

RT1 PFMI Disclosure Report

EBA CLEARING

Version 1.0 – Final

April 2024

Classification: Closed User Group

[RT1 PFMI Disclosure Report](#)

Copyright © EBA CLEARING, 2024 / This document is the property of ABE CLEARING S.A.S / The information contained herein is confidential and proprietary / Distribution of this document is restricted to permitted recipients only.

Contents

| | |
|--|-----------|
| 1. General information | 3 |
| 2. Executive summary | 4 |
| 3. Overview of the FMI | 6 |
| 3.1. General description of the FMI and the markets it serves | 6 |
| 3.2. General organisation of the FMI | 7 |
| 3.3. Legal and regulatory framework | 9 |
| 4. The RT1 System | 11 |
| i. Additional Optional Service | 13 |
| ii. Value-added services supported by RT1 | 13 |
| 5. Basic statistical data | 19 |
| 6. Overview of changes to the system over the last years. | 19 |
| 7. Principle-by-principle narrative disclosure | 20 |
| 8. List of publicly available resources | 32 |

1. General information

Responding institution:

ABE CLEARING S.A.S. à capital variable (trading as EBA CLEARING).

Registered office:

40 Rue de Courcelles, 75008 Paris, France. RCS Paris 419 020 193. Authorised share capital: €200,000.

Jurisdiction(s) in which the FMI operates:

EU

Authority(ies) regulating, supervising or overseeing the FMI:

RT1 is overseen by the European Central Bank (ECB) as lead overseer, with the involvement of the national central banks of the Eurosystem.

RT1 is classified as an *Other Retail Payment System* (ORPS).

The list of payment systems in the eurozone and their classification can be found at: <https://www.ecb.europa.eu/paym/pol/activ/systems/html/index.en.html>.

The date of this disclosure is April/2024

This disclosure can also be found at <https://www.ebaclearing.eu/about-eba-clearing/at-a-glance/reference-documents/>

For further information, please contact regulatory@ebaclearing.eu.

2. Executive summary

EBA CLEARING is a provider of pan-European payment infrastructure solutions. Founded in 1998 by 52 banks, the Company is owned by 48 of the major banks operating in Europe and is based on a country-neutral governance model. The payment systems of EBA CLEARING are pan-European by design and desire: they are developed in line with the Company's multinational user community's needs and in close co-operation with best-of-breed technology partners.

EBA CLEARING aims to allow cost optimisation for its users and does not seek profit or shareholder value maximisation. In pursuing its mission, EBA CLEARING is guided by the objective to offer its users solutions that are fit for purpose and efficient, with a special focus on safety and ensuring compliance with regulatory and oversight requirements. EBA CLEARING recognises its role in supporting financial stability and promoting fair and efficient markets; it is committed to discharging these responsibilities.

In consultation with its users, EBA CLEARING concluded in 2014 that a pan-European, collaborative approach would be best for developing an instant payment infrastructure. Confirmed by the Euro Retail Payments Board's call for a pan-European instant payment solution in December 2014, EBA CLEARING launched a task force in February 2015.

The task force included over 20 representatives of infrastructure service users from across Europe. The aim of the task force was to create the roadmap for delivering a pan-European infrastructure solution and a blueprint outlining its requirements.

By April 2016, EBA CLEARING was able to formally kick off the development and implementation of the instant payment project with the support of close to 40 funding institutions.

RT1 was launched in 2017. RT1 is a payment infrastructure service for the processing of SEPA Instant Credit Transfers (SCT Inst) at a pan-European level. The payment system operates around the clock every day of the year.

RT1 supports payment service providers in transferring euro transactions between payment accounts in a few seconds end to end, with immediate availability of the payment amount to the beneficiary.

Financial institutions from all over Europe can use RT1 for any payment product in euro that is fully compliant with the SCT Inst Scheme of the European Payments Council (EPC) and is in line with the ISO 20022 global messaging standards for real-time payments.

Since its launch in November 2017, RT1 has extended instant payment reach to over 99% of the account-servicing payment service providers (ASPSPs) adhering to the SCT Inst Scheme. The overall reach of the service has continued to grow in line with the rising SCT Inst adoption

rate across Europe. RT1 currently has almost 90 participants across Europe and extends reach to over 2,000 APSPs from 25 different SEPA countries.

The RT1 System is governed by the RT1 System documentation, including in particular the RT1 Rules and Regulations. The RT1 Rules and Regulations comprehensively cover the rights and obligations arising from participation in the system. The RT1 System Documentation is governed by German law.

The Principles for Financial Market Infrastructures (PFMIs), issued by the Committee on Payments and Market Infrastructures (CPMI) and the International Organization of Securities Commissions (IOSCO), are the international standards for financial market infrastructures, i.e. payment systems, central securities depositories, securities settlement systems, central counterparties and trade repositories.

In the EU, the PFMIs are implemented through the ECB Regulation on oversight requirements for systemically important payment systems (SIPS) (the SIPS Regulation)¹ and the revised oversight framework for retail payment systems (RPSs).² This latter framework divides retail payments systems into different categories, based on the systemic importance, location and market share of the payment system. In accordance with this framework, the ECB classified RT1 as an Other Retail Payment System (ORPS) in 2017. As the operator of RT1, EBA CLEARING must comply with certain PFMIs.³

Section III provides an overview of EBA CLEARING. **Section IV** describes RT1 System. **Section V** provides links to RT1 statistics. **Section VI** gives the overview of changes to the system over the last years.

Section VII contains a Principle-by-Principle narrative disclosure summarising EBA CLEARING's compliance with the applicable PFMIs.

Finally, **Section VIII** provides links to additional public references and resources.

¹ Regulation of the European Central Bank (EU) No 795/2014 of 3 July 2014 on oversight requirements for systemically important payment systems.

² https://www.ecb.europa.eu/pub/pdf/other/Revised_oversight_framework_for_retail_payment_systems.pdf

³ EBA CLEARING is also required to comply with the SIPS Regulation, as the operator of EURO1 and STEP2-T. EBA CLEARING has published separate disclosure reports on its website for each of these payment systems.

3. Overview of the FMI

3.1. General description of the FMI and the markets it serves

EBA CLEARING is a provider of pan-European payment infrastructure solutions. Founded in 1998 by 52 banks, the Company is owned by 48 of the major banks operating in Europe and is based on a country-neutral governance model. The payment systems of EBA CLEARING are pan-European by design and desire: they are developed in line with the Company's multinational user community's needs and in close co-operation with best-of-breed technology partners.

EBA CLEARING's mission is to deliver market infrastructure solutions for the pan-European payments industry, to support its users' needs in line with user requirements. The strategic aims of the Company are to ensure a pan-European and country-neutral approach for the development and delivery of infrastructure solutions, thereby ensuring excellence and robustness in delivering its services. EBA CLEARING maintains its track record of timely delivery of user-driven solutions responding to evolving and new demands for infrastructure solutions, thereby demonstrating its openness to stakeholders' needs and agility in its role as a market infrastructure solutions provider.

EBA CLEARING aims to allow cost optimisation for its users and does not seek profit or shareholder value maximisation. In pursuing its mission, EBA CLEARING is guided by the objective to offer its users solutions that are fit for purpose and efficient, with a special focus on safety and ensuring compliance with regulatory and oversight requirements. EBA CLEARING recognises its role in supporting financial stability and promoting fair and efficient markets; it is committed to discharging these responsibilities.

EBA CLEARING manages two Systemically Important Payment Systems: EURO1 and STEP2-T.

EURO1, launched in 1999, is a large-value payment system for single same-day euro transactions at a pan-European level. The EURO1 system processes transactions of high priority and urgency, and primarily of large amount, both at a domestic and at a cross-border level.

Since 2003, EBA CLEARING has managed and operated the STEP2-T system, a pan-European Automated Clearing House (ACH) for retail payments in euro, which offers SEPA services since January 2008. Today, the STEP2-T system extends SEPA-wide reach close to 4,800 financial institutions through its SEPA services and is one of the key euro retail payment systems in Europe.

Leveraging the STEP2-T infrastructure, EBA CLEARING also offers the STEP2 Card Clearing Service (STEP2 CC), a dedicated system for the clearing and settlement of pre-authorised card-based transactions based on the SEPA Card Clearing Framework. STEP2 CC handles transactions originated by debit card payments in line with the SEPA Card Clearing Framework

of the Berlin Group

In 2017, with the support of 39 funding institutions from across SEPA and its technology partner SIA (*currently: Nexi Payments S.p.A.*), EBA CLEARING implemented RT1, a pan-European real-time payment system for euro transactions. The system is open to any account-servicing payment service provider (AS-PSP) adhering to the EPC's SCT Inst Scheme and has handled instant payments in line with the scheme since its launch.

Launched in 2021, request to pay (R2P), the pan-European infrastructure service was developed and implemented with the support of 27 PSPs from 11 European countries implementing the SEPA Request-to-Pay Scheme created by the European Payments Council (EPC). R2P provides a real-time messaging layer supporting a standardised and managed exchange of request to pay messages on a pan-European level. Separated from the end-user solutions and payment infrastructure layers, R2P is use case and payment channel agnostic.

3.2. General organisation of the FMI

EBA CLEARING was created in the form of a *société par actions simplifiée* under French law, registered with the Paris Trade and Company Register (RCS Paris). Its head office is in Paris, France.

The by-laws of EBA CLEARING as amended with effect as of 5 March 2021, are publicly available on the website of EBA CLEARING at <https://www.ebaclearing.eu/about-ebaclearing/at-a-glance/reference-documents/>.

EBA CLEARING currently has 48 shareholders. Each shareholder holds one share and has one vote at the Shareholders Meeting. The list of shareholders is publicly available on the website of EBA CLEARING at <https://www.ebaclearing.eu/about-ebaclearing/corporate-governance/the-shareholders/>.

The Board is responsible for setting the strategic direction, overseeing management and adequately controlling the Company, with the ultimate aim of directing the Company towards the fulfilment of its strategic aims and long-term objectives. EBA CLEARING's by-laws provide that the Company is managed by a Board composed of not more than seventeen (17) members including the Chairperson, the Deputy Chairperson and up to two (2) but not less than one (1) Outside Director who are appointed *intuitu personae* by the Shareholders Meeting for a renewable three-year term.

The Board is assisted by five Board Committees in carrying out its functions:

- the Audit & Finance Committee (AFC)
- the Board Risk Committee (BRC)
- the Strategy and Policy Committee (SPC)
- the Remuneration Committee (RemCo)

- the Nomination and Governance Committee (NGC)

The mission and activities of the Board Committees are set forth in the Company's Annual Report.

In addition, the following expert groups have been created and are consulted on the matters under their expertise:

- Operations and Technical Group
- Treasury and Liquidity Group
- Legal Advisory Group

The responsibility for the day-to-day management rests with the Chief Executive Officer (CEO). The CEO reports to the Board. Heads of Unit have delegated power for managing the activities relating to their units. The roles attributed to the various Units coincide with the functions required for carrying out the activities of EBA CLEARING.

Since 2015, a single Service Development and Management Unit has been entrusted with the management of the EURO1/STEP1, STEP2-T, and RT1 systems, with dedicated senior managers being assigned to the service lines respectively as well as to marketing, user relations and new initiatives.

EBA CLEARING applies a three-lines-of-defence approach for its risk management, ensuring different levels of control. The Chief Risk Officer and the Internal Audit function are independent and have a dotted reporting line to the Board Risk Committee and to the Audit and Finance Committee respectively.

In order to ensure that all types of users are considered in the design and evolution of its systems and offerings, the Company maintains a broad range of communication channels with its (current and potential) users and other stakeholders. There are regular country or regional user meetings with the participation of all respective users and EBA CLEARING management. During these meetings, ongoing activities and projects are discussed and user feedback is requested. In the context of specific projects, steering groups and task forces may be created to ensure efficient exchanges throughout the project or initiative. Furthermore, the Company organises individual user visits and, when appropriate or desired, roadshows and information campaigns.

An identical structure has been adopted for user consultation for the two SIPS operated by the Company. Two Business Committees have been established:

- the EURO1 Business Committee
- the STEP2 Business Committee

Business Committees are consultative bodies providing recommendations to the Board. Business Committees are chaired by a Board member.

Similarly, the RT1 Working Group was established (with the funding institutions) to make best use of expert knowledge and facilitate frequent and constructive dialogue with the participants in the RT1 System. The RT1 Working Group is consulted on relevant issues surrounding the RT1 System and is asked to propose and provide feedback on RT1 System related initiatives and changes. In addition, the RT1 Practitioners Working Group was established and is accessible since to all RT1 Participants (including institutions in the joining process) to share feedback and discuss operational matters and best practices related to instant payment processing.

A dedicated corporate governance section, setting forth the governance arrangements, lines of responsibility, Board and management role and composition, and relations with stakeholders is included in the Annual Report. A report on the risk management and internal control functions is equally included in the Annual Report. The Annual Report is publicly available on the website of the Company at <https://www.ebaclearing.eu/about-eba-clearing/at-a-glance/reference-documents/>.

Further, the composition of the Board and the missions of the Board Committees are published on the website of EBA CLEARING at <https://www.ebaclearing.eu/about-eba-clearing/corporate-governance/the-board/> and <https://www.ebaclearing.eu/about-eba-clearing/corporate-governance/board-committees/> respectively.

3.3. Legal and regulatory framework

EBA CLEARING, the operator of RT1, is a limited liability company incorporated under French law in the form of a *société par actions simplifiée à capital variable*. The Company has branches in a few other SEPA countries.

EBA CLEARING's role is that of a 'business administrator'. The Company does not incur any rights or obligations arising from the sending and receiving of payment messages, and at no time does it hold any funds or deposits in relation to the operation of its systems.

RT1 is governed by the RT1 System Documentation, including in particular the RT1 Rules and Regulations. The RT1 Rules and Regulations comprehensively cover the rights and obligations arising from participation in the system.

The RT1 System Documentation is governed by German law. Each prospective RT1 Participant must provide a capacity opinion to participate in the system.

RT1 is designated under the Settlement Finality Directive (SFD)⁴ and each Payment Order is settled on a continuous real-time basis by a payment in euro-denominated central bank funds, which the participants may transfer for such purpose to a technical account opened on the

⁴ 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.

TIPS Platform in TARGET-2-ECB.

The features of RT1 in terms of finality and settlement of Payment Orders can validly be agreed and the finality and settlement of Payment Orders are recognised under German law. Each Payment Order shall be settled by and upon the occurrence of a transfer of Funds in the Payment Amount specified in such Payment Order from the participant who is specified in such Payment Order as payer ("Payer") to the participant who is specified in such Payment Order as payee ("Payee"). Each such transfer ("RT1 Payment") shall consist of the combination of (a) the reduction of the Funds Balance of the Payer in the Payment Amount; and (b) the simultaneous increase of the Funds Balance of the Payee in the Payment Amount.

The Funds Balance of each participant is an amount of central bank money (funds) held by the ECB on a technical account in TIPS operated by the RT1 System Operator in an administrative capacity only on behalf of the participants. The amount of each participant's Funds Balance in RT1 equals at all times the amount of central bank money owned by such participant and held on the RT1 technical account. The Agreement between EBA Clearing in its capacity of the System Operator and the ECB implements the provisions of the TARGET Guidelines, in particular, the Agreement provides the legal basis for funds held on the technical account used by the System. The Agreement clearly stipulates that the funds held on the technical account are the funds of the RT1 Participants and are not held by EBA CLEARING; therefore they are insulated from any risks affecting EBA CLEARING, in particular in the case of insolvency.

Due to the classification of RT1 as an Other Retail Payment System, EBA CLEARING is overseen by the ECB and the Eurosystem's national central banks which monitor the compliance of the Company with the requirements under the revised oversight framework for retail payment systems. The oversight of RT1 is further detailed in the Company's Annual Report.

4. The RT1 System

RT1 is a real-time gross settlement payment system for the continuous execution of SEPA Instant Credit Transfers (SCT Inst) in immediately available euro-denominated central bank funds at a pan-European level. The payment system operates around the clock on every day of the year.

RT1 supports payment service providers in transferring euro transactions between payment accounts in a few seconds end to end, with immediate availability of the payment amount to the beneficiary.

Financial institutions from all over Europe can use RT1 for any payment product in euro that is fully compliant with the SCT Inst Scheme of the European Payments Council (EPC) and is in line with the ISO 20022 global messaging standards for real-time payments.

Since its launch in November 2017, RT1 has extended instant payment reach to over 99% of the account-servicing payment service providers adhering to the SCT Inst Scheme. The overall reach of the service has continued to grow in line with the rising SCT Inst adoption rate across Europe. RT1 currently has almost 90 participants across Europe and extends reach to over 2,000 PSPs from 25 different SEPA countries.⁵

RT1 is a real-time gross settlement payment system, providing instantaneous finality for payment transactions in the system. A real-time funds transfer occurs in RT1 before the payee's payment service provider credits the funds to the payee. Each participant maintains for the purpose of executing payments a funds balance in the RT1 System, which is adjusted upon the release of each payment transaction. The funds balance of each participant is an amount of central bank funds maintained on a technical account in TIPS AS technical account opened in TARGET-ECB operated by the System Operator in an administrative capacity only on behalf of the participants. It is not possible to have a negative funds balance, nor is it possible to anticipate funding at a later point in time.

EBA CLEARING considers that the material aspects of RT1 that require a high degree of certainty include: (1) the moments of entry, irrevocability, and finality, especially when there is an insolvency; and (2) the legal basis for the funds of the participants held in a TIPS AS technical account opened in TARGET-ECB.

In addition, EBA CLEARING has provided an Instructing Party service to RT1 Participants since TIPS was launched in November 2018. This service supports the exchange of SCT Inst transactions and R-messages in the TIPS system leveraging on the RT1 interface to exchange those transactions settling on the TIPS DCA and receiving files and reports generated by TIPS.

Participants have multiple access and participation options to connect to the system. The RT1 access model has been designed to allow fair and open access to the system, with the goal of

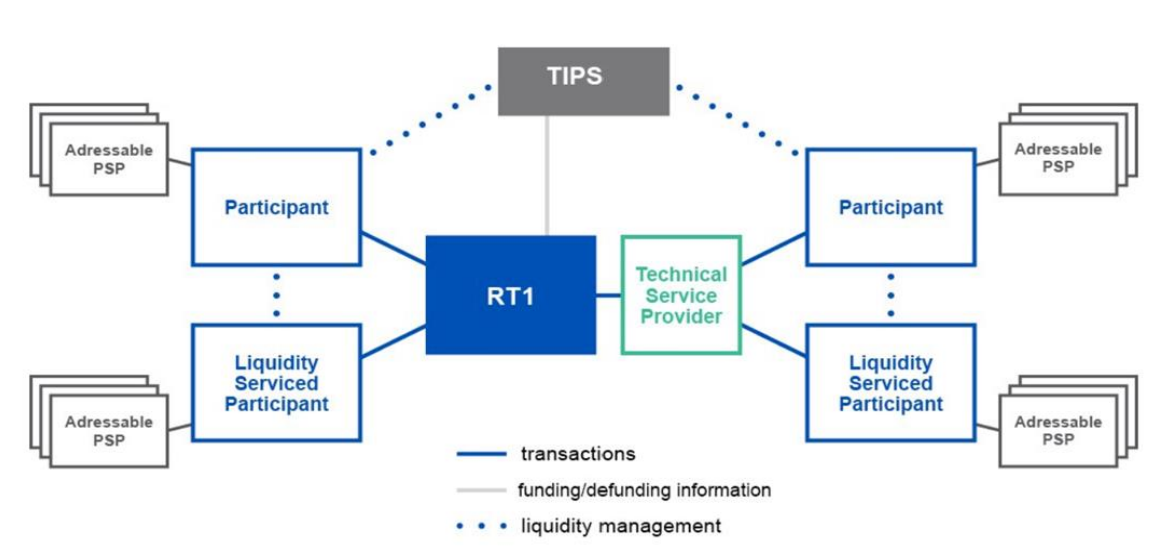
⁵ Regarding the average daily volumes and values, see Section 5.

efficiently building reach across Europe.

There are three access options:

1. Participants can themselves set up a connection with the system to exchange messages;
2. Participants can be serviced participants relying on a liquidity provider to support them with liquidity services or on technical service providers to support them with connectivity or other technical services; or
3. Entities can become addressable payment service providers to be reachable in the system via a participant.

These access options are illustrated in the diagram below:



Financial Market Infrastructures providing instant payment clearing and settlement services from various European countries have collaborated with EBA CLEARING to interconnect their systems with RT1 to provide a single access window in their communities, which contributes to extend the reach across Europe.

The Company selects technology partners and makes available to users their services and technology, namely processing services using software and technical infrastructure commissioned from Nexi Payments S.p.A and calculation and interface capacities using software and technical infrastructure commissioned from SWIFT.

As per EBA CLEARING's user say governance,⁶ RT1 is intrinsically user-defined and has evolved as a result of user requirements. Practicality and costs for the users are prime

⁶ See the corporate governance section of EBA CLEARING website for more details:
<https://www.ebaclearing.eu/about-eba-clearing/corporate-governance/user-say-governance/>

considerations underlying the design of the system, without compromising the resilience and robustness of the system and its compliance with oversight requirements.

i. Additional Optional Service

The EPC Framework allows for Additional Optional Services (AOS) to accommodate the different customer needs and expectations across SEPA. AOS are services agreed between a closed user group of SEPA participants, usually a national community, that are not covered by the EPC Rulebooks.

All AOS introduced by one or more communities are listed on the EPC website. They should be available for use by any PSP that wishes to offer this service and should not impact the participants that are not members of the user group.

The RT1 platform was designed with the flexibility to include additional features for a group of participants on a closed user group basis. The platform currently supports the following AOS:

- No Limit Amount instant (NLA)
- Information exchange to facilitate fraud detection (A04) (Fraud” AOS)
- CGL Controlled go-live CUG (AOS)
- A03 CGL Helpers (AOS)

Any community interested in an AOS may request its implementation on the RT1 platform. As a pan-European provider, EBA CLEARING also works with its user community on harmonising requirements across communities where possible. The objective is to deliver AOS satisfying the needs of several national communities.

ii. Value-added services supported by RT1

EBA CLEARING has provided an Instructing Party service to RT1 Participants since TIPS was launched in November 2018. The RT1 Interface is connected to TIPS (via ESMIG) via both SWIFTNet and SIANet (both being the “Network Service Providers” of TIPS) allowing participants to choose which network to use for the transactions forwarded to and from TIPS. RT1 Participants can therefore leverage their existing connection for RT1 (via SWIFTNet / SIANet / EBICS) and do not need to build a separate connection to TIPS.

a. System design and operations

RT1 is a commercial and consumer Instant Payment processing system based on a credit transfer mechanism capable of routing SCT Inst Transactions between RT1 Participants. Payments are settled in real-time with immediate finality in RT1. Each participant has for the purpose of executing these payments a funds balance in the system i.e. an amount of central

bank funds belonging to it held by the ECB on a dedicated AS technical account in TIPS operated by the RT1 System Operator in an administrative capacity only on behalf of the participants. Withdrawals of these funds or additional funds transfer to the AS technical account can be managed by the System Operator in his TIPS ancillary system role.

Account Servicing payment service providers may subscribe to the SCT Inst Service as RT1 Participants. Alternatively, an entity may connect through an existing RT1 Participant which will require the inclusion of the entity in the SCT Inst Routing Table as an Addressable PSP.

RT1 Participants may send via the SCT Inst Service (i) SCT Inst Messages, (ii) Confirmation Messages and Rejection Messages, (iii) Status Inquiry Messages, as well as (iv) Recall/request for recall by the originator (RRO) Messages and Positive and Negative Response to a Recall/RRO, formatted in accordance with ISO20022 XML standards over secure network connections.

In line with the SCT Inst Rulebook, RT1 does not allow RT1 Participants to send (prior to settlement) cancellation messages for individual SCT Inst Transactions. To cancel the effects of an SCT Inst Message, the Originator RT1 Participant can submit a Recall/RRO message within the prescribed number of days following the Interbank Settlement Date.

SCT Inst and Positive responses to Recall/RRO Messages can be accepted for processing provided that sufficient liquidity is available.

RT1 will update the liquidity position for each participant in real time. The liquidity position in RT1 is an amount of central bank money belonging to the participant, placed on a dedicated technical account held by the ECB and managed by the RT1 system operator in an administrative capacity on behalf of the participant to enable real-time settlement of individual payments.

Participants can fund their position by transferring funds to the technical account, or request the system operator to withdraw funds. Funding and withdrawal of the participant's position will be managed by moving funds between RT1's technical account in TIPS and the TIPS Dedicated Cash Account (TIPS DCA) used by the participant.

RT1 regularly makes available reports to each participant to provide reconciliation information as well as liquidity management reporting.

RT1 Participants also have access to interactive services through the Participant Work Station (PWS) and through Application Programming Interfaces (APIs). These interfaces provide real-time information about the participant's position and the status of its transactions in RT1. These interfaces also allow the RT1 Participant to request reports and routing table information and to manage its configuration in the RT1 system.

b. Access and participation

In order to fulfil the admission criteria for the RT1 System, a participant must:

1. be authorised to act as a credit institution;
2. have TARGET component system and (a) hold and have access to a TIPS DCA in TARGET ("Designated TIPS DCA").or (b) Liquidity Provider has undertaken and continues to undertake to provide liquidity management to that entity
3. be able to comply with the technical and operational requirements of the RT1 System, including requirements aiming at ensuring availability of the RT1 Participant
4. have its registered office in a Member State of the EU, the EEA or the OECD, or a country or territory which is part of SEPA;
5. participate in the system via its registered office or a branch located in the geographical area of SEPA;
6. provide a capacity opinion with respect to its participation in the RT1 System; and
7. have adhered to the SCT Inst Scheme Rulebook of the European Payments Council.

Participants can themselves set up a connection with the system to exchange messages or alternatively, can be serviced participants relying on a liquidity provider to support them with liquidity services or on technical service providers to support them with connectivity or other technical services.

RT1 Participants can manage their own liquidity position in RT1 through their own TIPS DCA or they could use the account of a Liquidity Provider (that maybe another RT1 Participant) in which case they are referred to as Liquidity Serviced Participants (LSP). An entity that provides liquidity management to a LSP via its own TIPS DCA held within TIPS used for funding and withdrawal operations is called a "Liquidity Provider". Liquidity Serviced Participants have an agreement with a Liquidity Provider to have access to the funding/withdrawal mechanism (i.e. the position of the Liquidity Serviced Participant is adjusted according to funding and withdrawals made via the TIPS DCA of the Liquidity Provider allowing the LSP to have a position in RT1 and send transactions). Each participant can have direct technical access to the platform or can choose to connect through a platform provided by a Technical Service Provider (TSP).

c. Processing

Each participant can exchange messages with other Participants in RT1 24 hours a day every day of the year.

The scope of RT1 only covers the interaction between RT1 and its participants (potentially acting on behalf of the Originator payment service provider (PSP) and Beneficiary PSP). All interactions with the Originator or Beneficiary are out of the scope of RT1 and are the responsibility of the respective PSPs of the Originator and Beneficiary.

The maximum targeted processing speed of the messages between RT1 and its participants is 1.5 seconds.

RT1 validates each message individually. If the message is accepted, it is forwarded in real time to the receiving RT1 Participant. If it is rejected, the result of the validation process is sent to the sending RT1 Participant in real time.

d. Settlement⁷

Upon processing of an SCT Inst Transaction, the liquidity position of each participant is updated in real time. Funds on the sending participant's position are deducted and the position of the receiving RT1 Participant is increased with the same amount.

At this moment, the SCT Inst transaction is final in accordance with the Settlement Finality Directive.

RT1 Participants must always have a positive position in RT1; an SCT Inst Message that would bring the position of the sending RT1 Participant below zero is rejected.

RT1 provides instantaneous finality for each individual payment transaction in the system. RT1 updates the funds balance of the participants in real time with SCT Inst Messages sent and received and positively confirmed. RT1 Participants can never have a negative funds balance in RT1; an SCT Inst Message that would bring the liquidity position of the sending RT1 Participant below zero shall be rejected. RT1 supports final settlement of payments in immediately available euro denominated central bank funds on a real-time gross basis. Each participant has for the purpose of executing these payments a funds balance in the system, i.e. an amount of central bank funds belonging to it held by the ECB on a dedicated AS technical account in TIPS operated by the RT1 System Operator in an administrative capacity only on behalf of the participants. Withdrawals of these funds or additional funds transfer to the AS technical account can be managed by the System Operator in his TIPS ancillary system role. Both RT1 and TIPS operate on 24/7 basis. Participants and Liquidity Serviced Participants can fund or request the system operator to defund their liquidity position at any time, 24 hours a day, 7 days a week.

RT1 provides instantaneous finality for each individual payment transaction in the system. RT1 updates the funds balance of the participants in real time with SCT Inst Messages sent and received and positively confirmed. RT1 Participants can never have a negative funds balance in RT1; an SCT Inst Message that would bring the liquidity position of the sending RT1 Participant below zero shall be rejected.

RT1 is an Ancillary System in TIPS and is a payment system separated from the other payment

⁷ pursuant to a decision of the Governing Council of the ECB, RT1 moved its technical account from TARGET2 to TIPS. TIPS is available 24/7.

systems operated by EBA CLEARING. RT1 uses the same interface also provided to participants to manage transactions and Liquidity Transfers on their TIPS DCA: the RT1 Instructing Party interface. The interactions between RT1 as Ancillary System in TIPS and the funding / withdrawal to/from the Technical Account are managed through this interface.

e. Liquidity Management

RT1 supports instantaneous liquidity transfers for the settlement of instant payment transactions for RT1 Participants through a Technical Account in TIPS. The liquidity positions of RT1 Participants in RT1 are covered in full in central bank money made available on the RT1 technical account in TIPS to enable real-time settlement of individual payments. RT1 uses the same interface also provided to participants to manage transactions and Liquidity Transfers on their TIPS DCA: the RT1 Instructing Party interface. The interactions between RT1 as Ancillary System in TIPS and the funding / defunding via the Technical Account are managed through this interface.

Participants may continue to use RT1 as their instructing party in TIPS to manage their TIPS Dedicated Cash Account (DCA) in parallel with the transactions managed with the AS RT1 using the RT1 liquidity on the AS Technical Account. In order to send and receive through the RT1 Technical Account in TIPS, participants would need to configure the respective BIC(s) as reachable parties via RT1 AS in the TIPS directory. A new type of Authorised Account User - which will be identified by a unique BIC-11 - will be created to enable PSPs to be reachable via an AS Technical Account in TIPS.

Prior to the envisaged changes, liquidity management in RT1 was only possible during the Liquidity Adjustment Cycles (LACs) scheduled during the TARGET opening hours. Following the envisaged changes, RT1 Participants will be able to fund their RT1 positions 24/7, and the LAC schedule will be adjusted to facilitate this. EBA CLEARING is also adding new liquidity management functions for managing participants' TIPS DCA from the RT1 interface, and additional messages will be supported.

RT1 Participants will have to open a TIPS DCA (or be reachable via a TIPS DCA) and inform EBA CLEARING of the TIPS Account BIC-11 and TIPS Account Number (and the BIC of the TIPS Account owner in case of an RT1 Participant with a Reachable Party in TIPS) to be configured in the RT1 system for the purpose of funding / defunding the RT1 Participants position. Going forward, all participants will have to manage their payment capacity in RT1 through funding and defunding instructions with a TIPS account and configure it as the one to use for the funding and defunding of the RT1 position via the Technical Account in TIPS. Participants will continue to have the choice to either: (i) use the Instructing Party functionality in RT1 to manage their RT1 position; or (ii) manage their RT1 positions themselves.

RT1 provides features to support the liquidity management for RT1 Participants. RT1 runs a certain number of Liquidity Adjustment Checkpoint (LAC) throughout the business day.

To support the liquidity management for RT1 Participants, RT1 runs a certain number of Liquidity Adjustment Checkpoint (LAC) throughout the business day. Each RT1 Participant may set three different thresholds for each LAC and for each business day. At the end of each LAC, RT1 automatically generates liquidity adjustments for some RT1 Participants.

The liquidity positions in RT1 can be adjusted by the RT1 Participants through a Graphical User Interface (GUI) as well as via an Application Programming Interface (API) provided by RT1 so that participants setting RT1 as instructing party in TIPS for Liquidity Management can automate their liquidity management for RT1 within their own Back Office applications.

f. Exclusion / suspension / withdrawal

The occurrence of a suspension or exclusion event and the consequences thereof for the suspended / excluded participant and for the other participants are determined solely in accordance with the RT1 Rules. The systems' rules are proprietary and confidential, and are available to all participants, to prospective participants that have applied for becoming a participant, and to relevant authorities including in particular the European Central Bank / Eurosystem as overseer of RT1.

Operational defaults will be addressed in first instance through the activation of incident handling and, as applicable, crisis management arrangements.

A participant can be prevented by the System Operator from continuing to participate in the system if certain events occur.

The criteria for participation in the RT1 System consist of necessary legal, technical and operational requirements to enable the processing of SCT Inst transactions, as well as managing the transfer of fund from/to designated TIPS DCA.

A participant may be suspended if non-compliance with the ongoing criteria for participation cannot be otherwise mitigated, e.g. in the case of relocation outside SEPA.

Events that may give rise to exclusion comprise in particular:

- termination of access to TIPS DCA
- loss of license to act as a credit institution
- insolvency or comparable situations (unless an exclusion or suspension would contravene legislation implementing the Bank Recovery and Resolution Directive (BRRD) or equivalent third country legislation)
- a suspension event has not been remedied within 30 calendar days

Excluded or suspended participant shall have no right to send or receive Payment Messages from the relevant Exclusion Moment or Suspension Moment. Payment Messages which are nevertheless sent by such participant will be rejected. All other participants shall exercise their best efforts to refrain from sending Payment Messages to such excluded or suspended participant.

A participant can withdraw from the RT1 System by giving notice of termination at least five TARGET business days prior to the withdrawal.

5. Basic statistical data

The average daily volumes and values on a monthly basis are published on the Company's website: <https://www.ebaclearing.eu/services/RT1/statistics/>

6. Overview of changes to the system over the last years.

Migration of all SEPA schemes to the version 2019 of ISO20022 XML

Since the end of March 2023, the European Payments Council (EPC) has closely monitored the SEPA payment scheme participants' preparations to migrate the four SEPA payment schemes (i.e. the SEPA Credit Transfer (SCT), SEPA Instant Credit Transfer (SCT Inst), SEPA Direct Debit Core (SDD Core) and SDD Business-to-Business (SDD B2B) schemes) to the 2019 version of the ISO 20022-based XML messaging standard, originally envisaged for 19 November 2023, took place between 15 and 18 March 2024.

FPAD

A Pan-European Fraud Pattern and Anomaly Detection Functionality ("FPAD Functionality" or "FPAD") was introduced. The FPAD Functionality assists participants in RT1 and STEP2 and their addressable FPAD PSPs in their task to prevent and detect fraud in connection with any payments made or intended to be made through the payment systems.

The annual report on EBA CLEARING activities provides an overview of upcoming developments for its technology platform. The latest annual reports are available on EBA CLEARING's website.

7. Principle-by-principle narrative disclosure

The ECB classified RT1 as an Other Retail Payment System in 2017. EBA CLEARING, as the operator of RT1, must comply with nine PFMIs as detailed in the Revised Oversight Framework for Retail Payment Systems. The table below summarises EBA CLEARING's compliance with these PFMIs.

| Principles | Compliance |
|---|--|
| <p>Principle 1: Legal Basis</p> <p>An FMI should have a well-founded, clear, transparent, and enforceable legal basis for each material aspect of its activities in all relevant jurisdictions</p> | <p>RT1 has been designated under the Settlement Finality Directive.</p> <p>EBA CLEARING considers that the material aspects of RT1 that require a high degree of certainty include: (1) the moments of entry, irrevocability, and finality, especially when there is an insolvency; and (2) the legal basis for the funds of the participants held in a TIPS AS technical account opened in TARGET-ECB.</p> <p>The material aspects of RT1 and activities relevant thereto are unambiguously governed by one single governing law, i.e. German law. All documents forming part of the System Documentation are governed by and construed in accordance with the laws of the Federal Republic of Germany.</p> <p>The existing RT1 legal documentation has been elaborated with the assistance of external counsel. The approach for those documents has been discussed by the Legal Advisory Group ("LAG"), an advisory expert forum which reviews draft provisions of the legal documentation of EBA CLEARING's payment systems.</p> <p>In addition, the Participation Agreement in TARGET-ECB is also governed by German law. The Funds Balance of each participant is an amount of central bank money (funds) held by the ECB on a technical account in TIPS operated by the RT1 System Operator in an administrative capacity only on behalf of the participants. The amount of each participant's Funds Balance in RT1 equals at all times the amount of central bank money owned by such participant and held on the RT1 technical account.</p> |

| | |
|---|---|
| | <p>Regarding the instructing party service, since the introduction of TIPS in 2018, EBA CLEARING has acted as an instructing party and connects to TIPS on behalf of RT1 Participants. In this function, instructions are forwarded to/from TIPS on behalf of RT1 Participants, to be settled in TIPS. The processing and settlement of those messages occur in TIPS subject to the TIPS legal framework. It is important to note that transactions sent/received to/from TIPS by a user of this TIPS instructing party option do not affect and are not linked to the position of the participant in RT1.</p> <p>The RT1 System has been classified as an Other Retail Payment System ('ORPS'), and a subset of the key considerations of 9 Principles of the Principles for Financial Market Infrastructures applies to RT1, including Principle 1 on Legal Basis. RT1 is under oversight of the European Central Bank (ECB) as lead overseer. It is a condition for admission of a participant that a capacity opinion is provided in accordance with requisite terms of reference. The purpose of the capacity opinion shall be to confirm, <i>inter alia</i>, that the participant's obligations under the RT1 documents are legal, valid and binding, and that the performance of its rights and obligations will not cause such participant to violate any laws or regulations applicable to it.</p> |
| <p>Principle 2: Governance An FMI should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.</p> | <p>The governance arrangements of EBA CLEARING are effective, accountable and transparent, thereby supporting the stability of its payment services. For more information about the Company's governance bodies, please see (1) the Corporate Governance section in the EBA CLEARING website (https://www.ebaclearing.eu/about-eba-clearing/corporate-governance/); (2) the latest Company annual report (including its "Corporate Governance" section) and the Company's bylaws (publicly available also in an English version) (both available under: https://www.ebaclearing.eu/about-eba-clearing/at-a-glance/reference-documents/)</p> |

The involvement of stakeholders in decisions, as well as the objectives of the system, are specified in an unambiguous and transparent manner within the Company’s internal policies and procedures. Governance arrangements are clearly and thoroughly documented ensuring clear and direct lines of responsibility and accountability. The governance arrangements reflect the strategic aims and objectives of the Company, and they are designed to make them future-proof. The Board Nomination and Governance Committee supports in monitoring the effectiveness of the corporate governance framework.

In addition to the Company’s governance bodies, to ensure that all types of users are considered in the design and evolution of its systems and offerings, the Company maintains a broad range of communication channels with its (current and potential) users and other stakeholders. An identical structure has been adopted for user consultation for the two SIPS operated by the Company in the form of two Business Committees. Similarly, the RT1 Working Group was established to make best use of expert knowledge and facilitate frequent and constructive dialogue with the participants in the RT1 System. The RT1 Working Group is consulted on relevant issues surrounding the RT1 System and is asked to propose and provide feedback on RT1 System related initiatives and changes. The RT1 Practitioners Working Group is accessible to all RT1 Participants (including institutions in the joining process) to share feedback and discuss operational matters and best practices related to instant payment processing.

**Principle 3:
Framework for the
comprehensive
management of risks**

An FMI should have a sound risk-management framework for comprehensively managing legal, credit, liquidity, operational, and other risks.

EBA CLEARING's risk management activities are organised within a "three lines of defence" mode of operation under which the Heads of Units are the first line of defence, the Risk Management Unit supported by the Regulatory and Oversight Affairs Unit are the second line of defence, and Internal Audit is the third line of defence. The three lines of defence model incorporates the embedding of risk management and risk awareness throughout the Company. Moreover, the model highlights the various levels of control and means for escalation, if required. The three lines of defence model incorporates the embedding of Risk Management and risk awareness through-out the Company. Moreover, it highlights the different levels of control and means for escalation, if required. The second line of defence, the Risk Management Function supported by the Chief Risk Officer ensures high standards of risk management through the development and maintenance of the Risk Management Framework including specific guidelines and policies. It coordinates the implementation of risk initiatives and raises the Chief Executive Officer's awareness of risks consolidated levels as well as supporting the Board in optimising EBA CLEARING's overall risk tolerance and risk limits. In addition, organisational arrangements are in place to ensure operational independence of the second line from the rest of the organisation.

EBA CLEARING's Risk Management Framework has been developed based on EBA CLEARING's specific Risk Universe. The Risk Management Framework is composed of the Risk Assessment Methodology, Risk Tolerance Methodology, Risk Tolerance Statement, Risk Universe and Risk Identification.

The Company's Risk Management Framework Governance Policy (approved by the Board of Directors) describes the organisational structure, management oversight, roles, responsibilities and activities that EBA CLEARING considers necessary to support the embedding of strong risk management through-out its activities.

Reviews of the policies and methodologies of the Risk Management Framework are prepared annually by the CRO and updates are communicated to the Chief Executive Officer, senior management and to the Board Risk Committee (and reported to the Board via the BRC).

| | |
|---|---|
| | <p>The Company's risk management framework governance policy (approved by the Board of Directors) describes the organisational structure, management oversight, roles, responsibilities, and activities that EBA CLEARING considers necessary to support the embedding of strong risk management throughout its activities.</p> <p>Reviews of the policies and methodologies of the risk management framework are prepared annually by the Chief Risk Officer, and updates are communicated to the Chief Executive Officer, senior management and to the Board Risk Committee (and reported to the Board via the Board Risk Committee).</p> <p>Finally, EBA CLEARING carries out independent audits on a periodic basis to ensure that all risk tools and methodologies were maintained in line with industry practice and oversight requirements during the assessment period.</p> |
| <p>Principle 8: Settlement finality An FMI should provide clear and certain final settlement, at a minimum by the end of the value date. Where necessary or preferable, an FMI should provide final settlement intraday or in real time.</p> | <p>RT1 is a real-time gross settlement payment system, providing instantaneous finality for each individual payment transaction processed in the system. A final transfer, i.e. an irrevocable and unconditional transfer of funds, occurs between two participants upon the simultaneous adjustment of the respective RT1 Participants' central bank funds balances.</p> <p>The funds balance of each participant is an amount of central bank funds belonging to it held by the ECB on a dedicated technical account operated by the System Operator in an administrative capacity only on behalf of the participants. A payment order in RT1 will only be processed provided its sender has then sufficient funds to the credit of its funds balance. It is not possible to have a negative funds balance, nor is it possible to anticipate funding at a later point in time.</p> <p>The RT1 System caters for real-time gross transfer of funds on a payment message per payment message basis within the System between the participants without interposition of the System Operator.</p> <p>RT1 has been designated under the Settlement Finality Directive.</p> |

**Principle 13:
Participant default
rules and procedures**

An FMI should have effective and clearly defined rules and procedures to manage a participant default. These rules and procedures should be designed to ensure that the FMI can take timely action to contain losses and liquidity pressures and continue to meet its obligations.

A financial default is not applicable in the case of RT1; positions in RT1 are pre-funded. It is not possible for a participant to have a negative position, nor is it possible to anticipate funding at a later time.

Non-compliance with the criteria for participation, including legal, technical and operational criteria, may give rise to a suspension or exclusion. Importantly, there are also incident handling and crisis management arrangements in place to handle abnormal events.

The occurrence of a suspension or exclusion event and the consequences thereof for the suspended / excluded participant and for the other participants are determined solely in accordance with the RT1 Rules. The system's rules are proprietary and confidential, and are available to all participants, to prospective participants that have applied to become a participant, and to relevant authorities including in particular the European Central Bank / Eurosystem as overseer of RT1.

Operational defaults will be addressed in the first instance through the activation of incident handling and, as applicable, crisis management arrangements.

The declaration of an exclusion or suspension is decided by EBA CLEARING. In case of insolvency proceeding or moratorium against a participant, EBA CLEARING has no discretion as it must either exclude or suspend the participant upon receiving confirmation by competent authorities or the participant itself of such events.

In case of other exclusion or suspension events, EBA CLEARING has certain discretion to declare suspension or exclusion as it may but is not obliged to do so if it receives sufficient evidence to conclude to the existence of such exclusion or suspension event. Importantly, EBA CLEARING's decision will depend on the precise circumstances, and EBA CLEARING would seek to mitigate and solve any adverse circumstances, in particular in the case of an operational issue, through the activation of the incident handling and crisis management arrangements to avoid recourse, if not required, to a suspension or exclusion.

The criteria for participation in the RT1 System consist of necessary legal, technical and operational requirements to enable the processing of SCT Inst transactions, as well as adjustments of funds between the TIPS DCA of the RT1 Participant (or its Liquidity Provider) and the TIPS AS technical account of RT1.

A participant can be prevented by the System Operator from continuing to participate in the system if certain events occur.

Suspension

A participant may be suspended if non-compliance with the ongoing criteria for participation cannot be otherwise mitigated, e.g. in the case of relocation outside SEPA.

Exclusion

Events that may give rise to exclusion comprise in particular:

- termination of access to TIPS DCA
- loss of license to act as a credit institution
- insolvency or comparable situations (unless an exclusion or suspension would contravene legislation implementing the Bank Recovery and Resolution Directive (BRRD) or equivalent third country legislation)
- a suspension event has not been remedied within 30 calendar days

Excluded or suspended participant shall have no right to send or receive Payment Messages from the relevant Exclusion Moment or Suspension Moment. Payment Messages which are nevertheless sent by such participant will be rejected. All other participants shall exercise their best efforts to refrain from sending Payment Messages to such excluded or suspended Participant.

| | |
|---|--|
| <p>Principle 17: Operational risk</p> <p>An FMI should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls.</p> <p>Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the FMI's obligations, including in the event of a wide-scale or major disruption.</p> | <p>EBA CLEARING has embedded the identification of operational risks to its services within its enterprise risk management framework, through which operational risks are monitored and the implementation of mitigating controls are tracked. Further, it leverages its business continuity management system and its ISO 27001 certified information security management system to ensure a high degree of security and operational reliability and that it has adequate contingency arrangements in place for the timely completion of daily processing in its services.</p> <p>The RT1 platform is a highly resilient processing system with full disaster recovery features and operational procedures, including an information and cyber security strategy and framework, that are regularly practiced with the user community. It provides the following key benefits:</p> <ul style="list-style-type: none">• A scalable processing engine: RT1 is based on a highly efficient and robust processing engine.• A highly experienced operator: the technical provider of RT1 is Nexi Payments S.p.A.("Nexi"), one of the largest financial processors in Europe. The Nexi processing environment offers state-of-the-art technology with exceptional resilience features.• Two processing sites: the primary site maintained by Nexi runs in cluster configuration with data sharing facility and a power distribution layout that has a fully radial configuration. The second processing site, also maintained by Nexi, is equivalent to the primary site and works in a synchronous mode, meaning that all data is replicated in real time.• Three operations centres for system monitoring: EBA CLEARING runs three separate operations centres in different countries. Two of these independent sites operate in parallel mode during the processing day. The three sites are engaged in a regular rotation of shifts and ensure a constant monitoring of RT1.• Customer support for operations-related queries and emergency situations: the Investigations and Customer Support Unit (ICU) is EBA CLEARING's single point of contact for all operations-related queries.• The Company also has several channels and tools in place for incident and crisis communication. |
|---|--|

| | |
|--|--|
| | <ul style="list-style-type: none"> • Crisis simulation exercises: these exercises are organised by EBA CLEARING and Nexi on an annual basis. Their main objective is to test the functionality of the disaster recovery arrangements, both in terms of file sending/receiving and connectivity to participants' workstations, including in a cyber-attack scenario. • ISO 27001 certification: since January 2013, EBA CLEARING's information security management system, which is geared towards managing and securing the Company's information assets, has been certified as ISO 27001- compliant. In 2018, the Company's information management system was re-certified to the new ISO 27001:2013 standard. <p>On a quarterly basis, EBA CLEARING provides a service report to its participants, containing information related to RT1's performance and availability indicators.</p> |
| <p>Principle 18: Access and participation requirements</p> <p>An FMI should have objective, risk-based, and publicly disclosed criteria for participation, which permit fair and open access.</p> | <p>RT1 has objective and publicly disclosed criteria for participation, which permit fair and open access.</p> <p>These criteria have been developed using a risk-based approach and are available on the EBA CLEARING website: https://www.ebaclearing.eu/services/instant-payments/admission/.</p> <p>In order to fulfil the admission criteria for the RT1 System, a participant must:</p> <ol style="list-style-type: none"> 1. be authorised to act as a credit institution; 2. have TARGET component system and (a) hold and have access to a TIPS DCA in TARGET ("Designated TIPS DCA").or (b) Liquidity Provider has undertaken and continues to undertake to provide liquidity management to that entity 3. be able to comply with the technical and operational requirements of the RT1 System, including requirements aiming at ensuring availability of the RT1 Participant 4. have its registered office in a Member State of the EU, the EEA or the OECD, or a country or territory which is part of SEPA; |

| | |
|---|--|
| | <ol style="list-style-type: none"> 5. participate in the system via its registered office or a branch located in the geographical area of SEPA; 6. provide a capacity opinion with respect to its participation in the RT1 System; and 7. have adhered to the SCT Inst Scheme Rulebook of the European Payments Council. <p>Participants can themselves set up a connection with the system to exchange messages or alternatively, can be serviced participants relying on a liquidity provider to support them with liquidity services or on technical service providers to support them with connectivity or other technical services.</p> <p>Participants can themselves set up a connection with the system to exchange messages, by fulfilling the criteria listed above. Participants can also be serviced participants relying on a liquidity provider to support them with liquidity services or on technical service providers to support them with connectivity or other technical services. Finally, entities can become addressable PSPs to be reachable in the system via a participant.</p> <p>In addition, there are cooperation models to facilitate access. Participants can offer liquidity and/or connectivity services to other participants or intermediary PSP services to non-participating PSPs in order to support reachability of these 'addressable PSPs'. Technical service providers (e.g. ACHs, service bureaus) can support participants in connecting to the system. Finally, liquidity providers can support users by providing/managing liquidity to fund/withdraw funds from a position in the system.</p> |
| <p>Principle 21: Efficiency and effectiveness</p> <p>An FMI should be efficient and effective in meeting the requirements of its participants and the markets it serves.</p> | <p>To ensure the Company understands its users' needs and in accordance with its user say governance structure, and in order to facilitate that all types of users are considered in the design and evolution of its systems and offerings, the Company maintains a broad range of communication channels with its (current and potential) users and other stakeholders.</p> |

| | |
|--|---|
| | <p>For RT1 in particular, the RT1 Working Group was established to make best use of expert knowledge and facilitate frequent and constructive dialogue with the participants in the RT1 System. The RT1 Working Group is consulted on relevant issues surrounding the RT1 System and is asked to propose and provide feedback on RT1 System related initiatives and changes. The RT1 Practitioners Working Group was established and is accessible since to all RT1 Participants (including institutions in the joining process) to share feedback and discuss operational matters and best practices related to instant payment processing.</p> <p>In addition, the following expert groups have been established, which contribute to RT1 as well as to the two SIPS operated by EBA CLEARING:</p> <ul style="list-style-type: none"> • Operations & Technical Group (OTG): its mission is to analyse and review proposals and to formulate recommendations relating to operational, procedural, functional and technical aspects of the systems of EBA CLEARING. • Legal Advisory Group (LAG): its mission is to analyse and review proposals from a legal point of view and to formulate appropriate legal recommendations. The LAG also assists in the monitoring of legal projects and formulates recommendations regarding the resourcing for given projects. • Treasury and Liquidity Group (TLG): its mission is to act as an advisory expert group relating to the management and use of liquidity within the systems operated by EBA CLEARING. <p>Other expert fora may also be established in accordance with identified needs.</p> <p>Finally, a service performance and availability report is published on a quarterly basis for users and other relevant stakeholders.</p> |
| <p>Principle 23: Disclosure of rules, key procedures, and market data</p> | <p>The System Documentation which is available to all users of RT1 enables participants to have a clear understanding of the system's impact on the risks they incur through their participation.</p> |

| | |
|--|---|
| <p>An FMI should have clear and comprehensive rules and procedures and should provide sufficient information to enable participants to have an accurate understanding of the risks, fees, and other material costs they incur by participating in the FMI. All relevant rules and key procedures should be publicly disclosed.</p> | <p>In addition, the Company publishes key information via relevant updates of the publicly available pages on the website of EBA CLEARING. The Company has also made available to participants in the CustomerPortal all the service documentation. The present disclosure report complements EBA CLEARING's disclosure of rules, key procedures and market data.</p> |
|--|---|

8. List of publicly available resources

EBA CLEARING and RT1:

- “About EBA CLEARING” section on website: <https://www.ebaclearing.eu/about-eba-clearing/at-a-glance/the-company/>
- By-laws of EBA CLEARING: <https://www.ebaclearing.eu/about-eba-clearing/at-a-glance/reference-documents/>
- EBA CLEARING Shareholders: <https://www.ebaclearing.eu/about-eba-clearing/corporate-governance/the-shareholders/>
- EBA CLEARING Board: <https://www.ebaclearing.eu/about-eba-clearing/corporate-governance/the-board/>
- EBA CLEARING Board Committees: <https://www.ebaclearing.eu/about-eba-clearing/corporate-governance/board-committees/>
- EBA CLEARING Annual Report 2022 : [eba-clearing-annual-report-2022 - interactive pdf.pdf \(ebaclearing.eu\)](https://www.ebaclearing.eu/eba-clearing-annual-report-2022-interactive-pdf.pdf)
- RT1 section on EBA CLEARING website: <https://www.ebaclearing.eu/services/rt1/overview/>
- RT1 Statistics: <https://www.ebaclearing.eu/services/RT1/statistics/>