

Requirements for banks operating or applying to operate the Assured Payment System

(APS) In order to operate in the APS, a bank must:

- Be a signatory and adhere to the terms of the Payment Services Agreement;
- Act upon any Instructions received from the Clearing House (including without limitation any Instructions received using the SWIFT BIC Codes and/or the applicable security procedures;
- Meet the minimum rating requirement from approved external rating agencies (or the equivalent internal credit rating determined by the Clearing House)
- Be able to support – at minimum – the following SWIFT messages for communication with the Clearing House and Clearing Members

SWIFT Message	Description	Use
MT202 / MT204 and/or pacs.009 and/or pacs.010	Financial Institution Transfer and/or FinancialInstitutionCreditTransfer FinancialInstitutionDirectDebit	Transfer of funds between the Clearing house accounts and from Clearing House (CH) to Clearing Member (CM) and vice versa
MT900 and/or camt.054D	Confirmation of Debit and/or BankToCustomerDebitCreditNotification	Confirmation to CH or CM that debit account entry has been processed
MT910 and/or camt.054C	Confirmation of Credit and/or BankToCustomerDebitCreditNotification	Confirmation to CH or CM that credit account entry has been processed
MT950 and/or camt.053	Statement Message and/or BankToCustomerStatement	Daily statement of all entries booked to CM account

- Provide confirmations of Debit (CAMT.054 D or MT900) and Credit (CAMT.054C or MT910) immediate after transfer of funds from or into the accounts of the Clearing House. No reversal of funds is permitted after confirmation unless authorised by the Clearing House;
- Provide daily statements of Clearing House accounts via CAMT.053 or MT950 SWIFT messages (with the option of fax or electronic reports in addition to, or as a contingency for, the SWIFT statements);
- Put in place formal contingency arrangements in the event of SWIFT communication problem through the transmission and acknowledgement of instructions by fax;
- Accept payment instructions for same-day payment until the following times (all Central European Time “CET”):

Currency	Cut-off time
EUR	16:30
USD	22:00

- Meet any additional requirements which may be introduced by the Clearing House from time-to-time.

Payment Flows



Activity	Timing (CET)
Daily APS instructions sent	01:00
Daily APS instructions confirmed	01:00 - 09:00
Auto repayments created	01:00
Member requests for manual Deposits/Withdrawals (EUR)	10:00
Member requests for manual Deposits/Withdrawals (USD)	16:45 (10:45 ET)
Intra-day calls (must be paid within one hour	08:00 - 22:00

**Exit**

In case the APS bank does not comply with the requirements of the Clearing House or decides to stop providing any APS services to Clearing Members, the Clearing House and/or the APS Bank can terminate the APS Agreement. Both the Clearing House and APS Bank have to comply with the termination provisions in the APS Agreement to ensure an orderly transfer of the Clearing Members to one of the other APS providers.

## Treasury Risk Indicative Timings Schedule

Activity		Timing (CET)	Risk
Overnight APS instructions		01:00	Instruction of the margin calls, auto-repayments and concentration payments in the overnight clearing process. Prior to execution of transfers all liabilities remain with the Clearing Member for the margin calls and Clearing House for the cash returns.
Overnight APS Margin calls		01:00 - 09:00	As long as the margin call is not confirmed by the APS bank the liabilities to fulfil the margin requirements remain with the Clearing Member.
Auto-repayment		Same day	The Clearing House will if possible return funds from its accounts at the APS Bank. If Insufficient funds at the specific APS Bank are available the Clearing House will return from the concentration account. The liabilities of the Clearing House are met upon receipt of the debit confirmation of the APS or Concentration Bank.
Concentration payments		Same day	Balances resulting from the call and return process will be transferred from the APS Bank to the Concentration Bank. The Clearing Members liability to the Clearing House remains until the credit confirmation of the Concentration Bank has been received by the Clearing House.
Member requests for manual deposits/withdrawals of cash (EUR)		10:00	Deadline for manual instructions in Euro. Instructions after the deadline will become next day deposit or EOD withdrawals for the next value day.
Member requests for manual deposits/withdrawals of cash (USD)		16:45	Deadline for manual instructions in US Dollar. Instructions after the deadline will become next day deposit or EOD withdrawals for the next value day.
Intraday calls	Instruction	08:00 — 16:30 --- 22:00	EUR USD
	Confirmation	Up to 1 hour after instruction	As long as the margin call is not confirmed by the APS Bank the liabilities to fulfil the margin requirements remain with the Clearing Member.
Cash Investments		08:00 — 22:00	Funds are invested by our investment agent, according to the Investment Policy of the Clearing House.
The payments to be made by the Clearing House infra-day to satisfy relevant payment obligations will typically be paid during the morning in Amsterdam, it being understood that payments may be made later in the day and potentially on the subsequent day, dependent on the currencies in respect of which payments are to be made and other operational or market condition constraints.			