Feedback to consultation paper

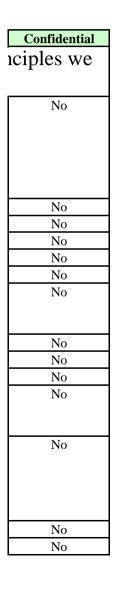
Document Title	T2S Consultation Paper: Principles and High Level Proposals
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Deadline for review	21.06.2007

Proposal Nr.	Statement	Comment	Institution
Please find	below the respo	nses from VP Securities Services to the 67 proposals. Concernin	g the 20 general prin
	-	s on behalf of the European CSDs, including VP	
	I do not agree entirely	VP agrees to the general principle of the proposal, but it is not clear from the proposed codification structure whether there is a technical limit to the number of sub-accounts. There are more than 3,000,000 accounts registered in VP today. We expect that the final T2S account structure will allow us to offer our participants, at a minimum, our current level of functionality (e.g. single investor accounts) on non-discriminatory terms. We refer to Principle 5.	VP Securities Services
2	2 I agree		VP Securities Services
3	3 I agree		VP Securities Services
4	4 I agree		VP Securities Services
5	5 I agree		VP Securities Services
6	5 I agree		VP Securities Services
7	7 I do not agree entirely	To ensure a level playing field, end-investor functionality should be core functionality of T2S. This applies to all aspects of the design, including volume requirements and performance targets.	VP Securities Services
8	8 I agree		VP Securities Services
9	J I agree		VP Securities Services
10	I agree		VP Securities Services
11	I do not agree entirely	It should be possible to register securities account balances (holdings) with a number of decimals (more than 2).	VP Securities Services
12	2 I do not agree entirely	There is a need to find a solution for maintenance of securities that are issued in more than one CSD (with same ISIN).	VP Securities Services
13	3 I agree		VP Securities Services
	4 I agree		VP Securities Services

roposal Nr.	Statement	Comment	Institution
15	I do not agree entirely	Each CSD is subject to public law on data protection, consumer protection and discretion, which will	VP Securities Services
		has to be taken into account on handling data in T2S as well	
16	I agree		VP Securities Services
17	I agree		VP Securities Services
18	I agree		VP Securities Services
19	I agree		VP Securities Services
20	I do not agree entirely	VP has a need for access to data 24/7 (except for the maintenance window).	VP Securities Services
		There is a need for different calendars for different currencies.	
		Additionally, for the Danish market, there is a need for updating securities accounts and balances on	
		non-TARGET days that are Danish business days (e.g. 1 May is a Danish business day by	
		legislation).	
		In order to ensure a level playing field and efficient cross-border settlement, non-euro zone CSDs will need access to cash liquidity for night settlements.	
21	I agree		VP Securities Services
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	I agree		VP Securities Services
	I do not agree entirely	We are uncertain about the scope and content of this proposal and are therefore not currently able to provide specific comments. However, as regards Settlement Functionality in general we would like to emphasize that in order to ensure a level playing field and efficient cross-border settlement, non-euro zone CSDs will also need access to cash liquidity for night settlements.	VP Securities Services
38	I do not agree entirely	Due to Danish legislation, it is not possible to offer the same optimisation routine (technical netting) to all investors.	VP Securities Services
39	I agree		VP Securities Services

Proposal Nr.	Statement	Comment	Institution
40	I agree		VP Securities Services
	I agree		VP Securities Services
42	I do not agree entirely	Technical netting and settlement should be able to cater for drawn amounts. Please also note VP's comment to proposal 38.	VP Securities Services
43	I agree		VP Securities Services
	I do not agree entirely	VP recommends that there will be more than three (today, the Danish market has 5 cycles).	VP Securities Services
45	I agree		VP Securities Services
	I agree		VP Securities Services
	I do not agree entirely	VP's agrees to support shaping but do not agree to partial settlement.	VP Securities Services
48	I agree		VP Securities Services
49	I agree		VP Securities Services
50	I agree		VP Securities Services
51	I agree		VP Securities Services
52	I do not agree entirely	It will be necessary for T2S to offer a real-time push interface from T2S to CSDs. We refer to Principle 5. A real-time push interface from VP to VP's customers has been in place since 1996, and in order for VP to maintain the current service level, T2S should also support this to the CSDs.	VP Securities Services
53	I agree		VP Securities Services
	I agree		VP Securities Services
55	I do not agree entirely	As legally liable for their securities accounts, holdings and Static data, CSDs must be able to control these also in case CSD's participants may access T2S directly. This is mainly relevant in case of opening and maintenance of securities accounts.	VP Securities Services
56	I do not agree entirely	As rights in securities according to Danish law is attached under a "time-stamp" principle, T2S has to ensure that no transactions processing and updating procedure for settlement or other purpose may hamper this	VP Securities Services
57	I do not agree entirely	VP has a need for real-time push messages whenever securities balances change or transactions change status.	VP Securities Services
		Additionally, multi-currency CSDs have a need for blocking and subsequently updating securities account balances at T2S when settling transactions in other currencies for euro denominated securities.	
58	I agree		VP Securities Services
59	I agree		VP Securities Services
60	I do not agree entirely	VP can not comment on the feasibility study based on the information provided.	VP Securities Services
61	I agree		VP Securities Services
62	I agree		VP Securities Services

Proposal Nr.	Statement	Comment	Institution
63	I agree		VP Securities Services
64	I agree		VP Securities Services
65	I agree		VP Securities Services
66	• •	VP can not see how cross-border functionality should be handled during the migration period (e.g. how to migrate the Euroclear Bank link to VP)	VP Securities Services
67	I agree		VP Securities Services



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