

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 (Text with EEA relevance)

TITLE I

SUBJECT MATTER, SCOPE AND DEFINITIONS

Article 2

Definitions

- 1 For the purposes of this Regulation, the following definitions apply:
- (1) [^{F1}‘central securities depository’ or ‘CSD’ means a legal person established in the United Kingdom that operates a securities settlement system referred to in point (3) of Section A of the Annex and provides at least one other core service listed in Section A of the Annex;]
 - (2) ‘third-country CSD’ means any legal entity established in a third country that provides a similar service to the core service referred to in point (3) of Section A of the Annex and performs at least one other core service listed in Section A of the Annex;
 - (3) [^{F2}‘immobilisation’ means the act of concentrating the location of physical securities in a CSD or third-country CSD in a way that enables subsequent transfers to be made by book entry;]
 - (4) ‘dematerialised form’ means the fact that financial instruments exist only as book entry records;
 - (5) ‘receiving CSD’ means the CSD which receives the request of another CSD [^{F3}or third-country CSD] to have access to its services through a CSD link;
 - (6) [^{F4}‘requesting CSD’ means the CSD or third-country CSD which requests access to the services of a CSD through a CSD link;]
 - (7) ‘settlement’ means the completion of a securities transaction where it is concluded with the aim of discharging the obligations of the parties to that transaction through the transfer of cash or securities, or both;
 - (8) [^{F5}‘financial instruments’ or ‘securities’ means financial instruments as specified in Part 1 of Schedule 2 to the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001;]
 - (9) [^{F5}‘transfer order’ means a transfer order as defined in regulation 2(1) of the Financial Markets and Insolvency (Settlement Finality) Regulations 1999 at paragraph (b) of the definition thereof;]
 - (10) [^{F5}‘securities settlement system’ means a system in relation to which a designation order made under regulation 4 of the Financial Markets and Insolvency (Settlement

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- Finality) Regulations 1999 is in force that is not operated by a recognised clearing house whose activity consists of the execution of transfer orders;]
- (10A) [^{F5}‘SSS’ means a securities settlement system or a similar service operated by a CSD or third-country CSD;]
- (11) ‘settlement internaliser’ means any institution^{F6}... which executes transfer orders on behalf of clients or on its own account other than through a securities settlement system;
- (12) ‘intended settlement date’ means the date that is entered into the securities settlement system as the settlement date and on which the parties to a securities transaction agree that settlement is to take place;
- (13) ‘settlement period’ means the time period between the trade date and the intended settlement date;
- (14) [^{F7}‘business day’ shall cover both day and night-time settlements and shall encompass all events happening during the business cycle of a securities settlement system;]
- (15) ‘settlement fail’ means the non-occurrence of settlement, or partial settlement of a securities transaction on the intended settlement date, due to a lack of securities or cash and regardless of the underlying cause;
- (16) ‘central counterparty’ or ‘CCP’ means a CCP as defined in point (1) of Article 2 of Regulation (EU) No 648/2012;
- (16A) [^{F8}‘UK CCP’ means a recognised central counterparty as defined in section 285 of FSMA;]
- (17) [^{F9}‘competent authority’ means the authority designated by regulation 2 of the Central Securities Depositories Regulations 2014;]
- (18) ^{F10} ...
- (19) [^{F11}‘participant’ means any participant as defined in regulation 2(1) of the Financial Markets and Insolvency (Settlement Finality) Regulations 1999;]
- (20) ‘participation’ means participation within the meaning of the first sentence of point (2) of Article 2 of Directive 2013/34/EU, or the ownership, direct or indirect, of 20 % or more of the voting rights or capital of an undertaking;
- (21) [^{F12}‘control’ means the relationship between two undertakings as described in section 1162 of the Companies Act 2006, together with Schedule 7 to that Act;]
- (22) [^{F12}‘subsidiary’ means a subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006, together with Schedule 7 to that Act;]
- (23) ^{F13} ...
- (24) ^{F13} ...
- (25) [^{F14}‘branch’ means a place of business in the United Kingdom other than a head office which is a part of a CSD or third-country CSD which has no legal personality and which provides CSD services for which the CSD has been authorised or the third-country CSD has been recognised;]

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- (26) [^{F15}‘default’ in relation to a participant means a situation where insolvency proceedings within the meaning of regulation 2(1) of the Financial Markets and Insolvency (Settlement Finality) Regulations 1999 are opened against that participant;]
- (27) ‘delivery versus payment’ or ‘DVP’ means a securities settlement mechanism which links a transfer of securities with a transfer of cash in a way that the delivery of securities occurs if and only if the corresponding transfer of cash occurs and vice versa;
- (28) ‘securities account’ means an account on which securities may be credited or debited;
- (29) [^{F16}‘CSD link’ means an arrangement between CSDs or third-country CSDs whereby a CSD or third-country CSD becomes a participant in the SSS of a CSD or third-country CSD in order to facilitate the transfer of securities from the participants of the latter CSD or third-country CSD to the participants of the former CSD or third-country CSD or an arrangement whereby a CSD or third-country CSD accesses a CSD or third-country CSD indirectly via an intermediary. CSD links include standard links, customised links, indirect links, and interoperable links;]
- (30) [^{F16}‘standard link’ means a CSD link whereby a CSD or third-country CSD becomes a participant in the SSS of a CSD or third-country CSD under the same terms and conditions as applicable to any other participant in the SSS operated by the latter;]
- (31) [^{F16}‘customised link’ means a CSD link whereby a CSD or third-country CSD that becomes a participant in the SSS of a CSD or third-country CSD is provided with additional specific services to the services normally provided by that CSD or third-country CSD to participants in the SSS;]
- (32) [^{F16}‘indirect link’ means an arrangement between a CSD or third-country CSD and a third party other than a CSD or third-country CSD, that is a participant in the SSS of a CSD or third-country CSD. Such a link is set up by a CSD or third-country CSD in order to facilitate the transfer of securities to its participants from the participants of another CSD or third-country CSD;]
- (33) [^{F16}‘interoperable link’ means a CSD link whereby CSDs or third-country CSDs agree to establish mutual technical solutions for settlement in the SSS that they operate;]
- (34) ‘international open communication procedures and standards’ means internationally accepted standards for communication procedures, such as standardised messaging formats and data representation, which are available on a fair, open and non-discriminatory basis to any interested party;
- (35) [^{F17}‘transferable securities’ has the meaning in point (24) of Article 2(1) of Regulation EU (No) 600/2014/EU;]
- (36) ^{F18}...
- (37) [^{F19}‘money-market instruments’ has the meaning in point (25A) of Article 2(1) of Regulation (EU) No 600/2014;]
- (38) [^{F19}‘units in collective investment undertakings’ has the meaning in paragraph 3 of Part 1 of Schedule 2 to the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001;]
- (39) [^{F19}‘emission allowance’ has the meaning in paragraph 11 of Part 1 of Schedule 2 to the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001, excluding derivatives in emission allowances;]

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- (40) [F19‘regulated market’ has the meaning in point (13) of Article 2(1) of Regulation (EU) No 600/2014;]
- (41) [F19‘multilateral trading facility’ or ‘MTF’ has the meaning in point (14) of Article 2(1) of Regulation (EU) No 600/2014;]
- (42) [F19‘trading venue’ has the meaning in point (16) of Article 2(1) of Regulation (EU) No 600/2014;]
- (42A) [F19‘UK trading venue’ has the meaning in point (16A) of Article 2(1) of Regulation (EU) No 600/2014;]
- (43) [F19‘settlement agent’ means settlement agent as defined in regulation 2(1) of the Financial Markets and Insolvency (Settlement Finality) Regulations 1999;]
- (44) F20 ...
- (45) ‘management body’ means the body or bodies of a CSD, appointed in accordance with [F21the law applicable within the United Kingdom or any part of the United Kingdom], which is empowered to set the CSD’s strategy, objectives and overall direction, and which oversees and monitors management decision-making and includes persons who effectively direct the business of the CSD.
- Where, according to [F21the law applicable within the United Kingdom or any part of the United Kingdom], a management body comprises different bodies with specific functions, the requirements of this Regulation shall apply only to members of the management body to whom F22... [F21the law applicable within the United Kingdom or any part of the United Kingdom] assigns the respective responsibility;
- (46) ‘senior management’ means those natural persons who exercise executive functions within a CSD and who are responsible and accountable to the management body for the day-to-day management of that CSD;
- (47) [F23‘financial collateral arrangement’ means a financial collateral arrangement as defined in regulation 3(1) of the Financial Collateral Arrangements (No.2) Regulations 2003;
- (48) ‘FCA’ means the Financial Conduct Authority;
- (49) ‘PRA’ means the Prudential Regulation Authority;
- (50) ‘recognised clearing house’ means a recognised clearing house as defined in section 285(1)(b) of FSMA;
- (51) ‘FSMA’ means the Financial Services and Markets Act 2000;
- (52) ‘Directive 2013/36/EU UK law’ has the meaning in Article 4(A)(1) of Regulation (EU) No 575/2013;
- (53) references to a ‘third country’ (including in expressions including the words “third country”) are to be read as references to a country other than the United Kingdom;
- (54) references to ‘the UK law on markets in financial instruments’ are to the law applicable within the United Kingdom or any part of the United Kingdom which was relied on immediately before IP completion day to implement Directive 2014/65/EU and its implementing measures—

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- (a) as they have effect on IP completion day, in the case of rules made by the FCA or by the PRA under FSMA, and
- (b) as amended from time to time, in all other cases;
- (55) references to “data protection legislation” have the meaning in the Data Protection Act 2018;]
- (56) [^{F24}a reference to the PRA Rulebook is to the rulebook published by the PRA containing rules made by that Authority under FSMA as that rulebook has effect on 1 January 2022.]
- 2 [^{F25}The Treasury may by regulations specify] measures to further specify the non-banking-type ancillary services set out in points (1) to (4) of Section B of the Annex and the banking-type ancillary services set out in Section C of the Annex.

Textual Amendments

- F1** Art. 2(1)(1) substituted (31.12.2020) by The Central Securities Depositories (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1320), regs. 1(3), **6(2)(a)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F2** Art. 2(1)(3) substituted (31.12.2020) by The Central Securities Depositories (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1320), regs. 1(3), **6(2)(b)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F3** Words in Art. 2(1)(5) inserted (31.12.2020) by The Central Securities Depositories (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1320), regs. 1(3), **6(2)(c)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F4** Art. 2(1)(6) substituted (31.12.2020) by The Central Securities Depositories (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1320), regs. 1(3), **6(2)(d)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F5** Art. 2(1)(8)-(10A) substituted for Art. 2(1)(8)-(10) (31.12.2020) by The Central Securities Depositories (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1320), regs. 1(3), **6(2)(e)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F6** Words in Art. 2(1)(11) omitted (31.12.2020) by virtue of The Central Securities Depositories (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1320), regs. 1(3), **6(2)(f)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F7** Art. 2(1)(14) substituted (31.12.2020) by The Central Securities Depositories (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1320), regs. 1(3), **6(2)(g)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F8** Art. 2(1)(16A) inserted (31.12.2020) by The Central Securities Depositories (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1320), regs. 1(3), **6(2)(h)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F9** Art. 2(1)(17) substituted (31.12.2020) by The Central Securities Depositories (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1320), regs. 1(3), **6(2)(i)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F10** Art. 2(1)(18) omitted (31.12.2020) by virtue of The Central Securities Depositories (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1320), regs. 1(3), **6(2)(j)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F11** Art. 2(1)(19) substituted (31.12.2020) by The Central Securities Depositories (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1320), regs. 1(3), **6(2)(k)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)

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- F12** Art. 2(1)(21)(22) substituted (31.12.2020) by The Central Securities Depositories (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1320), regs. 1(3), **6(2)(l)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F13** Art. 2(1)(23)(24) omitted (31.12.2020) by virtue of The Central Securities Depositories (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1320), regs. 1(3), **6(2)(m)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F14** Art. 2(1)(25) substituted (31.12.2020) by The Central Securities Depositories (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1320), regs. 1(3), **6(2)(n)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F15** Art. 2(1)(26) substituted (31.12.2020) by The Central Securities Depositories (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1320), regs. 1(3), **6(2)(o)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F16** Art. 2(1)(29)-(33) substituted (31.12.2020) by The Central Securities Depositories (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1320), regs. 1(3), **6(2)(p)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F17** Art. 2(1)(35) substituted (31.12.2020) by The Central Securities Depositories (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1320), regs. 1(3), **6(2)(q)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F18** Art. 2(1)(36) omitted (31.12.2020) by virtue of The Central Securities Depositories (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1320), regs. 1(3), **6(2)(r)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F19** Art. 2(1)(37)-(43) substituted (31.12.2020) by The Central Securities Depositories (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1320), regs. 1(3), **6(2)(s)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F20** Art. 2(1)(44) omitted (31.12.2020) by virtue of The Central Securities Depositories (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1320), regs. 1(3), **6(2)(t)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F21** Words in Art. 2(1)(45) substituted (31.12.2020) by The Central Securities Depositories (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1320), regs. 1(3), **6(2)(u)(i)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F22** Words in Art. 2(1)(45) omitted (31.12.2020) by virtue of The Central Securities Depositories (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1320), regs. 1(3), **6(2)(u)(ii)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F23** Art. 2(1)(47)-(55) inserted (31.12.2020) by The Central Securities Depositories (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1320), regs. 1(3), **6(2)(v)** (as amended by S.I. 2020/1301, regs. 1, 3, **Sch. para. 8(b)**) (with savings in S.I. 2019/680, **reg. 11**); 2020 c. 1, **Sch. 5 para. 1(1)**
- F24** Art. 2(1)(56) inserted (1.1.2022) by The Financial Services Act 2021 (Prudential Regulation of Credit Institutions and Investment Firms) (Consequential Amendments and Miscellaneous Provisions) Regulations 2021 (S.I. 2021/1376), regs. 1(3), **26(2)**
- F25** Words in Art. 2(2) substituted (31.12.2020) by The Central Securities Depositories (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1320), regs. 1(3), **6(3)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)

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Changes and effects yet to be applied to :

- [Regulation revoked by 2023 c. 29 Sch. 1 Pt. 1](#)