



25 October 2012

## **SUBJECT: Operating Rules for Settlement Systems (EXPRESS II)**

### Changes to the moments of finality, irrevocability and new X-TRM functionalities

Monte Titoli informs that on 3 October 2012 the amendments to the Operating Rules for Settlement Systems (EXPRESS II) (hereinafter: the Rules) on the moments of finality, irrevocability and new X-TRM functionalities have been approved by the Competent Authorities.

In relation to the moment of finality, it is provided that:

- in the net settlement:
  - the transactions are final, under and for the purposes of Legislative Decree 210/01, as of the determination of the multilateral balances of securities and cash to be settled in the overnight net settlement of the intended settlement date (*article 14, paragraphs 2 and 4*);
- in the gross settlement:
  - the transactions are final, under and for the purposes of Legislative Decree 210/01, as of the debit of the cash, or of the securities where the cash settlement is not envisaged (*article 33, paragraphs 2 and 4*)

In relation to the moment of irrevocability, notwithstanding the current rules for guaranteed and market transactions, it is provided that the transactions which are not guaranteed and transmitted by the X-TRM participants, for net settlement as well as for gross settlement, may not be revoked upon their matching in the X-TMR service (*article 14, paragraph 1 and article 33, paragraph 1*).

Furthermore, the new hold & release functionalities and bilateral cancellation are introduced and are available through the X-TRM service (*article 48, new paragraph 2*).

The above amendments on finality and bilateral cancellation will enter into force starting from **12 November 2012**. Starting from 12 November 2012 also the discipline on transactions cancellation envisaged by the new Chapter 5.7 of the X-TRM Instructions will enter into force.

The amendments on irrevocability and hold & release will enter into force with subsequent Notice.

The amended text of the Operating Rules for Settlement Systems (EXPRESS II) and related activities is available on the Monte Titoli's website ([www.montetitoli.it](http://www.montetitoli.it)) in the following section:

Download/Rules and Instructions of Settlement Service (EXPRESS II)/Operating Rules and Instructions EXPRESS II

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