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Feedback to consultation paper

Document Title	T2S Consultation Paper: Principles and High Level Proposals
Document Reference	070323_note_ConsultPrincipalsProposals_v0.98.doc
Issued for review	26.04.2007
Deadline for review	27.06.2007

Proposal Nr.	Statement	Comment	Institution	Confidential
1	I do not agree entirely	The account structure should allow CSDs with end-investor account systems to fully decommission their settlement functionalities.	ESF (European Securities Forum)	No
2	I do not agree entirely	We doubt the need of sub-cash accounts. However, if detailed analysis proves the need of sub-cash accounts, it is expected that cash management functionalities similar to those in the daytime will be required.	ESF (European Securities Forum)	No
3	I agree		ESF (European Securities Forum)	No
4	I agree		ESF (European Securities Forum)	No
5	I agree		ESF (European Securities Forum)	No
6	I do not agree entirely	The inability of having an operational account covering several CSDs could result in a service deterioration. The contractual relationships will thereby remain unchanged.	ESF (European Securities Forum)	No
7	I do not agree entirely	This must not serve as an excuse to exclude omnibus account structures.	ESF (European Securities Forum)	No
8	I do not agree entirely	As a general rule, there should be a presumption that CSD users should be able to use omnibus accounts. Differentiation and segregation by function should only be required when there are specific system, process or messaging needs.	ESF (European Securities Forum)	No
9	I agree		ESF (European Securities Forum)	No
10	I agree		ESF (European Securities Forum)	No
11	I do not agree entirely	The static data should also support voluntary lending and borrowing activities for the extent that they become in scope; the static data should also comply with the requirements of markets with end-investor account systems.	ESF (European Securities Forum)	No

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12	I agree		ESF (European Securities Forum)	No
13	I do not agree entirely	see comments for Proposal 11 above	ESF (European Securities Forum)	No
14	I agree		ESF (European Securities Forum)	No
15	I agree		ESF (European Securities Forum)	No
16	I agree		ESF (European Securities Forum)	No
17	I agree		ESF (European Securities Forum)	No
18	I do not agree entirely	Market users expect such deadlines and schedules to be harmonised to the highest possible extent within and beyond the process of dismantling Giovannini Barriers.	ESF (European Securities Forum)	No
19	I agree		ESF (European Securities Forum)	No
20	I agree		ESF (European Securities Forum)	No
21	I agree	However, there should no penalty for CSD participants for not using the night-time settlement period.	ESF (European Securities Forum)	No
22	I agree		ESF (European Securities Forum)	No
23	I completely disagree	The use of night-time settlement should be mandatory for CSDs in order to avoid loss of efficiency.	ESF (European Securities Forum)	No
24	I agree		ESF (European Securities Forum)	No
25	I agree		ESF (European Securities Forum)	No
26	I agree	However, in the context of removing Giovannini Barrier 3 maximum standardisation and harmonisation should be achieved for the benefit of CSD participants	ESF (European Securities Forum)	No
27	I agree		ESF (European Securities Forum)	No
28	I agree		ESF (European Securities Forum)	No
29	I agree		ESF (European Securities Forum)	No

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30	I completely disagree	Matching should take place either at the level of trading platform or CCP (and reach T2S in locked-in form) or in T2S but not at the level of participating CSDs as this would reduce the efficiency achieved by the ESF/ECSDA Standards. ESF/ECSDA Standards will have to be amended accordingly.	ESF (European Securities Forum)	No
31	I agree	Please take note that these standards have been jointly worked out and agreed by ESF and ECSDA	ESF (European Securities Forum)	No
32	I completely disagree	See comments on 30.	ESF (European Securities Forum)	No
33	I do not agree entirely	The pros and cons of unilateral vs. bilateral cancellation (ESF/ECSDA Standard #6) for T2S should be analysed in detail by the respective Technical Group. See also comments 30. A hold/release mechanism as provided for by the ESF/ECSDA Standards must be available.	ESF (European Securities Forum)	No
34	I agree		ESF (European Securities Forum)	No
35	I do not agree entirely	This is unclear and needs additional definition and explanation.	ESF (European Securities Forum)	No
36	I agree	This should be specified in a way that the respective information from T2S is to CSDs (and not to CSD participants directly).	ESF (European Securities Forum)	No
37	I agree		ESF (European Securities Forum)	No
38	I agree		ESF (European Securities Forum)	No
39	I agree		ESF (European Securities Forum)	No
40	I agree		ESF (European Securities Forum)	No
41	I agree		ESF (European Securities Forum)	No
42	I agree		ESF (European Securities Forum)	No
43	I agree		ESF (European Securities Forum)	No
44	I agree		ESF (European Securities Forum)	No
45	I agree		ESF (European Securities Forum)	No
46	I agree		ESF (European Securities Forum)	No

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47	I do not agree entirely	We agree with the part related to CCP. For non-CCP transactions, there are both advantages (higher rates of settlement efficiency) and disadvantages (extra cost at each layer in the custodial chain) in partial settlement. It is important that for non-CCP transactions it be possible to opt in or out of partial settlement at the level of the account in T2S. To be analysed in detail by respective Technical Group.	ESF (European Securities Forum)	No
48	I agree		ESF (European Securities Forum)	No
49	I agree		ESF (European Securities Forum)	No
50	I agree		ESF (European Securities Forum)	No
51	I do not agree entirely	Cross-border settlement links are an area of considerable complexity and expense. It is important that all options on how to build an efficient and cost-effective functionality are explored.	ESF (European Securities Forum)	No
52	I agree		ESF (European Securities Forum)	No
53	I agree		ESF (European Securities Forum)	No
54	I agree		ESF (European Securities Forum)	No
55	I agree	This proposal requires clarity through further specification.	ESF (European Securities Forum)	No
56	I agree		ESF (European Securities Forum)	No
57	I agree		ESF (European Securities Forum)	No
58	I agree		ESF (European Securities Forum)	No
59	I agree		ESF (European Securities Forum)	No
60	I do not agree entirely	Rather than indicating a volume of 2.1 million now, we propose: "T2S shall be able to cover the real capacity required as determined in due course."	ESF (European Securities Forum)	No
61	I do not agree entirely	See our comment to Proposal 60.	ESF (European Securities Forum)	No
62	I agree		ESF (European Securities Forum)	No
63	I agree		ESF (European Securities Forum)	No

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64	I agree		ESF (European Securities Forum)	No
65	I agree		ESF (European Securities Forum)	No
66	I agree		ESF (European Securities Forum)	No
67	I completely disagree	Harmonisation and standardisation decisions shall be guided by the principle of maximum efficiency increase.	ESF (European Securities Forum)	No