



Banc Ceannais na hÉireann
Central Bank of Ireland

Eurosystem

Documentation on Monetary Policy Instruments and
Procedures

Collateral Management Supplement

16 June 2025

DOCUMENTATION ON MONETARY POLICY INSTRUMENTS AND PROCEDURES

SUPPLEMENT

on terms and conditions for the management of collateral in Eurosystem credit operations issued by the Central Bank of Ireland (the “Bank”) and taking effect on 16 June 2025
(the “Collateral Management Supplement”)

Article 1

Subject matter and scope

1. The terms and conditions in this Supplement are those that were adopted by the Governing Council of the European Central Bank (ECB) and set out in Guideline (EU) 2024/3129 of the European Central Bank (ECB/2024/22)¹ as amended by Guideline ECB/2024/36. These terms and conditions govern the relationship between the Bank and its counterparties in respect of the mobilisation and management of collateral eligible under Guideline (EU) 2015/510 of the European Central Bank (ECB/2014/60)² and/or Guideline ECB/2014/31 of the European Central Bank³ on a domestic or a cross-border basis for the purpose of collateralising Eurosystem credit operations. This Supplement is supplemental to, and should be read in conjunction with, the Bank’s Documentation on Monetary Policy Instruments and Procedures issued on 16 June 2025, as may be amended, varied or further supplemented from time to time (the “MPIPs”). In the event of any discrepancy between this Supplement and the MPIPs this Supplement shall prevail in relation to matters that fall within its scope of application. All of the provisions of the MPIPs shall continue to apply unaltered unless otherwise provided for by this Supplement. Terms defined in the MPIPs, unless the context otherwise requires, shall have the same meaning when used in this Supplement.
2. The Bank uses the Eurosystem Collateral Management System (ECMS) as a single Eurosystem platform for mobilising and managing the collateral referred to in paragraph 1.
3. Notwithstanding paragraphs 1 and 2:
 - (a) the Bank manages the domestic mobilisation of ACCs outside the ECMS;
 - (b) the Bank manages the mobilisation of RMBDs outside the ECMS.

¹ Guideline (EU) 2024/3129 of the European Central Bank of 13 August 2024 on the management of collateral in Eurosystem credit operations (ECB/2024/22).

² Guideline (EU) 2015/510 of the European Central Bank of 19 December 2014 on the implementation of the Eurosystem monetary policy framework (General Documentation Guideline) (ECB/2014/60) (OJ L 91, 2.4.2015, p. 3).

³ Guideline ECB/2014/31 of the European Central Bank of 9 July 2014 on additional temporary measures relating to Eurosystem refinancing operations and eligibility of collateral and amending Guideline ECB/2007/9 (OJ L 240, 13.8.2014, p. 28).

4. In any case where assets are mobilised outside the ECMS, the Bank records information on the collateral value of these assets in the ECMS.

Article 2

Definitions

For the purposes of this Supplement the following definitions apply:

- (1) ‘additional credit claim’ or ‘ACC’ means an additional credit claim eligible under Article 4 of Guideline ECB/2014/31 excluding an RMBD;
- (2) ‘asset account’ means: (a) in relation to the mobilisation of marketable assets and DECCs: (i) an account opened by an NCB in its own books; (ii) an account opened in the books of a SSS or of another NCB acting as a CCB; (b) in relation to the mobilisation of non-marketable assets (other than DECCs): (i) an account opened by an NCB in its own books; (ii) an account opened in the books of another NCB acting as a CCB. Such accounts opened with an institution other than the HCB are referred to as ‘external asset accounts’; such accounts opened in the books of the HCB are referred to as ‘internal asset accounts’;
- (3) ‘assisting central bank’ or ‘ACB’ means an NCB that provides assistance and advice to an HCB on the cross-border mobilisation of credit claims;
- (4) ‘auto-collateralisation’ means auto-collateralisation as defined in Article 2, point (7), of Guideline (EU) 2022/912 of the European Central Bank (ECB/2022/8)⁴;
- (5) ‘business day’ means business day as defined in Article 2, point (13), of Guideline (EU) 2022/912 (ECB/2022/8);
- (6) ‘cash account’ means: (a) a MCA; (b) a non-euro cash account;
- (7) ‘central securities depository’ or ‘CSD’ means a central securities depository as defined in Article 2(1), point (1) of Regulation (EU) No 909/2014 of the European Parliament and of the Council⁵;
- (8) ‘collateral’ means all marketable and non-marketable assets and cash eligible under Guideline (EU) 2015/510 (ECB/2014/60) and/or Guideline ECB/2014/31 to collateralise Eurosystem credit operations;
- (9) ‘collateral management data’ means eligible assets data, pricing information, and close links data;
- (10) ‘collateral realisation’ means the process by which an NCB enforces its rights over assets mobilised as collateral in satisfaction of outstanding credit which has become due;

⁴ Guideline (EU) 2022/912 of the European Central Bank of 24 February 2022 on a new-generation Trans-European Automated Real-time Gross Settlement Express Transfer system (TARGET) and repealing Guideline ECB/2012/27 (ECB/2022/8) (OJ L 163, 17.6.2022, p.84).

⁵ Regulation (EU) No 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012 (OJ L 257, 28.8.2014, p. 1).

- (11) 'collateral reallocation' means the process by which assets are reallocated from the account designated at the time of mobilisation to another account;
- (12) 'collateral value' means the amount of credit which may be granted against collateral provided by a counterparty after haircuts and other factors, as determined by the Eurosystem from time to time, whether related to the asset and/or the counterparty, have been deducted;
- (13) 'collateral pool' means the sum of the collateral values derived from assets and cash mobilised by a counterparty and held in it;
- (14) 'collateral position' means a record of the collateral value of the assets and cash mobilised as collateral;
- (15) 'counterparty' means: an institution fulfilling the eligibility criteria laid down in Part Three of Guideline (EU) 2015/510 (ECB/2014/60) entitling it to access the Eurosystem's monetary policy operations and, in respect of access to intraday credit, a participant fulfilling the eligibility criteria laid down in Article 10 of Part II of Annex I to Guideline (EU) 2022/912 (ECB/2022/8);
- (16) 'correspondent central bank' or 'CCB' means an NCB acting on behalf of the HCB in a CCBM arrangement;
- (17) 'correspondent central banking model' or 'CCBM' means an arrangement established by the Eurosystem with the aim of enabling counterparties to mobilise eligible assets on a cross-border basis, in which NCBs act as custodians for, and as agents of, one another, and pursuant to which: (a) the HCB provides credit or liquidity to the counterparty based on eligible assets held by or to the order of the counterparty in an account designated by the CCB; (b) the CCB acts on behalf of the HCB in respect of such eligible assets and provides assistance and advice; and (c) in specified cases in relation to credit claims, the ACB provides assistance and advice;
- (18) 'credit claim' means a credit claim eligible under Article 2(13) of Guideline (EU) 2015/510 (ECB/2014/60);
- (19) 'credit line' means the collateral value available to collateralise intraday credit in TARGET;
- (20) 'credit position' means the amount of credit extended to a counterparty by the HCB, including any collateral value in the collateral pool that is reserved for a specific purpose;
- (21) 'cross-border mobilisation' means the mobilisation of: (a) marketable assets: (i) held in a Member State different to that of the HCB; (ii) issued in a Member State different to that of the HCB and held in the Member State of the HCB; (b) DECCs issued and held in a Member State different to that of the HCB; (c) credit claims governed by a law other than the law of the jurisdiction where the HCB is established; (d) ACCs governed by a law other than the law of the jurisdiction where the NCB receiving the collateral is established;
- (22) 'direct access mobilisation' means the mobilisation of marketable assets and DECCs where the NCB receives such assets into a securities account held by that NCB with a CSD located in a jurisdiction other than that in which the NCB is established;

- (23) 'direct link' means an arrangement between two SSSs operated by CSDs, where one CSD becomes a direct participant in the SSS operated by the other CSD by opening a securities account, to allow the transfer of securities through a book-entry process;
- (24) 'domestic mobilisation' means: (a) in respect of marketable assets and DECCs, the mobilisation of an asset issued and held in a CSD located in the same jurisdiction where the HCB is established; (b) in respect of credit claims and ACCs, the mobilisation of credit claims and ACCs governed by the law of the jurisdiction where the HCB is established; and (c) in respect of RMBDs, RMBDs issued by a counterparty established in the Member State of the HCB;
- (25) 'eligible assets' means marketable and non-marketable assets eligible under Guideline (EU) 2015/510 (ECB/2014/60) and Guideline ECB/2014/31;
- (26) 'eligible link' means a direct or relayed link that the Eurosystem has deemed compliant with the eligibility criteria laid down in Annex I and is included in the Eurosystem's list of eligible links published on the ECB's website. An eligible relayed link is composed of underlying eligible direct links;
- (27) 'eligible securities settlement system' or 'eligible SSS' means an SSS operated by a CSD that the Eurosystem has deemed compliant with the eligibility criteria laid down in Annex I and is included in the Eurosystem's list of eligible SSSs published on the ECB's website;
- (28) 'eligible triparty agent' or 'eligible TPA' means a TPA that is operated by a CSD that the Eurosystem has deemed compliant with the eligibility criteria laid down in Annex II and is included in the Eurosystem's list of eligible TPAs published on the ECB's website;
- (29) 'euro area' means pertaining to or established in a Member State whose currency is the euro;
- (30) 'Eurosystem' means the ECB and the NCBs;
- (31) 'Eurosystem credit operations' means Eurosystem credit operations as defined in Article 2, point (31), of Guideline (EU) 2015/510 (ECB/2014/60);
- (32) 'home central bank' or 'HCB' means the NCB of the Member State in which a counterparty is established and which grants credit to that counterparty in Eurosystem credit operations;
- (33) 'intermediary securities settlement system' or 'intermediary SSS' means an SSS which acts as an intermediary between an issuer SSS and an investor SSS;
- (34) 'intraday credit' means intraday credit as defined in Article 2, point (35), of Guideline (EU) 2022/912 (ECB/2022/8);
- (35) 'investor securities settlement system' or 'investor SSS' means an SSS with an eligible link to an issuer SSS in order to facilitate the transfer of securities from participants in the issuer SSS to participants in the investor SSS;
- (36) 'issuer securities settlement system' or 'issuer SSS' means an SSS operated by the CSD in which securities have been issued;
- (37) 'links mobilisation channel' means the mobilisation of marketable assets using an eligible link;
- (38) 'main cash account' or 'MCA' means a main cash account held for the purposes of and in accordance with the provisions of Guideline (EU) 2022/912 (ECB/2022/8);

- (39) ‘marketable assets’ means any of the following: (a) marketable assets as defined in Article 2, point (59), of Guideline (EU) 2015/510 (ECB/2014/60); (b) marketable assets eligible as collateral under Articles 3, 5 and/or 7 of Guideline ECB/2014/31;
- (40) ‘mobilisation channels’ means the series of procedures and arrangements established to allow the mobilisation of eligible assets by counterparties, and comprises the domestic mobilisation channel, the links mobilisation channel, the CCBM channel and the direct access mobilisation channel;
- (41) ‘national central bank’ or ‘NCB’ means a national central bank of a Member State whose currency is the euro;
- (42) ‘non-marketable asset’ means: (a) a non-marketable asset as defined in Article 2, (point 70), of Guideline (EU) 2015/510 (ECB/2014/60); (b) an additional credit claim eligible under Article 4 of Guideline ECB/2014/31;
- (43) ‘non-marketable debt instrument backed by eligible credit claims’ or ‘DECC’ means a non-marketable debt instrument backed by eligible credit claims as defined in Article 2, point (70a), of Guideline (EU) 2015/510 (ECB/2014/60);
- (44) ‘pooling’ means the operational method used by NCBs to maintain collateral mobilised by counterparties, whereby the counterparty makes collateral available to an NCB to collateralise credit from that NCB, and in which individual eligible assets are not linked to any specific Eurosystem credit operation, with the exception of RMBDs which are linked to a specific credit operation;
- (45) ‘primary MCA’ means the MCA, owned by the counterparty or a third party, and designated by the counterparty for the settlement of payments related to the management of collateral;
- (46) ‘relayed link’ means a link established between SSSs operated by two different CSDs that execute securities transactions or transfers through a third SSS operated by a CSD acting as an intermediary or, in the case of SSSs operated by CSDs participating in TARGET2-Securities, through several SSSs operated by CSDs acting as intermediaries;
- (47) ‘retail mortgage-backed debt instrument’ or ‘RMBD’ means an asset eligible for use as collateral in accordance with Article 107 of Guideline (EU) 2015/510 (ECB/2014/60) and Article 4 of Guideline ECB/2014/31;
- (48) ‘retain booking mode’ means the retention of marketable assets and/or DECCs that are mobilised as collateral on a securities account of the counterparty;
- (49) ‘securities settlement system’ or ‘SSS’ means a securities settlement system as defined in Article 2(1), point (10), of Regulation (EU) No 909/2014;
- (50) ‘TARGET’ means the new-generation Trans-European Automated Real-time Gross Settlement Express Transfer system, regulated under Guideline (EU) 2022/912 (ECB/2022/8);
- (51) ‘transfer booking mode’ means the delivery of marketable assets or DECCs that are mobilised as collateral from a securities account of the counterparty to a securities account of the NCB;

(52) ‘T2S services’ means T2S services as defined in Article 2, point (20), of Guideline ECB/2012/13 of the European Central Bank⁶.

Article 3

Account and pool structure

1. To facilitate the mobilisation and management of collateral, the Bank:
 - (a) maintains asset accounts and cash accounts;
 - (b) requires counterparties to maintain relevant asset accounts and cash accounts.
2. The Bank allows counterparties to authorise a third party to manage the counterparty’s designated asset accounts and/or cash accounts, in which case the following applies:
 - (a) where a counterparty authorises a third party to manage its designated asset account, the counterparty’s asset account shall be managed by a third party sending instructions to, and receiving notices from, the Bank on behalf of the counterparty;
 - (b) where a counterparty authorises a third party to manage its designated cash account, the primary MCA designated by the counterparty shall be co-managed (in accordance with Article 2.1 a) and b) of Annex I, Part II of Guideline (EU) 2022/912 (ECB/2022/8)) by, or belong to, another TARGET participant.
3. For the purposes of receiving marketable assets and DECCs as collateral from counterparties the Bank holds external asset accounts in the eligible SSS Euroclear Bank SA/NV.
4. The Bank opens internal asset accounts for each counterparty in order to receive collateral from counterparties and/or to record information on the collateral mobilised by the counterparty. Separate internal asset accounts are opened for:
 - (a) marketable assets and DECCs;
 - (b) non-marketable assets other than DECCs.
5. The Bank uses pooling to maintain collateral mobilised by its counterparties.
6. Each internal asset account and each collateral pool is identified by means of a unique and harmonised naming convention defined by the Eurosystem and set out in the document entitled ‘Collateral management in Eurosystem credit operations - information for Eurosystem counterparties’, which is published on the ECB’s website.
7. Part of the collateral value of mobilised collateral may be reserved within a counterparty’s collateral pool for purposes related to the collateralisation of Eurosystem credit operations. The Bank maintains as many collateral pools per counterparty as required for these purposes.
8. The Bank may open several internal asset accounts per counterparty. One internal asset account shall be linked to only one collateral pool. One collateral pool may be linked to several internal asset accounts.

⁶ Guideline ECB/2012/13 of the European Central Bank of 18 July 2012 on TARGET2-Securities (OJ L 215, 11.8.2012, p.19).

9. For the purposes of the provision of intraday credit to a counterparty, only the collateral pool maintained for collateralising Eurosystem credit operations shall be linked to the primary MCA in TARGET designated by the counterparty.
10. To support the execution of collateral management operations, the Bank shall debit the counterparty's primary MCA in TARGET in order to facilitate the payment of outstanding obligations to the Eurosystem with respect to, among others, the following activities:
 - (a) the repayment of maturing credit operations;
 - (b) the processing of corporate events;
 - (c) the mobilisation of cash as collateral;
 - (d) the collection of fees.

Article 4

Collateral mobilisation

1. Marketable assets and DECCs mobilised as collateral by a counterparty shall be delivered to an account held with an eligible SSS.
2. If the CSD where the asset is issued and the CSD where the asset is held are not identical, collateral shall only be mobilised if the SSSs operated by these two CSDs are connected by an eligible link.
3. If requested by the Bank, an NCB (as CCB) maintains a segregated or omnibus securities account in an eligible SSS established in the jurisdiction where the CCB is established and holds the collateral on behalf of the Bank.
4. For the purposes of mobilising credit claims as collateral, the Bank requires counterparties to mobilise these assets to an asset account designated by the Bank. For the purposes of mobilising ACCs as collateral, as the Bank manages the mobilisation of ACCs outside the ECMS, an asset account is not required for mobilisation purposes.
5. Where cash is mobilised as collateral, it shall be mobilised at the instruction of the Bank or the counterparty by debiting the counterparty designated primary MCA and crediting the Bank's account.
6. Credit claims shall only be mobilised as collateral via the CCBM for the purposes of collateralising Eurosystem credit operations. ACCs, RMBDs and fixed term deposits (FTDs) shall not be mobilised as collateral via the CCBM.
7. The legal effects of book entries (in either transfer booking mode or retain booking mode) on asset accounts shall be governed to the extent applicable by the Bank's MPIPs (including, for the avoidance of doubt, its Supplements) and collateral mobilisation agreements. The use of accounts in mobilising assets shall be in accordance with the requirements under Irish law relevant to the creation or release of security interests over such assets.

Article 5

Mobilisation and demobilisation of marketable assets and DECCs

1. Where a counterparty seeks to mobilise or demobilise marketable assets or DECCs as collateral, the Bank, prior to accepting a request for such mobilisation or demobilisation, performs validation checks – as defined by the Eurosystem and set out in the document entitled ‘Collateral management in Eurosystem credit operations - information for Eurosystem counterparties’, which is published on the ECB’s website – in accordance with that document, on the mobilisation or demobilisation instructions submitted by the relevant counterparty.
2. Marketable assets and DECCs shall be mobilised on a free of payment (FOP) basis, with the exception of auto-collateralisation transactions, as referred to in Article 8, in respect of which settlement is performed on a delivery versus payment (DVP) basis.
3. Prior to accepting a demobilisation instruction, the Bank reduces the value of the relevant collateral pool and, if relevant, the credit line by an amount equal to the collateral value of the marketable assets or DECCs for which demobilisation is requested. If this reduction in the value of the collateral pool would result in the total value of the collateral pool becoming lower than the total credit position, the Bank shall put the demobilisation request on hold and shall not carry out the adjustment to the collateral pool and, if relevant, the credit line. The Bank rejects demobilisation instructions which remain on hold at the end of the day.
4. Final adjustments to asset positions and to the collateral pool shall become effective upon receipt of a settlement confirmation from T2S.
5. If requested by the Bank, an NCB shall act as CCB on behalf of the Bank in relation to the mobilisation of marketable assets and DECCs via the CCBM. In the case of mobilisation and demobilisation of marketable assets and DECCs via the CCBM, the Bank shall be responsible for checking the validity of the mobilisation or demobilisation request submitted by the counterparty, and the CCB shall be responsible for issues relating to the settlement of the instruction which require interaction with the CSD. The CCB shall ensure that the HCB receives all information exchanged between the CCB and T2S.
6. Notwithstanding paragraphs 1 to 5, the Bank may block the mobilisation and demobilisation of marketable assets and DECCs on material grounds, including but not limited to, an event of default or on the grounds of prudence.
7. Furthermore, the Bank, or the CCB in the case of the CCBM, may reject a request to mobilise marketable assets and DECCs in respect of which a counterparty has not submitted the required taxation documentation or other documentation required by the Bank, or the CCB, as appropriate.

Article 6

Mobilisation and demobilisation of non-marketable assets other than DECCs

1. Where a counterparty seeks to register, mobilise or demobilise credit claims as collateral, the Bank, prior to accepting a request for such registration, mobilisation or demobilisation,

- performs validation checks – as defined by the Eurosystem and set out in the document entitled ‘Collateral management in Eurosystem credit operations - information for Eurosystem counterparties’, which is published on the ECB’s website – in accordance with that document, on the registration, mobilisation or demobilisation instructions submitted by the relevant counterparty.
2. Prior to mobilising a credit claim as collateral, the counterparty seeking to do so must register that credit claim with the Bank, or – in the case of mobilisation via the CCBM – with the CCB. In either case, the HCB shall require the counterparty to provide, at a minimum, as part of the registration process, a set of core data elements as defined by the Eurosystem and set out in the document entitled ‘Collateral management in Eurosystem credit operations - information for Eurosystem counterparties’, which is published on the ECB’s website.
 3. Without prejudice to the counterparties’ obligation under Article 101(1), point (a) (iv) of Guideline (EU) 2015/510 (ECB/2014/60), the Bank requires counterparties to send updates to the core data elements on mobilised credit claims provided in accordance with paragraph 2 within the course of the next business day whenever there is a change in those core data elements.
 4. Where the credit claim is not governed by Irish law, the Bank may use the CCBM for the mobilisation of the credit claim. For these purposes, the NCB acting as CCB in accordance with paragraph 5 prepares a set of terms and conditions, in the form set out in Annex III, to be agreed with the counterparty of the Bank to facilitate the mobilisation of credit claims governed by the law of the jurisdiction where the CCB is established.
 5. If requested by the Bank, an NCB acts as CCB on behalf of the Bank in relation to the mobilisation of credit claims, subject to all of the following conditions:
 - (a) the credit claim fulfils the definition of credit claim set out in Article 2, point (13), of Guideline (EU) 2015/510 (ECB/2014/60) and satisfies all relevant eligibility criteria set out in that Guideline;
 - (b) the credit claim may lawfully be mobilised between the counterparty and the Bank (represented when applicable by the CCB) using collateralisation arrangements governed by the law of the jurisdiction where the CCB is established;
 - (c) the credit claim is mobilised for the purposes of collateralising Eurosystem credit operations.
 6. The CCB takes all measures and actions necessary under the law of the jurisdiction where it is established to ensure that a CCBM operation is valid, binding and enforceable. The CCB:
 - (a) checks the information on the credit claim provided by the counterparty against the eligibility criteria and, where applicable, the validity of signatures against the list of signatures received;
 - (b) if requested, assists the Bank in determining whether there are close links, as described in Article 138 of Guideline (EU) 2015/510 (ECB/2014/60), between the counterparty and the relevant obligor under the asset, and in taking the necessary enforcement measures.

The Bank assists the CCB (including, but not limited to, where the debtor and/or the creditor and/or the guarantor is located in Ireland by promptly providing the CCB with all documents and carrying out any actions or formalities requested by the CCB which are necessary to enable the CCB to perform its obligations.

7. An NCB shall, upon the request of the Bank, act as ACB in relation to the mobilisation of credit claims. An NCB acting as ACB shall advise the Bank on the mobilisation of the credit claim to ensure compliance with the legal requirements that apply in the jurisdiction where the ACB is established. In particular, and in the form of the terms and conditions set out in Annex IV, the ACB specifies:
 - (a) whether registration and notification is required and, if so, the rules and form to be complied with for such registration and notification;
 - (b) other requirements to be fulfilled for the purpose of creating a valid and enforceable security interest over the credit claim;
 - (c) whether the credit claim agreement must contain additional clauses to facilitate the creation by the Bank of a further security interest over the mobilised credit claim after its initial mobilisation.

If required, the ACB provides assistance in executing the tasks necessary to fulfil the requirements mentioned in points (a) to (c).

At the Bank's request, and where the debtor and/or the guarantor are established in the jurisdiction where the ACB is established, the ACB provides relevant information on that debtor and/or guarantor, including close link checks and in-house credit assessment system (ICAS) rating.

8. The mobilisation and demobilisation of (a) RMBDs and (b) pools of ACCs is carried out in accordance with the procedures defined by the Bank in the applicable collateral mobilisation agreements.
9. FTDs are automatically mobilised as collateral as part of the settlement of the FTD. The settlement takes place by debiting the counterparty's primary MCA and crediting the HCB's account.

Article 7

Triparty collateral management services

1. The Bank allows counterparties to mobilise the following assets as collateral to the HCB using the triparty collateral management services of an eligible TPA:
 - (a) marketable assets and DECCs issued in the CSD operating the eligible SSS where the asset account is held;
 - (b) marketable assets issued in a CSD whose SSS has an eligible link with the SSS where the asset account is held.

2. Mobilisation of marketable assets and DECCs using the services of a TPA in accordance with paragraph 1 may be carried out using the domestic, links, CCBM or direct access mobilisation channels, as applicable.
3. In the case of mobilisation via the CCBM, the CCB, at the Bank's request, enters into contractual arrangements with the TPA in accordance with the criteria set out in Annex II. The following division of responsibility between the Bank and the CCB applies:
 - (a) The Bank is responsible for checking that the counterparty is adequately collateralised prior to authorising the TPA to take further actions related to the processing of decreases or closures of a triparty transaction and the payment of corporate event proceeds.
 - (b) The CCB is responsible for any issues relating to the management of the triparty transaction that require interaction with the TPA. The CCB ensures that the Bank receives all relevant information exchanged between the CCB and the TPA.

Article 8

Auto-collateralisation

1. Auto-collateralisation may be accessed via the domestic, links, CCBM or direct access mobilisation channels.
2. An NCB, at the request of the Bank, acts as CCB on behalf of the Bank for T2S auto-collateralisation transactions.
3. CCBM auto-collateralisation transactions are supported using either the transfer booking mode or the retain booking mode, as determined by the CCB.
4. To support the execution of auto-collateralisation transactions, the Bank defines on a daily basis a list of marketable assets and DECCs eligible for use in auto-collateralisation. That list may include assets issued in the CSD operating the eligible SSS where the Bank holds an account, as well as assets issued in a CSD whose SSS has an eligible link with the eligible SSS.

Article 9

Credit position management

1. The Bank updates a counterparty's credit position as part of the settlement of the related Eurosystem credit operation.
2. The Bank settles Eurosystem credit operations on a net basis, with the exception that in contingency situations such credit operations may be settled on a gross basis.
3. For counterparties with access to intraday credit in TARGET, all collateral value, other than that attributed to RMBDs, in the counterparty's collateral pool dedicated to the collateralisation of Eurosystem credit operations that is neither required to collateralise Eurosystem monetary policy operations nor reserved shall be made available as a credit line in line with paragraph 4.

4. The value of the credit line shall be determined by the Bank in accordance with changes in the amount of the available collateral (i.e. a floating credit line), except in the case where the counterparty and/or the Bank set a maximum value of the credit line to limit the amount of intraday credit that may be obtained in TARGET (i.e. a maximum credit line).
5. Where, pursuant to paragraph 4, the Bank and the counterparty each set a different maximum value of the credit line, the maximum value shall be the lower of the two.
6. Where the maximum value of a credit line set by a counterparty hinders the settlement of a Eurosystem credit operation, the Bank may remove that maximum value.

Article 10

Corporate events

1. The Bank notifies its counterparties in advance of corporate events communicated by the CSD and involving marketable assets or DECCs that the counterparty has mobilised as collateral.
2. Where participation in a corporate event is voluntary or involves a choice of options, the Bank acts in accordance with the corporate event instruction submitted by the counterparty by the response deadline set out in the Bank's notification. If the counterparty does not submit a corporate event instruction, the default option communicated by the CSD, where applicable, shall apply.
3. Subject to paragraphs 4 and 5, in the case of a corporate event involving a cash flow from the issuer to the counterparty (i.e. positive cash flow), the Bank, following receipt of the corporate event proceeds, transfers such proceeds to one of the following accounts:
 - (a) in the case of euro denominated cash proceeds, the primary MCA designated by the counterparty;
 - (b) in the case of non-euro denominated cash proceeds, the non-euro cash account designated by the counterparty.
4. The Bank shall not transfer the corporate event proceeds referred to in paragraph 3 to the counterparty in any of the following cases:
 - (a) the counterparty has insufficient collateral in its collateral pool (i.e. a margin call);
 - (b) the collateral mobilised by the counterparty with the Eurosystem is blocked due to an event of default or on the grounds of prudence.
5. Euro-denominated cash proceeds shall be automatically mobilised as collateral to an amount not exceeding the amount of the margin call at 15:55 Irish time on the day on which the corporate event proceeds are received by the Bank if the margin call referred to in paragraph 4, point (a), remains outstanding at that time. Corporate event proceeds in excess of the amount required to collateralise the margin call (if any) shall be transferred to the counterparty by the Bank.
6. In the case of a positive cash flow on marketable assets or DECCs mobilised via the CCBM, the CCB shall credit the corporate event proceeds to the euro or non-euro cash account

- designated by the Bank, as relevant, to facilitate onward payment of the proceeds by the Bank to the primary MCA, for proceeds denominated in euro, or to the non-euro account designated by the counterparty, for non-euro denominated proceeds.
7. For corporate events involving a cash flow from the counterparty to the issuer (i.e. negative cash flow), the Bank shall recover the amount due in one of the following ways:
 - (a) in the case of euro denominated cash proceeds, by debiting the primary MCA designated by the counterparty;
 - (b) in the case of non-euro denominated cash proceeds, by debiting the non-euro cash account designated by the counterparty or, where no debit authorisation is in place, by instructing the counterparty to credit the cash account specified by the Bank.
 8. In the case of a negative cash flow on marketable assets or DECCs mobilised via the CCBM, the Bank shall credit the corporate event proceeds to the euro or non-euro cash account designated by the CCB, as relevant.
 9. Where after payment has been made the CSD issues a reversal notice to reverse the cash and securities movements involved in the corporate event, the Bank shall take the following action:
 - (a) In the case of a positive cash flow, the Bank shall debit the cash amount due from the same account to which the original payment was made;
 - (b) in the case of a negative cash flow, the Bank shall credit the cash amount due to the same account from which the original payment was made.
 10. If the reversal notice referred to in paragraph 9 relates to assets mobilised via the CCBM, the following shall apply:
 - (a) in the case of a positive cash flow, the Bank shall credit the cash account designated by the CCB with the amount due;
 - (b) in the case of a negative cash flow, the CCB shall credit the cash account designated by the Bank with the amount due.
 11. For corporate event proceeds relating to marketable assets or DECCs mobilised via the CCBM, and unless the counterparty has provided the documentation necessary for tax relief or such relief applies as a matter of law, the CCB shall deduct or withhold the amount of any tax required to be deducted or withheld in respect of any proceeds, for which the CCB is liable or accountable to the tax authorities.

Article 11

Daily management of collateral

1. The Bank performs a daily revaluation of mobilised collateral in accordance with the valuation and risk control rules laid down in Guideline (EU) 2015/510 (ECB/2014/60),

Guideline ECB/2014/31 and Guideline (EU) 2016/65 of the European Central Bank (ECB/2015/35)⁷.

2. The Bank updates credit positions and collateral positions daily to take into account accrued interest.
3. The Bank issues an end of day margin call between 18:00 Irish time and 18:30 Irish time on each business day if, following the revaluation of mobilised collateral and update of the credit positions and collateral positions referred to in paragraphs 1 and 2 respectively, there is no longer sufficient collateral in a given collateral pool.
4. The Bank may issue margin calls at any time, if a collateral insufficiency is detected during the day.
5. Where a margin call has not been resolved by 15:55 Irish time on a given business day, in order to collateralise the remaining deficit the Bank shall automatically mobilise the cash proceeds of a corporate event (if any) as collateral in accordance with Article 10(5). If the cash proceeds of the corporate event are not sufficient to fully resolve the margin call or in the absence of cash proceeds of the corporate event, the HCB shall automatically mobilise cash as collateral by debiting the primary MCA designated by the counterparty for an amount equal to the margin call. Following the daily revaluation of the collateral pool and the calculation of accrued interest on the cash mobilised as collateral, any cash mobilised in excess of the amount required to cover the margin call shall be automatically demobilised by the HCB.
6. The Bank performs, on a daily basis, a reconciliation of the holdings held on each asset account.

Article 12

Fees

1. For marketable assets and DECCs, the Bank recovers from its counterparties fees charged by CSDs and TPAs. For collateral mobilised via the CCBM, the Bank transfers the fees collected from its counterparties to the CCB.
2. In respect of credit claims, ACCs and RMBDs mobilised as collateral, the Bank does not charge fees. In the case of collateral mobilised via the CCBM, the CCB shall determine whether to charge a fee. Where fees are charged, the level of the transaction fee and the service fee is determined by the Bank, or in the case of collateral mobilised via the CCBM, the CCB.
3. The Bank debits the fees due from the counterparty's primary MCA in TARGET on a monthly basis.

⁷ Guideline (EU) 2016/65 of the European Central Bank of 18 November 2015 on the valuation haircuts applied in the implementation of the Eurosystem monetary policy framework (ECB/2015/35) (OJ L 14, 21.1.2016, p. 30).

Article 13

Reallocation and realisation of collateral

1. Collateral may be reallocated from the asset account designated at the time of mobilisation to another asset account in the following circumstances:
 - (a) in the event of a merger or acquisition involving two or more counterparties, in which case the Bank may reallocate collateral from the asset accounts and collateral pools maintained by the merged or acquired entity;
 - (b) in the event of a counterparty default, in which case the Bank may reallocate collateral from a counterparty account to an NCB account used for the realisation of collateral;
 - (c) in the event that a counterparty maintains multiple collateral pools for different purposes, that counterparty may reallocate collateral from one counterparty asset account to another counterparty asset account in order to augment the amount of collateral held in a given collateral pool.
2. Where the Bank becomes aware of a counterparty default or suspension, the Bank reserves the right to immediately block all collateral management activity by the counterparty involved.
3. In the case of collateral mobilised via the CCBM, where the CCB is notified by the Bank of the counterparty's default and on the the Bank's instruction, the CCB:
 - (a) as applicable, takes any necessary measures and actions to be performed under the law of the jurisdiction where the CCB is established to realise the collateral on behalf of the Bank;
 - (b) as applicable, takes any necessary measures and actions to be performed under the law of the jurisdiction where the CCB is established to enable the Bank to realise the collateral.

Article 14

Contingency arrangements

The Bank accepts mobilisation and demobilisation instructions via secure email or any other contingency communication channel if, in exceptional circumstances, a counterparty is unable to communicate with its HCB via the ECMS in user to application (U2A) mode or application to application (A2A) mode. In such circumstances, the Bank acts on behalf of counterparties upon instruction received from them via secure email or any other contingency communication channel.

Article 15

Settlement discipline measures

The Bank exchanges information on penalties levied on, or due to, an NCB for settlement fails, as specified in the provisions of Title II, Chapter III of Regulation (EU) No 909/2014 that relate to collateral mobilised via the CCBM.

ANNEX I

Eligibility Criteria for the Use of Securities Settlement Systems and Links between Securities Settlement Systems in Eurosystem Credit Operations

The eligibility criteria for the use of SSSs and links between SSSs in Eurosystem credit operations, as referred to in Article 2, points 26 and 27, of this Supplement, are set out in detail in Annex I of Guideline (EU) 2024/3129 (ECB/2024/22).

Annex II

Eligibility Criteria for the Use of Triparty Agents in Eurosystem Credit Operations

The eligibility criteria for the use of TPAs in Eurosystem credit operations, as referred to in Article 2, point 28, and Article 7(3) of this Supplement, are set out in detail in Annex II of Guideline (EU) 2024/3129 (ECB/2024/22).

ANNEX III

Common Features for Terms and Conditions when Acting as a CCB for Credit Claims

The common features for terms and conditions when acting as a CCB for the mobilisation via the CCBM of credit claims as collateral in Eurosystem credit operations, as referred to in Article 6(4) of this Supplement, are set out in detail in Annex III of Guideline (EU) 2024/3129 (ECB/2024/22).

ANNEX IV

Common Features for Terms and Conditions when Acting as an ACB for Credit Claims

The common features for terms and conditions when acting as an ACB for the mobilisation via the CCBM of credit claims as collateral in Eurosystem credit operations, as referred to in Article 6(7) of this Supplement, are set out in detail in Annex IV of Guideline (EU) 2024/3129 (ECB/2024/22).



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Central Bank of Ireland

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