

ACCESSION PROCESS

– 2021–

The provisions of the present Annex shall only apply to Direct Participants.

1. **DIRECT PARTICIPATION TO THE SEPA(EU) PAYMENT SYSTEM: ELIGIBILITY CRITERIA**

Each applicant to the status of Direct Participant shall:

- i. Be a credit institution, an entity mentioned under article L. 518-1 of the French Monetary and Financial Code or a non-resident entity with an equivalent status having their registered office in a State party to the SEPA zone;
- ii. Adhere to the relevant EPC SEPA Schemes and pay the corresponding membership fees;
- iii. Pass the functional, technical and organisational tests defined by STET under the Functioning Rules;
- iv. Benefit from a short-term and medium term « investment grade » rating, attributed by a recognised credit rating agency (Moody's, Standard&Poors, Fitch);
- v. Be a Direct Participant to at least one (1) Exchange Community;
- vi. Not be subject to any proceeding (or not be subject to any event or situation which may lead to such proceeding) regardless of its nature which may overburden (i) its financial or operational capacity, or (ii) its ability to honour its obligations under the Agreement;
- vii. Hold a Settlement Account;
- viii. Complete the accession process appearing under Annex B "Accession process";
- ix. Execute and adhere to the Agreement

2. INDIRECT PARTICIPATION TO SEPA(EU) PAYMENT SYSTEM

2.1 The Direct Participant shall check for each Indirect Participant that it represents on the SEPA(EU) Payment System that it fulfils the following criteria:

i. Be a credit institution, an entity mentioned under article L. 518-1 of the French Monetary and Financial Code or a non-resident entity with an equivalent status having a branch within a State party to the SEPA zone shall be eligible to the status of Indirect Participant provided that:

ii. It exchanges Payment Orders with some Participants to the Exchange Communities in accordance with the applicable Functioning Rules;

iii. It adheres to the relevant SEPA Schemes as described in the EPC Rulebooks;

iv. It is not subject to any proceeding (and it is not subject to any event or situation which may lead to such proceeding) regardless of its nature which may overburden (i) its financial or operational capacity, or (ii) its ability to honour its obligations under the Agreement;

v. The performance of its duties under the Agreement does not breach any law, regulation or by-law applicable to it or any agreement by which it is bound;

vi. It undertakes to comply with all of its duties with respect to data protection and to prevention of money laundering and terrorist financing;

vii. It undertakes to maintain the eligibility criteria mentioned here above and to notify immediately to the Direct Participant any change in its situation which may overburden its ability to perform its obligations as an Indirect Participant;

viii. Should it be incorporated outside the SEPA zone, the concerned Indirect Participant shall provide to its Direct Participant (i) a legal opinion compliant with the terms of reference mentioned under Annex E2 "Legal opinion Template".

2.2 To be considered as an Indirect Participant, the concerned Indirect Participant shall execute a written agreement with the Direct Participant that represent it in the SEPA(EU) Payment System as required by article L. 330-1 of the French Monetary and Financial Code and by Directive 98/26/EC of the European Parliament and of the Council of 19 May 1998 on settlement finality in payment and securities settlement systems. The written agreement shall specify that the Indirect Participant gives mandate to the Direct Participant to act on its behalf, under the terms and conditions of the SEPA(EU) Agreement, for all or part of its Operations

with respect to the exchange, the clearing and the interbank settlement of the Payment Orders transmitted through the SEPA(EU) Payment System.

This agreement cannot limit the liability of the Direct Participant regarding the Payment Orders introduced in the SEPA(EU) Payment System on behalf of the Indirect Participant and shall also specify that any action or proceeding related to the clearing and settlement of its Payment Orders shall be raised exclusively against its Direct Participant.

The Direct Participant shall notify to STET the list of Indirect Participants for which it has a written agreement in accordance with the rules described in the Functioning Rules.

2.3 By virtue of any agreement concluded with a Direct Participant, each Indirect Participant undertakes to the Direct Participant to comply with the rules applicable to the SEPA(EU) Payment System.

2.4 The Indirect Participants are deemed to be participant as defined by article L. 330-1 of the French Monetary and Financial Code and by Directive 98/26/EC of the European Parliament and of the Council of 19 May 1998 on settlement finality in payment and securities settlement systems.

3. **BANKING GROUP**

The credit institutions, which belong to a Banking Group, are entitled to adhere together to the SEPA(EU) Payment System under the following conditions:

The credit institution to be considered as the Direct Participant on behalf of the Banking Group shall adhere to the SEPA(EU) Payment System under the conditions defined by Article 2 of the Specific Terms and Conditions relating to the SEPA(EU) Payment System.

The Direct Participant notifies to STET the list of its Banking Group members under Annex A "Identification of the Direct Participant, its Indirect Participants, its Reachable BICs and their respective bank codes". The Direct Participant must also notify to STET (i) any modification made to the composition of its Banking Group and (ii) any modification affecting the members of its Banking Group in accordance with the rules described in the Operational Documentation "Functioning Rules".



The Direct Participant undertakes to guarantee, within the framework of the SEPA(EU) Payment System, the solvency and the liquidity of the members of its Banking Group. The Direct Participant also guarantees that the members of its Banking Group shall perform their duties.

For the Banking Groups with a central body, when the latter one is the Direct Participant, the guarantee mentioned above is governed by article L. 511-31 of the French Monetary and Financial Code.

The Direct Participant shall comply with all duties mentioned under article 5 of the Specific Terms and Conditions relating to the SEPA(EU) Payment System for its own purposes and on behalf of the members of its Banking Group. Its Banking Group members shall comply with all duties applicable to Indirect Participants.

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