

Feedback to consultation paper

Document Title	T2S Consultation Paper: Principles and High Level Proposals
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Proposal Nr.	Company	Statement	Comment	Institution
1	JPMorgan	I agree	JPM agrees with the proposal for a uniform account codification in T2S.	JPMorgan Chase Bank
2	JPMorgan	I agree	JPM believe a dedicated subaccount on T2 is a preferred solution (T2S cash account), as it allows a clean view on the securities-related transactions. This account should link real time into the participant's main T2 RTGS cash account to allow any pure cash funding to be taken into consideration real time during the settlement process.	JPMorgan Chase Bank
3	JPMorgan	I agree		JPMorgan Chase Bank
4	JPMorgan	I agree		JPMorgan Chase Bank
5	JPMorgan	agree	In addition, we would like to have the ability to identify the cash accounts which are used for auto-collateralization, and the ability to set limits on certain accounts.	JPMorgan Chase Bank
6	JPMorgan	I do not agree entirely	We would like to have the ability, as a bank direct participant in T2S, to have one account (or one set of accounts) which consolidates the positions held with the various CSDs with which we have a legal relationship. This 'technical account' will allow to have a consolidated view on our total collateral position available in T2S across all CSDs.	JPMorgan Chase Bank
7	JPMorgan	I do not agree entirely	We believe that the case in Proposal 7 should be covered within proposal 8 below.	JPMorgan Chase Bank
8	JPMorgan	I agree	The roles of the different participants in T2S should be clarified upfront. In addition to the roles identified in the proposal, the securities accounts structure in T2S should accommodate the private labelling scenarios, where the operator of the account is not the direct CSD participant.	JPMorgan Chase Bank
9	JPMorgan	I agree	In addition, segregation per tax status of the underlying investor should be allowed in T2S	JPMorgan Chase Bank

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10	JPMorgan	I agree	The accounts structure should allow the ability to identify specific T2S accounts or securities eligible for self-collateralization (for example, securities subject to a corporate action should be excluded from the pool of collateral).	JPMorgan Chase Bank
11	JPMorgan	I agree	In addition, T2S should have all relevant reference data including securities lending, Corporate actions related information necessary for settlements	JPMorgan Chase Bank
12	JPMorgan	I agree	In addition, banks direct participants in T2S should have read-only access to the securities reference data.	JPMorgan Chase Bank
13	JPMorgan	I agree	In addition, banks direct participants in T2S may need to have reference data related to their activities.	JPMorgan Chase Bank
14	JPMorgan	I do not agree entirely	For direct participants in T2S, some degree of control over their data is required, although changes should be made by the CSDs.	JPMorgan Chase Bank
15	JPMorgan	I agree	As per 14	JPMorgan Chase Bank
16	JPMorgan	I agree		JPMorgan Chase Bank
17	JPMorgan	I agree		JPMorgan Chase Bank
18	JPMorgan	I do not agree entirely	For all participating CSDs, there should only be one set of harmonized rules.	JPMorgan Chase Bank
19	JPMorgan	I agree		JPMorgan Chase Bank
20	JPMorgan	I agree	T2S needs to take into consideration the time required to re-align cash positions	JPMorgan Chase Bank
21	JPMorgan	I agree	Night-time processing allows for increased efficiency, most settlements being processed during the night and leaving the unsettled and same-day trades for daylight.	JPMorgan Chase Bank
22	JPMorgan	I agree		JPMorgan Chase Bank
23	JPMorgan	I completely disagree	Settlement processes should be harmonized across CSDs: either all participant CSDs are part of the night-time processing, either there is no night-time processing. Some of the key benefits of T2S may be lost if there is no harmonization in this respect.	JPMorgan Chase Bank
24	JPMorgan	I agree	There should be a clear definition of 'core' services	JPMorgan Chase Bank
25	JPMorgan	I do not agree entirely	As above, definition of what is core is required, before agreeing that CSDs can have additional deadlines.	JPMorgan Chase Bank
26	JPMorgan	I agree		JPMorgan Chase Bank

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27	JPMorgan	I agree		JPMorgan Chase Bank
28	JPMorgan	I agree		JPMorgan Chase Bank
29	JPMorgan	I agree		JPMorgan Chase Bank
30	JPMorgan	I completely disagree	T2S should offer a centralized matching facility for OTC transactions. On-exchange transactions will come already matched in T2S. Local matching at CSD level should be replaced by T2S matching	JPMorgan Chase Bank
31	JPMorgan	I agree		JPMorgan Chase Bank
32	JPMorgan	I do not agree entirely	There should be no re-matching in T2S for on-exchange already matched transactions	JPMorgan Chase Bank
33	JPMorgan	I do not agree entirely	We agree that matching should be binding in T2S. However, there should be no longer domestic differences.	JPMorgan Chase Bank
34	JPMorgan	I agree		JPMorgan Chase Bank
35	JPMorgan	I do not agree entirely	More discussions need to take place on what is meant by enrichment	JPMorgan Chase Bank
36	JPMorgan	I agree	Especially important to be available for T2S direct bank participants	JPMorgan Chase Bank
37	JPMorgan	I agree		JPMorgan Chase Bank
38	JPMorgan	agree		JPMorgan Chase Bank
39	JPMorgan	I agree		JPMorgan Chase Bank
40	JPMorgan	I agree		JPMorgan Chase Bank
41	JPMorgan	I agree		JPMorgan Chase Bank
42	JPMorgan	I agree		JPMorgan Chase Bank
43	JPMorgan	I agree		JPMorgan Chase Bank
44	JPMorgan	I agree	T2S should have at least 3 netting processes and additional mini-netting processes during the day.	JPMorgan Chase Bank

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45	JPMorgan	I do not agree entirely	The day-time batch processes should run in parallel with the real-time mode- there should be no interruption of the real-time mode while the day-time batches run.	JPMorgan Chase Bank
46	JPMorgan	I agree		JPMorgan Chase Bank
47	JPMorgan	I agree		JPMorgan Chase Bank
48	JPMorgan	I do not agree entirely	Further discussions are required on this subject and more details regarding the recycling process.	JPMorgan Chase Bank
49	JPMorgan	I agree		JPMorgan Chase Bank
50	JPMorgan	I agree		JPMorgan Chase Bank
51	JPMorgan	I do not agree entirely	More discussion is required on this point to clarify the benefits vs costs.	JPMorgan Chase Bank
52	JPMorgan	I do not agree entirely	Participant banks accessing T2S directly should be able to update their data, via the CSDs.	JPMorgan Chase Bank
53	JPMorgan	I agree		JPMorgan Chase Bank
54	JPMorgan	I agree		JPMorgan Chase Bank
55	JPMorgan	I do not agree entirely	If direct participants would want a consolidated view over all their accounts, the interfaces should support this	JPMorgan Chase Bank
56	JPMorgan	I do not agree entirely	Interfaces should accept instructions all the time (day and night), including during maintenance windows, even if the instructions are not processed. Instructions should not be sent back to participants.	JPMorgan Chase Bank
57	JPMorgan	I do not agree entirely	Other categories of users may require access to these functionalities, in addition to the CSDs.	JPMorgan Chase Bank
58	JPMorgan	I agree		JPMorgan Chase Bank
59	JPMorgan	I agree		JPMorgan Chase Bank
60	JPMorgan	I do not agree entirely	The system should be scalable to accommodate increase in volumes.	JPMorgan Chase Bank
61	JPMorgan	I agree		JPMorgan Chase Bank
62	JPMorgan	I agree		JPMorgan Chase Bank
63	JPMorgan	I agree		JPMorgan Chase Bank

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Proposal Nr.	Company	Statement	Comment	Institution
64	JPMorgan	I do not agree entirely	More details required around roles and responsibilities	JPMorgan Chase Bank
65	JPMorgan	I agree		JPMorgan Chase Bank
66	JPMorgan	I do not agree entirely	The migration to T2S should be made by settlement system: in certain markets there are two settlement systems, or other markets (Euronext) may use the same system and can move together.	JPMorgan Chase Bank
67	JPMorgan	I completely disagree	Harmonization and standardization decisions should be guided by the best practices across the markets, and should be visionary, to accommodate for the evolution of the markets.	JPMorgan Chase Bank

Confidential
No

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No
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No