instructions in other currencies, the tolerance level per settlement instruction shall be of equivalent amounts based on the official exchange rate of the ECB, where available.</p>	Tolerance levels	Article 6
<p>CSDs shall set up a bilateral cancellation facility that enables participants to bilaterally cancel matched settlement instructions that form part of the same transaction.</p>	Cancellation facility	Article 7
<p>CSDs shall set up a hold and release mechanism that consists of both of the following:</p> <ul style="list-style-type: none"> a hold mechanism that allows pending settlement instructions to be blocked by the instructing participant for the purpose of settlement; a release mechanism that allows pending settlement instructions that have been blocked by the instructing participant to be released for the purpose of settlement. 	Hold and release mechanism	Article 8
<p>CSDs shall recycle settlement instructions that have resulted in a settlement fail until they have been settled or bilaterally cancelled.</p>	Recycling	Article 9
<p>CSDs shall allow for the partial settlement of settlement instructions.</p>	Partial settlement	Article 10
<p>CSDs shall offer participants the possibility to be informed about a pending settlement instruction of their counterparties, either within one hour after the first unsuccessful attempt to match that instruction, or immediately after such an unsuccessful attempt where that attempt has been made within the five-hour period before the cut-off of the intended settlement date or after the intended settlement date.</p> <p>CSDs shall provide participants with access to real-time information on the status of their settlement instructions in the securities settlement system, including information on:</p> <ul style="list-style-type: none"> pending settlement instructions that can still be settled on the intended settlement date; failed settlement instructions that can no longer be settled on the intended settlement date; fully-settled settlement instructions; partially-settled settlement instructions, including both the settled and unsettled parts of either financial instruments or cash; cancelled settlement instructions, including information about whether those instructions have been cancelled by the system or by the participant. <p>The real-time information referred to in paragraph 2 shall include the following:</p> <ul style="list-style-type: none"> whether the settlement instruction has been matched; whether the settlement instruction can still be partially settled; whether the settlement instruction is on hold; the reasons why instructions are pending or failing. <p>CSDs shall offer participants either real-time gross settlement throughout each business day or a minimum of three settlement batches per business day. The three settlement batches shall be spread across the business day in accordance with market needs, based on a request by the user committee of the CSD.</p>	Additional facilities and information	Article 11
<p>Articles 8 and 10 shall not apply where the securities settlement system operated by a CSD meets the following conditions:</p> <ul style="list-style-type: none"> the value of settlement fails does not exceed EUR 2,5 billion per year; the rate of settlement fails, based either on the number of settlement instructions or on the value of settlement instructions, is lower than 0,5 % per year. <p>The rate of settlement fails based on the number of settlement instructions shall be calculated by dividing the number of settlement fails by</p>	Derogation	

ARTICLE	<p>payment free of delivery (PFOD) settlement instructions that consist of debiting payment free of delivery (DPFOD) and crediting payment free of delivery (CPFOD) settlement instructions;</p> <p> the type of securities accounts connected to the settlement fail, including:</p> <p><ol class="crrRomanList"> a participant's own account; a participant's client individual account; a participant's client's omnibus account; the currency in which the settlement instructions are denominated. CSDs shall establish working arrangements with the participants referred to in fields 17 and 18 of Table 1 in Annex I which have the most significant impact on their securities settlement systems and, where applicable, with relevant CCPs and trading venues to analyse the main reasons for the settlement fails. </p>		
	<p><ol class="crrNumList"> CSDs shall communicate the information referred to in Annex I to the competent authority and the relevant authorities on a monthly basis and by close of business on the fifth business day of the following month.
That information shall include the relevant values in EUR. Any value conversion into EUR shall be carried out using the official exchange rate of the ECB of the last day of the reporting period where that official exchange rate of the ECB is available.
CSDs shall report more frequently and provide additional information on settlement fails if so requested by the competent authority. By 20 January of each year, CSDs shall report to the competent authority and the relevant authorities the information referred to in Annex II, including the measures planned or taken by CSDs and their participants to improve the settlement efficiency of the security settlement systems it operates.
CSDs shall regularly monitor the application of the measures referred to in the first subparagraph and shall provide the competent authority and the relevant authorities, upon request, with any relevant findings resulting from such monitoring. The information referred to in paragraphs 1 and 2 shall be provided in a machine-readable format. </p> <p>The value of settlement instructions referred to in Annexes I to III shall be calculated as follows:</p> <p><p> <ol class="crrCharList"> in the case of settlement instructions against payment, the settlement amount of the cash leg; in the case of FoP settlement instructions, the market value of the financial instruments referred to in Article 32(3) or, where not available, the nominal value of the financial instruments. </p> <p> </p>	Reporting settlement fails	Article 14
	<p><div class="crrArticle">CSDs shall publish the information set out in Annex III for the securities settlement system it operates on their website for free, including the relevant values in EUR.
Any value conversion into EUR shall be carried out using the official exchange rate of the ECB of the last day of the reporting period where that official exchange rate of the ECB is available.
The information referred to in the first subparagraph shall be published annually and in a language customary in the sphere of international finance and shall be machine-readable.</div></p>	Public disclosure on settlement fails	Article 15
SUBTITLE	Monitoring settlement fails		
TITLE	Section I		

o

CONTENT	SUBTITLE	TITLE
<p><ol class="crrNumList"> The cash penalties referred to in Article 7(2) of Regulation (EU) No 909/2014 shall be calculated and applied by CSDs for each settlement instruction that fails to settle.
The calculation referred to in the first subparagraph shall include settlement instructions that have been put on hold by a</p>		

ARTICLE

participant. Where matching is required pursuant to Article 5(2), cash penalties shall only be applied to matched settlement instructions. Cash penalties shall be calculated and applied at the end of each business day where the settlement instruction fails to settle. Where a settlement instruction has been entered into the securities settlement system or has been matched after the intended settlement date, cash penalties shall be calculated and applied as from the intended settlement date. Where new settlement instructions are entered into the securities settlement system for any non-delivered financial instruments in accordance with Article 27(10), Article 29(11) or Article 31(11), cash penalties shall apply to the new settlement instructions from the day those instructions are entered into the securities settlement system. Where settlement instructions have been matched after the intended settlement date, cash penalties for the period between the intended settlement date and the business day prior to the day on which matching has taken place shall be paid by the last participant who has entered or modified the relevant settlement instruction in the securities settlement system. CSDs shall provide each relevant participant with the details of the calculation of the penalties for each failed settlement instruction on a daily basis, including details on the account to which each failed settlement instruction refers.

Calculation and application of cash penalties

Article 16

CSDs shall charge and collect on at least a monthly basis the net amount of cash penalties to be paid by each failing participant. Cash penalties shall be deposited into a dedicated cash account. CSDs shall distribute on at least a monthly basis the net amount of cash penalties referred to in paragraph 1 to receiving participants affected by settlement fails.

Collection and distribution of cash penalties

Article 17

CSDs shall not use cash penalties to cover costs related to the penalty mechanism. CSDs shall disclose, in detail, the amount of the costs referred to in paragraph 1 to participants. CSDs shall charge participants separately for the costs of the penalty mechanism. Those costs shall not be charged on the basis of gross penalties applied to each participant.

Costs of the penalty mechanism

Article 18

Where the failing or the receiving participant is a CCP, CSDs shall ensure the following: that CCPs are provided with the calculation of the cash penalties for the failed settlement instructions submitted by those CCPs; that CCPs collect the cash penalties referred to in point (a) from the clearing members that caused the settlement fails; that CCPs distributes the cash penalties referred to in point (b) to the clearing members that are affected by the settlement fails; that CCPs report to the CSD on the penalties that they have collected and distributed, on a monthly basis.

Penalty mechanism where the participant is a CCP

Article 19

CSDs that use a common settlement infrastructure, including where some of their services or activities have been outsourced as referred to in Article 30(5) of Regulation (EU) No 909/2014, shall jointly establish the penalty mechanism referred to in Article 7(2) of Regulation (EU) No 909/2014 and jointly manage the modalities for the calculation, application, collection and distribution of cash penalties in accordance with this Regulation.

CSDs that use a common settlement infrastructure

Article 20

SUBTITLE	Cash penalties
TITLE	Section 2

party in the settlement chain shall ensure that the contractual arrangements established with its relevant counterparties are enforceable in all relevant jurisdictions.

CCPs, clearing members, trading venue members or trading parties shall establish the necessary procedures to execute the buy-in, pay the cash compensation, the price difference and the buy-in costs within the required timeframes. The contractual arrangements and the procedures referred to in this Article shall include the necessary provisions to ensure that the relevant parties in the settlement chain receive the information required to exercise their rights and obligations in accordance with the timeframes specified in Articles 26 to 35 of this Regulation.

The participants shall establish the necessary contractual arrangements with their clients to ensure that the buy-in requirements set out in this Regulation are enforceable in all the jurisdictions to which parties in the settlement chain belong.

The bought-in financial instruments may only be considered as delivered for the purposes of Article 27, Article 29 and Article 31 where those instruments have been received in the securities settlement system operated by the CSD by the receiving participants acting on behalf of the CCP, the receiving clearing members, trading venue members or trading parties.

The cash compensation referred to in Article 33 and the price difference referred to in Article 35(1) may only be considered as paid where the cash payment has been received by the receiving participants acting on behalf of the CCP, the receiving clearing members

Contractual
arrangements
and
procedures

Article
25

clearing members, trading venue members or trading parties.				
CONTENT	SUBTITLE	TITLE		
<p> <ol style="list-style-type: none"> On the business day following the expiry of the extension period, CCPs shall verify whether a buy-in is possible in accordance with Article 21(a) in relation to any of the transactions it has cleared. Where a buy-in is not possible pursuant to Article 21(a), the CCP shall notify the failing clearing member of the cash compensation amount calculated in accordance with Article 32. The cash compensation shall be paid in accordance with Article 33(1). Where a buy-in is possible, Article 27 shall apply. </p>	Initial verification	Article 26		
<p> <ol style="list-style-type: none"> Where a buy-in is possible, CCPs shall launch an auction or appoint a buy-in agent on the business day following the expiry of the extension period and notify the failing and receiving clearing members thereof. Upon receipt of the notification referred to in paragraph 1, the failing clearing member shall ensure that any relevant settlement instruction relating to the settlement fail is put on hold. <p>Upon receipt of the notification referred to in paragraph 1, the failing clearing member may only deliver the financial instruments as follows:</p> <ol style="list-style-type: none"> to the buy-in agent where the buy-in agent gives prior consent; to the CCP where the auction has been awarded to that failing clearing member. Prior to receipt of the notification referred to in paragraph 1, the failing clearing member may still deliver the financial instruments directly to the CCP. The CCP shall notify the results of the buy-in to the failing and receiving clearing members and to the relevant CSD at the latest on the last </p>				

[illegible]

[illegible]

in that paragraph shall include the cash compensation amount calculated in accordance with Article 32.

The receiving trading venue member shall accept and pay for the bought-in financial instruments referred to in paragraphs 5 and 8.

The receiving and the failing trading venue members shall ensure that the following is carried out at the end of each business day on which the receiving trading venue member receives the instruments referred to in paragraphs 5 and 8:

- the settlement instructions relating to the settlement fail are cancelled;
- the new settlement instructions are entered into the securities settlement system for any non-delivered financial instruments and the CSD receives the information necessary to identify such new settlement instructions accordingly.

The failing trading venue member shall pay the cash compensation referred to in paragraphs 6 and 9 in accordance with Article 33(2).

The failing and receiving trading venue members shall ensure that the relevant settlement instructions relating to the settlement fail are cancelled upon payment of the cash compensation referred to in paragraphs 6 and 9 or at the latest on the second business day after the notification of the amount of cash compensation.

CONTENT	SUBTITLE	TITLE
<ol style="list-style-type: none">For transactions not cleared by a CCP and not executed on a trading venue, receiving participants, through their clients, shall inform receiving trading parties of any settlement fails without undue delay.On the business day following the expiry of the extension period, receiving trading		

[illegible]

trading party shall pay the cash compensation referred to in paragraphs 6 and 9 in accordance with Article 33(3). The failing and receiving trading parties shall ensure that the relevant settlement instructions relating to the settlement fail are cancelled upon payment of the cash compensation referred to in paragraphs 6 and 9 or at the latest on the second business day after the notification of the amount of that cash compensation.

CONTENT	SUBTITLE	TITLE
<p><ol class="crrNumList"> <p>The cash compensation to be paid pursuant to Article 7(7) of Regulation (EU) No 909/2014 shall be calculated in either of the following ways:</p> <ol class="crrCharList">for settlement instructions against payment, the difference between the market value of the relevant financial instruments on the business day before the payment of the cash compensation and the settlement amount included in the failed settlement instruction where that settlement amount is lower than that market value;for settlement instructions free of payment, the difference between the market value of the relevant financial instruments on the business day before the payment of the cash compensation and the market value of those financial instruments on the day of their trade, where the market value of those financial instruments on the day of their trade is lower than on the business day before the payment of the cash compensation. Where not already included in the market value of the financial instrument, the cash compensation to be paid pursuant to Article 7(7) of Regulation (EU) No 909/2014 shall be calculated as follows:</p>		

[illegible]

detailed breakdown. 		
<ol class="crrNumList"> For transactions cleared by a CCP, the CCP shall collect the cash compensation from the failing clearing members and pay the cash compensation to the receiving clearing members. Where transactions have not been cleared by a CCP but executed on a trading venue, the failing trading venue members shall pay the cash compensation to the receiving trading venue members. Where transactions have not been cleared by a CCP and have not been executed on a trading venue, the failing trading parties shall pay the cash compensation to the receiving trading parties. 	Payment of the cash compensation	Article 33
<div class="crrArticle">The amounts referred to in Article 7(8) of Regulation (EU) No 909/2014 shall be paid by the failing clearing members, failing trading venue members or failing trading parties, as applicable.</div>	Payment of the costs of the buy-in	Article 34
<ol class="crrNumList"> Where the price of financial instruments referred to in Article 5(1) of Regulation (EU) No 909/2014 agreed at the time of the trade is lower than the price effectively paid for those financial instruments pursuant to Articles 27(10), 29(10), and 31(10), the failing clearing members, failing trading venue members or failing trading parties shall pay the price difference to the CCP, receiving trading venue members or receiving trading parties, as applicable. Where transactions are cleared by a CCP, the price difference referred to in the first subparagraph shall be collected from failing clearing members by the CCP and paid to the receiving clearing members.	Payment of the price difference	Article 35

	<p>Where the price of the shares agreed at the time of the trade is higher than the price effectively paid for those shares pursuant to Article 27(10), Article 29(10) and Article 31(10), the corresponding difference referred to in Article 7(6) of Regulation (EU) No 909/2014 shall be deemed paid.</p>			
SUBTITLE	Details of the buy-in process			
TITLE	Section 3			

o

	CONTENT	SUBTITLE	TITLE
ARTICLE	<p><div class="crrArticle">In accordance with point (a) of Article 7(4) of Regulation (EU) No 909/2014, the extension period for the financial instruments referred to in Article 5(1) of Regulation (EU) No 909/2014 shall be increased from four to seven business days for all financial instruments other than shares that have a liquid market as referred to in point (b) of Article 2(1) (17) of Regulation (EU) No 600/2014.</div></p>	Extension periods	Article 36
	<p><div class="crrArticle"> <p>Following the buy-in process, the financial instruments referred to in the first subparagraph of Article 5(1) of Regulation (EU) No 909/2014 shall be delivered to the receiving participants which are acting on behalf of the CCP, the receiving clearing members, the trading venue members or the trading parties, within the following timeframes:</p> <ol class="crrCharList"> four business days after the extension period referred to in Article 36 for shares that have a liquid market; seven business days after the extension period referred to in Article 36 for financial instruments other than shares that have a liquid market; seven business days after the extension period referred to in the second subparagraph of Article 7(3) of Regulation (EU) No 909/2014 for financial instruments traded on SME growth markets; where shares referred to in point (a) are traded on SME growth markets, point (c) shall apply. </div></p>	Timeframes for the delivery of financial instruments	Article 37
	<p><div class="crrArticle">Where the CCP, the receiving trading venue member or the receiving trading party defers the execution of the buy-in, the duration of the deferral period referred to in Article 7(7) of Regulation (EU) No 909/2014 shall be determined in accordance with the timeframes referred to in Article 37.</div></p>	Duration of deferral of the execution of a buy-in	Article 38
SUBTITLE	Timeframes for buy-in process		
TITLE	Section 4		

o

	CONTENT	SUBTITLE	TITLE
ARTICLE	<p><ol class="crrNumList"> A participant shall be considered as consistently and systematically failing to deliver in a security settlement system, as referred to in Article 7(9) of Regulation (EU) No 909/2014, where its rate of settlement efficiency, determined by reference to the number or to the value of settlement instructions, is at least 15 % lower than the rate of settlement efficiency of that securities settlement system, during at least a relevant number of days over the 12 previous months.
The relevant number of days shall be determined for each participant as 10 % of the number of days of activity of that participant in the security settlement system over the 12 previous months. When calculating a participant's rate of settlement efficiency, exclusive reference shall be made to settlement fails caused by that participant. </p>	Consistent and systematic failure to deliver securities	Article 39

		ails caused by that participant.		
	SUBTITLE	Systematic delivery failure		
	TITLE	Section 5		
	o			
	ARTICLE	CONTENT	SUBTITLE	TITLE
		<div class="crrArticle">The settlement information referred to in the second subparagraph of Article 7(10) of Regulation (EU) No 909/2014 shall include the identification of the relevant transactions, of the participants and of the relevant settlement instructions. That information shall be based on the information in the securities settlement system the CSD operates.</div>	Settlement information for CCPs and trading venues	Article 40
		<div class="crrArticle">For transactions executed on a trading venue which are not cleared by a CCP, and in the absence of a direct transaction feed from the trading venue to the CSD, participants shall identify the trading venue and the transactions in their settlement instructions. In the absence of such information, CSDs shall consider the transactions as not having been executed on a trading venue.</div>	Settlement information in the absence of direct transaction feed from the trading venue	Article 41
		SUBTITLE	Settlement information	
	TITLE	Section 6		
SUBTITLE	Measures to address settlement fails			
TITLE	CHAPTER III			

	ARTICLE	CONTENT	SUBTITLE	TITLE
		<div class="crrArticle">This Regulation shall enter into force 24 months following the day of its publication in the Official Journal of the European Union.</div>		Article 42
SUBTITLE	Final provisions			
TITLE	CHAPTER IV			

	CONTENT	SUBTITLE	TITLE
	<div style="margin-bottom:10px;"><table> <caption>Table 1<caption>General information on settlement fails to be reported by CSDs to the competent authorities and relevant authorities on a monthly basis</caption> </caption> <tr> <th>No.</th> <th>Details to be reported</th> <th colspan="2">Format</th> </tr> <tr> <td>1.</td> <td>Country code for the jurisdiction in which the CSD is established</td> <td colspan="2">ISO 3166 2 character country code</td> </tr> <tr> <td>2.</td> <td>Securities settlement system operated by the CSD</td> <td colspan="2">Free text</td> </tr> <tr> <td>3.</td> <td>Reporting timestamp (CSD to competent authority/relevant authority)</td> <td colspan="2">ISO 8601 date in the UTC time format YYYY-MM-DDThh:mm:ssZ</td> </tr> <tr> <td>4.</td> <td>Reporting period: beginning and end dates of the period covered by the report</td> <td colspan="2">ISO 8601 date in the format YYYY-MM-DD-YYYY-MM-DD</td> </tr> <tr> <td>5.</td> <td>CSD Legal Entity Identifier</td> <td colspan="2">ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code</td> </tr> <tr> <td>6.</td> <td>Corporate name of the CSD</td> <td colspan="2">Free text</td> </tr> <tr> <td>7.</td> <td>Name of the person responsible for the report sent by the CSD</td> <td colspan="2">Free text</td> </tr> <tr> <td>8.</td> <td>Function of the person responsible for the report sent by the CSD</td> <td colspan="2">Free text</td> </tr> <tr> <td>9.</td> <td>Phone number of the person responsible for the report sent by the CSD</td> <td colspan="2">Only numeric characters may be used. The phone number must be provided with the country code and the local area code. No special characters may be used.</td> </tr> <tr> <td>10.</td> <td>Email address of the person responsible for the report sent by the CSD</td> <td colspan="2">Email addresses must be supplied using the standard email address convention.</td> </tr> <tr> <td>11.</td> <td>Number of settlement instructions during the period covered by the report</td> <td colspan="2">Up to 20 numerical characters reported as whole numbers without decimals.</td> </tr> <tr> <td>12.</td> <td>Number of settlement fails during the period covered by the report (covering both settlement fails for lack of securities and lack of cash)</td> <td colspan="2">Up to 20 numerical characters reported as whole numbers without decimals.</td> </tr> <tr> <td>13.</td> <td><p>Rate of settlement fails based on volume (number of settlement fails/number of settlement instructions during the		

settlement fails/number of settlement instructions during the period covered by the report)</p> <p>(covering both settlement fails for lack of securities and lack of cash)</p> </td> <td colspan="2">Percentage value up to 2 decimal places.</td> </tr>

<tr> <td>14.</td> <td> <p>Rate of settlement fails based on value (EUR) (value of settlement fails/value of settlement instructions during the period covered by the report)</p> <p>(covering both settlement fails for lack of securities and lack of cash)</p> </td> <td colspan="2">Percentage value up to 2 decimal places.</td> </tr> <tr> <td>15.</td> <td>Value of settlement instructions (EUR) during the period covered by the report</td> <td colspan="2">Up to 20 numerical characters including decimals. At least one character before and one character after the decimal mark shall be populated. The decimal mark is not counted as a numerical character</td> </tr> <tr> <td>16.</td> <td> <p>Value of settlement fails (EUR) during the period covered by the report</p> <p>(covering both settlement fails for lack of securities and lack of cash)</p> </td>

<td colspan="2">Up to 20 numerical characters including decimals. At least one character before and one character after the decimal mark shall be populated. The decimal mark is not counted as a numerical character</td> </tr> <tr> <td rowspan="8">17.</td> <td rowspan="8">Top 10 participants with the highest rates of settlement fails during the period covered by the report (based on number of settlement instructions)</td> <td colspan="2">For each participant identified by LEI</td> </tr> <tr> <td>Participant LEI</td> <td>ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code</td> </tr> <tr> <td>Total number of settlement instructions per participant</td> <td>Up to 20 numerical characters reported as whole numbers without decimals.</td> </tr> <tr> <td>Number of settlement fails per participant</td> <td>Up to 20 numerical characters reported as whole numbers without decimals.</td> </tr> <tr> <td>Percentage of settlement fails</td> <td>Percentage value up to 2 decimal places</td> </tr> <tr> <td>Total value (EUR) of settlement instructions per participant</td> <td>Up to 20 numerical characters including decimals. At least one character before and one character after the decimal mark shall be populated. The decimal mark is not counted as a numerical character</td> </tr> <tr> <td>Value (EUR) of settlement fails per participant</td> <td>Up to 20 numerical characters including decimals. At least one character before and one character after the decimal mark shall be populated. The decimal mark is not counted as a numerical character</td> </tr> <tr> <td>Rate of settlement fails</td> <td>Percentage value up to 2 decimal places.</td> </tr> <tr> <td rowspan="8">18.</td> <td rowspan="8">Top 10 participants with the highest rates of settlement fails during the period covered by the report (based on value (EUR) of settlement instructions)</td> <td colspan="2">For each participant identified by LEI:</td> </tr> <tr> <td>Participant LEI</td> <td>ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code</td> </tr> <tr> <td>Total value (EUR) of settlement instructions per participant</td> <td>Up to 20 numerical characters including decimals. At least one character before and one character after the decimal mark shall be populated. The decimal mark is not counted as a numerical character</td> </tr> <tr> <td>Value (EUR) of settlement fails per participant</td> <td>Up to 20 numerical characters including decimals. At least one character before and one character after the decimal mark shall be populated. The decimal mark is not counted as a numerical character</td> </tr> <tr> <td>Percentage of settlement fails</td> <td>Percentage value up to 2 decimal places</td> </tr> <tr> <td>Total number of settlement instructions per participant</td> <td>Up to 20 numerical characters reported as whole numbers without decimals.</td> </tr> <tr> <td>Number of settlement fails per participant</td> <td>Up to 20 numerical characters reported as whole numbers without decimals.</td> </tr> <tr> <td>Rate of settlement fails</td> <td>Percentage value up to 2 decimal places.</td> </tr> <tr> <td>19.</td> <td>Number of settlement instructions per currency in which the settlement instructions are denominated during the period covered by the report</td> <td colspan="2">For each ISO 4217 3 character Currency Code the volume will be expressed using up to 20 numerical characters reported as whole numbers without decimals.</td> </tr> <tr> <td>20.</td> <td>Number of settlement fails per currency in which the settlement instructions are denominated during the period covered by the report</td> <td colspan="2">For each ISO 4217 3 character Currency Code the volume will be expressed using up to 20 numerical characters reported as whole numbers without decimals.</td> </tr> <tr> <td>21.</td> <td>Rate of settlement fails per currency in which the settlement instructions are denominated, based on volume

number of settlement fails/number of settlement instructions per

(number of settlement fails/number of settlement instructions per currency, during the period covered by the report)</td> <td colspan="2">For each ISO 4217 3 character Currency Code the rate shall be expressed as a percentage value up to 2 decimal places.</td> </tr> <tr> <td>22.</td> <td>Value of settlement instructions per currency in which the settlement instructions are denominated during the period covered by the report</td> <td colspan="2">For each ISO 4217 3 character Currency Code the value shall be expressed using up to 20 numerical characters including decimals. At least one character before and one character after the decimal mark shall be populated. The decimal mark is not counted as a numerical character</td> </tr> <tr> <td>23.</td> <td>Value of settlement fails per currency in which the settlement instructions are denominated during the period covered by the report</td> <td colspan="2">For each ISO 4217 3 character Currency Code the value shall be expressed using up to 20 numerical characters including decimals. At least one character before and one character after the decimal mark shall be populated. The decimal mark is not counted as a numerical character</td> </tr> <tr> <td>24.</td> <td>Rate of settlement fails per currency in which the settlement instructions are denominated, based on value (value of settlement fails/value of settlement instructions per currency, during the period covered by the report)</td> <td colspan="2">For each ISO 4217 3 character Currency Code the rate shall be expressed as a percentage value up to 2 decimal places.</td> </tr> <tr> <td>25.</td> <td>Number of settlement instructions for each type of financial instruments during the period covered by the report</td> <td colspan="2"><p>For each type of financial instruments:</p> <p>Up to 20 numerical characters reported as whole numbers without decimals.</p> </td> </tr> <tr> <td>26.</td> <td>Number of settlement fails (covering both settlement fails for lack of securities and lack of cash) for each type of financial instruments during the period covered by the report</td> <td colspan="2"><p>For each type of financial instruments:</p> <p>Up to 20 numerical characters reported as whole numbers without decimals.</p> </td> </tr> <tr> <td>27.</td> <td>Rate of settlement fails for each type of financial instruments, based on volume (number of settlement fails/number of settlement instructions per each type of financial instruments, during the period covered by the report)</td> <td colspan="2">For each type of financial instruments the rate shall be expressed as a percentage value up to 2 decimal places.</td> </tr> <tr> <td>28.</td> <td>Value (EUR) of settlement instructions for each type of financial instruments</td> <td colspan="2">For each type of financial instruments the value shall be expressed using up to 20 numerical characters including decimals. At least one character before and one character after the decimal mark shall be populated. The decimal mark is not counted as a numerical character.</td> </tr> <tr> <td>29.</td> <td>Value (EUR) of settlement fails (covering both settlement fails for lack of securities and lack of cash) for each type of financial instruments</td> <td colspan="2">For each type of financial instruments the value shall be expressed using up to 20 numerical characters including decimals. At least one character before and one character after the decimal mark shall be populated. The decimal mark is not counted as a numerical character.</td> </tr> <tr> <td>30.</td> <td>Rate of settlement fails for each type of financial instrument, based on value (value of settlement fails/value of settlement instructions for each type of financial instrument, during the period covered by the report)</td> <td colspan="2">For each type of financial instruments the rate shall be expressed as a percentage value up to 2 decimal places.</td> </tr> <tr> <td>31.</td> <td>Number of settlement instructions for each type of transactions during the period covered by the report</td> <td colspan="2">For each type of transactions the volume shall be expressed using up to 20 numerical characters reported as whole numbers without decimals.</td> </tr> <tr> <td>32.</td> <td>Number of settlement fails (covering both settlement fails for lack of securities and lack of cash) for each type of transactions during the period covered by the report</td> <td colspan="2">For each type of transactions the volume shall be expressed using up to 20 numerical characters reported as whole numbers without decimals.</td> </tr> <tr> <td>33.</td> <td>Rate of settlement fails for each type of transactions, based on volume (number of settlement fails/number of settlement instructions per each type of transactions, during the period covered by the report)</td> <td colspan="2">For each type of transactions the rate shall be expressed as a percentage value up to 2 decimal places.</td> </tr> <tr> <td>34.</td> <td>Value (EUR) of settlement instructions for each type of transactions</td> <td colspan="2">For each type of transactions the value shall be expressed using up to 20 numerical characters including decimals. At least one character before and one character after the decimal mark shall be populated. The decimal mark is not counted as a numerical character.</td> </tr>

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

ANNEX I

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

<p><td></IE></IE></td> <td><IE></IE></td> </tr> <tr> <td> >PFOD</td> <td><IE></IE></td> <td><IE></IE></td> <td> <IE></IE></td> <td><IE></IE></td> <td><IE></IE></td> <td> <IE></IE></td> <td><IE></IE></td> <td><IE></IE></td> <td><IE></IE></td> <td><IE></IE></td> <td><IE></IE></td> </td> <td><IE></IE></td> </tr> <tr> <td>FoP</td> <td> <IE></IE></td> <td><IE></IE></td> <td><IE></IE></td> <td> ><IE></IE></td> <td><IE></IE></td> <td><IE></IE></td> <td><IE></IE></td> <td><IE></IE></td> <td><IE></IE></td> </td> <td><IE></IE></td> <td><IE></IE></td> <td><IE></IE> </td> <td><IE></IE></td> <td><IE></IE></td> <td><IE></IE> </td> </tr> <tr><td colspan="100"> <div> (5) Covers DVP and RVP settlement instructions.</div> <div> (6) Covers DWP and RWP settlement instructions.</div> <div> (7) Covers DPFOd and CPFOd settlement instructions.</div> <div> (8) Covers DFP and RFP settlement instructions.</div> </td></tr> </table></div></p>		
<p><p class="title-gr-seq-level-1">Information on settlement fails to be reported by CSDs to the competent authorities and relevant authorities on an annual basis </p> <div style="margin-bottom:10px;"><table> <caption>Table 1</caption></caption> </caption> <tr> <th>No</th> <th> Details to be reported</th> <th>Format</th> </tr> <tr> <td >1.</td> <td>>Country code for the jurisdiction in which the CSD is established</td> <td>>ISO 3166 2 character country code</td> </tr> <tr> <td>>2.</td> <td>>Securities settlement system operated by the CSD</td> <td>>Free text</td> </tr> <tr> <td >3.</td> <td>>Reporting timestamp (CSD to competent authority/relevant authority)</td> <td>>ISO 8601 date in the UTC time format YYYY-MM-DDThh:mm:ssZ</td> </tr> <tr> <td>>4. </td> <td>>Reporting period: beginning and end dates of the period covered by the report</td> <td>>ISO 8601 date in the format YYYY-MM-DD-YYYY-MM-DD</td> </tr> <tr> <td>>5.</td> <td>>CSD Legal Entity Identifier</td> <td>>ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code</td> </tr> <tr> <td>>6.</td> <td>>Corporate name of the CSD</td> <td>>Free text</td> </tr> <tr> <td>>7.</td> <td>>Name of the person responsible for the report sent by the CSD</td> <td> >Free text</td> </tr> <tr> <td>>8.</td> <td>>Function of the person responsible for the report sent by the CSD</td> <td> >Free text</td> </tr> <tr> <td>>9.</td> <td>>Phone number of the person responsible for the report sent by the CSD</td> <td> >Only numerical characters may be used. The phone number must be provided with the country code and the local area code. No special characters may be used.</td> </tr> <tr> <td>>10. </td> <td>>Email address of the person responsible for the report sent by the CSD</td> <td>>Email addresses must be supplied using the standard email address convention.</td> </tr> <tr> <td>>11.</td> <td>>Measures to improve settlement efficiency</td> <td>>Free text</td> </tr> <tr> <td>>12.</td> <td>>Main reasons for settlement fails (annual summary of the reasons for settlement fails included in the monthly reports)</td> <td>>Free text</td> </tr> <tr> <td>>13.</td> <td>>Annual volume of settlement instructions</td> <td>>Up to 20 numerical characters reported as whole numbers without decimals.</td> </tr> <tr> <td>>14.</td> <td>>Annual volume of settlement fails (covering both settlement fails for lack of securities and lack of cash)</td> <td>>Up to 20 numerical characters reported as whole numbers without decimals.</td> </tr> <tr> <td>>15.</td> <td> ><p>Annual rate of settlement fails based on volume (annual number of settlement fails/annual number of settlement instructions)</p> <p>(covering both settlement fails for lack of securities and lack of cash)</p> </td> <td>>Percentage value up to 2 decimal places</td> </tr> <tr> <td>>16.</td> <td>>Annual value (EUR) of settlement instructions</td> <td>>Up to 20 numerical characters including decimals. At least one character before and one character after the decimal mark shall be populated. The decimal mark is not counted as a numerical character</td> </tr> <tr> <td>>17.</td> <td>>Annual value (EUR) of settlement fails (covering both settlement fails for lack of securities and lack of cash)</td> <td>>Up to 20 numerical characters including decimals. At least one character before and one character after the decimal mark shall be populated. The decimal mark is not counted as a numerical character</td> </tr> <tr> <td>>18.</td> <td>><p>Annual rate of settlement fails based on value (annual value of settlement fails/annual value of settlement instructions)</p> <p>(covering both settlement fails for lack of securities and lack of cash)</p> </td> <td> >Percentage value up to 2 decimal places</td> </tr> <tr> <td >19.</td> <td>>Eligible for derogation under Article 12 of the delegated regulation on settlement discipline, including the justification</td> <td>><n>YES/NO</n> <n><n>Free text</n></p>	<p>Information on settlement fails to be reported by CSDs to the competent authorities and relevant authorities on an annual basis</p>	<p>ANNEX II</p>

	<div><p></td> </tr> </table></div></p><p><p class="title-gr-seq-level-1">Report on settlement fails to be made public on an annual basis </p> <div style="margin-bottom:10px;"><table> <caption>Table 1<caption></caption> </caption> <tr> <th>No.</th> <th>Details to be published</th> <th>Format</th> </tr> <tr> <td>1.</td> <td>Reporting period</td> <td>ISO 8601 date in the format YYYY-MM-DD-YYYY-MM-DD</td> </tr> <tr> <td>2.</td> <td>CSD Legal Entity Identifier</td> <td>ISO 17442 Legal Entity Identifier (LEI) 20 alphanumeric character code</td> </tr> <tr> <td>3.</td> <td>Securities settlement system operated by the CSD</td> <td>Free text</td> </tr> <tr> <td>4.</td> <td>Number of settlement instructions during the period covered by the report</td> <td>Up to 20 numerical characters reported as whole numbers without decimals.</td> </tr> <tr> <td>5.</td> <td>Value (EUR) of settlement instructions during the period covered by the report</td> <td>Up to 20 numerical characters including decimals. At least one character before and one character after the decimal mark shall be populated. The decimal mark is not counted as a numerical character.</td> </tr> <TI.BLK COL.END="3" COL.START="1">Data on failure to deliver securities</TI.BLK> <tr> <td>6.</td> <td>Number of settlement fails due to failure to deliver securities</td> <td>Up to 20 numerical characters reported as whole numbers without decimals.</td> &tt;/tr> <tr> <td>7.</td> <td>Value (EUR) of settlement fails due to failure to deliver securities</td> <td>Up to 20 numerical characters including decimals. At least one character before and one character after the decimal mark shall be populated. The decimal mark is not counted as a numerical character.</td> </tr> <tr> <td>8.</td> <td>Rate of settlement fails based on volume of settlement instructions</td> <td>Percentage value up to 2 decimal places.</td> </tr> <tr> <td>9.</td> <td>Rate of settlement fails based on value of settlement instructions</td> <td>Percentage value up to 2 decimal places.</td> </tr> <TI.BLK COL.END="3" COL.START="1">Data on failure to deliver cash</TI.BLK> <tr> <td>10.</td> <td>Number of settlement fails due to failure to deliver cash</td> <td>Up to 20 numerical characters reported as whole numbers without decimals.</td> </tr> <tr> <td>11.</td> <td>Value (EUR) of settlement fails due to failure to deliver cash</td> <td>Up to 20 numerical characters including decimals. At least one character before and one character after the decimal mark shall be populated. The decimal mark is not counted as a numerical character.</td> </tr> <tr> <td>12.</td> <td>Rate of settlement fails based on volume of settlement instructions</td> <td>Percentage value up to 2 decimal places.</td> </tr> <tr> <td>13.</td> <td>Rate of settlement fails based on value (EUR) of settlement instructions</td> <td>Percentage value up to 2 decimal places.</td> </tr> <TI.BLK COL.END="3" COL.START="1">Data covering both settlement fails for lack of securities and lack of cash</TI.BLK> <tr> <td>14.</td> <td>Total number of settlement fails (covering both settlement fails for lack of securities and lack of cash)</td> <td>Up to 20 numerical characters reported as whole numbers without decimals.</td> </tr> <tr> <td>15.</td> <td>Total value (EUR) of settlement fails (covering both settlement fails for lack of securities and lack of cash)</td> <td>Up to 20 numerical characters including decimals. At least one character before and one character after the decimal mark shall be populated. The decimal mark is not counted as a numerical character.</td> </tr> <tr> <td>16.</td> <td>Rate of settlement fails based on volume of settlement instructions</td> <td>Percentage value up to 2 decimals places</td> </tr> <tr> <td>17.</td> <td>Rate of settlement fails based on value of settlement instructions</td> <td>Up to 5 numerical characters including decimals. At least one character before and one character after the decimal mark shall be populated. The decimal mark is not counted as a numerical character.</td> </tr> <tr> <td>18.</td> <td>Measures to improve settlement efficiency</td> <td>Free text</td> </tr> </table></div></p></div>	Report on settlement fails to be made public on an annual basis	ANNEX III
SUBTITLE			
TITLE			