



Access Rules

February 2020

Version 4.1

Information in this document may not be reproduced or transmitted in any form or for any purpose, other than for intended business use, without the express written consent of ID2S. Content of this document is subject to change from time to time with prior notice.

© Copyright ID2S (2019). All rights reserved.

95 rue Saint Lazare,
75009 Paris

www.id2s.eu

CONTENTS

1.	INTRODUCTION.....	3
1.1.	PURPOSE AND SCOPE OF THIS DOCUMENT	3
1.2.	DEFINITIONS.....	3
1.3.	RELEVANT REGULATION	3
2.	ACCESS PROCEDURE FOR PARTICIPANTS	4
2.1.	ACTORS IN SCOPE OF THIS SECTION	4
2.2.	INTRODUCTION	4
2.3.	PROCEDURE TO HANDLE A REQUEST	4
2.1.	TIMING FOR HANDLING THE REQUEST.....	5
3.	RISK ASSESSMENT PERFORMED ON REQUESTER	6
4.	ACCESS PROCEDURE FOR ISSUERS	7
4.1.	ACTORS IN SCOPE OF THIS SECTION	7
4.2.	INTRODUCTION	7
4.3.	PROCEDURE	7
5.	ACCESS PROCEDURE FOR CSDS [ARTICLE 37, 69 & 89 OF REGULATION 2017/392; ARTICLE 52 OF REGULATION 909/2014]	10
5.1.	ACTORS IN SCOPE OF THIS SECTION	10
5.2.	INTRODUCTION	10
5.3.	PROCEDURE	10
6.	ACCESS PROCEDURE FOR CCPS AND TRADING VENUES	12
6.1.	ACTORS IN SCOPE OF THIS SECTION	12
6.2.	INTRODUCTION	12
6.3.	PROCEDURE	13
7.	PROCEDURE FOR AML/KYC ASSESSMENTS	15
7.1.	ACTORS IN SCOPE OF THIS SECTION	15
7.2.	AML/KYC ASSESSMENTS	15
8.	PROCEDURE FOR ACCESS REFUSAL [ARTICLE 89-90 OF REGULATION 2017/392]	17
8.1.	ACTORS IN SCOPE OF THIS SECTION	17
8.2.	CRITERIA FOR REFUSAL	17
8.2.1.	<i>Criteria for refusal of requesting Issuers</i>	<i>17</i>
8.2.2.	<i>Criteria for refusal of requesting CSDs</i>	<i>17</i>
8.2.3.	<i>Criteria for refusal of requesting FMIs.....</i>	<i>18</i>
8.3.	PROCEDURE FOR REFUSAL	18
9.	APPENDIX: ACCEPTANCE FORMS.....	20
9.1.	REQUEST FOR ACCESS FORM.....	20
9.2.	ACCESS ACCEPTANCE FORM	21
9.3.	ACCESS REFUSAL FORM	22
9.4.	COMPLAINT FORM IN RESPONSE TO THE REFUSAL OF ACCESS.....	24
10.	APPENDIX 2: DESCRIPTION OF LINK ARRANGEMENTS.....	25

1. Introduction

1.1. Purpose and scope of this document

The objective of the access rules is to ensure fair, objective, non-discriminatory and open access to ID2S in accordance with applicable law. This procedure is accessible on the ID2S website and is updated regularly.

Requesters must fulfill a set of criteria established by ID2S to be granted access to ID2S. This procedure describes the criteria and all the activities performed by ID2S to handle access requests submitted by a participant ("**Participant**"), an issuer, a central securities depository ("**CSD**") or a financial market infrastructure ("**FMI**") (a central counterparty clearing house "**CCP**", a trading venue).

In an effort to reduce systemic risk, ID2S, before accepting a request for participation from a Requester, performs controls to assess risks resulting from access to the services, for ID2S and its participants.

The process of monitoring a relationship with an existing Participant, including suspension and termination, is described in the Procedure for Participation. Assessing compliance with these criteria is one of the key steps of the procedure followed by ID2S. This process is initiated after the receipt of a request for participation.

Criteria to be checked by ID2S upon receipt of a request for access	
KYC / AML	ID2S conducts a comprehensive AML/KYC assessment on the Requester. The process is described in the dedicated AML/KYC section of the Compliance Procedure
Risk assessment	The risk assessment on the Requester is broken down into legal, operational and financial risks. The process is described in the present access rules.

1.2. Definitions

Access or link arrangement	An access or link arrangement is an arrangement between ID2S and a participant legal person, CSD, CCP, trading venue, or Issuer.
DCP	In the context of T2S, participants of ID2S interacting directly with T2S.
ICP	In the context of T2S, participants of ID2S interacting with T2S through ID2S.
Requester	A CSD, a CCP, a Trading Venue, an issuer or any other legal person requesting an access to ID2S.
Trading Venue	A trading venue with the meaning of Article 4(1) point (24) of Directive 2014/65/EU.

Definitions not provided in the table above can be found in the Operating Manual of ID2S.

1.3. Relevant Regulation

- French Monetary and Financial Code Art L. 561-2 and following on AML-KYC requirements
- CSDR Regulation (EU) No 2014/909 (23-July-2014)

Regulation	Participants	Issuers	CSDs	CCPs	Trading Venues
Regulation No. 2014/909	art. 33	art. 49	art. 52	art. 53	art. 53
<ul style="list-style-type: none"> Commission Delegated Regulation (EU) 2017/392 	art. 89.1 art. 89.2 art. 89.7 art. 89.11 art. 67	art. 89.3 art. 89.8 art. 89.12	art. 89.4 art. 89.9 art. 89.13 art. 69	art. 89.5 art. 89.10 art. 89.13	art. 89.6 art. 89.10 art. 89.14

2. Access Procedure for Participants

2.1. Actors in scope of this section

Participants	Issuers	CSDs	CCPs and Trading Venues
X			

2.2. Introduction

One of the primary functions of ID2S is the settlement of securities transactions, in particular NEUCP, in TARGET2-Securities (T2S), the pan-European platform for the securities settlement in central bank money (the transactions are executed on authorized Trading Venues in the primary and secondary market) in addition to custody functions.

Upon receipt of a request for participation from a Requester, ID2S is performing controls to assess risks resulting from providing access to the services, for ID2S and its participants.

ID2S provides a fair and open access process for all legal persons that intend to become participants, provided these persons belong to one of the categories enumerated in Article L330-1 of the French Monetary and Financial Code.

2.3. Procedure to handle a request

The sections below detail the different steps performed by ID2S when receiving a request for participation from a Requester.

Step	Action	Responsible	Timing
1	The Chief Development Officer ("CDO") or the Chief Operating Officer ("COO"), may receive an expression of interest from the candidate participant about a potential relationship	CDO / COO	Ad hoc
2	If it is decided to initiate the process for participation (this	Participant	Upon the

Step	Action	Responsible	Timing
	may be the result of further discussions and testing), the Requester sends the completed and signed provisional Account Opening Form and the access request form to ID2S (see annex 9.1).		Participant's decision to initiate cooperation
4.a	ID2S conducts a comprehensive legal and financial risk assessment on the Requester. For access to be granted, the Participant must fulfill the criteria defined in Section "Risk Assessment".	CRO/CCO	Within one month of receipt of request
4.b	ID2S conducts a comprehensive operational risk assessment on the requester, as described in the Section "Risk Assessment".	CRO / CCO	Within one month of receipt of request
4.c	ID2S conducts a comprehensive AML/KYC assessment on the requester".	CCO	Within one month of receipt of request
5	Based on this assessment, the CEO and the corporate officers take the decision about the acceptance.	CEO + Corporate Officers	Within one month of receipt of request
6	If the request for access has to be denied, the procedure described later in this document under "Procedure for Access Refusal" is initiated and this process ends.	CDO	Within one month of receipt of request
7	If the request for access is granted, the CDO confirms the approval to : - the senior management - the operations department - the Requester using the template in annex 9.2	CDO	Within one month of receipt of request
8	The account opening form is sent by the CDO to the Requester, which refers to the Legal documentation, including the General Terms and Conditions and the Règles de Fonctionnement.	CDO	Ad hoc
9	ID2S receives the signed Account Opening Form. The participant's signatures are checked with any circulars and signature samples.	CDO	Upon reception of signed agreement
10	The customer relationship is registered in the ID2S's systems on a date specified in the contract. ID2S confirms to the Participant that the registration has taken place.	CDO	On date specified in the terms of the arrangement

2.1. Timing for handling the request

In case a request for participation is communicated to ID2S by a requesting participant, ID2S provides a positive or negative answer to the Requester within one (1) month at the latest from the request being received and fully documented.

3. Risk assessment performed on Requester

Upon receipt of a request, ID2S carries out a comprehensive risk assessment as provided for by Article 89 of Regulation 2017/392.

The risk assessment has to be performed for each request for participation, regardless whether the participant would be a key participant or not.

	Criteria to be assessed by ID2S for Requester
Legal risks	<ul style="list-style-type: none"> The Requester is able to comply with: <ul style="list-style-type: none"> ID2S's legal requirements or provide ID2S with the information necessary for ID2S to assess the compliance, including any required legal opinions or legal arrangements; The rules applicable in the home Member State of ID2S related to confidentiality of the information provided through the securities settlement system, or provide ID2S with the information necessary for ID2S to assess the compliance, including any required legal opinions or legal arrangements; the Requester has the relevant licenses and / or authorisations to conduct its regulated activities; If the Requester is domiciled in a third country: <ul style="list-style-type: none"> The Requester is subject to regulatory and supervisory framework comparable to the regulatory and supervisory framework that would be applicable to the Requester if it was established in the European Union; The Requester demonstrates that rules related to settlement finality as described in the Article 39 of Regulation No. 909/2014 are enforceable in the jurisdiction of the requesting participant. AML / KYC risks
Financial risks	<ul style="list-style-type: none"> The Requester has sufficient financial resources to fulfil its contractual obligations towards ID2S.
Operational risks	<ul style="list-style-type: none"> The Requester has adequate operational capacity to participate in ID2S (human resources, facilities and infrastructure) – the following criteria will be considered to assess the operational capacity of the Requester: <ul style="list-style-type: none"> IT capabilities: <ul style="list-style-type: none"> ID2S checks in the T2S Database if the Requester is DCP or ICP. A new DCP has to execute T2S certification tests. The certification is given by the Eurosystem; A new Participant (ICP or DCP) has to pass CSD authorisation test cases. These tests are in line with the functionalities that the participant would use in production and with the contractual provisions A DCP already certified by the Eurosystem and acting with other CSDs may need to pass specific authorisation tests when considered relevant by ID2S, before ID2S sets up the associated static data in T2S and grants the necessary privileges to this DCP. In case the Participant is acting for other (indirect) participants, connectivity tests between the indirect participant and ID2S are also required. Operational readiness: existence and maturity of processes; Operational experience: the connection to other CSDs and experience of the management and key employees ID2S will assess whether granting access to the Requester would require significant changes in the operations and systems, endangering the smooth

	Criteria to be assessed by ID2S for Requester
	<p>functioning of the securities settlement system for all the other participants.</p> <ul style="list-style-type: none"> Participant's Clients volume criteria: <ul style="list-style-type: none"> ID2S asks Requesters to provide a list of their customers that, based on historical data, are expected to represent a significant share of the participant's trading activities: Participant's Risk management capacity: <ul style="list-style-type: none"> The Requester has a sound and robust risk management framework that allows a strong identification, assessment, monitoring and reporting of its internal and external risks, that could spread to ID2S and its other participants; The Requester's employees have enough experience to roll out the risk management framework and manage incidents, The Requester has a robust Business Continuity and disaster recovery plans, updated regularly (at least yearly) and that is tested on a yearly basis; Material dependencies: based on the combination of key clients' participant's volume criteria and the participant's risk management capacity, ID2S will categorise the participant's key clients. This information will be used as input in the risk management framework and the monitoring of key participants (see dedicated section in the "Risk Management Procedure").

4. Access Procedure for Issuers

4.1. Actors in scope of this section

Participants	Issuers	CSDs	CCPs and Trading Venues
	X		

4.2. Introduction

According to its Règles de Fonctionnement (please refer to the document AINF0001 Règles de Fonctionnement), approved by the "Autorité des Marchés Financiers" under French regulation, the securities which may be issued in ID2S are NEU CP denominated in euros.

NEU CP accepted in ID2S may only be issued by issuers belonging to categories enumerated in the French monetary and financial Code.

French regulation requests that issuers of NEU CP appoint an Issuing and Paying Agent, which shall belong to categories of institutions determined by the regulation (credit institutions, etc.). Some issuers which belong to these categories may act as their own IPA.

The procedure for handling access requests from issuers takes these 3 components into account.

4.3. Procedure

ID2S shall promptly process any access request from an issuer and provide a positive or negative response to the Requester within three (3) months.

During this period, ID2S will carry out the procedure detailed below, including a proper assessment of the risks presented by the participation of the Requester.

Step	Action	Responsible	Timing
1	The Requester sends the completed request template to ID2S (see appendix). In case the Issue is traded on NowCP, the request is sent by NowCP to ID2S.	NowCP Requester	/ Upon decision of the issuer to request access to ID2S
2	Check on corporate law: if the securities that the Requester intends to issue in ID2S are not constituted under French law, ID2S will notify the Requester of the refusal of its request with full written reasons.	CCO	Within 3 months of receipt of request
3	Comprehensive risk assessment: unless ID2S refuses the request according to the previous step, ID2S will conduct a risk assessment covering legal risk, financial risk and operational risks.	COO / CCO / CRO	Within 3 months of receipt of request
3.a	<p>Legal risk: ID2S conducts a legal risk assessment on the Requester. For access to be granted, ID2S verifies:</p> <ul style="list-style-type: none"> that it belongs to one of the categories of art. D.213-8 of the French monetary and financial Code; that the Banque de France has approved its NEU CP issuance program; the specificities of the issuance program <p>If the Requester is not a Participant of NowCP, the following documents are asked, in addition to the checks above:</p> <ul style="list-style-type: none"> A presentation of the issuer's legal and financial situation A copy of the documents the issuer's shareholders received in view of the two last general shareholders meetings, including the annual accounts and the rapport from the directors. 	CCO	Within 3 months of receipt of request
3.b	Financial risk: A Requester that appoints a third party IPA does not have a direct contractual financial obligation towards ID2S (as the contractual relationship is between ID2S and the IPA, and the IPA is subject to the access rules that apply to Participants) and does thus not pose any financial risk to the CSD. For a Requester that intends to act as its own IPA and has a direct contractual relationship with ID2S, the Request shall demonstrate that it has the financial capacity to pay 1 year of fees to ID2S.	CRO / CCO	Within 3 months of receipt of request
3.c	<p>Operational risk: ID2S conducts an operational risk assessment on the Requester. For access to be granted, the Requester shall:</p> <ul style="list-style-type: none"> appoint an IPA which is a participant of ID2S, 	CRO / COO	Within 3 months of receipt of request

Step	Action	Responsible	Timing
	or <ul style="list-style-type: none"> act as its own IPA and be a participant of ID2S; provide evidence that the NEU CP to be issued by the Requester comply with T2S guidelines and are thus eligible in T2S; provide evidence that the NEU CP to be issued by the Requester is denominated in euros; provide evidence that the NEU CP to be issued by the Requester are issued through a trading venue that has established an access to ID2S. 		
4	<p>If the comprehensive risk assessment is negative, ID2S will notify the Requester of the refusal of its request with full written reasons.</p> <p>If the comprehensive risk assessment is positive, ID2S conducts a comprehensive AML/KYC assessment on the Requester who is not a Participant of NowCP, as described in Section 5 of this document.</p>	CCO/CDO	Within 3 months of receipt of request
5	If the AML/KYC assessment is negative, ID2S will notify the Requester of the refusal of its request with full written reasons.	CCO	Within 3 months of receipt of request
6	If the AML/KYC assessment is positive, ID2S will notify the Requester of the acceptance of its request.	CCO	Within 3 months of receipt of request
7	ID2S legal documentation is sent either to the Requester (if the Requester acts as its own IPA) or to the Requester's IPA (if the Requester's IPA is not already a participant of ID2S).	CDO	Ad hoc
8	<p>If applicable, ID2S receives the signed Account Opening Form the Requester or its IPA.</p> <p>Signatures are checked with any circulars and signature samples and demonstrate the corporate authority of the signatories.</p>	CCO	Upon reception of signed legal documentation
9	Developments and testing: if the access of the Requester requires ID2S to adapt its systems, ID2S will proceed to the corresponding IT developments, which will be followed by internal & external testing, with the Requester and, as applicable, T2S, other participants, other CSDs and other FMIs connected to ID2S. ID2S may require NowCP and the Issuer to participate in integration testing with the IPA, custodian and the investor.	CTO	Ad hoc
10	Onboarding of the Requester: upon finalization of developments and testing, and provided the outcome of testing is positive, the Requester will start its operations with ID2S.	COO	Ad hoc
11	The access of the Requester is registered in ID2S' systems on a date specified in the	COO	Ad hoc

Step	Action	Responsible	Timing
	contract, if applicable. ID2S confirms to the Requester that the registration has taken place.		

5. Access Procedure for CSDs [Article 37, 69 & 89 of Regulation 2017/392; Article 52 of Regulation 909/2014]

5.1. Actors in scope of this section

Participants	Issuers	CSDs	CCPs and Trading Venues
		X	

5.2. Introduction

In case another CSD would like to act as Investor with ID2S, ID2S assesses risks triggered by a new Investor CSD for ID2S and its other existing Participants.

The objective is for ID2S to ensure that the governance arrangements and management processes within the other CSD do not affect the smooth provision of services ID2S, including the risk-management arrangements and the non-discriminatory access conditions.

5.3. Procedure

Step	Action	Responsible	Timing
1	The Requester sends the completed and signed provisional Account Opening Form and the access request form to ID2S (see annex 9.1).	Requester	Upon decision of the Requester
2	ID2S conducts a comprehensive risk assessment : covering legal risk, financial risk and operational risks.	CCO / CRO	Within 3 months of receipt of request
2.a	Legal risk: ID2S conducts a legal risk assessment on the Requester. For access to be granted, the Requester shall: <ul style="list-style-type: none"> • provide its CSDR license; • comply with data protection and confidentiality rules applicable at ID2S and ensure the confidentiality of the information provided; • accept and provide evidence that it is able to comply with the entire legal documentation of ID2S, including Règles de Fonctionnement; • If 3rd country, similar regimes should apply, supported by an external legal opinion. 	CCO / CRO	Within three months of receipt of request

Step	Action	Responsible	Timing
2.b	<p>Financial risk: ID2S conducts a financial risk assessment on the Requester. For access to be granted, the Requester shall:</p> <ul style="list-style-type: none"> • have sufficient financial resources to pay one year of fees to ID2S; • demonstrate that, based on the expected volume and value of instructions to be sent by the Requester in the securities settlement system operated by ID2S, the Requester has sufficient financial resources to fulfill resulting obligations within the system, towards ID2S and other participants to the system; 	CRO / CCO	Within three months of receipt of request
2.c	<p>Operational risk: ID2S conducts an operational risk assessment on the Requester. For access to be granted, the Requester shall:</p> <ul style="list-style-type: none"> • demonstrate its operational capacity to participate to the securities settlement system operated by ID2, a testing phase is scheduled as part of the on-boarding process; • disclose all critical service providers the requester relies on; • communicate its governance arrangements in particular related to risk management; • demonstrate expertise in risk management; • dispose over business continuity policies or disaster recovery plans which include measures sufficient to protect ID2S; • be able to interact with ID2S using communication means, formats and workflow sequences which do not significantly differ from existing communication means, formats and workflows sequence at ID2S, and thus does not require ID2S to undertake significant changes in its operations affecting risk-management procedures and endangering the smooth functioning of the securities settlement system it operates nor restrict the non-discriminatory access conditions to ID2S. 	CRO / COO / CCO	Within three months of receipt of request
3	ID2S conducts a comprehensive AML/KYC assessment on the Requester	CCO	Within 3 months of receipt of request
4	If the comprehensive risk assessment or the AML/KYC assessment are negative, ID2S will notify the Requester of the refusal of its request with full written reasons.	CDO	Within 3 months of receipt of request
5	<p>If the risk assessment and the AML/KYC assessment are positive, the CDO or the CCO confirm the approval of the request for access to :</p> <ul style="list-style-type: none"> - the senior management - the operations department - the Requester using the template in annex 9.2 	CDO / CCO	Within 3 months of receipt of request

Step	Action	Responsible	Timing
6	If the request is for a standard link, the requesting CSD signs the Account Opening Form. If the request is for a customised link, ID2S and the Requester prepare together on a dedicated contractual arrangement, which shall comply with Article 48 of Regulation 909/2014 and Article 84 of Regulation 2017/392, in addition to the Account Opening Form.	CDO / CCO / Requester	Ad hoc
7	Developments and testing: if the access of the Requester requires ID2S to adapt its systems, in particular in the case of a customised link, ID2S will proceed to the corresponding IT developments, which will be followed by internal & external testing with the Requester and, as applicable, T2S, other participants, other CSDs and other FMIs connected to ID2S.	CTO	Ad hoc
9	Establishment of all procedures and measures requested by Article 48 of Regulation 909/2014: this includes notably an agreement on aligned standards and procedures concerning operational issues and communication, establishment of an emergency plan, etc.	CCO / CDO/COO	
9	Creation of the link with the Requester: upon finalisation of developments and testing, and provided the outcome of testing is positive, the Requester will start its operations with ID2S.	COO	Ad hoc
10	The access of the Requester is registered in ID2S' systems on a date specified in the contract. ID2S confirms to the Requester that the registration has taken place.	COO	Ad hoc

6. Access Procedure for CCPs and Trading Venues

6.1. Actors in scope of this section

Participants	Issuers	CSDs	CCPs and Trading Venues
			X

6.2. Introduction

Trading venues or CCPs may wish to request an access to the securities settlement system operated by ID2S with a view to ensure or facilitate the settlement of their trading / clearing activity.

ID2S assesses whether the governance arrangements and management processes within the other trading venues or CCPs do not affect the smooth provision of services ID2S, including the risk-management arrangements and the non-discriminatory access conditions.

6.3. Procedure

Step	Action	Responsible	Timing
1	The Requester sends the completed access request form to ID2S (see annex 9.1).	Requester	Upon decision of the Requester
2	ID2S conducts a comprehensive risk assessment covering legal risk, financial risk and operational risks.	CRO supported by COO and CCO	Within 3 months of receipt of request
3.a	<p>Legal risk: ID2S conducts a legal risk assessment on the Requester. For access to be granted, the Requester shall:</p> <ul style="list-style-type: none"> provide evidence that it belongs to one of the categories enumerated in Article L.330-1 of the French monetary and financial Code; comply with data protection and confidentiality rules applicable at ID2S; provide evidence that it is able to comply with the entire legal documentation of ID2S, including Règles de Fonctionnement; if the Requester is established outside the EU, provide evidence, including through a legal opinion if deemed necessary by ID2S, that the rules of ID2S concerning settlement finality are enforceable in the jurisdiction of the Requester 	CRO supported by CCO	Within three months of receipt of request
3.b	<p>Financial risk: ID2S conducts a financial risk assessment on the Requester. For access to be granted, the Requester shall:</p> <ul style="list-style-type: none"> have sufficient financial resources to pay one year of fees to ID2S; demonstrate that, on the basis of the expected volume and value of instructions to be sent by the Requester in the securities settlement system operated by ID2S, the Requester has sufficient financial resources to fulfill resulting obligations within the system, towards ID2S and other participants to the system; 	CRO supported by the Secretary General	Within three months of receipt of request
3.c	<p>Operational risk: ID2S conducts an operational risk assessment on the Requester. For access to be granted, the Requester shall:</p> <ul style="list-style-type: none"> demonstrate its operational capacity to participate to the securities settlement system operated by ID2S disclose all critical service providers the requester relies on; communicate its governance arrangements in particular related to risk management; demonstrate expertise in risk management; dispose over business continuity policies or disaster recovery plans which include measures sufficient to protect ID2S; be able to interact with ID2S using communication means, formats and workflow sequences which do not significantly differ from existing communication means, formats and workflows sequence at ID2S; 	CRO supported by the COO	Within three months of receipt of request

Step	Action	Responsible	Timing
	and thus does not require ID2S to undertake significant changes in its operations affecting risk-management procedures and endangering the smooth functioning of the securities settlement system it operates nor restrict the non-discriminatory access conditions to ID2S.		
4	ID2S conducts a comprehensive AML/KYC assessment on the Requester, as described in Section 5 of this document.	CCO	Within 3 months of receipt of request
5	If the comprehensive risk assessment and/or the AML/KYC assessment are negative, ID2S will notify the Requester of the refusal of its request with full written reasons.	CDO	Within 3 months of receipt of request
6	If the comprehensive risk assessment and the AML/KYC assessment are positive, it will notify the approval of the request for access to : <ul style="list-style-type: none"> - the senior management - the operations department - the Requester using the template in annex 9.2 request for 	CDO	Within 3 months of receipt of request
7	ID2S legal documentation is sent to the Requester and contractual negotiations take place between the Requester and ID2S.	CDO / CCO	Ad hoc
8	ID2S receives the signed legal documentation from the Requester. Signatures are checked with any circulars and signature samples and demonstrate the corporate authority of the signatories.	CCO	Upon reception of signed legal documentation
9	Developments and testing: if the access of the Requester requires ID2S to adapt its systems, ID2S will proceed to the corresponding IT developments, which will be followed by internal & external testing, with the Requester and, as applicable, T2S, other participants, other CSDs and other FMIs connected to ID2S.	CTO	Ad hoc
10	Onboarding of the Requester: upon finalization of developments and testing, and provided the outcome of testing is positive, the Requester will start its operations with ID2S.	COO	Ad hoc
11	The access of the Requester is registered in ID2S' systems on a date specified in the contract. ID2S confirms to the Requester that the registration has taken place.	COO	Ad hoc

7. Procedure For AML/KYC Assessments

7.1. Actors in scope of this section

Participants	Issuers	CSDs	CCPs and Trading Venues
X	X	X	X

7.2. AML/KYC assessments

As a CSD under French law, ID2S must comply with applicable Know Your Member (KYC) and Anti-Money Laundering (AML) laws and regulations, in accordance with the AMF's General Regulation requirements.

As described in the Access procedures above, the AML/KYC assessment is an essential part of the initial risk assessment performed on all Participants, Issuers, CSDs and FMIs requesting access to ID2S. The AML/KYC assessment ensures that ID2S has detailed and up-to-date knowledge about its members' identity and is aware of any risk related to money laundering or terrorism financing.

AML/KYC assessments are conducted under the responsibility of the Chief Compliance Officer ("CCO") (which is also responsible of the anti-money laundering function), on multiple occasions:

- When a business relationship is being established or changed significantly;
- When there is a suspicion of money laundering or terrorist financing, regardless of any derogation, exemption or threshold;
- When there are doubts about the veridicity or adequacy of previously obtained member identification data;
- When a member's circumstances change significantly;
- At least once a year for very high risk members, based on the member's risk profile, once every two years for medium and high risk members and once every three years for the low risk members.

The AML/KYC assessment process is described below:

Step	Actions	Responsible	Timing
1	Obtain identification and verification of the member, including name, address, company number, list of authorized signatories, board members and management (via a copy of the articles of incorporation, an extract of the relevant company register, the members license and a list of authorized signatories). This identification information is obtained from an independent source, e.g. an official register or public authority.	CCO	During the access assessment of the member
2	Identify the beneficial owner of the member (any natural person who ultimately owns or controls the legal entity by ownership of a sufficient percentage of the shares, e.g. more than 25% of the shares of the member is an indication of direct ownership), by name, address and personal identification number or birthday/birth place. For each legal entity, the member's ownership and control structure is clarified and documented, e.g. by corporate form, articles of association, list of authorized signatories, annual report and organization chart	CCO	See above

Step	Actions	Responsible	Timing
3	Obtain/verify information on the purpose and intended nature of the business relationship and its transactions and services	CCO	See above
4	In case a person is acting on behalf of the member: <ul style="list-style-type: none"> • Ensure that the person in question is duly authorized; • Identify and control the identity of the person in question 	CCO	See above
5	Check whether the member is listed as an individual or corporation with whom it is not permitted to enter into a business relationship according to French or EU law (e.g. EU's " <i>List of persons, groups and entities involved in terrorist acts and subject to restrictive measures</i> ", " <i>List of persons, groups and entities subject to freezing of financial assets and enhanced measures in police and judicial cooperation</i> ", " <i>List of persons, groups and entities subject to enhanced measures in police and judicial cooperation</i> ")	CCO	See above
6	Obtain signature of the relevant Account Opening Form	CCO	See above
7	All this information and documents are stored in a secure environment at ID2S	CCO	Upon end of assessment

Outcome of the AML / KYC assessment

The KYC / AML assessment is performed following the ID2S Risk- Based Approach, which takes into account geographical, product-related, delivery channel risk and risks related to the customer type, in addition to the quality of information provided.

Following this assessment, the Requester's AML risk is classified as low, medium, high or very high. For Requesters with low risk classification, ID2S may apply a simplified Due Diligence. For Requesters with medium and high risks, ID2S may apply a standard Due Diligence. For Requesters with very high risk, ID2S may apply an enhanced Due Diligence. The CCO of ID2S submits his findings to the Board of directors who take a decision on whether the request should be accepted or rejected, on a case by case basis, following the extended AML / KYC assessment.

Classification into a higher AML risk category applies automatically in the following cases:

- Should a member be established in a high-risk country as defined by the Basel AML Index;
- Should the standard AML/KYC assessment process show that a member or any of its significant stakeholders is a Politically Exposed Persons (PEP);
- Should any existing members become a PEP.

Extended AML/KYC assessment

If deemed appropriate by the CCO or requested by the Board of Directors (or Risk Committee), an extended AML/KYC assessment is conducted. As part of this extended procedure, ID2S must obtain all the information required by the standard AML/KYC assessment procedure, as well as:

- Investigate the legitimacy of the member's funds;
- Have all information obtained from the member, confirmed by a second source at least;
- Carry out any other control which seems appropriate in view of the member's particular circumstances;
- Have the explicit approval of the member's CCO before the relationship is established.

8. Procedure for Access Refusal

8.1. Actors in scope of this section

Participants	Issuers	CSDs	CCPs and Trading Venues
X	X	X	X

8.2. Criteria for refusal

This section describes the ground for and process to be followed in case of refusal of the request.

ID2S only denies access to Requesters where such access would threaten the stability and the orderliness of the financial markets based on a comprehensive risk assessment (see section 4 of this Procedure for more details on the risk assessment to be performed).

Any breach in the criteria defined above will imply a refusal of the request for participation.

8.2.1. Criteria for refusal of requesting Issuers

ID2S will only deny access to a requesting Issuer on the basis of a comprehensive risk assessment as described above, taking into consideration the following criteria for refusal:

- the requesting Issuer is not able to comply with the legal requirements for the provision of services by ID2S;
- the requesting Issuer is not able to guarantee that the securities have been issued in a manner that enables ID2S to ensure the integrity of the issue in accordance with Article 37 of Regulation (EU) No 909/2014;
- the requesting Issuer does not hold sufficient financial resources to fulfil its contractual obligations towards ID2S;
- the granting of access implies for ID2S to undertake significant changes of its operations affecting its risk management procedures and endangering the smooth functioning of the securities settlement system it operates, including the implementation of ongoing manual processing by ID2S;
- the securities settlement system operated by ID2S cannot process the currencies requested by the requesting Issuer.

8.2.2. Criteria for refusal of requesting CSDs

ID2S will deny access to a requesting CSD only where such access would threaten the smooth and orderly functioning of the financial markets or for risk considerations (art. 51 of CSDR). Such a refusal shall be based on a comprehensive risk assessment as described above, taking into consideration the following criteria for refusal:

- the requesting CSD is not able to comply with the legal requirements for participation in the securities settlement system operated by ID2S, or does not provide ID2S with the information necessary to assess the compliance, including any required legal opinions or legal arrangements;
- the requesting CSD is not able to ensure, in accordance with the French rules applicable to ID2S, the confidentiality of the information provided through the securities settlement system, or does not provide ID2S with the information necessary to assess its ability to comply with those rules on confidentiality, including any required legal opinions or legal arrangements;
- the requesting CSD does not hold sufficient financial resources to fulfil its contractual obligations.

8.2.3. Criteria for refusal of requesting FMIs

ID2S will deny access to requesting FMI only where such access would affect the smooth and orderly functioning of the financial markets or cause systemic risk. ID2S will not deny a request on the grounds of loss of market share.

The decision of refusal will be taken on the basis of a risk assessment as described above, taking into consideration the following criteria for refusal:

- the requesting FMI is not able to comply with the legal requirements for access in the securities settlement system operated by ID2S, or does not provide ID2S with the information necessary to assess the compliance, including any required legal opinions or legal arrangements;
- the requesting FMI is not able to ensure, in accordance with the French rules applicable to ID2S, the confidentiality of the information provided through the securities settlement system, or does not provide ID2S with the information necessary to assess its ability to comply with those rules on confidentiality, including any required legal opinions or legal arrangements;
- the requesting FMI does not have the operational capacity to participate in ID2S;
- the requesting FMI does not comply with the risk-management rules of ID2S, or it lacks the necessary expertise in that regard;
- the requesting FMI has not put in place business continuity policies or disaster recovery plans;
- the granting of access to the FMI requires ID2S to undertake significant changes of its operations affecting its risk management procedures and endangering the smooth functioning of the securities settlement system it operates, including the implementation of ongoing manual processing by ID2S.

8.3. Procedure for refusal

In case of refusal, the process described in the table below applies.

Step	Action	Responsible	Timing
1	The CDO notifies the requester of ID2S' decision to refuse its request with full written reasons using the template in annex 9.3.	CDO	Within three (3) months of deposit of the request for access.
2	The Requester has the right to complain to the AMF within one month after receipt of ID2S' written justification of refusal. Requesters may use the template in annex 9.	Requester	Within one month of ID2S' refusal
3	In case of such complaint, the AMF will examine the situation by reassessing the reasons for refusal and provide the Requester with a reasoned reply: <ul style="list-style-type: none"> • The AMF may request additional information from the requesting and receiving parties, in which case ID2S provides the information within 2 weeks. • The AMF has two (2) months to produce a final assessment of the situation and must consult the competent authority of the place of establishment of the requestor about that assessment. • The competent authority of the requesting party has one (1) month to reply to the request for consultation, otherwise it is considered to agree with the AMF's assessment. 	AMF and Competent Authority of the Requester	Within 14 weeks of the complaint

Step	Action	Responsible	Timing
	<ul style="list-style-type: none"> In case of disagreement between the AMF and the other competent authority, any of the two authorities may refer the issue to ESMA within two (2) weeks. If the issue is not referred to ESMA, the AMF communicates its final assessment of the case to the Requester in a reasoned reply. It must also notify ID2S as well as the competent authority of the Requester. If the issue is referred to ESMA, the AMF notifies ID2S as well as the Requester of that fact within two (2) business days of the referral. 		
4	Where the refusal by ID2S is deemed unjustified by the AMF in its reply, the AMF can issue an order requiring ID2S to grant access to the Requester within three (3) months (or eight (8) months if such access involves a customized link or significant IT development).	AMF	Within 2 weeks of the end of step 3

9. APPENDIX: Acceptance Forms

9.1. Request for access form

Request for access to ID2S	
I. General information	
Sender: Requester	
Addressee: receiving party	
Date of request for access:	
Reference number given by the Requester:	
II. Identification of Requester	
Corporate name of Requester:	XXXXX
Country of origin:	XXXXX
Legal address:	XXXXX
LEI:	XXXXX
Name and contact details of the person responsible for the request (name, function, phone number, email address)	Name: Function: Phone: Email:
III. Services that form the object of the request	
Types of services:	
Description of services:	
IV. Identification of authorities	
Name and contact details of the competent authority of the Requester:	
Name and contact details of the relevant authority referred to in point (a) of Article 12(1) of Regulation (EU) No 909/2014:	
V. Any other relevant information and/or documents	

9.2. Access acceptance form

Granting of access to ID2S	
I. General information	
Sender: receiving party	ID2S
Addressee: requesting party	
Date of request for access:	
Reference number given by the Requester:	
Date of receipt of the request for access:	
Reference number given by the receiving party:	
II. Identification of the receiving CSD	
Corporate name of receiving party:	ID2S
Country of origin:	France
Legal address:	95 rue Saint-Lazare 75009 Paris
LEI:	9695005903WM8LGWIQ64
Name and contact details of the person responsible for the assessment of the request (name, function, phone number, email address)	Name: Mark Bosquet Function: Chief Compliance Officer Phone: +33 6 33 36 14 40 Email: mark.bosquet@id2s.eu
III. Identification of Requester	
Corporate name of Requester:	XXXXXX
Country of origin:	XXXXXX
Legal address:	XXXXXX
LEI:	XXXXXX
Name and contact details of the person responsible for the request (name, function, phone number, email address):	Name: Function: Phone: Email:

Granting of access to ID2S	
Access granted:	YES
IV. Identification of authorities	
Types of services:	
Description of services:	
IV. Identification of authorities	
Name and contact details of the competent authority of the receiving party (main liaison, name, function, phone number, email address)	Name: Function: Phone: Email:
Name and contact details of the relevant authority referred to in point (a) of Article 12(1) of Regulation (EU) No 909/2014 (main liaison, name, function, phone number, email address)	Name: Function: Phone: Email:
V. Any other relevant information and/or documents	

9.3. Access refusal form

Refusal of access to ID2S	
I. General information	
Sender:	ID2S
Addressee:	
Date of the request:	
Reference number given by the Requester:	
Date of the receipt of the request for access:	
Reference number given by ID2S:	
II. Identification of the receiving CSD	
Corporate name of the receiving CSD:	ID2S
Country of origin:	France

Refusal of access to ID2S	
Legal address:	95 rue Saint-Lazare
LEI:	9695005903WM8LGWIQ64
Name and contact details of the person responsible for the assessment of the request for access	Name: Mark Bosquet Function: Chief Compliance Officer Phone: +33 6 33 36 14 40 Email: mark.bosquet@id2s.eu
III. Identification of the Requester	
Corporate name of the Requester:	
Country of origin:	
Legal address:	
LEI:	
Name and contact details of the person responsible for the request for access	Name: Function: Phone: Email:
IV. Risk analysis of the request for access	
Legal risks resulting from the provision of services:	Low / Medium / High / Very High
Financial risks resulting from the provision of services:	Low / Medium / High / Very High
Operational risks resulting from the provision of services:	Low / Medium / High / Very High
V. Outcome of the analysis	
Access would affect the risk profile of ID2S:	YES / NO
Access would affect the smooth and orderly functioning of the financial markets:	YES / NO
Access would cause systemic risk:	YES / NO
Reasons for refusal:	
Deadline for complaint by the Requester to the AMF:	
Access granted:	NO
VI. Identification of authorities	

Refusal of access to ID2S	
Name and contact details of the competent authorities of ID2S:	Name: Function: Phone: Email:
Name and contact details of the competent authorities referred to in point (a) of Article 12(1) of Regulation (EU) No 909/2014	Name: Function: Phone: Email:
VII. Any other relevant information and/or documents	

9.4. Complaint form in response to the refusal of access

Template for the complaint for refusal of access	
I. General information	
Sender: Requester	
Addressee: competent authority of receiving CSD	AMF
Date of request for access:	
Reference number given by the Requester:	
Date of receipt of request for access:	
Reference number given by the receiving CSD:	
II. Identification of Requester	
Corporate name of Requester:	XXXXXX
Country of origin:	XXXXXX
Legal address:	XXXXXX
LEI:	XXXXXX
Name and contact details of the person responsible for the request for access (name, function, phone number, email address)	Name: Function: Phone: Email:
III. Identification of the receiving CSD	

Template for the complaint for refusal of access	
Corporate name of the receiving CSD:	
Country of origin:	
Legal address:	
Name and contact details of the person responsible for the assessment of the request for access	Name: Function: Phone: Email:
IV. Comments of the Requester in relation to the risk assessment of the request for access conducted by the receiving CSD and the reasons for refusal of access	
Comments of the Requester on the legal risks resulting from the provision of services	
Comments of the Requester on the financial risks resulting from the provision of services	
Comments of the Requester on the operational risks resulting from the provision of services	
When the Requester is a CSD: Comments of the Requester concerning the refusal to provide the services referred to in point (1) of Section A of the Annex to Regulation (EU) No 909/2014 applicable to the specific issue of securities.	
Comments of the Requester on the reasons of the receiving party for refusal of access	
Any relevant additional information	
V. Annexes	
Copy of the initial application for access submitted by the Requester to the receiving CSD	
Copy of the response of the receiving CSD to the initial request for access	
VI. Any other relevant information and/or documents	

10. APPENDIX 2: DESCRIPTION OF LINK ARRANGEMENTS

Investor CSD name	Issuer CSD name	Country (EU-EAA or Third-country)	Link type CSDR (Standard or Indirect)	Year	System (T2S or non-T2S)	Payment type (DvP or FoP)	ECB approved (Yes or No)	Settlement volumes (monthly)	Settlement values (monthly)
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A