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Feedback to consultation paper

Document Title	T2S Consultation Paper: Principles and High Level Proposals
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Deadline for review	27.06.2007

Proposal Nr.	Statement	Comment	Institution	Confidential
1	I agree	I agree to the uniform account structure as long as it will be possible to satisfy all currently supported business processes and user requirements, e.g. asset segregation or the maintenance of special sub accounts.	Eurex Clearing AG	No
2	I do not agree entirely	Due to segregation requirements it is necessary to allocate one dedicated cash account to a securities account, resulting in the need for a participant to hold more than one cash account within T2.	Eurex Clearing AG	No
3	I agree	No comment.	Eurex Clearing AG	No
4	I agree	No comment.	Eurex Clearing AG	No
5	I agree	No comment.	Eurex Clearing AG	No
6	I agree	No comment.	Eurex Clearing AG	No
7	I agree	Not applicable from CCP perspective	Eurex Clearing AG	No
8	I agree	No comment.	Eurex Clearing AG	No
9	I agree	No comment.	Eurex Clearing AG	No
10	I agree	No comment.	Eurex Clearing AG	No
11	I agree	Aligned securities master data need to be available to all participants	Eurex Clearing AG	No
12	I do not agree entirely	A process needs to be in place, that considers the update of additional master data; e.g. a flag for CCP eligibility.	Eurex Clearing AG	No
13	I do not agree entirely	Certain master data regarding special CCP processing may need to be maintained.	Eurex Clearing AG	No
14	I agree	From a CCP perspective it is required that the CCP specific master data information is accessible via on single location.	Eurex Clearing AG	No
15	I do not agree entirely	It has to be decided, which entity has the responsibility to change reference data regarding direct access rights.	Eurex Clearing AG	No
16	I agree	No comment.	Eurex Clearing AG	No
17	I agree	From a CCP perspective aligned processes regarding deadlines and schedules for CCP-CSD as well as CSD-CSD interactions within the settlement process are of major importance within the pan-European environment.	Eurex Clearing AG	No
18	I agree	No comment.	Eurex Clearing AG	No
19	I agree	No comment.	Eurex Clearing AG	No

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20	I agree	Nevertheless there may occur the need to have extended operating hours compared to the envisaged T2 availability. In such a case operating hours needs to be extended in sync between T2 and T2S.	Eurex Clearing AG	No
21	I agree	No comment.	Eurex Clearing AG	No
22	I agree	No comment.	Eurex Clearing AG	No
23	I do not agree entirely	The use of the night time settlement should be mandatory because settlement in T2S is designed to maximize settlement efficiency for all participants of the value chain. Night time settlement ensures settlement as early as possible in order to allow onward deliveries on the contractual settlement day and therefore increases settlement rate.	Eurex Clearing AG	No
24	I agree	No comment.	Eurex Clearing AG	No
25	I agree	No comment.	Eurex Clearing AG	No
26	I agree	No comment.	Eurex Clearing AG	No
27	I agree	No comment.	Eurex Clearing AG	No
28	I agree	No comment.	Eurex Clearing AG	No
29	I agree	No comment.	Eurex Clearing AG	No
30	I agree	T2S needs to be prepared to process 'on-behalf instructions' and single sided deletions for already matched instructions (special CCP requirement).	Eurex Clearing AG	No
31	I agree	No comment.	Eurex Clearing AG	No
32	I agree	Nevertheless a more comprehensive consultation is necessary.	Eurex Clearing AG	No
33	I do not agree entirely	From a specific CCP perspective I cannot agree as there is the need to cancel matched CCP transactions through the sending CCP (on-behalf instruction is assumed and an absolute 'Must' from a CCP perspective) due to specific processing logic within the CCP netting procedure (e.g. continuous actual settlement day netting).	Eurex Clearing AG	No
34	I agree	No comment.	Eurex Clearing AG	No
35	I agree	No comment.	Eurex Clearing AG	No
36	I agree	No comment.	Eurex Clearing AG	No
37	I agree	Throughout the forthcoming detailed market consultation features such as linking of transactions should also be considered.	Eurex Clearing AG	No
38	I do not agree entirely	Sequencing and prioritization rules need to be considered not only from the cash but also from the securities perspective. For the later, I do not see the risk of giving preferential treatment to some participants. More details are required.	Eurex Clearing AG	No
39	I agree	No comment.	Eurex Clearing AG	No
40	I do not agree entirely	Recycling rules differ from type of transaction. For CCP transaction there may be the need for specific recycling rules (e.g. no recycling at all in case of continuous netting)	Eurex Clearing AG	No
41	I agree	No comment.	Eurex Clearing AG	No

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42	I agree	It is appreciated that the specific requirements of CCPs shall be taken into account. These requirements need to be detailed accordingly. They also may differ between the various European CCPs as their processing logic is different.	Eurex Clearing AG	No
43	I agree	No comment.	Eurex Clearing AG	No
44	I agree	No comment.	Eurex Clearing AG	No
45	I agree	No comment.	Eurex Clearing AG	No
46	I do not agree entirely	For a CCP it should be feasible to pre-define if and which of the failed transactions should be recycled.	Eurex Clearing AG	No
47	I do not agree entirely	The harmonization of these rules amongst CSDs and amongst CCPs may not be feasible as the various CCPs within Europe have different processing models.	Eurex Clearing AG	No
48	I do not agree entirely	For CCP processing there may be the need to define specific recycling rules.	Eurex Clearing AG	No
49	I agree	Nevertheless this proposal seems to be inconsistent with the "netting" proposal 44 which says that optimization will only happen 3 times a day.	Eurex Clearing AG	No
50	I agree	No comment.	Eurex Clearing AG	No
51	I agree	No comment.	Eurex Clearing AG	No
52	I do not agree entirely	There will be certain requests from CCPs how to interact with the systems. These requirements need to be detailed further. It is important to involve all European CCPs in that process, as there processing models are different.	Eurex Clearing AG	No
53	I do not agree entirely	There is the need from CCPs to update certain criteria such as e.g. 'CCP eligibility flag'. A process needs to be defined, how these updates can be executed (e.g. via the CSD or directly).	Eurex Clearing AG	No
54	I agree	No comment.	Eurex Clearing AG	No
55	I agree	No comment.	Eurex Clearing AG	No
56	I agree	No comment.	Eurex Clearing AG	No
57	I do not agree entirely	There may be the need to make some of these functions also available for CCPs. Further analysis necessary to clarify this.	Eurex Clearing AG	No
58	I agree	No comment.	Eurex Clearing AG	No
59	I agree	The use of proprietary XML formats is understood to be offered as alternative to standard ISO message types and that therefore is no need to adapt to any proprietary	Eurex Clearing AG	No
60	I agree	Sufficient contingency buffer needs to be considered.	Eurex Clearing AG	No
61	I agree	Sufficient contingency buffer needs to be considered.	Eurex Clearing AG	No
62	I agree	CCPs usually reduce number of settlement instructions through netting. Nevertheless there should not be any constraints within the settlement system.	Eurex Clearing AG	No
63	I agree	No comment.	Eurex Clearing AG	No
64	I agree	No comment.	Eurex Clearing AG	No

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65	I agree	No comment.	Eurex Clearing AG	No
66	I agree	Nevertheless more detailed information and discussion about the exact migration model and the implementation time frame is necessary.	Eurex Clearing AG	No
67	I agree	Nevertheless if that proposal leads to the consequence that CSDs and CCPs need to develop significant functionality in order to comply with their regulatory and legal environment, the justification of the common technical platform shall be weakened.	Eurex Clearing AG	No