

Book 4

Clearing calendar: 1W, 9W and 13W cycles

Functional classification and EU regulatory framework

Title	Clearing calendar: 1W, 9W and 13W cycles
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Release / date	2.2 ; 11 October 2026
Landing page	www.osnias-clearing.com/cycles/
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Status	Technical document - EU regulatory reference framework

Prior Osnias documentation

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Book 3	Rules	https://www.osnias-clearing.com/rules/
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This release replaces the 4W profile with a 9W profile for B2B commercial obligations and clarifies the scope of the 13W profile for eligible non-commercial obligations.

Executive summary

Release 2.2 distinguishes three cycle profiles according to their legal and operational purpose. CLEAR 1W is reserved for testnet use and technical validation. CLEAR 9W is the payment arrangement for B2B commercial obligations admitted to the protocol; Osnias applies an internal rule requiring settlement no later than within the applicable 60-calendar-day period. CLEAR 13W is reserved for eligible non-commercial obligations whose maturity is governed by the underlying contract or the applicable sector-specific regime.

This distinction is fundamental: the 60-day period derives from the EU framework on late payment in commercial transactions, whereas there is no general rule of EU law establishing a 91-day period for financial or non-commercial obligations. References to EU financial law are used to document the legal recognition of netting, contractual maturity and settlement cycles; they do not constitute a 13-week safe harbour.

Keywords

Osnias Clearing; CLEAR 1W; CLEAR 9W; CLEAR 13W; multilateral netting; commercial transaction; payment period; 60 days; non-commercial obligation; maturity; settlement; EMIR; MiFID II; CSDR; Settlement Finality Directive; Financial Collateral Directive; money market funds.

Abstract

Release 2.2 separates Osnias Clearing cycles by legal and operational purpose. CLEAR 1W is a testnet profile. CLEAR 9W is the commercial B2B payment method and is configured so that an admitted commercial obligation is settled within the applicable maximum 60-calendar-day contractual window. CLEAR 13W is reserved for eligible non-commercial obligations whose maturity is governed by the underlying contract or sector-specific rules. EU financial-market texts are used as contextual references for netting, maturity and settlement concepts, not as a statutory 91-day safe harbour.

A.1 Purpose and classification principle

This Book sets out the calendar and eligibility rules for the three Osnias Clearing cycle profiles: 1W, 9W and 13W. It replaces the previous 1W / 4W / 13W structure. The profiles are distinguished not only by duration, but also by their intended use and by the categories of obligations eligible for each cycle.

Profile	Duration	Use	Timing rule
CLEAR 1W	1 week	Testnet / technical validation	Not a live commercial payment term
CLEAR 9W	9 weeks / 63 days settlement-to-settlement; 59-day operational window	B2B commercial obligations	Osnias rule: settlement no later than within the 60-calendar-day period applicable to the admitted obligation
CLEAR 13W	13 weeks / 91 days settlement-to-settlement; 87-day operational window	Eligible non-commercial obligations	Contractual or sector-specific maturity; no general 91-day presumption under EU law

A.2 Qualification rule - fail closed

- Each obligation must be legally classified before admission to a cycle. A B2B commercial obligation arising from the supply of goods or the provision of services is routed to CLEAR 9W.
- A non-commercial obligation may be routed to CLEAR 13W only where its legal nature, the underlying contract and the applicable sector-specific rules allow a maturity compatible with that cycle.
- Where there is uncertainty as to the legal classification of an obligation or its applicable maturity date, the obligation is not admitted to the long cycle. The protocol applies a fail-closed rule: prior qualification or rejection.

Routing invariant:

COMMERCIAL-B2B -> CLEAR 9W;

eligible NON-COMMERCIAL -> CLEAR 13W;

TESTNET -> CLEAR 1W.

A.3 CLEAR 1W - testnet profile

CLEAR 1W is a technical validation profile. It reproduces the principal state transitions on a short loop: settlement on Monday, BURN on Tuesday, P2P / MINT from Wednesday to Friday, followed by freeze and net-position calculation on Saturday and Sunday before settlement on the following Monday. It thereby tests the BURN, MINT and P2P windows, freeze, net calculation, challenge handling and settlement. It is not presented as the reference profile for live commercial obligations.

Item	CLEAR 1W rule	Purpose
Duration	1 UTC week	Rapid and reproducible testing
Scope	Testnet / experimental	Not to be treated as a live payment term
Clear	Weekly	Validation of state transitions and the netting engine
Security	Same closure / snapshot / freeze / net calculation / settlement logic	Test invariants before migration to a live cycle

A.4 CLEAR 9W - B2B commercial obligations

Payment terms: CLEAR 9W. The parties contractually agree to submit the invoice or commercial obligation to the Osnias Clearing protocol. CLEAR 9W designates the agreed payment and netting arrangement; it must not be presented as a simple '63-day' maturity.

Directive 2011/7/EU applies to payments made as remuneration for commercial transactions. For transactions between undertakings, Article 3(5) provides that the payment period fixed in the contract must not exceed 60 calendar days, unless otherwise expressly agreed in the contract and provided that the term is not grossly unfair to the creditor. For CLEAR 9W, Osnias deliberately adopts the following simpler and more prudent internal rule: an admitted commercial obligation must be scheduled for settlement within the 60-calendar-day period applicable under the contract.

Osnias commercial invariant: $\text{SettlementDate} \leq \text{ContractualPaymentDueDate} \leq 60 \text{ calendar days}$, subject to correct determination of the statutory or contractual starting point of the payment period.

Issuance window: invoices subject to CLEAR 9W are issued and recorded during the open P2P window, from day 5 (Friday of W1) to day 61 (Friday of W9). The maximum period between invoice and settlement is therefore 59 calendar days. An invoice dated on a settlement, BURN or freeze day is not admitted to the current cycle.

A.4.1 Operational structure of CLEAR 9W

The 9W designation describes the protocol cycle envelope. The cycle comprises settlement of the preceding cycle, the BURN window, opening of P2P/MINT, the end-of-cycle freeze, calculation of net positions and settlement of the completed cycle. The 60-day rule is applied to each admitted commercial obligation irrespective of the name of the technical cycle envelope.

Phase	Protocol state
Monday - start of week	Settlement of the preceding cycle; P2P closed during finality processing
Tuesday to Thursday	BURN; P2P closed; MINT closed in accordance with the cycle rules
Friday	Opening of the P2P / MINT window for the new commercial cycle
Active period	Operational window from Friday of W1 to settlement on the Monday following W9: 59 calendar days; multilateral netting of eligible obligations, eligibility and solvency checks
End of W9 - Saturday / Sunday	Freeze; no new movements; snapshot and calculation of net positions

Following Monday	Settlement; that Monday is both the settlement point for the completed cycle and the operational start of the next cycle
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A.4.2 Invoice wording and machine-readable data

Recommended contractual wording: "Payment terms: CLEAR 9W - Osnias Clearing Protocol".

Accounting, e-invoicing or ISO 20022 systems may still require a computable settlement date. That technical date is derived from the cycle calendar and the applicable payment period; it does not replace the contractual CLEAR 9W payment terms.

A.5 CLEAR 13W - non-commercial obligations

Settlement terms: CLEAR 13W. The 13W profile is reserved for obligations that do not constitute payment for a commercial transaction within the meaning of Directive 2011/7/EU, or that are subject to a specific regime allowing a compatible maturity. It must not be used to circumvent the rules governing payment periods for commercial transactions.

Neither EMIR, MiFID II, CSDR nor the other EU instruments reviewed establish a general rule under which a financial obligation may be settled at 13 weeks. The 91-day period is therefore a contractual parameter of the protocol, subject to the legal classification of the obligation and to the applicable sector-specific rules.

A.5.1 Relevant EU legal references

EMIR - Regulation (EU) No 648/2012

Article 2(3): clearing is the process of establishing positions, including the calculation of net obligations and ensuring that financial instruments, cash, or both, are available to secure the exposures arising from those positions. This definition confirms the netting logic but does not establish a 91-day maturity.

Directive 98/26/EC - settlement finality

The definition of netting converts claims and obligations resulting from transfer orders into a single net claim or net obligation. The Directive applies to systems falling within its scope; it is cited here as a conceptual reference and does not automatically determine the legal classification of Osnias.

Directive 2002/47/EC - financial collateral arrangements

Article 7 provides for the enforceability of close-out netting provisions within the scope of the Directive. Again, this confirms the legal recognition of financial netting without establishing a standard 13-week period.

MiFID II and Commission Delegated Regulation (EU) 2017/565

MiFID II recognises money-market instruments; Commission Delegated Regulation (EU) 2017/565 refers, inter alia, to instruments with a maturity at issuance of 397 days or less. This illustrates the clear distinction in EU financial law between the maturity of an instrument and a payment period applicable to a commercial transaction.

Regulation (EU) 2017/1131 - money market funds

For short-term money market funds, Article 24 provides, inter alia, for a maximum weighted average maturity (WAM) of 60 days and a maximum weighted average life (WAL) of 120 days. These are portfolio limits, not payment periods. They nevertheless demonstrate that time horizons exceeding 60 days exist within EU financial law.

CSDR - Regulation (EU) No 909/2014

CSDR addresses the settlement cycle for securities transactions, which is distinct from the maturity of the instrument. The relevant transactions remain subject to T+2 until the transition to T+1. Regulation (EU) 2025/2075, amending CSDR, is in force and will apply from 11 October 2027 to shorten the relevant settlement cycle to T+1. This development reinforces the distinction between the maturity of an obligation and the post-trade settlement cycle, which must be maintained in Osnias terminology.

A.5.2 CLEAR 13W eligibility test

- The obligation is not remuneration for the supply of goods or the provision of services subject to the regime governing commercial transactions, or it falls under a separate specific regime.
- The underlying contract provides for a maturity compatible with 91 days or more, or the scheduled settlement date falls before the applicable maturity date.
- No mandatory sector-specific rule requires earlier settlement.
- Classification does not depend solely on the label 'financial'. An invoiced financial service may still constitute a commercial transaction; routing is determined by the legal nature of the obligation.
- In case of doubt, admission to CLEAR 13W is refused until the legal classification has been validated.

CLEAR 13W invariant: the protocol does not create the maturity; it executes a legally admissible maturity determined by the underlying obligation.

A.6 Common calendar rules

- Time reference: UTC/GMT weeks and days in accordance with the Osnias Rules; Monday is the settlement day and the cycle transition point.
- P2P is closed during the finality, BURN and freeze phases specified for the relevant profile; no new obligation may modify the snapshot after freeze.
- Net positions are calculated on a frozen state. The resulting net positions are then used for settlement in accordance with the protocol rules.
- An obligation may not be routed to a cycle where the scheduled settlement date would fall after its applicable maturity date.
- National transposition measures, sector-specific rules and the underlying contract remain applicable. The Osnias profile does not replace them.

A.7 Decision matrix

Nature	Cycle	Admission	Control
Technical test / simulation	CLEAR 1W	Yes	No live-production effect
B2B invoice for goods or services	CLEAR 9W	Yes	Scheduled settlement <= 60 days under the Osnias rule
Commercial obligation for which CLEAR 9W settlement would fall after the applicable due date	No long cycle	No	Not admitted; settled outside the protocol
Non-commercial obligation with maturity >= 91 days	CLEAR 13W	Subject to conditions	Check the contract and applicable sector-specific regime
Uncertain legal classification	None	No	Fail closed until legal classification is established

A.8 Status of the EU proposal on late payment

In 2023, the Commission presented a proposal for a Regulation intended to replace Directive 2011/7/EU (COM(2023) 533; procedure 2023/0323/COD). As at 11 October 2026, the EUR-Lex procedure remains marked as ongoing. Release 2.2 therefore relies on the law currently in force and treats the proposal as a matter for regulatory monitoring, not as an applicable legal rule.

Scope note: references to EMIR, MiFID II, CSDR, the Settlement Finality Directive and the Financial Collateral Directive are used to document EU concepts of netting, maturity and settlement. They do not imply that Osnias Clearing is a CCP, CSD, MTF/OTF, a designated system within the meaning of Directive 98/26/EC, or a money market fund.

Regulatory bibliography - official EU sources

1. Directive 2011/7/EU of the European Parliament and of the Council of 16 February 2011 on combating late payment in commercial transactions.

Articles 2, 3 and 7; in particular Article 3(5) on the 60-day contractual payment period between undertakings.

<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32011L0007>

2. Regulation (EU) No 648/2012 (EMIR).

Article 2(3), definition of clearing: establishment of positions and calculation of net obligations.

<https://eur-lex.europa.eu/eli/reg/2012/648/oj/eng>

3. Directive 98/26/EC on settlement finality in payment and securities settlement systems.

Article 2, definition of netting.

<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:31998L0026>

4. Directive 2002/47/EC on financial collateral arrangements.

Article 7, recognition of close-out netting provisions within its scope.

<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32002L0047>

5. Directive 2014/65/EU (MiFID II).

Article 4(1)(17), money-market instruments.

<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32014L0065>

6. Commission Delegated Regulation (EU) 2017/565.

Article 11: money-market instruments, including instruments with a maturity at issuance of 397 days or less.

<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32017R0565>

7. Regulation (EU) 2017/1131 on money market funds.

Article 24: WAM ≤ 60 days and WAL ≤ 120 days for short-term money market funds.

<https://eur-lex.europa.eu/eli/reg/2017/1131/oj/eng>

8. Regulation (EU) No 909/2014 (CSDR).

Article 5: intended settlement date; distinction between the settlement cycle and the maturity of the instrument.

<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32014R0909>

9. Regulation (EU) 2025/2075 of the European Parliament and of the Council of 8 October 2025 amending Regulation (EU) No 909/2014 as regards a shorter settlement cycle in the Union.

Article 2: application from 11 October 2027; move to T+1 for transactions covered by the amendment.

<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32025R2075>

10. Proposal COM(2023) 533 - combating late payment in commercial transactions.

Procedure 2023/0323/COD; the procedure remains ongoing as at 11 October 2026 and is therefore not treated as law in force in this release.

https://eur-lex.europa.eu/procedure/EN/2023_323

Normative conclusion

CLEAR 1W = testnet. CLEAR 9W = payment arrangement for B2B commercial obligations, subject to the Osnias rule requiring settlement within the applicable 60-calendar-day period. CLEAR 13W = cycle for eligible non-commercial obligations with a compatible contractual or sector-specific maturity, without any general presumption under EU law of a 91-day period.