



**Ontario Securities Commission**

22 Queen Street West, 22nd Floor  
Toronto, ON M5H 3S8

Brussels, 23 January 2025

Re: Application for an Exemption from Recognition as a Clearing Agency

Pursuant to section 147 of the Securities Act (Ontario) (the "Act") and National Instrument 24-102 Clearing Agency Requirements ("NI 24-102"), Euroclear Bank SA/NV ("EB") is hereby making an application for an order exempting it from recognition as a clearing agency under section 21.2 of the Act in order to provide its services, as described under Part 4 below to Ontario participants.

# 1. Introduction

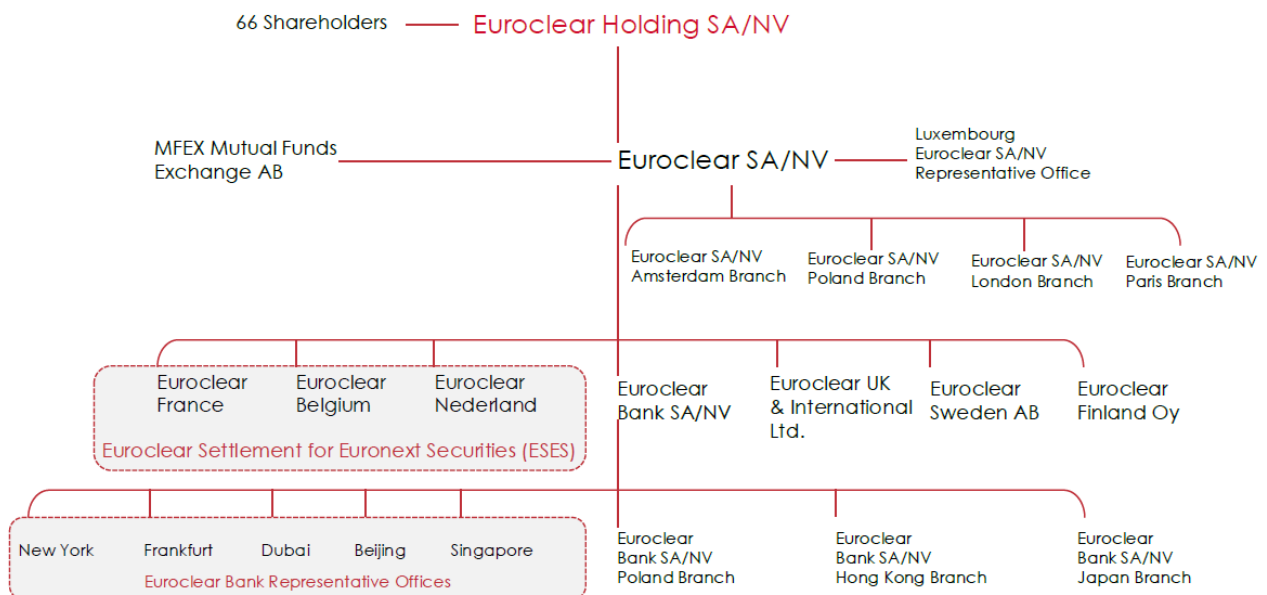
- 1.1 EB is a company (“société anonyme”/“naamloze vennootschap”) incorporated under the laws of Belgium, with registered office at 1 Boulevard du Roi Albert II, 1210 Brussels, Belgium, registered with the Brussels Register of Commerce under no. 0429.875.591 – LEI: 549300OZ46BRLZ8Y6F65. EB is a Central Securities Depository established under the laws of Belgium, operating a securities settlement system governed by the laws of Belgium, that offers its services to Ontario participants amongst others.
- 1.2 This document includes the relevant information for the purposes of EB’s exemption from recognition as a clearing agency. As a support to EB’s application, each requirement in Part 4 and 5 of NI 24-102 is outlined in this document, followed by a description of how the requirement is met by Belgian/EU legislation, as applicable, and EB’s compliance with Belgian/EU legislation as applicable.

## 2. Legal ownership and structure

- 2.1 This section provides an overview of the main entities that make up the Euroclear group, the structure of ownership, the activities Euroclear pursues and its organisational structure. Further details in this respect can be found in the [annual report](#).
- 2.2 The group includes the following Central Securities Depositories (CSDs) in addition to EB: Euroclear Belgium, Euroclear Finland, Euroclear France, Euroclear Nederland, Euroclear Sweden and Euroclear UK & International. EB is the sole International CSD (ICSD) in the group which is also authorised as a credit institution. These CSDs are referred to hereafter as the operating entities of the group.
- 2.3 Euroclear Holding SA/NV the ultimate parent entity of the group, which indirectly owns, through Euroclear SA/NV, the CSDs of the group. Euroclear SA/NV is a financial holding company and a support institution established under the laws of Belgium. It is the direct parent entity of the CSDs of the group and provides system development and support services to the CSDs and other companies of the group



### Simplified Group Structure



## 2.4 Euroclear Holding SA/NV

Euroclear Holding SA/NV is a société anonyme incorporated under the laws of Belgium. It indirectly owns the entire issued ordinary share capital of the Euroclear CSDs.

The Euroclear Holding SA/NV Board is responsible for all shareholder matters, the determination of the group's main strategic objectives and the monitoring of the performance of the group as a whole.

Euroclear Holding SA/NV is the ultimate parent financial holding company in accordance with Article 4(30) of Regulation (EU) 575/2013 (Capital Requirements Regulation).

## 2.5 Euroclear SA/NV

Euroclear SA/NV is a financial holding company and is the parent company of the group CSDs. It is headquartered in Brussels and operates four branches in London, Paris, Amsterdam and Krakow. Euroclear SA/NV delivers a range of services (system development and support services) to the group's CSDs and other group entities.

The group has centralised a number of support and/or control functions within Euroclear SA/NV in order to ensure consistency across the group in delivering its objectives and create more organisational efficiency.

As such, Euroclear SA/NV acts as the group service company and has contractually undertaken to provide non-operational services through outsourcing arrangements between itself and its subsidiaries. In view of the fact that Euroclear SA/NV offers services to FMIs (where business continuity is a key factor), it is subject to a specific regulatory status, i.e. that of an institution assimilated to a settlement institution, under the laws of Belgium.

## 2.6 Euroclear Bank SA/NV

EB is a Financial Market Infrastructure (FMI), a central securities depository established under the laws of Belgium. It is authorised under the Regulation (EU) No 909/2014 of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories ("CSDR"). It operates a securities settlement system recognised as a securities settlement system ("SSS") in the meaning of the Settlement Finality Directive (SFD) and provides a range of CSD services to its participants. EB is also authorised as a credit institution (with a limited purpose license) to provide limited banking services that support its CSD services.

EB currently has opened several branches (Hong Kong, Krakow, Tokyo) and representative offices (Beijing, Dubai, Frankfurt, New York, Singapore) which provide operational and client relationship support to EB headquarters in Brussels. The EB branches and representative offices do not have clients and do not open separate accounts.

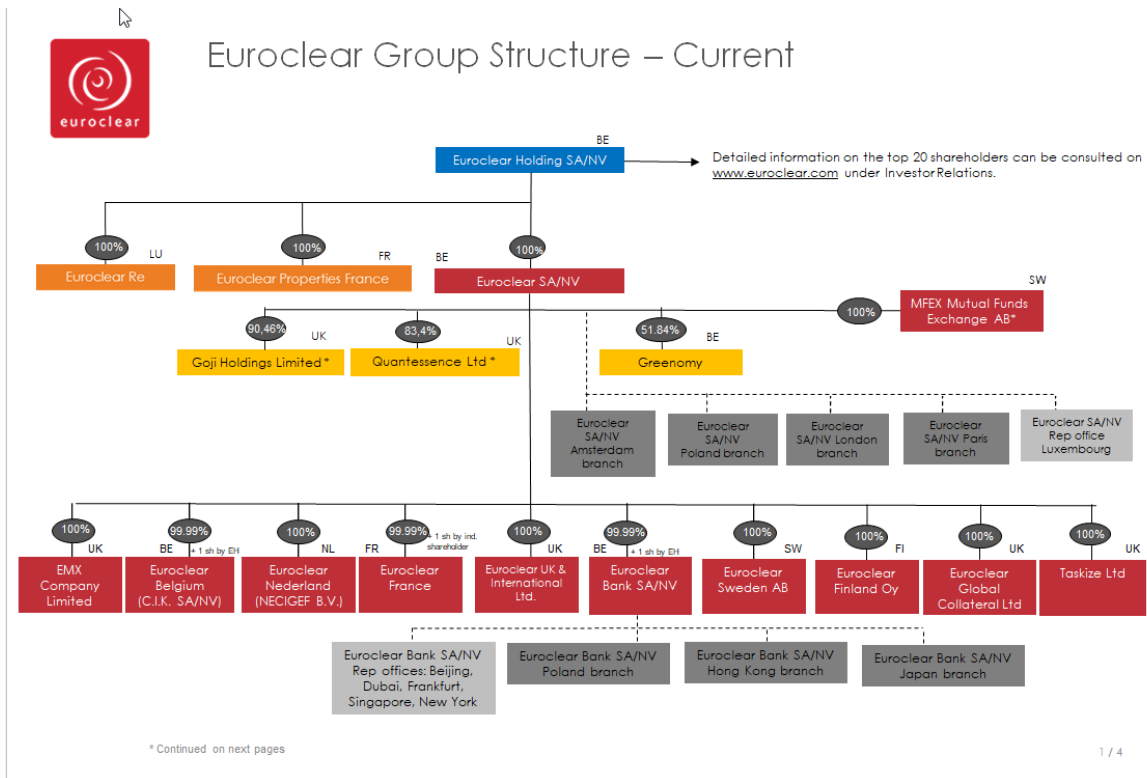
## 2.7 CSDs

In addition to EB, six other Euroclear CSDs are established in the UK, Sweden, Finland, France, Belgium and the Netherlands.

## 2.8 Euroclear Global Collateral Ltd

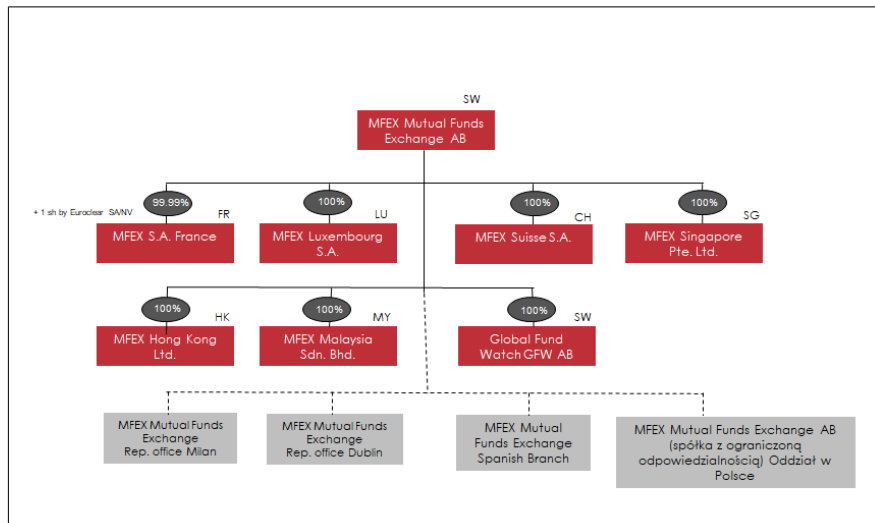
Euroclear Global Collateral Ltd (GlobalCollateral), a UK-based service company, offers global information, recordkeeping, and processing services to support market participants in meeting their risk management and regulatory requirements relating to margin and collateral activities. Activities of GlobalCollateral are part of the Euroclear strategy for collateral management services (including collateral mobilisation).

## 2.9 Structure Charts





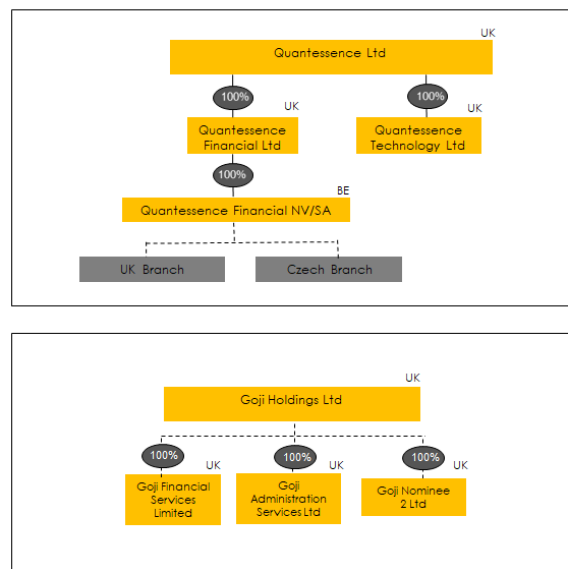
## Euroclear Group Structure



2 / 4



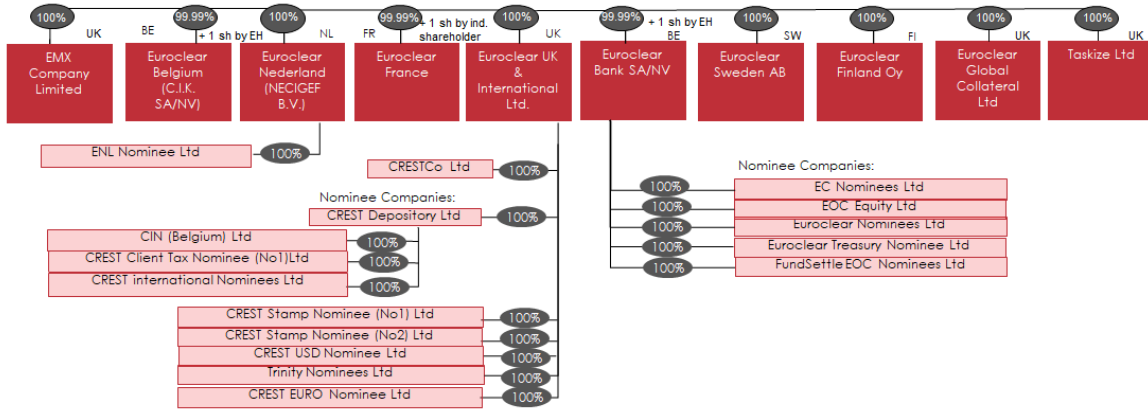
## Euroclear Group Structure



3 / 4



## Annex: Nominee Companies



4 / 4

- EB is 99.99% owned by Euroclear SA/NV + 1 share by Euroclear Holding SA/NV
- Euroclear SA/NV is 100% owned by Euroclear Holding SA/NV
- Euroclear Holding SA/NV is owned by:
  - Sicovam Holding S.A.: 15.89%
  - Société Fédérale de Participation et d'Investissement SA: 12.92 %
  - Caisse des Dépôts et Consignations: 11.41%
  - NZSF Euro Limited: 8.67%
  - Kuri Atyak Investment Ltd: 7.25 %

The top 20 shareholders of Euroclear Holding SA/NV can be consulted on the Euroclear corporate website.

## 3. Regulatory Status and Regulatory Framework

- 3.1 EB, a Belgian incorporated “société anonyme/naamloze vennootschap”, is a Central Securities Depository (“CSD”) authorised under article 16 and 54 of CSDR, which operates a designated securities settlement system, the “Euroclear System”, pursuant to Directive 98/26/EC on settlement finality in payment and securities settlement systems, as implemented in Belgian law. In this role, EB provides settlement and related securities services for transactions involving domestic and international bonds, equities and investment funds and other financial instruments.
- 3.2 Pursuant to the Law of 22 February 1998 establishing the organic status of the NBB (the “Organic Law”), the National Bank of Belgium (the “NBB”) ensures the prudential supervision of CSDs established in Belgium. It monitors compliance with the provisions of the CSDR, unless the CSDR provides otherwise and without prejudice to the powers conferred on the Financial Services and Market Authority (“FSMA”).
- 3.3 EB is also authorised and supervised by the NBB as a credit institution pursuant to the Banking Law implementing the EU Capital Requirements Directive 2013/36 (CRD) in Belgian legislation. In particular, this means that the NBB has a right of objection to strategic decisions taken by EB and/or decisions taken by EB’s direct or indirect controlling shareholders that are strategic to EB if they create a material risk for the stability of the financial sector and that it may impose specific measures on EB in areas such as liquidity, solvability, concentration of risks if necessary to ensure the stability of the financial system.
- 3.4 For purposes of prudential supervision, the NBB has designated EB as a domestic systemically important institution, referred to in CRD as “other systemically important institution” or “O-SII”.
- 3.5 Pursuant to the Law of 2 August 2002 on the supervision of the financial sector and on financial services (the “Law of 2 August 2002”), the FSMA ensures the supervision of conduct-of-business rules applicable to CSDs established in Belgium. More particularly, the FSMA monitors compliance with the rules referred to in Article 45, § 1, 1° of the Law of 2 August 2002, and with the rules for ensuring honest, fair and professional treatment of participants and their customers. In this respect, the FSMA monitors compliance by EB with Articles 26(3), 29, 32 to 35, 38, 49 and 53 of the CSDR.
- 3.6 In addition to the aforementioned supervision of EB, the efficiency and soundness of the Euroclear System as such is overseen by the NBB in accordance with Article 8 of the Organic Law.
- 3.7 Under the Belgian code of companies and associations of 23 March 2019, EB qualifies as a public interest company (“organisatie van openbaar belang/entité d’intérêt public”). In this capacity, it is subject to a number of additional requirements in terms of financial reporting, an obligation to have an audit committee and an obligation to ensure that at least one third of the members of the board of directors is of the opposite sex.
- 3.8 Since 8 May 2023, EB is recognised as a Third-Country CSD in the United Kingdom (UK) (as per the UK’s CSD Regulation) and the “Euroclear System” is designated as an SSS under the Financial Markets and Insolvency Regulations 1999.
- 3.9 EB is exempt from registration as clearing agency in the United States (US) and is subject to an Exemption Order granted by the Securities and Exchange Commission (SEC), revised on 16 December 2016 (Release No. 34-79577; File No. 601-01).
- 3.10 EB has branches and representative offices in various countries:
  - EB Hong Kong Branch – supervised by the Hong Kong Monetary Authority (restricted banking license);
  - EB Polish Branch – supervised by the Komisja Nadzoru Finansowego (KNF);



- EB Japan Branch – supervised by the Japan Financial Services Agency (JFSA) as a Foreign Bank Agency Business;
- EB Representative Office in Beijing (China) – supervised by the National Administration of Financial Regulation (NAFR) and the Beijing Administration for Market Regulation (AMR);
- EB Representative Office in Dubai (United Arab Emirates) – supervised by the Dubai Financial Services Authority (DFSA);
- EB Representative Office in Frankfurt (Germany) – registered with Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin);
- EB Representative Office in New York (US) – supervised by the New York Department of Financial Services (NYDFS) and by the Federal Reserve Bank of New York (NY FRB);
- EB Representative Office in Singapore – supervised by the Monetary Authority of Singapore (MAS). The Representative Office is being transformed into an EB Singapore Branch. As per its letter of 12 July 2024, MAS, pursuant to Section 7 of the Banking Act 1970, granted a banking licence to EB to operate a wholesale bank branch in Singapore.

## 4. Services of EB available to Ontario participants

- 4.1 Upon admission in the Euroclear System, Ontario participants can make a request to subscribe to any of the services offered by EB.
- 4.2 EB's services to its participants are grouped under three categories: core CSD services, non-banking-type ancillary services and banking-type ancillary services.

### Core CSD services

The core CSD services that EB provides are securities settlement, notary services and central maintenance.

- a) Securities settlement services  
EB offers settlement services on a full range of internationally traded securities, including debt instruments, equities, convertibles, warrants, investment funds units/shares, exchange-traded funds (ETFs), money market instruments (MMIs) and depositary receipts, eligible for transfer and settlement against payment (DvP) in various currencies or free of payment (FoP). The Euroclear System is a Model 1 DvP system<sup>1</sup>.
- b) Notary services  
Notary services are defined as the initial admission and/or establishment of certificated or dematerialised securities in book entry form. The definition refers to the initial representation and subsequent maintenance of securities in book-entry form through initial credit and subsequent credits or debits to securities accounts.  
Securities issuances (or a portion thereof) are usually deposited into a CSD that is responsible for ensuring that the number of securities initially created equals the total number of securities in circulation (booked in investors' accounts) at any time. This activity is referred to as 'Issuer CSD' activity.
- c) Central maintenance services  
Central maintenance services consist in providing and maintaining securities accounts at the top-tier level, including for example the processing of corporate actions such as dividend and interest payments or voting rights in the case of shares. This activity is also referred to as Issuer CSD activity (it is typically the case when another type of entity, e.g. a registrar, ensures the notary function).

### Non-banking-type ancillary services

- a) New issues  
EB offers services to the issuers through their agents, lead managers as well as issuing and paying agents. These services include the initial recording of the issue in EB's book-entry system, the allocation of a code for the issue and the processes to facilitate the distribution of the new issues. These services support the notary and central maintenance services provided by the institution.

---

<sup>1</sup> Defined in the Bank for International Settlements' glossary as follows:

"A securities settlement mechanism that links a securities transfer and a funds transfer in such a way as to ensure that delivery occurs if and only if the corresponding payment occurs. DvP model 1 typically settles securities and funds on a gross and obligation-by-obligation basis, with final (irrevocable and unconditional) transfer of securities from the seller to the buyer (delivery) if and only if final transfer of funds from the buyer to the seller (payment) occurs."

- b) Asset servicing  
Asset servicing encompasses a range of services relating to the safekeeping of securities (bonds, equities and funds), the processing of corporate events, proxy voting, the payment of interests, dividends and redemptions, market claims and the administration of related tax services.
- c) Collateral management services  
EB offers Triparty collateral management services to participants of the Euroclear System in support of their bilateral repurchase agreements, securities loans, secured loan facilities, derivative transactions and margining for central counterparties to further optimise their liquidity across covered markets.  
Collateral management services include deal matching, collateral eligibility verification and selection, delivery against or free of payment of collateral transfer, daily mark-to-market functions, collateral substitution, margin maintenance, custody event management and reporting.
- d) Securities lending and borrowing services  
EB's automated securities lending and borrowing services are designed to increase settlement efficiency. The service is an integrated component of the batch and real-time process. Participants must have credit arrangements in place with EB as a prerequisite to borrowing securities through the programme.  
From the perspective of the borrower, the service provides a mechanism to obtain securities immediately when required for delivery if they otherwise lack such securities in EB. This reduces the risk of settlement failure for the borrowers and their counterparts, hence improving the overall market efficiency. From the perspective of the lender, the programme provides a mechanism to increase security yields through securities lending fees.
- e) General Collateral Access  
General Collateral Access allows participants to lend or borrow baskets of high quality securities in exchange for other collateral. Borrowers can access baskets of assets against other collateral, while lenders can earn revenues by lending in a highly secure environment, with EB bearing the full administrative burden.  
Participants must have credit arrangements in place with EB as a prerequisite to borrowing securities through the programme. Similarly to the securities lending and borrowing services, a securities borrowing constitutes an extension of credit to a borrower, to cover the guarantee given by EB to the lender that it will be reimbursed or securities delivered.
- f) Funds-order processing  
Through the tailor-made automated fund order processing platform (FundSettle) allowing a centralised fund distribution on a cross-border basis, EB provides to its clients (in their capacity as fund investors, intermediaries or distributors):
- (i) order routing and processing (either subscription, redemption, switch or transfer orders)
  - (ii) corporate action services
  - (iii) real-time and customised reporting facilities on funds.

### **Banking-type ancillary activities**

EB, as a credit institution, provides banking services in multi-currency commercial bank money to support the core and ancillary CSD services offered in the Euroclear System.

a) Money transfer services

Money transfer services aim at supporting participants' cash management activities in relation to securities settlement and asset servicing. Money settlement in any of the 46 currencies accepted by the Euroclear System is carried out in the books of EB itself in commercial bank money, as it is not feasible or practical that EB and/or its participants open accounts at more than 47 central banks.

EB maintains a network of major local correspondent banks chosen for their high-quality service and creditworthiness that provide EB with access to the national cash clearing systems.

b) Credit management

EB offers multi-currency intraday credit facilities to borrowing participants on an uncommitted basis within a predefined credit framework, aiming at ensuring credit granted stays within the available liquidity capacity, to facilitate securities settlement and other services available to participants in the Euroclear System.

Such credit extensions, which create operating exposure, can occur when (i) participants do not hold sufficient cash reserves in EB and/or (ii) there are structural time lags in the flow of funds as a result of time-zone/operating hours differences.

These intraday credit extensions are fully secured by collateral (i.e. cash pledged or securities) or other recourse (i.e. Letter of credit for Bridge exposures or other equivalent financial resources like excess capital vis-à-vis capital requirements for certain exposures, as prescribed by Regulation (EU) 390/2017, which forms part of the Level 2 texts implementing CSDR).

c) Treasury management

The Treasury department combines the treasury and liquidity functions. It manages the day-to-day flows and liquidity needs of EB. The Treasury department also monitors and manages the interest rate and foreign exchange risks, the balance sheet and the investment of its capital.

## 5. EB – Exemption from recognition as a Foreign Clearing Agency – justification

- 5.1 EB is a CSD established in and under the laws of Belgium, and operates an SSS governed by the laws of Belgium.
- 5.2 EB is applying for an order exempting EB from the clearing agency requirements of Ontario securities law as:
  - It is subject to prudential and oversight requirements under European and Belgian legislation that are comparable to those set out in the NI 24-102 (see above under section 3).
  - It should not be considered systemically important or be deemed to otherwise pose significant risk to the Ontarian capital markets: EB does have a limited number of Ontario participants: 16 Ontario participants from a total of 1,784 participants (as per date 3 January 2025).

## 6. Criteria for Exemption from Recognition as a Foreign Clearing Agency

### 6.1. Section 2.1 of NI 24-102

6.1.1 Section 2.1 of NI 24-102 sets out (see in italic below) the information a foreign clearing agency should provide in its application for exemption from recognition as a clearing agency:

*2.1 (1) An applicant for recognition as a clearing agency under securities legislation, or for exemption from the requirement to be recognized as a clearing agency under securities legislation, must include in its application all of the following:*

*a) if applicable, the applicant's most recently completed PFMI Disclosure Framework Document;*

EB's most recent PFMI Disclosure Framework has been provided to the OSC in support of EB's application.

*b) sufficient information to demonstrate that the applicant is*

*i. in compliance with applicable provincial and territorial securities legislation, or*

EB does not have an establishment in Ontario and does not intend to have an establishment in Ontario. Participants in the SSS operated by EB adhere to the Terms and Conditions governing use of Euroclear ('Terms and Conditions'), which are governed by Belgian law. The Terms and Conditions are available on [myeuroclear.com](http://myeuroclear.com) upon free registration.

*ii. subject to and in compliance with the regulatory requirements of the foreign jurisdiction in which the applicant's head office or principal place of business is located that are comparable to the applicable requirements under this Instrument;*

We refer to the website of ESMA where EB's CSDR authorisation is published, together with the list of its core CSD and ancillary services (<https://www.esma.europa.eu/document/csd-register>).

CSDR constitutes the strictly binding legislation that translates the CPMI-IOSCO Principles for Financial Market Infrastructures into the European/Belgian legal framework.

*c) any additional relevant information sufficient to demonstrate that it is in the public interest for the securities regulatory authority to recognize or exempt the applicant, as the case may be.*

According to section 2.1 of the Companion Policy to NI 24-102, in the case of EB (which operates in Belgium as a CSD), this additional information is a detailed description of the regulatory regime of its home jurisdiction and the requirements imposed on the clearing agency, including how such requirements are comparable to the requirements in Parts 3 and 4 of NI 24-102.

6.1.2 *2.1 (2) In addition to the requirement set out in subsection (1), an applicant that has a head office or principal place of business located in a foreign jurisdiction must:*

*a) certify that it will assist the securities regulatory authority in accessing the applicant's books, records and other documents and in undertaking an onsite inspection and examination at the applicant's premises, and*

EB has provided a certification that it will assist the OSC in accessing EB's books and records and in undertaking an onsite inspection at EB's premises.

*b) certify that it will provide the securities regulatory authority, if requested by the authority, with an opinion of legal counsel that the applicant has, as a matter of law, the power and authority to*

*i. provide the securities regulatory authority with prompt access to its books, records and other documents, and*

*ii. submit to onsite inspection and examination by the securities regulatory authority.*

EB has provided certification that, if requested, it will provide the OSC with an opinion of legal counsel that EB has, as a matter of law, the power and authority to (i) provide the OSC with prompt access to its books and records, and (ii) submit to onsite inspection and examination by the OSC.

*2.1 (3) In addition to the requirements set out in subsections (1) and (2), an applicant whose head office or principal place of business is located in a foreign jurisdiction must file a completed Form 24-102F1 Clearing Agency Submission to Jurisdiction and Appointment of Agent for Service of Process.*

EB has provided a fully executed Form F24-102F1 to the OSC.

*2.1 (4) An applicant must inform the securities regulatory authority in writing of any change to the information provided in its application that is material, or if any of the information becomes materially inaccurate for any reason, as soon as the change occurs or the applicant becomes aware of any inaccuracy.*

EB confirms that it will inform the OSC in writing of any material change to the information provided in this application, or if any of the information becomes materially inaccurate for any reason, as soon as EB becomes aware of such change or EB becomes aware of any material inaccuracy.

## 6.2. Section 2.4 of NI 24-102

6.2.1 Section 2.4 of NI 24-102 sets out (see in italic below) the information a foreign clearing agency should provide in its application for exemption from recognition as a clearing agency:

*(1) An applicant must file audited financial statements for its most recently completed financial year with the securities regulatory authority as part of its application under section 2.1.*

*(2) The financial statements referred to in subsection (1) must*

- a) be prepared in accordance with Canadian GAAP applicable to publicly accountable enterprises, IFRS or the generally accepted accounting principles of the foreign jurisdiction in which the person or company is incorporated, organized or located,*
- b) identify in the notes to the financial statements the accounting principles used to prepare the financial statements,*
- c) disclose the presentation currency, and*
- d) be audited in accordance with Canadian GAAS, International Standards on Auditing or the generally accepted auditing standards of the foreign jurisdiction in which the person or company is incorporated, organized or located.*

EB's 2023 Annual report has been provided to the OSC in support of EB's application and this document meets the requirements of section 2.4 (2) of the NI 24-102.

*(3) The financial statements referred to in subsection (1) must be accompanied by an auditor's report that*

- a) expresses an unmodified or unqualified opinion,*
- b) identifies all financial periods presented for which the auditor's report applies,*
- c) identifies the auditing standards used to conduct the audit,*
- d) identifies the accounting principles used to prepare the financial statements,*
- e) is prepared in accordance with the same auditing standards used to conduct the audit, and*
- f) is prepared and signed by a person or company that is authorized to sign an auditor's report under the laws of a jurisdiction of Canada or a foreign jurisdiction, and that meets the professional standards of that jurisdiction.*

EB's annual report meets the above requirements.



## 6.3. Requirements set out in Part 3 of NI 24-102

### 6.3.1 *PFMI Principles*

*3.1 A recognized clearing agency must establish, implement and maintain rules, procedures, policies or operations designed to ensure that it meets or exceeds PFMI Principles 1 to 3, 10, 13 and 15 to 23, other than key consideration 9 of PFMI Principle 20 and the following:*

- a) if the clearing agency operates as a central counterparty, PFMI Principles 4 to 9, 12 and 14;*
- (b) if the clearing agency operates as a securities settlement system, PFMI Principles 4, 5, 7 to 9 and 12;*
- (c) if the clearing agency operates as a central securities depository, PFMI Principle 11.*

EB complies with CSDR, which is the legally binding translation in European Union law of the CPMI-IOSCO PFMIs. Please refer to:

- a) EB's most recent assessment against the PFMI: [Euroclear Bank CPMI-IOSCO Disclosure Framework - 2022](#);
- b) The [website of ESMA](#) where EB's CSDR license is published, together with the list of its CSD services.

## 6.4. Requirements Set out in Part 4 of NI 24-102

- 6.4.1 EB understands that the requirements set out in Part 4 of NI 24-102 apply to recognised clearing agencies and not to exempt clearing agencies. The purpose of this section is to support EB's request for an order exempting it from recognition as a clearing agency under section 21.2 of the Act by demonstrating how applicable Belgian and European Union (EU) legislation set out requirements for CSDs that are comparable to those of Part 4 of NI 24-102. Those comparable requirements stem from CSDR and the EU Commission Delegated Regulation 2017/392 (CSDR Level 2) that further implements CSDR requirements.
- 6.4.2 EB is a CSD with a limited purpose banking license (ancillary to its CSD license). EB is subject to CSDR and to the Belgian Banking Law of 25 April 2014 (Banking Law), implementing the EU Directive 2013/36 in Belgium (Capital Requirements Directive).
- 6.4.3 CSDR (see article 16.3 and 16.4) requires CSDs to at all times comply with the conditions necessary for authorisation and imposes a requirement on CSDs to notify their competent authority of any substantive changes affecting compliance with the conditions for authorisation. The NBB, acting as competent authority of EB, monitors on an ongoing basis the compliance of EB with the CSDR requirements amongst others, including through a formal process of yearly Review and Evaluation (article 22 CSDR as further implemented by articles 40, 41, 42 and 43 of CSDR Level 2). The status of the authorisation of EU CSDs is publicly available through the publication of a dedicated register on the website of the European Securities and Markets Authority.
- 6.4.4 The ongoing supervision by the NBB of EB also involves formal prior notification and/or authorisation by the NBB:
- for certain organisational requirements, such as the appointment of members of the Board of Directors and Board Committees and the appointment of heads of control functions (risk management, compliance and internal audit);
  - for important decisions (referred to as strategic decisions);
  - when offering new services.

## Division 1 - Governance

### 6.4.5 *Board of Directors*

4.1 (1) A recognized clearing agency must have a board of directors.

(2) The board of directors must include appropriate representation by individuals who are

- a) independent of the clearing agency, and
- b) neither employees nor officers of a participant nor their immediate family members.

(3) For the purposes of paragraph (2)(a), an individual is independent of a clearing agency if he or she has no direct or indirect material relationship with the clearing agency.

(4) For the purposes of subsection (3), a "material relationship" is a relationship that could, in the view of the clearing agency's board of directors, be reasonably expected to interfere with the exercise of a member's independent judgment.

#### Overview of comparable EU Regulation

6.4.6 CSDR (article 26 and following) imposes organisational requirements, among which the need to have a Board of Directors as the ultimate decision-making body.

Article 27.2 CSDR requires that at least one third of the members of the Board of a CSD qualify as independent. Under CSDR, an independent board member is a person who has no business, family or other relationship that raises a conflict of interests regarding the CSD concerned or its controlling shareholders, its management or its participants, and who has had no such relationship during the five years preceding membership.

#### Compliance by EB with EU Regulation

6.4.7 In line with legal and regulatory requirements, EB has a Board of Directors that defines and supervises the general policy and strategy of EB and has the power to carry out all acts that are explicitly reserved by law to the Board.

The composition of a Board of a Euroclear company takes into account the individual suitability elements, the individual and collective skill, knowledge and experience elements, diversity aspects, and the need of a balance between independent directors, shareholders' representatives and executive representation.

EB has adopted a comprehensive set of policies that Board members, the Management Committee and staff (including contractors) must follow in order to identify, notify, assess, properly manage and control potential and actual personal or corporate conflicts of interest.

For a detailed description, please refer to Principle 2 of EB's CPMI-IOSCO Disclosure Framework 2022.

The EB Governance Charter sets out the Terms of Reference of the EB Board (which are referred to in EB's PFMI Disclosure). According to those terms of reference, the EB Board comprises at least one third, but no less than two independent members<sup>2</sup>, and EB strives to have at least four independent directors on the Board to be able to reinforce the breadth and depth of expertise, build upon the Board's effectiveness and governance and adequately constitute the Board Committees.

---

<sup>2</sup> An independent member is defined in Article.27, 2 CSDR as "a member of the management body who has no business, family or other relationship that raises a conflict of interest regarding the CSD concerned or its controlling shareholders, its management or its participants, and who has had no such relationship during the five years preceding their membership of the management body".

6.4.8 ***Documented Procedures Regarding Risk Spill-overs***

4.2 *The board of directors and management of a recognized clearing agency must have documented procedures to manage possible risk spill over where the clearing agency provides services with a different risk profile than its depository, clearing and settlement services.*

6.4.9 EB is a CSD and does not act as a Central Counterparty (CCP). This requirement is not applicable to EB's status and activities as a central securities depository.

6.4.10 ***Chief Risk Officer (CRO) and Chief Compliance Officer (CCO)***

4.3 (1) *A recognized clearing agency must designate a chief risk officer and a chief compliance officer, who must report directly to the board of directors of the clearing agency.*

(2) *The chief risk officer must*

- a) *have responsibility and authority to implement, maintain and enforce the risk management framework established by the clearing agency,*
- b) *make recommendations to the clearing agency's board of directors regarding the clearing agency's risk management framework,*
- c) *monitor the effectiveness of the clearing agency's risk management framework, and*
- d) *report to the clearing agency's board of directors on a timely basis upon becoming aware of any significant deficiency with the risk management framework.*

(3) *The chief compliance officer must*

- a) *establish, implement, maintain and enforce written policies and procedures to identify and resolve conflicts of interest and ensure that the clearing agency complies with securities legislation,*
- b) *monitor compliance with the policies and procedures described in paragraph (a),*
- c) *report to the board of directors of the clearing agency as soon as practicable upon becoming aware of any circumstance indicating that the clearing agency, or any individual acting on its behalf, is not in compliance with securities legislation and one or more of the following apply:*
  - i. *the non-compliance creates a risk of harm to a participant;*
  - ii. *the non-compliance creates a risk of harm to the broader financial system;*
  - iii. *the non-compliance is part of a pattern of non-compliance;*
  - iv. *the non-compliance may have an impact on the ability of the clearing agency to carry on business in compliance with securities legislation,*
- d) *prepare and certify an annual report assessing compliance by the clearing agency, and individuals acting on its behalf, with securities legislation and submit the report to the board of directors,*
- e) *report to the clearing agency's board of directors as soon as practicable upon becoming aware of a conflict of interest that creates a risk of harm to a participant or to the capital markets, and*
- f) *concurrently with submitting a report under paragraphs (c), (d) or (e), file a copy of the report with the securities regulatory authority.*

6.4.11 ***Chief Risk Officer***

Overview of comparable EU Regulation

6.4.12 Article 26 of CSDR requires a CSD to have robust governance arrangements, which encompass effective procedures to comply with CSDR (which includes requirements pertaining to the identification, management, monitoring and reporting of risks to which the CSD is or might be exposed).

- 6.4.13 Article 47.3 of CSDR Level 2 requires CSDs to establish control functions, including a risk management function, that must operate independently from the other functions of the CSD. The risk management function must have a well-documented description of its tasks, the necessary authority, resources, expertise and access to all relevant information to carry out its tasks.
- 6.4.41 A CSD must have a chief risk officer who shall implement the risk-management framework including the policies and procedures established by the Board of Directors (article 49.5 of CSDR Level 2). The CSD must establish procedures ensuring that the chief risk officer has direct access to the Board of Directors (article 49.9 of CSDR Level 2).

#### Compliance by EB with EU Regulation

- 6.4.15 EB has in place independent Risk Management, Compliance & Ethics and Internal Audit functions, according to the highest applicable standards in ensuring a robust and transparent management structure and control environment.
- 6.4.16 In order to ensure to safeguard the independence of these functions, the Chief Risk Officer, the Chief Compliance Officer and the Head of Internal Audit have a direct reporting line to the Chairman of the relevant EB Board Committee.
- 6.4.17 The Chief Risk Officer is a member of the Management Committee and has overall accountability for ensuring there is robust independent oversight of risk-taking activities in EB and is therefore responsible for the EB risk management function activities and deliverables. The Chief Risk Officer is accountable under the internal governance arrangements of EB for establishing, maintaining, facilitating and assessing the effective operation of EB's risk management framework. The Chief Risk Officer is also in charge of advising the EB Board on the identification, assessment, monitoring, mitigation and reporting of risks. The Chief Risk Officer is also accountable for providing the EB Board and EB Risk Committee with an independent view of EB's risk capacity, appetite and profile, also in view of emerging risks.

For further details, please refer to Principle 2 of EB's CPMI-IOSCO Disclosure Framework 2022.

#### 6.4.18 *Chief Compliance Officer*

#### Overview of comparable EU Regulation

- 6.4.19 Article 26 of CSDR requires a CSD to have robust governance arrangements, which comprises effective procedures to comply with CSDR (which includes requirements pertaining to the identification and management of conflicts of interest as well as to the identification, management, monitoring and reporting of risks, which include compliance risks).
- 6.4.20 Article 47.3 of CSDR Level 2 requires CSDs to establish control functions, including a compliance function, that must operate independently from the other functions of the CSD. The compliance function must have a well-documented description of its tasks, as well as the necessary authority, resources, expertise and access to all relevant information to carry out its tasks.
- 6.4.21 A CSD must have a chief compliance officer who shall implement the compliance and internal control framework including the policies and procedures established by the Board of Directors (article 49.7 of CSDR Level 2). The CSD must establish procedures ensuring that the chief compliance officer has direct access to the Board of Directors (article 49.9 of CSDR Level 2).
- 6.4.22 On an annual basis, the CSD must report to its competent authority on the overall compliance with CSDR (as part of the Review and Evaluation process foreseen by article 22 CSDR, and further implemented by article 40 and following of CSDR Level 2).

#### Compliance by EB with EU Regulation

- 6.4.23 EB has in place independent Risk Management, Compliance & Ethics and Internal Audit functions, according to the highest applicable standards in ensuring a robust and transparent management structure and control environment.

- 6.4.24 In order to ensure to safeguard the independence of these functions, the Chief Risk Officer, the Chief Compliance Officer and the Head of Internal Audit have a direct reporting line to the Chairman of the relevant EB Board Committee (the Audit Committee for the Chief Compliance Officer).
- 6.4.25 The EB Chief Compliance Officer has the overall accountability for the Compliance and Ethics function and is responsible for the implementation of an adequate monitoring of compliance of EB with legal and regulatory rules.
- 6.4.25 The EB Chief Compliance Officer reports quarterly to the Management and the EB Board of Directors through the Audit Committee as well as on a yearly basis to its competent authority.
- 6.4.26 The Compliance function is responsible for providing independent oversight of Compliance Risks (including designing, implementing and overseeing the Compliance Risk Management framework, providing assurance on the identification, assessment and management of Compliance Risks). Specifically on conflicts of interest, EB has developed a framework for identification, notification, assessment, management of conflicts of interest.

For further details, please refer to Principle 2 and Principle 3 of EB's CPMI-IOSCO Disclosure Framework 2022.

6.4.27 ***Conflicts of interest***

Overview of comparable EU Regulation

- 6.4.28 Article 26 CSDR requires the CSD to maintain and operate effective arrangements to identify and manage potential conflicts of interest between itself and a range of stakeholders, including participants.
- 6.4.29 Article 14 of CSDR Level 2 requires the CSD to submit, as part of the submission to the competent authority in view of its authorisation under CSDR detailed information on its procedures to identify and manage conflicts of interest. This includes an up-to-date register of the conflicts of interest.
- 6.4.30 On an annual basis, the CSD must report to its competent authority on the overall compliance with CSDR (as part of the Review and Evaluation process foreseen by article 22 CSDR, and further implemented by article 40 and following of CSDR Level 2). The CSD must also report on cases of conflicts of interest (article 41, o) of CSDR Level 2).

Compliance by EB with EU Regulation

- 6.4.31 The general framework for EB's comprehensive management of risks is set out in Principle 3 of EB's CPMI-IOSCO Disclosure Framework 2022, and includes risk arising from EB's corporate and risk culture, governance arrangements, conduct and dealings with stakeholders and shareholders.
- 6.4.32 EB has adopted a comprehensive set of policies that Board members, the Management Committee and staff (including contractors) must follow in order to identify, notify, assess, properly manage and control potential and actual conflicts of interest.
- 6.4.33 The Compliance function is responsible for providing independent oversight of Compliance Risks (including designing, implementing and overseeing the Compliance Risk Management framework, providing assurance on the identification, assessment and management of Compliance Risks).

For further details, please refer to Principle 2 of EB's CPMI-IOSCO Disclosure Framework 2022.

6.4.34 ***Board or Advisory Committees***

*4.4 (1) The board of directors of a recognized clearing agency must, at a minimum, establish and maintain committees on risk management, finance and audit.*

*(2) If a committee is a board committee, it must be chaired by a sufficiently knowledgeable individual who is independent of the clearing agency.*

*(3) Subject to subsection (4), a committee must have an appropriate representation by individuals who are independent of the clearing agency.*

*(4) An audit or risk committee must have an appropriate representation by individuals who are*

*a) independent of the clearing agency, and*

*b) neither employees nor officers of a participant nor their immediate family members.*

*(5) For the purpose of this section, an individual is independent of a clearing agency if the individual has no relationship with the agency that could, in the reasonable opinion of the clearing agency's board of directors, be expected to interfere with the exercise of the individual's independent judgment.*

#### Overview of comparable EU Regulation

6.4.35 Article 27.4 CSDR imposes requirements pertaining to reputation and skills for members of the board of directors and of the board committees. CSDR article 27.2 imposes a proportion of at least one third of independent members in the board of directors (with a minimum of two independent members).

Under CSDR, an independent board member is a person who has no business, family or other relationship that raises a conflict of interests regarding the CSD concerned or its controlling shareholders, its management or its participants, and who has had no such relationship during the five years preceding his membership.

6.4.36 Article 48 of CSDR Level 2 implementing CSDR requires CSDs to establish the following board of directors committees: a risk committee, an audit committee and a remuneration committee. Each committee must be chaired by an independent director who has appropriate experience in the field of competence of such committee. The majority of the members of the committees must be non-executive members of the board of directors.

#### Compliance by EB with EU Regulation

6.4.37 The EB Board is composed of suitable members of sufficiently good repute with an appropriate mix of skills, experience and knowledge of the Company and of the market.

6.4.38 In accordance with applicable legal and regulatory requirements, Board members are appointed by the shareholders, subject to approval by the supervisory authorities.

The Fit & Proper requirements against which EB Directors are assessed cover every role they take in the Board of Directors and/or Board Committees. The same requirements expect the NBB to assess the independence as well as the skills, honourability and availability of each individual as well as the presence of all relevant skills in the Board of Directors collectively.

6.4.39 The Board of Directors is composed of the members of the Management Committee and non-executive directors. The Terms of Reference of the Board of Directors also foresee that at least one third of independent directors sit on the Board, in line with legal and regulatory requirements: independence has been defined taking CSDR into account.

6.4.40 In addition to the Management Committee (which is composed of executive directors), the EB Board of Directors has established four (4) board committees: an Audit Committee, a Risk Committee, a Remuneration Committee and a Nomination and Governance committee. Their composition is published on the Euroclear website. The chairs of Board Committees are independent directors.

For further details, please refer to Principle 2 of EB's CPMI-IOSCO Disclosure Framework 2022.

## Division 2 – Default Management

### 6.4.41 *Use of Own Capital*

*4.5 A recognized clearing agency that operates as a central counterparty must dedicate and use a reasonable portion of its own capital to cover losses resulting from one or more participant defaults.*

6.4.42 EB does not operate as a central counterparty, therefore, this section is not applicable.

## Division 3 – Operational Risk

### 6.4.43 *Systems Requirements*

*4.6 For each system operated by or on behalf of a recognized clearing agency that supports the clearing agency's clearing, settlement and depository functions, the clearing agency must*

*a) develop and maintain*

*i. adequate internal controls over that system, and*

*ii. adequate cyber resilience and information technology general controls, including, without limitation, controls relating to information systems operations, information security, change management, problem management, network support and system software support,*

#### Overview of comparable EU Regulation

6.4.44 CSDR requires that a CSD have robust governance arrangements in place, which include effective processes to identify, manage, monitor and report the risks to which it is or might be exposed (Art 26.1) and to identify sources of operational risk, both internal and external, and minimise their impact through the deployment of appropriate IT tools, controls and procedures, including for all the securities settlement systems it operates (Art 45.1 and 45.2). The IT systems requirements are further detailed in Article 75 of CSDR Level 2.

#### Compliance by EB with EU Regulation

6.4.45 The general framework for EB's comprehensive management of risks is set out in Principle 3 of EB's CPMI-IOSCO Disclosure Framework 2022, and includes amongst others Operational Risk, including Information and Communication Technology (ICT) & Data Risk, ICT Security Risk and Business Disruption Risk.

EB designs, implement and operates adequate internal controls. These controls are reviewed, monitored and tested on a regular basis to provide effective risk mitigation.

When needed, EB uses appropriate change management and project management processes to mitigate operational risks arising from modifications to its operations, systems and controls.

For a further details, please refer to Principle 17 of EB's CPMI-IOSCO Disclosure Framework 2022.

6.4.46 *b) in accordance with prudent business practice, on a reasonably frequent basis and, in any event, at least annually*

*i. make reasonable current and future capacity estimates, and*

*ii. conduct capacity stress tests to determine the processing capability of that system to perform in an accurate, timely and efficient manner,*



#### Overview of comparable EU Regulation

- 6.4.47 Articles 45.2 and 45.5 CSDR require a CSD to maintain appropriate IT tools that ensure a high degree of security and operational reliability and have adequate capacity. A CSD shall also plan and carry out a programme of testing of these arrangements. The IT systems requirements are further detailed in Article 75 of CSDR Level 2.
- 6.4.48 On an annual basis, the CSD must report to its competent authority on its business continuity stress tests and similar exercises, as part of the Review and Evaluation process foreseen by article 22 CSDR, and further implemented by article 40 and following of CSDR Level 2 (in particular articles 41 (g) and 41 (k)).

#### Compliance by EB with EU regulation

- 6.4.49 Capacity management is in place to ensure that capacity meets current and future business requirements.

EB's project lifecycle methodology is designed to ensure that both functional and non-functional requirements of EB (including resilience, stress testing, capacity, and expected service levels) are taken into account in the design and implementation of IT systems, and that the necessary testing is performed in accordance with a project's test and launch strategy.

For a further details, please refer to Principle 17 of EB's CPMI-IOSCO Disclosure Framework 2022.

- 6.4.50 c) *promptly notify the regulator or, in Québec, the securities regulatory authority of any systems failure, malfunction, delay or security incident that is material, and provide timely updates to the regulator or, in Québec, the securities regulatory authority regarding the following:*
- i. *any change in the status of the failure, malfunction, delay or security incident;*
  - ii. *the resumption of service, if applicable;*
  - iii. *the results of any internal review, by the clearing agency, of the failure, malfunction, delay or security incident; and*

#### Overview of comparable EU Regulation

- 6.4.51 Article 45.1 to 45.6 CSDR requires that a CSD provide regular and ad hoc reports on the performance of its securities system to the competent authority.

On an annual basis, the CSD must report to its competent authority on operational incidents that have affected the provision of core services as well as on the measures taken to address them and the results thereof, as part of the Review and Evaluation process foreseen by article 22 CSDR, and further implemented by article 40 and following of CSDR Level 2, and in particular article 41 (h)).

#### Compliance by EB with EU regulation

- 6.5.52 EB has a three-tiered (Bronze, Silver, Gold) crisis management structure. These three levels deal with operational, tactical and strategic issues, respectively.

- 6.5.53 Prompt communication to internal and external parties during and after an incident forms an essential part of the incident response. The Crisis Management teams are required to assess the need for communication and if so, to communicate to clients, clients facing staff, other staff, and, from Silver on, also to supervisory authorities and in case of Gold to the press. This includes the reporting to authorities of any failure, malfunction, delay or security incident reaching the Silver level of the crisis management structure.

Client communication is to be initiated as soon as possible after the calling of the crisis management meeting.

6.5.54 Since business and technical environments are becoming more and more complex, Euroclear has developed crisis management playbooks to support and guide its crisis management teams on how to efficiently identify impacts, coordinate, respond to and communicate during an incident. All ‘Extreme but Plausible Scenarios’ have been covered by the relevant playbooks.

For a further details, please refer to Principle 17 of EB’s CPMI-IOSCO Disclosure Framework 2022.

6.5.55 d) *keep a record of any systems failure, malfunction, delay or security incident and whether or not it is material.*

#### Overview of comparable EU Regulation

6.5.56 As per article 29 CSDR, a CSD shall retain for a period of at least 10 years, all its records on the services and activities.

Article 57.2(n) of CSDR Level 2 requires a CSD to keep as part of its business records, records of any interruption of services or dysfunction, including a detailed report on the timing, effects and action taken to remedy the interruption or dysfunction. Article 71.4 of CSDR Level 2 requires a CSD to have comprehensive and well-documented procedures to record, monitor and resolve all operational incidents.

#### Compliance by EB with EU regulation

6.5.57 The general framework for EB’s comprehensive management of risks is set out in Principle 3 of EB’s CPMI-IOSCO Disclosure Framework 2022, and includes amongst others Operational Risk (Execution, Delivery and Process Management) and Legal & Compliance Risk. This encompasses record keeping requirements in line with CSDR requirements.

6.5.58 ***Auxiliary systems***

4.6.1 (1) *In this section, “auxiliary system” means a system, other than a system referred to in section 4.6, operated by or on behalf of a recognized clearing agency that, if breached, poses a security threat to another system operated by or on behalf of the recognized clearing agency that supports the recognized clearing agency’s clearing, settlement or depository functions.*

(2) *For each auxiliary system, a recognized clearing agency must*

- a) *develop and maintain adequate information security controls that address the security threats posed by the auxiliary system to the system that supports the clearing, settlement or depository functions,*
- b) *promptly notify the regulator or, in Québec, the securities regulatory authority of any security incident that is material and provide timely updates to the regulator or, in Québec, the securities regulatory authority on*
  - i. *any change in the status of the incident,*
  - ii. *the resumption of service, if applicable, and*
  - iii. *the results of any internal review, by the clearing agency, of the security incident, and*
- c) *keep a record of any security incident and whether or not it is material.*

#### Compliance by EB with EU regulation

6.5.59 EB does not maintain any such system, therefore this requirement is not applicable.

## 6.5.60 *Systems Reviews*

### 4.7 (1) *A recognized clearing agency must*

- a) *on a reasonably frequent basis and, in any event, at least annually, engage a qualified external auditor to conduct an independent systems review and prepare a report, in accordance with established audit standards and best industry practices, that assesses the clearing agency's compliance with paragraphs 4.6(a) and 4.6.1(2)(a) and section 4.9, and*
- b) *on a reasonably frequent basis and, in any event, at least annually, engage a qualified party to perform assessments and testing to identify any security vulnerability and measure the effectiveness of information security controls that assess the clearing agency's compliance with paragraphs 4.6(a) and 4.6.1(2)(a).*

### Overview of comparable EU Regulation

- 6.5.61 Article 45 CSDR requires the CSD to maintain appropriate IT tools that ensure a high degree of security and operational reliability and have adequate capacity as well as to test those arrangements.
- 6.5.62 As per CSDR Level 2, article 75.9, a CSD shall ensure that the IT systems and the information security framework concerning the CSD's core services are reviewed at least annually and subject to audit assessments. The results of such assessments must be reported to the board of directors and to the competent authority.
- 6.5.63 Article 73.1 of CSDR Level 2 requires that the CSD's operational risk-management framework and systems be subject to audits, the frequency of which must be based on a documented risk assessment and be conducted at least once every two years.
- 6.5.64 Finally, article 51 of CSDR Level 2 sets out the audit methods that should be in place, including the requirement (in Article 51.4) that a CSD's operations, risk management processes, internal control mechanisms and records be subject to regular internal or external audits.

### Compliance by EB with EU regulation

- 6.5.65 The business objectives of EB, as endorsed by its Board, encompass systems safety, efficiency, resilience and reliability.
- 6.5.66 EB operates a Three Lines Model. Each line plays a distinct role providing Senior Management and the Board with confidence that EB and the Euroclear group are likely to achieve their key goals through the effective governance and management of risks.
- 6.5.67 The Third Line is performed by Internal Audit. Internal Audit provides the Board with independent reasonable assurance and insight on governance, risk management and internal controls. The operating model of Internal Audit is further detailed in the Internal Audit Charter. The EB Board oversees the effectiveness and independence of the control functions.
- 6.5.68 The Operational Risk Management Framework is subject to both internal and external audits. Control testing is performed by Internal Audit as part of their annual audit plan and by external auditors, both as part of the ISAE 3402 review and in the context of the semi-annual review of EB's Financial statement.
- 6.5.69 EB's business continuity plans and contingency arrangements are regularly reviewed and tested to ensure that they are consistent with EB's business management principles. For further details, please refer to Principle 17 of EB's CPMI-IOSCO Disclosure Framework 2022.
- 6.5.70 (2) *The clearing agency must provide the report resulting from the review conducted under paragraph (1)(a) to*

- a) *its board of directors, or audit committee, promptly upon the report's completion, and*
- b) *the regulator or, in Québec, the securities regulatory authority, by the earlier of the 30th day after providing the report to its board of directors or the audit committee or the 60th day after the calendar year end.*

#### Overview of comparable EU Regulation

- 6.5.71 Article 26 CSDR, which contains the general provisions for the organisational requirements applicable to CSDs, requires (in Article 26.6) that a CSD be subject to regular and independent audits. The results of these audits must be communicated to the board of directors and made available to the competent authority.
- 6.5.72 On an annual basis, the CSD must report to its competent authority as part of the Review and Evaluation process foreseen by article 22 CSDR, and further implemented by article 40 and following of CSDR Level 2. Article 41(p) of CSDR Level 2 specifically requires the inclusion of information concerning internal controls and audits as part of the information provided to the competent authority.

#### Compliance by EB with EU regulation

- 6.5.73 Internal Audit provides the ultimate level of independent assurance to the EB Management Committee and EB Board on the adequacy and effectiveness of governance, risk management and internal controls. Internal Audit provides summaries of key findings to the EB Audit Committee and also shares relevant information with the EB Risk Committee.
- 6.5.74 EB has implemented the processes to deliver the reporting to its competent authority, as required pursuant to CSDR, which includes reporting on internal audits.
- 6.5.75 External auditors reviews are submitted to the Board.
- 6.5.76 The annual International Standard on Assurance Engagements (ISAE) 3402 report includes the results of such external reviews and is made available to participants and authorities.

#### 6.5.77 ***Clearing Agency Technology Requirements and Testing Facilities***

*4.8 (1) A recognized clearing agency must make available to participants, in their final form, all technology requirements regarding interfacing with or accessing the clearing agency*

- a) *if operations have not begun, sufficiently in advance of operations to allow a reasonable period for testing and system modification by participants, and*
- b) *if operations have begun, sufficiently in advance of implementing a material change to technology requirements to allow a reasonable period for testing and system modification by participants.*

#### Overview of comparable EU Regulation

- 6.5.78 Article 33 CSDR sets out the requirements for participation in a CSD. Article 89 of CSDR Level 2 details the risks that should be taken into account by CSDs in relation to access criteria; this includes operational risks (article 89.1(c)), including those which may stem from a requesting participant's lack of operational capacity to participate in the CSD.
- 6.5.79 Articles 45.2 and 45.5 CSDR require a CSD to maintain appropriate IT tools that ensure a high degree of security and operational reliability and have adequate capacity. A CSD shall also plan and carry out a programme of tests of these arrangements.
- 6.5.80 The IT systems requirements are further detailed in Article 75 of CSDR Level 2. Article 75.6 of CSDR Level 2 requires CSDs to subject its IT systems to stringent testing and to involve external parties (such as users, CSPs, other CSDs or FMI's) in the design and conduct of these tests.

#### Compliance by EB with EU regulation

- 6.5.81 EB's access rules allow fair and open access to applicants for participation in the Euroclear System. The rules apply evenly to all applicants on the basis of objective and non-discriminatory criteria.
- As part of the access rules, any applicant is required to demonstrate adequate operational and technological capacity to participate in the Euroclear System, to ensure business continuity and avoid material adverse impact on the integrity of the Euroclear System.
- 6.5.82 EB uses internationally-accepted procedures and standards for communicating with participants and other parties. Interaction between EB and its participants is either application-to-application (i.e. STP communication solutions) or user-to-application (i.e. screens).
- 6.5.83 The project lifecycle methodology, developed and adopted by EB, is designed to ensure that both functional and non-functional requirements of EB (including resilience, stress testing, capacity, expected service-levels...) are taken into account in the design and implementation of IT systems, and that the necessary testing is performed in accordance with the project's test and launch strategy.
- 6.5.84 Any upcoming system change involves a communication plan towards EB participants. Depending on the impact of the system change, targeted campaigns are set up and include amongst others newsletters, dedicated webpages containing detailed information, migration timelines and client impacts, dedicated webinars as well as individual contact with participants.
- 6.5.85 *(2) After complying with subsection (1), the clearing agency must make available testing facilities for interfacing with or accessing the clearing agency*
- a) if operations have not begun, sufficiently in advance of operations to allow a reasonable period for testing and system modification by participants, and*
  - b) if operations have begun, sufficiently in advance of implementing a material change to technology requirements to allow a reasonable period for testing and system modification by participants.*

#### Overview of comparable EU Regulation

- 6.5.86 Articles 45.2 and 45.5 CSDR require a CSD to maintain appropriate IT tools that ensure a high degree of security and operational reliability and which have adequate capacity. A CSD must also plan and carry out a programme of testing of these arrangements.
- 6.5.87 The IT systems requirements are further detailed in Article 75 of CSDR Level 2. Article 75.6 of CSDR Level 2 requires CSDs to subject its IT systems to stringent testing and to involve external parties (such as users, CSPs, other CSDs or FMI's) in the design and conduct of these tests.

#### Compliance by EB with EU regulation

- 6.5.88 The project lifecycle methodology, developed and adopted by EB, is designed to ensure that both functional and non-functional requirements of EB (including resilience, stress testing, capacity, expected service-levels...) are taken into account in the design and implementation of IT systems, and that the necessary testing is performed in accordance with the project's test and launch strategy, including with participants where relevant.
- 6.5.89 *(3) The clearing agency must not begin operations before*
- a) it has complied with paragraphs (1)(a) and (2)(a), and*
  - b) the chief information officer of the clearing agency, or an individual performing a similar function, has certified in writing to the regulator or, in Québec, the securities regulatory authority, that all information technology systems used by the clearing agency have been tested according to prudent business practices and are operating as designed.*

*(4) The clearing agency must not implement a material change to the systems referred to in section 4.6 before*

- a) it has complied with paragraphs (1)(b) and (2)(b), and*
- b) the chief information officer of the clearing agency, or an individual performing a similar function, has certified in writing to the regulator or, in Québec, the securities regulatory authority, that the change has been tested according to prudent business practices and is operating as designed.*

*(5) Subsection (4) does not apply to the clearing agency if the change must be made immediately to address a failure, malfunction or material delay of its systems or equipment and if*

- a) the clearing agency immediately notifies the regulator or, in Québec, the securities regulatory authority, of its intention to make the change, and*
- b) the clearing agency discloses to its participants the changed technology requirements as soon as practicable.*

#### Overview of comparable EU Regulation

- 6.5.90 With regards to items (3), (4) and (5) above, article 16.1 requires a CSD to be authorised before it commences its activities. The authorisation process set out by CSDR in article 17 involves an assessment by the competent authority of the CSD's compliance with CSDR requirements. CSDR also imposes a continuing duty on the CSD to comply at all times with the conditions necessary for authorisation (article 16.3). The CSD also has the duty to notify the competent authority of substantive changes that would affect the compliance by the CSD with the conditions for its authorisation.
- 6.5.91 Article 75.6 of CSDR Level 2 requires a CSD to subject its IT systems to stringent testing and to involve external parties before those systems are used for the first time, after making significant changes to the systems and after a major operational disruption has occurred. Article 75.6 of CSDR Level 2 also requires a CSD to ensure that the IT systems and the information security framework concerning the CSD's core services are reviewed at least annually and reported to the board of directors and to the competent authority.
- 6.5.92 On an annual basis, the CSD must report to its competent authority on operational incidents that have affected the provision of core services as well as on the measures taken to address them and the results thereof, as part of the review and evaluation process foreseen by article 22 CSDR, and further implemented by article 40 and following of CSDR Level 2, and in particular article 41 (h)).

#### Compliance by EB with EU regulation

- 6.5.93 EB is duly authorised under CSDR and has implemented the processes to ensure reporting to its competent authority as per CSDR requirements.
- 6.5.94 The general framework for EB's comprehensive management of risks is set out in Principle 3 of EB's CPMI-IOSCO Disclosure Framework 2022, and includes amongst others Operational Risk, including Information and Communication Technology (ICT) & Data Risk, ICT Security Risk and Business Disruption Risk.
- 6.5.95 EB designs, implement and operates adequate internal controls. These controls need to be reviewed, monitored and tested on a regular basis to provide effective risk mitigation. Risk Management is responsible for providing independent oversight, challenge and opinion on the management of risk-taking activities and for advising the Board on the implications of the corporate strategy on the risk profile.

6.5.96 The project lifecycle methodology, developed and adopted by EB, is designed to ensure that both functional and non-functional requirements of EB (including resilience, stress testing, capacity, expected service-levels,...) are taken into account in the design and implementation of IT systems, and that the necessary testing is performed in accordance with the project's test and launch strategy. Changes that have an impact on the way participants interact with EB are disclosed to them ahead of their implementation in production.

6.5.97 ***Testing of Business Continuity Plans***

*4.9 A recognized clearing agency must*

- a) develop and maintain reasonable business continuity plans, including disaster recovery plans, and*
- b) test its business continuity plans, including its disaster recovery plans, according to prudent business practices and on a reasonably frequent basis and, in any event, at least annually.*

Overview of comparable EU Regulation

6.5.98 Article 45.3 CSDR requires a CSD to establish, implement and maintain an adequate business continuity policy and disaster recovery plan.

6.5.99 Article 79 of CSDR Level 2 requires that the CSD monitor its business continuity policy and disaster recovery plan and test them at least annually.

Compliance by EB with EU regulation

6.5.100 As part of its risk management framework, EB has established a global business continuity management strategy and procedural framework to ensure adequate awareness and readiness for EB's crisis management response in a series of incidents.

EB's business continuity management framework describes roles and responsibilities, and the adopted approach. The review and testing of the various components of the business continuity plans and contingency arrangements take place on an annual basis.

6.5.101 EB maintains a multi-year programme of testing and exercising that covers all risk scenarios. It consists of different types of tests and exercises (walkthrough, tabletop, live tests etc.) and can target different levels of the crisis management structure (Bronze and Silver).

For further details, please refer to Principle 3 of EB's CPMI-IOSCO Disclosure Framework 2022.

6.5.102 ***Outsourcing***

***4.10*** *If a recognized clearing agency outsources a critical service or system to a service provider, including to an affiliated entity of the clearing agency, the clearing agency must do all of the following:*

- a) establish, implement, maintain and enforce written policies and procedures to conduct suitable due diligence for selecting service providers to which a critical service and system may be outsourced and for the evaluation and approval of those outsourcing arrangements;*
- b) identify any conflicts of interest between the clearing agency and the service provider to which a critical service and system is outsourced, and establish, implement, maintain and enforce written policies and procedures to mitigate and manage those conflicts of interest;*
- c) enter into a written contract with the service provider to which a critical service or system is outsourced that
  - i. is appropriate for the materiality and nature of the outsourced activities,*
  - ii. includes service level provisions, and**

- iii. *provides for adequate termination procedures;*
- d) *maintain access to the books and records of the service provider relating to the outsourced activities;*
- e) *ensure that the securities regulatory authority has the same access to all data, information and systems maintained by the service provider on behalf of the clearing agency that it would have absent the outsourcing arrangements;*
- f) *ensure that all persons conducting audits or independent reviews of the clearing agency under this Instrument have appropriate access to all data, information and systems maintained by the service provider on behalf of the clearing agency that such persons would have absent the outsourcing arrangements;*
- g) *take appropriate measures to determine that the service provider to which a critical service or system is outsourced establishes, maintains and periodically tests a reasonable business continuity plan, including a disaster recovery plan;*
- h) *take appropriate measures to ensure that the service provider protects the clearing agency's proprietary information and participants' confidential information, including taking measures to protect information from loss, thefts, vulnerabilities, threats, unauthorized access, copying, use and modification, and discloses it only in circumstances where legislation or an order of a court or tribunal of competent jurisdiction requires the disclosure of such information;*
- i) *establish, implement, maintain and enforce written policies and procedures to monitor the ongoing performance of the service provider's contractual obligations under the outsourcing arrangements.*

#### Overview of comparable EU Regulation

- 6.5.103 Article 26 of CSDR requires a CSD to have robust governance arrangements, which comprise effective procedures to comply with CSDR (which includes requirements pertaining to the identification, management, monitoring and reporting of risks to which the CSD is or might be exposed, including risks resulting from outsourcing and critical service providers or utilities).
- 6.5.104 Article 26 CSDR also requires the CSD to maintain and operate effective arrangements to identify and manage potential conflicts of interest between itself and a range of stakeholders. Article 50.1 of CSDR Level 2 requires a CSD to put in place a policy in relation to conflicts of interest arising or affecting the CSD or its activities, including with respect to outsourcing arrangements. Article 14 of CSDR Level 2 requires the CSD to submit, as part of the submission to the competent authority in view of its authorisation under CSDR detailed information on its procedures to identify and manage conflicts of interest. This includes an up-to-date register of the conflicts of interest.
- 6.5.105 On an annual basis, the CSD must provide a report to its competent authority on the CSD's overall compliance with CSDR (as part of the review and evaluation process foreseen by article 22 CSDR, and further implemented by article 40 and following of CSDR Level 2. The CSD must also report on cases of conflicts of interest (article 41, o) of CSDR Level 2.
- 6.5.106 Article 30 CSDR sets out detailed requirements that apply where a CSD outsources services or activities to a third party. Those include the obligation to establish written agreements preserving the oversight by the CSD of the outsourced activities. Article 30 CSDR also requires the CSD to maintain access to the relevant information of the outsourced activities. Article 30 CSDR grants to competent authorities the right to be granted access, through the CSD or the outsourcing provider directly, to all information they may need to perform their supervision of the compliance by the CSD with the outsourcing requirements.
- 6.5.107 Article 68 of CSDR Level 2 further elaborates requirements relating to operational risks that may be posed by critical utilities and critical service providers.



6.5.108 Article 68.3 requires the CSD to ensure that the contractual arrangements with service providers require a prior approval before any subcontracting by such service providers, and the need for the CSD to ensure that the level of service, resilience, and access to information is preserved.

#### Compliance by EB with EU regulation

6.5.109 EB may outsource certain (critical) services and activities to third-party providers, wherever those providers are, inside or outside of the Euroclear group. EB has designed a robust outsourcing framework, which consists of a defined life cycle which relies on a strong governance, an internal control system and best practices around the management of risks, including conflicts of interest. Services are documented in written contracts in line with the requirements set out in CSDR. Service delivery is reviewed on a regular basis. Services are measured and compared with targets to identify whether the objectives are met, and where applicable, what actions need to be taken to improve the service and mitigate identified risks to an acceptable level. Appropriate audit rights and access to information by competent authorities is also contractually ensured.

6.5.110 The general framework for EB's comprehensive management of risks is set out in Principle 3 of EB's CPMI-IOSCO Disclosure Framework 2022, and includes amongst others Operational Risk that encompasses Supplier & Outsourcing Risk.

6.5.111 The Operational Risk Management Board Policy (Board Policy), set by the EB Board, defines the Operational Risk Management Framework, setting key principles for identifying, assessing, monitoring and managing operational risk at all levels and is developed and maintained in accordance with market practices and regulatory guidelines for risk management.

6.5.112 Supporting the Board Policy, there are several Operational Risk Policy Handbooks ('Handbooks') that describe the roles and responsibilities for managing these risks, all relevant risk processes and the information needed to make sound management decisions. The Handbooks are supplemented as appropriate by practical implementing and operating procedures.

For further details, please refer to Principle 17 of EB's CPMI-IOSCO Disclosure Framework 2022.

## Division 4 – Participation requirements

6.5.113 ***Access Requirements and Due Process***

4.11 (1) *A recognized clearing agency must not*

- a) *unreasonably prohibit, condition or limit access by a person or company to the services offered by the clearing agency,*
- b) *unreasonably discriminate among its participants or indirect participants,*
- c) *impose any burden on competition that is not reasonably necessary and appropriate,*
- d) *unreasonably require the use or purchase of another service for a person or company to utilize the clearing agency's services offered by it, and*
- e) *impose fees or other material costs on its participants that are unfairly or inequitably allocated among the participants.*

Overview of comparable EU Regulation

6.5.114 Article 33 CSDR sets out the requirements for participation that CSDs must respect. Criteria for participation must be publicly disclosed and allow fair and open access for all legal persons that intend to become participants. The criteria must be transparent, objective, and non-discriminatory so as to ensure fair and open access to the CSD with due regard to risks to financial stability and the orderliness of markets. Access should be restricted only where there is a specific risk for the CSD that needs to be controlled. Access can be denied only where this is justified in writing and based on a comprehensive risk assessment. Article 89 and following of CSDR Level 2 further elaborate on the risks to be taken into consideration by the CSD to deny access and on the procedure for such refusal of access.

Article 34 CSDR sets out the transparency requirements that CSDs should adhere to as regards fees, costs and revenues

#### Compliance by EB with EU regulation

6.5.115 EB's access rules allow fair and open access to applicants for participation in the Euroclear System. The rules apply evenly to all applicants on the basis of objective and non-discriminatory criteria, and can be accessed on [my.euroclear.com](http://my.euroclear.com), and prospective applicants are kept informed in a timely manner of any intended changes.

6.5.116 EB's tariff information is publicly available on [www.euroclear.com](http://www.euroclear.com). The brochures set out the fees that are charged for the services provided by EB and, where relevant, the applied volume discounts. Price examples are provided to help clients reconciling invoices with the published tariff. In its tariff brochures, EB publishes the applicable fee for each type of service, including for core services referred to in Section A of the Annex of CSDR in relation to a securities issue and for ancillary services referred to in Section B of the same Annex. It facilitates the comparison of offers and allows clients to anticipate the price they shall have to pay for the use of services.

*(2) For any decision made by the clearing agency that terminates, suspends or restricts a participant's membership in the clearing agency or that declines entry to membership to an applicant that applies to become a participant, the clearing agency must ensure that*

- a) the participant or applicant is given an opportunity to be heard or make representations, and*
- b) it keeps records of, gives reasons for, and provides for reviews of its decisions, including, for each applicant, the reasons for granting access or for denying or limiting access to the applicant, as the case may be.*

#### Overview of comparable EU Regulation

6.5.117 Further to article 33.3 CSDR, a CSD can deny access to a participant meeting the criteria referred to article 33.1 only where such decision is duly justified in writing and based on a comprehensive risk assessment.

Article 33.4 also requires a CSD to have objective and transparent procedures for the suspension and orderly exit of participants that no longer meet the criteria for participation referred to in article 33.1.

Article 89 and following of CSDR Level 2 further elaborate on the risks to be taken into consideration by the CSD to deny access and on the procedure for such refusal of access.

6.5.118 On an annual basis, the CSD must report to its competent authority, which comprises a report on the overall compliance with CSDR (as part of the Review and Evaluation process foreseen by article 22 CSDR, and further implemented by article 40 and following of CSDR Level 2. The CSD must also report on cases of denial of access as per article 41 (m) of CSDR Level 2.

6.5.119 In the event of a refusal, the requesting participant has the right to complain to the competent authority of the CSD that has refused access. That competent authority shall duly examine the

complaint by assessing the reasons for refusal and shall provide the requesting participant with a reasoned reply.

#### Compliance by EB with EU regulation

- 6.5.120 EB's access rules allow fair and open access to applicants for participation in the Euroclear System. The rules are applied consistently to all applicants on the basis of objective and non-discriminatory criteria.
- 6.5.121 Any applicant can be refused for non-conformity with one or several admission criteria. If an application is refused, the applicant is informed in writing explaining the reasons for its rejection based on a comprehensive risk assessment. The applicants have the right to complain to EB's competent authority (the National Bank of Belgium).
- 6.5.122 *(3) Nothing in subsection (2) limits or prevents the clearing agency from taking timely action in accordance with its rules and procedures to manage the default of one or more participants or in connection with the clearing agency's recovery or orderly wind-down, whether or not such action adversely affects a participant.*

#### Overview of comparable EU Regulation

- 6.5.123 Article 41.1 CSDR requires a CSD, for each securities settlement system it operates, to have clearly defined rules and procedures to manage the default of one or more of its participants ensuring that the CSD can take timely action to contain losses and liquidity pressures and continue to meet its obligations. A CSD shall make its default rules and relevant procedures available to the public (article 41.2 CSDR).
- 6.5.124 Article 20.5 CSDR details requirements pertaining to the orderly wind-down of a CSD in case of withdrawal of authorisation by imposing on the CSD to establish procedures for the timely and orderly transfer of assets of clients and participants to another CSD. Article 22 a) CSDR also sets out requirements pertaining to recovery planning and orderly wind-down of a CSD. For CSDs with a banking license, CSDR refers to the requirements set out in Directive 2014/59/EU that is applicable to credit institutions and address recovery and resolution of banking groups.

#### Compliance by EB with EU regulation

- 6.5.125 EB, as operator of the Euroclear System, has effective and clearly defined rules and procedures to manage the financial default of one or more of its participants. The default rules and procedures are embedded in the Terms and Conditions governing use of Euroclear and the Operating Procedures of the Euroclear System.
- EB's contractual documentation covers both participants' operational default and financial default as meant by CPMI-IOSCO. Additionally, its various internal financial risk policies and procedures comply with the requirements with regards to defaults as set in the European Capital Requirements Regulation (CRR).
- 6.5.126 EB has in place an active monitoring to identify a participant's default and take remedial actions as contractually available, or as mandated by the law where applicable.
- 6.5.127 Once a participant default (financial or operational) is identified and confirmed, the Crisis Management Process is activated to coordinate the default management responses, including the prevention of incoming instructions where applicable and the monetisation and/or liquidation of the participant's assets, where relevant.
- 6.5.128 The default management procedures include a close cooperation and communication with the appointed insolvency administrator/liquidator/curator to support a smooth liquidation of the assets held by the defaulting participant in the Euroclear System. The competent authority will also be informed of the situation. The process is regularly reviewed, tested and amended, where necessary.

6.5.129 EB has also established a Recovery, Restructuring and Orderly Wind-down (RRW) plan in accordance with applicable requirements stemming from the banking legislation and CSDR. The RRW plan details stress scenarios with related recovery options (including capital increase, intragroup funding, etc). EB's RRW plan documents the process for the transfer of assets which would be conducted by EB to perform an orderly wind-down. An orderly wind-down is one whereby the ceasing of the critical functions of EB does not cause a sudden disruption to the wider financial markets. EB has assessed that the timeframe required to execute an orderly wind-down would be no more than six months. In accordance with CSDR, to ensure the successful implementation of the orderly wind-down, EB holds sufficient liquid net assets funded by equity to cover six months of operating expenses. EB's wind-down plan is updated annually and reviewed and approved by appropriate governance body.

## 6.5. Requirements Set out in Part 5 of NI 24-102

6.5.130 EB understands that the requirements set out in Part 5 of NI 24-102 apply to exempt clearing agencies. The purpose of this section is to support EB's request for an order exempting it from recognition as a clearing agency under section 21.2 of the Act by demonstrating how applicable Belgian and European Union (EU) legislation set out requirements for CSDs that are comparable to those of Part 5 of NI 24-102. Those comparable requirements stem from CSDR and the EU Commission Delegated Regulation 2017/392 (CSDR Level 2) that further implements CSDR requirements.

6.5.131 *5.1 (1) A recognized clearing agency or exempt clearing agency must keep books, records and other documents as are necessary to account for the conduct of its clearing, settlement and depository activities, business transactions and financial affairs.*

*(2) The clearing agency must retain the books and records maintained under this section*

*(a) for a period of seven years from the date the record was made or received, whichever is later,*

*(b) in a safe location and a durable form, and*

*(c) in a manner that permits them to be provided promptly to the securities regulatory authority.*

### Overview of comparable EU Regulation

6.5.132 EB is subject to Article 29 CSDR, which contains provisions comparable to section 5.1 of National Instrument 24-102.

Under article 29 CSDR, EB must maintain records for a period of 10 years. Such records must comply with detailed requirements set out in CSDR Level 2 (see article 53 and following). The requirements pertain to completeness, accuracy and medium. The record-keeping systems of EB must meet the following conditions:

- each key stage of the processing of records by the CSD may be reconstituted;
- the original content of a record before any corrections or other amendments may be recorded, traced and retrieved;
- measures are put in place to prevent unauthorised alteration of records;
- measures are put in place to ensure the security and confidentiality of the data recorded;
- a mechanism for identifying and correcting errors is incorporated in the record-keeping system;
- the timely recovery of the records in the case of a system failure is ensured within the record-keeping system.

### Compliance by EB with EU regulation

6.5.133 EB has implemented a policy framework to ensure compliance with the record keeping requirements set out in CSDR.

6.5.134 *Legal Entity Identifier*

*5.2 (1) In this section, "Global Legal Entity Identifier System" means the system for unique identification of parties to financial transactions.*

*(2) For the purposes of any recordkeeping and reporting requirements required under securities legislation, a recognized clearing agency or exempt clearing agency must identify itself by means of the legal entity identifier assigned to the clearing agency in accordance with the standards set by the Global Legal Entity Identifier System.*

*(2.1) During the period that a clearing agency is a recognized clearing agency or is exempt from the requirement to be recognized as a clearing agency, the clearing agency must maintain and renew the legal entity identifier referred to in subsection (2).*

Overview of comparable EU Regulation

- 6.5.135 The obligation for EB to have a Legal Entity Identifier results from the Directive 2014/65/EU on Markets in Financial Instruments.

Compliance by EB with EU regulation

- 6.5.136 EB meets the requirements of section 5.2 of the NI 24-102 by virtue of the fact that it has a legal entity identifier assigned to it, in accordance with the standards set by the Global Legal Entity Identifier System.

The LEI of EB is 549300OZ46BRLZ8Y6F65. Processes are in place to ensure its periodic renewal.

## 7. Consent of publication of EB Application Letter

On behalf of EB, I, Peter Sneyers, Chief Executive Officer, acknowledge that the OSC may publish this application letter for a 30-day public comment period.



© 2025 Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, 1210 Brussels, Belgium – Tel: +32 2 326 1211 – RPM Brussels number 0429 875 591

Euroclear is the marketing name for the Euroclear System, Euroclear Holding SA/NV, Euroclear SA/NV and their affiliates. All rights reserved. The information and materials contained in this document are protected by intellectual property or other proprietary rights. All information contained herein is provided for information purposes only and does not constitute any recommendation, offer or invitation to engage in any investment, financial or other activity. We exclude to the fullest extent permitted by law all conditions, guarantees, warranties and/or representations of any kind with regard to your use of any information contained in this document. You may not use, publish, transmit, or otherwise reproduce this document or any information contained herein in whole or in part unless we have given our prior written consent. Your use of any products or services described herein shall be subject to our acceptance in accordance with the eligibility criteria determined by us.