

## **LuxSE partners with BFF Bank to introduce new post-trade model**

**Luxembourg, 25 October 2022:** The Luxembourg Stock Exchange (LuxSE) today announced the launch of its new post-trade model for trades made on LuxSE's markets. This new settlement process was made possible thanks to the exchange's partnership with BFF Bank, the largest independent specialty finance in Italy and a leading player in Europe, specialised in securities services, banking and corporate payments and in the management of trade receivables.

The new model simplifies the post-trade process of LuxSE and allows for a more streamlined and efficient settlement of securities transactions made on a channel encompassing 21,500 tradable instruments.

**Pierre Schoonbroodt**, Member of the Executive Committee at the Luxembourg Stock Exchange commented: *"We are delighted to establish this new partnership with BFF Bank, which enables us to significantly improve and simplify the post-trading experience for our trading members. Through this collaboration, we are now able to offer a new electronic channel to send settlement instructions in a fast, integrated and secure way, without making any changes to the order transmission and trade confirmation process we have established with our trading members."*

**Enrico Tadiotto**, VP Transaction Services Department, BFF Banking Group, added: *"We are proud of starting this partnership with LuxSE, making one of our post-trade models available to the market, and being a reference partner for our customers in providing innovative and tailored solutions."*

### **No clearing membership required**

LuxSE operates its markets on the Optiq trading platform and offers the possibility of bilateral, non-guaranteed and guaranteed settlement channels. In the new set-up, the non-guaranteed settlement model, also known as pass-through, has been replaced by straight-through processing (STP). The existing Central Counterparty (CCP) process with LCH.Clearnet SA remains in place for the guaranteed settlement channel.

The new post-trade model brings multiple benefits to LuxSE's trading members. In the STP set-up, the mandatory clearing membership required under the previous pass-through model no longer applies. Moreover, trading members can now select between Euroclear Bank and Clearstream Banking Luxembourg as their International Central Securities Depository (ICSD), while trades made on the previous pass-through channel required settlement by Euroclear.

In this new model, LuxSE will provide its trading members with a daily trade reconciliation file including the indication of the counterparties. BFF Bank will generate

and dispatch settlement instructions to ICSDs based on the trading information provided by the Optiq trading system.

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#### **About the Luxembourg Stock Exchange**

The Luxembourg Stock Exchange (LuxSE) is the gateway to access international investors. With more than 40,000 listed securities, including 36,000 debt instruments, from 2,000 issuers in 100 countries, LuxSE is the world's leading exchange for the listing of international debt securities and offers a unique and integrated service offering covering listing, trading and information services.

In 2016, LuxSE launched the Luxembourg Green Exchange (LGX) and became the first exchange in the world to operate a platform dedicated entirely to sustainable securities. LGX has become a meeting place for issuers of sustainable products and impact-conscious investors, and encompasses more than 1,500 green, social, sustainability and sustainability-linked bonds from 250 issuers in 50 countries. For more information, visit [www.bourse.lu](http://www.bourse.lu)

#### **About BFF Banking Group**

BFF Banking Group is the largest independent specialty finance in Italy and a leading player in Europe, specialized in the management and non-recourse factoring of trade receivables due from the Public Administrations, securities services, banking and corporate payments. The Group operates in Italy, Croatia, Czech Republic, France, Greece, Poland, Portugal, Slovakia and Spain. BFF is listed on the Italian Stock Exchange. In 2021 it reported a consolidated Adjusted Net Income of €125.3 million, with a 15.1% Group CET1 ratio at the end of June 2022. [www.bff.com](http://www.bff.com)

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