

RULES OF GOVERNANCE

– 2022 –

1. Clients Committee

A Clients Committee is established to deal with ad hoc multilateral matters requiring a dialogue between STET and the Participants.

Each Exchange Community is represented by its own Clients Committee. For efficiency purposes and unless STET shall decide otherwise, joint meetings for the Exchange Communities shall be held.

1.1 Composition

The Clients Committee comprises the Direct Participants and STET.

The Clients Committee shall be entitled to invite other qualified experts and observers to its meetings (for instance, a representative from any major banking association) to take into account subjects on general interest that might affect the SEPA.eu Payment System.

The identity and the detail information of the Client Committee members and their substitute of the SEPA.eu Payment System and any modification of them shall be notified to STET as defined in the Functioning Rules.

The authorized correspondent shall appoint the experts that will represent the Direct Participant:

- within the various committees of the SEPA.eu Payment System
- within the ad-hoc working group created at the request of the Clients Committee to work on subject requiring specific expertise before being submitted to the committees of the SEPA.eu Payment System

1.2 Missions

The Clients Committee shall approve, in compliance with the applicable regulation, the banking rules and the orientations provided by STET's board of administrators:

- Any evolution of the Services provided to every Participants of an Exchange Community ("Communitarian Services") proposed by the Clients Committee or STET subject to the assessment by STET of their technical feasibility and to their financing;

- The impacts relating to the introduction of new Means of Payment notably on the Services and/or the Functioning Rules;

The Clients Committee shall ensure the follow-up of:

- The operational implementation of any evolutions of the Services and in particular of the tests results;
- The compliance with the Functioning Rules;
- The compliance with the service levels indicators agreed for STET and each Direct Participant as set up by the Agreement.

The Clients Committee shall appoint, if a dispute arises between any members of an Exchange Community, two representatives for STET's Conciliation Committee.

1.3 Operating rules

The institutions members of the Clients Committee shall elect a president and a secretary from one of their number in accordance with the quorum and majority rules mentioned below.

The institution elected as president shall appoint its representative. When the representative of the president is prevented from attending, the attending institutions shall appoint a session president.

1.3.1 Quorum and majority rules

Consensus building shall be, for the Clients Committee, the standard way to reach a decision. Failing that and for the matters requiring the opinion from the Clients Committee, opinions and decisions of the Clients Committee shall be delivered by a three quarters majority of the votes cast by the Clients Committee members duly present or validly represented at the meeting. To be able to validly deliberate, the Clients Committee members whose presence is necessary to constitute a quorum shall be equal to eighty per cent (80%) of the Clients Committee members with an effective voting right.

1.3.2 Meetings

The meetings of the Clients Committee are organised by STET on a bimonthly basis. Additional meetings shall be convened should it be necessary.

1.4 Confidentiality

The Client Committee members and their alternates are held to strict confidentiality regarding the discussed topics and the information obtained within the Clients Committee, with the exception of the information that they have to communicate to their direct hierarchical superior and the instructions that they need to give to their colleagues for the implementation of the Clients Committee decisions.

The Client Committee members and their alternates shall sign a Compliance Charter that defines the framework for exchanging information within the Client Committee and shall strictly adhere to the provisions thereof.

2. Technical Coordinating Committee and Operational Coordinating Committee

Two separate committees are established to deal with technical and operational matters requiring a dialogue between STET and the Participants: the Technical Coordinating Committee and the Operational Coordinating Committee.

Each Exchange Community is represented by its own Technical and Operational Coordinating Committees.

The Technical and Operational Coordination Committees comprise the Direct Participants and STET.

The Operational Coordinating Committee shall:

- Analyse and review the service levels indicators;
- Analyse and review the statistics and the Incident;
- Propose any modifications to the service levels;
- Discuss the operational issues requiring a dialogue between STET and the Direct Participants;

The Technical Coordinating Committee shall:

- Analyse the impact of the new versions of the EPC rulebooks;

- Analyse the impact of the Client Committee decisions;
- Validate the specifications related to the evolution of the Technical Platform;
- Elaborate the implementation schedule of new developments and the related acceptance process;
- Update the list of the Operational Documentation.

The meetings of the Technical and of the Operational Coordination Committees are organised by STET on a monthly basis. Additional meetings shall be convened by STET should it be necessary. STET serves as president of the Technical and of the Operational Coordination Committees.

The conclusions resulting from these Committees shall be communicated to the Clients Committee.

3. Financial Crisis Committee

The Financial Crisis **Committee** comprises the Banque de France, STET and at least four Direct Participants appointed by the Clients Committee which have applied for such position.

The Financial Crisis **Committee** shall be appointed for a term of two years renewable.

The Financial Crisis **Committee** shall be convened by STET:

- Should a Direct Participant be in Default;
- Should, exceptionally, such Financial Crisis **Committee** be informed of any situation that may result in a Direct Participant's Default.

The Financial Crisis **Committee** shall assist STET in the management of such situation and shall prepare the decisions to be submitted to the Audit and Risks Committee and to STET's board of directors.

The Financial Crisis **Committee** shall report to the Audit and Risks Committee.

Each member of the Financial Crisis **Committee** which would be in Default or in Failure shall automatically be suspended from its participation to the Financial Crisis **Committee**. The Audit and Risks Committee shall determine should the suspension be ended or should it be necessary to appoint a new member.

4. Operational Crisis Committee

The Operational Crisis Committee comprises STET'S CEO, STET'S experts and a Crisis Correspondent designated by each Direct Participant.

STET CEO is the head of the Operational Crisis Committee and may, if and when applicable, appoint an alternate.

The Operational Crisis Committee is convened under the following circumstances:

- Disagreement regarding an Account statement;
- Unavailability of CORE;
- Activation of a Participant's or Indirect Participant's Business Continuity Plan (BCP);
- Suspicion of fraud.

The Operational Crisis Committee can be convened at any time, as soon as a serious Incident occurs. Any Incident affecting settlement of transactions in a Clearing and Settlement Cycle is deemed a serious Incident.

5. Audit and Risk Committee

STET's Audit and Risk Committee is composed of members of the STET's Board and of the audit and risk director.

The Audit and Risk Committee is in charge of the control and proceedings related to risk management for all STET's activities.

The Audit and Risk Committee is informed about the risk and control indicators defined for the SEPA.eu Payment System.

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