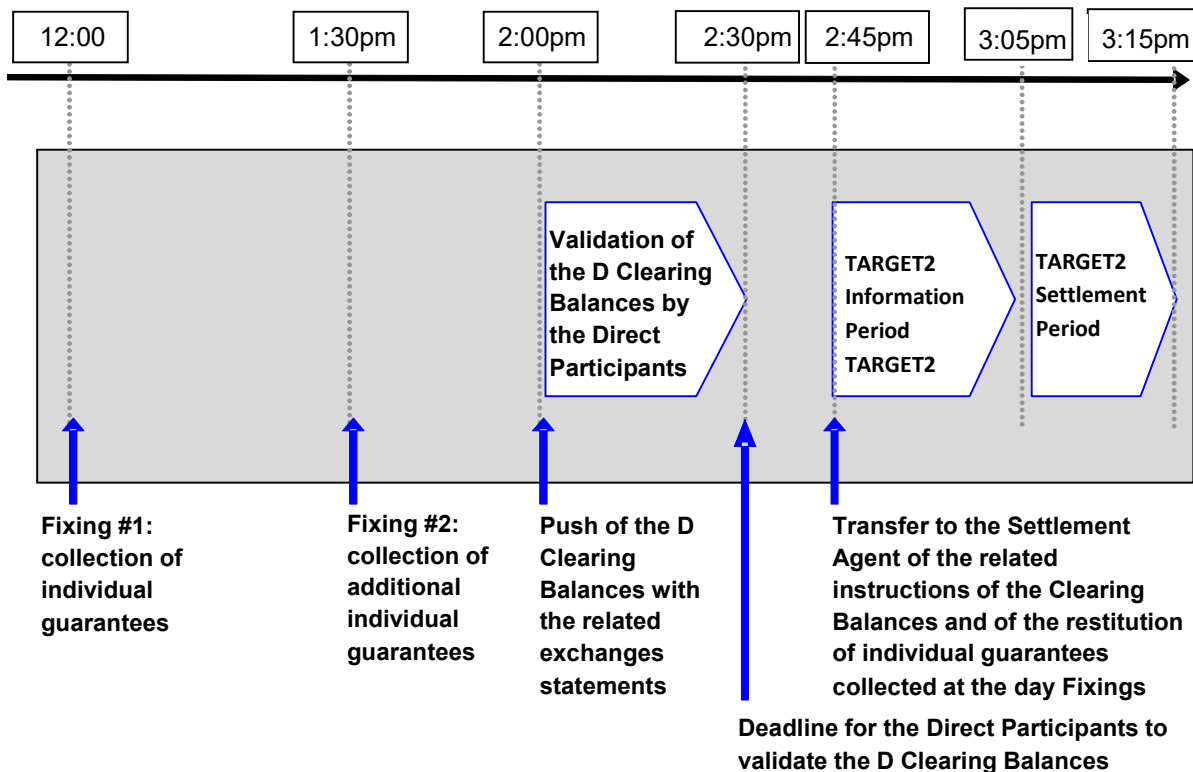


SETTLEMENT

KEY RULES AND PROCEDURES OF THE CORE(FR) PAYMENT SYSTEM

- January 2022 -



CORE uses the following TARGET2 settlement procedures:

- #5 "Simultaneous multilateral settlement" (defined in the reference document BCE/2007/2) for the global clearing; a common guarantee fund can be activated in case of defaulting liquidities;
- #3 "Bilateral settlement" for the collection of individual guarantees when the debit balance exceeds the amount of the common guarantee fund.

For the settlement of the clearing balances:

Information period

As soon as the file is received, the TARGET2 system sends an information message to all the Direct Participants and starts a period called "information" during which the Direct Participants have the possibility to provide its disagreement on transmitted Clearing Balances to STET. The disagreement cases are described in the procedures and in the reference documents.

Settlement period



At the end of this information period, the TARGET2 system starts a period called “settlement” during which it performs the settlement of the Clearing Balances.

Settlement tracking

At the end of the settlement period, the TARGET2 system issues an end status to the CORE system which then creates a spill tracking to the Direct Participants.