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CSD DCP Workshops

Session V

DCP Definitions and Services

9th October 2013

Objectives of today's Workshop



Situation

- § In the light of the upcoming deadline of 15 October for the non-binding declaration towards ECB the informal DCP forum and the CSDs have agreed on a series of workshops on DCP-related topics to support the DCP decision making process
- § After the first series of 4 workshops has been conducted the need for further workshops has been determined



Objective

-
- § Status Update non-binding declaration to become a DCP
 - § Present technical connectivity options and clarification and alignment on the technical and legal aspects of the definition of a DCP
 - § Follow-up on proposed procedure of DCP Client Readiness Status Reporting
 - § Follow-up on visibility of Data Ownership and Management of Dynamic Data
 - § Follow-up on DCP organizational issues remaining as open issues from workshops 1-4
 - § Way forward workshop on Cash- and Liquidity Management

Agenda

1. Follow-up non-binding declaration to become a DCP
2. Technical and legal aspects of ICP/DCP Connectivity Scenarios
3. Follow-up proposed procedure of DCP Client Readiness Status Reporting
4. T2S Access Rights - Visibility of Data Ownership and Management of Dynamic Data
5. Miscellaneous/ Follow-up topics from previous workshops
6. Future T2S Eurosystem workshop on Cash- and Liquidity Management
7. Appendix

Follow-up non-binding DCP-Declaration

- § Entities that are interested in becoming a DCP within the first phase of T2S have to provide a non-binding declaration of their interest by 15 October 2013

- à The CSG meeting agreed on the following procedure and conditions¹⁾:
 - § The declaration should indicate if the entity aims to become a DCP in one or more markets. An indication of the targeted markets would be appreciated but is not mandatory yet
 - § The non-binding declaration can be withdrawn at any point in time (in that case direct participation is only possible after the first phase of T2S)
 - § A formal binding declaration will be necessary prior to the start of testing for a respective wave
 - § The non-binding declaration must be provided via email to the CSG Chair Office (email: CSG.ChairOffice@clearstream.com) until 15 October 2013
 - § After consolidation the CSG ChairOffice will immediately forward the feedback to the T2S Advisory Group as well as to the CSD Sponsors

- § A common letter has been created and circulated among the CSDs
- § Each customer has already received (or will receive) a variation of this note from the respective CSDs he maintains a contractual relationship with

1) CSG Chair Office together with the Project Managers have elaborated a common letter to inform their customers on the deadline

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Follow-up technical and legal aspects of the definition of a DCP

- § Several scenarios and options have been sketched and discussed during 3rd workshop session on 'Contractual Arrangements'
- § It became clear that there is further need for clarification with regards to the role, definition and responsibilities of a DCP from a technical, legal and commercial/business perspective
- § The DCP-Forum prepared a matrix with according scenarios to serve as an input for joint discussion on ICP/DCP connectivity options

T2S DCF/ DCP-ICP Matrix

The following matrix has been delivered by the DCP-Forum members on 25 Sept 2013 to support the clarification of the definition of a DCP

Scenario	T2S ACTOR 1					T2S ACTOR 2					T2S ACTOR 3					Description	Questions	
	ICP	ICP/Dcp Mode	CSD A/C Owner	Business Sender	Technical Sender	ICP	ICP/Dcp Mode	CSD A/C Owner	Business Sender	Technical Sender	ICP	ICP/Dcp Mode	CSD	DCP	YES			YES
1	Actor1	ICP	YES	-	-			-	-	-			CSD	DCP	YES	YES	Actor 1 is ICP using a CSD to access T2S	Confirm that CSD is recognised as Technical Sender in T2S. Would the CSD also be considered a DCP?
2	Actor1	ICP	YES	YES	-			-	-	-			CSD	DCP	-	YES	ICP/CSD Relationship, CSD is only Technical Sender	Confirm that CSD is recognised as Technical Sender in T2S. Would the CSD also be considered a DCP?
3	Actor1	ICP	YES	-	-	AB	noDCP (TO)	-	YES	-			CSD	DCP	-	YES	Actor 1 is ICP using an AB/3P to access T2S	If Actor 1 is ICP and AB/3P is only acting as Business Sender, confirm that AB/3P is not acting as a DCP (though it may be a DCP for other
4	Actor1	ICP	YES	YES	-	AB	DCP (TO)	-	-	YES							Actor 1 is ICP using an AB/3P to access T2S	If Actor 1 is Business Sender + CSD account owner and AB/3P is acting as a Technical Sender as well as DCP (for its own and third party business) and uses its DCP connectivity to send Actor 1's messages to T2S, should Actor 1 be considered an ICP?
5	Actor1	DCP	YES	YES	YES			-	-	-					-	-	Actor 1 is DCP Direct in T2S	none
6	Actor1	DCP	YES	YES	-	AB/3P	noDCP (TO)	-	-	YES					-	-	Actor 1 is DCP Direct in T2S, using an AB/3P as Technical Sender	If Actor 1 is DCP and AB/3P is only acting as Technical Sender, confirm that AB/3P is not acting as a DCP (though it may be a DCP for
7	Actor1	DCP	YES	-	-	AB/3P	noDCP (TO)	-	YES	YES					-	-	Actor 1 is DCP Direct in T2S, using an AB/3P as Business & Technical Sender	If Actor 1 is DCP and AB/3P is acting as its Business & Technical Sender, confirm that Actor 1 is still the recognised DCP in T2S and AB is not acting as a DCP
8	AB	DCP	YES	YES	YES			-	-	-					-	-	Actor 1 is an Agent Bank/Custodian and is DCP Direct in T2S	Will full service clients of AB be considered T2S Actors in any way (e.g. ICP)?
9	TV	DCP	-	YES	YES			-	-	-					-	-	Actor 1 is a Trading Venue sending matched instructions directly into trading members' CSD accounts (non CCP-cleared business)	Can the TVs be DCP when they are not CSD account owners?
10	CCP	DCP	YES	YES	YES	CM/SA	DCP or ICP?	YES	-	-							Actor 1 is a CCP instructing for its own CSD account and with PoA on behalf of the Clearing Member/Settlement Agent	Is it necessary that the Clearing Member/Settlement Agent (who is the CSD account owner on whose behalf the CCP instructs) becomes itself a DCP, if the CCP wants to instruct in DCP mode? Or can CM/SA

T2S Actors:

CSD = CSD participating in T2S
 Actor1 = Bank, B/Dealer, Custodian, CCP, etc.
 AB/3P = Agent Bank/3rd Party
 TV = Trading Venue (Stock Exchange, MTF, etc)
 CM/SA = Clearing Member/Settlement Agent
 TO = Technical Operator

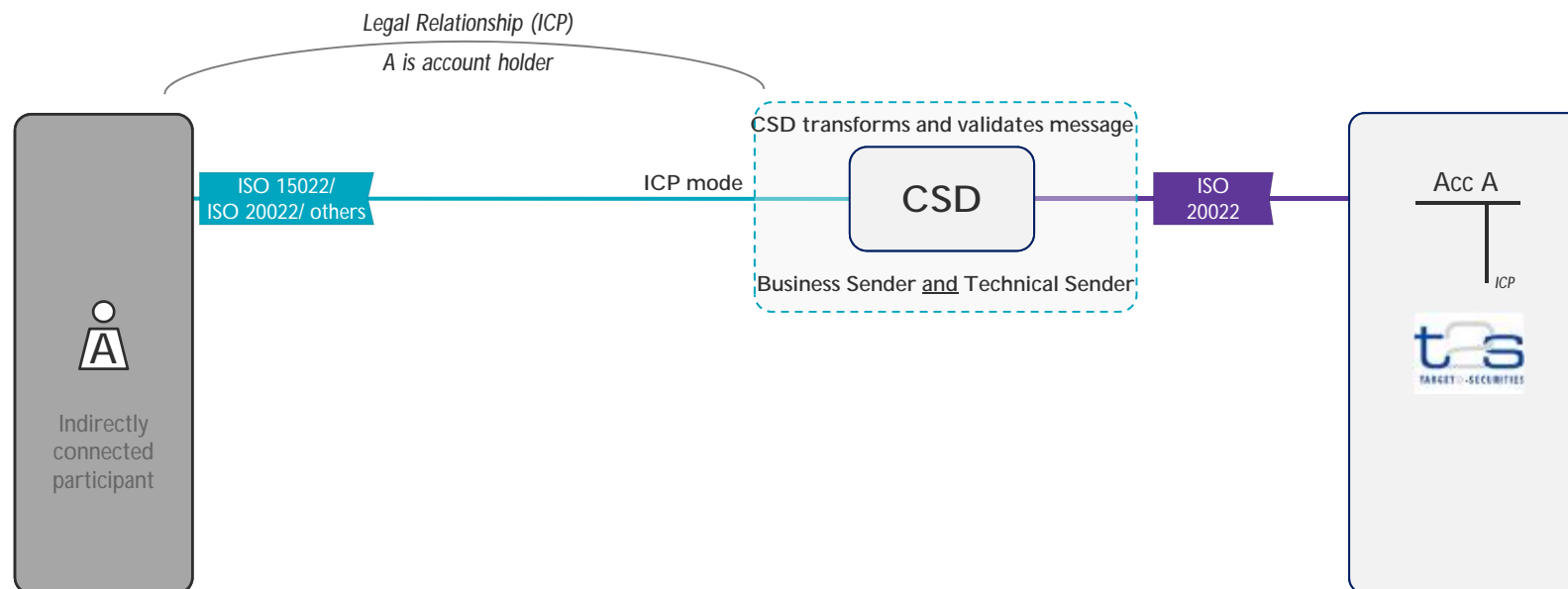


The following slides are illustrating the various connectivity options from a legal and technical perspective

ICP Scenarios (1/2)

Scenario 1.1 Participant A acts as ICP via CSD (core ICP Scenario)

- § Participant A owns account outsourced to T2S (participant A is account holder)
- § Based on existing contractual relationship between the customer and the CSD participant A fully relies on CSD that is acting both as a technical and business sender on behalf of Participant A (CSD is responsible for instructions sent to T2S)

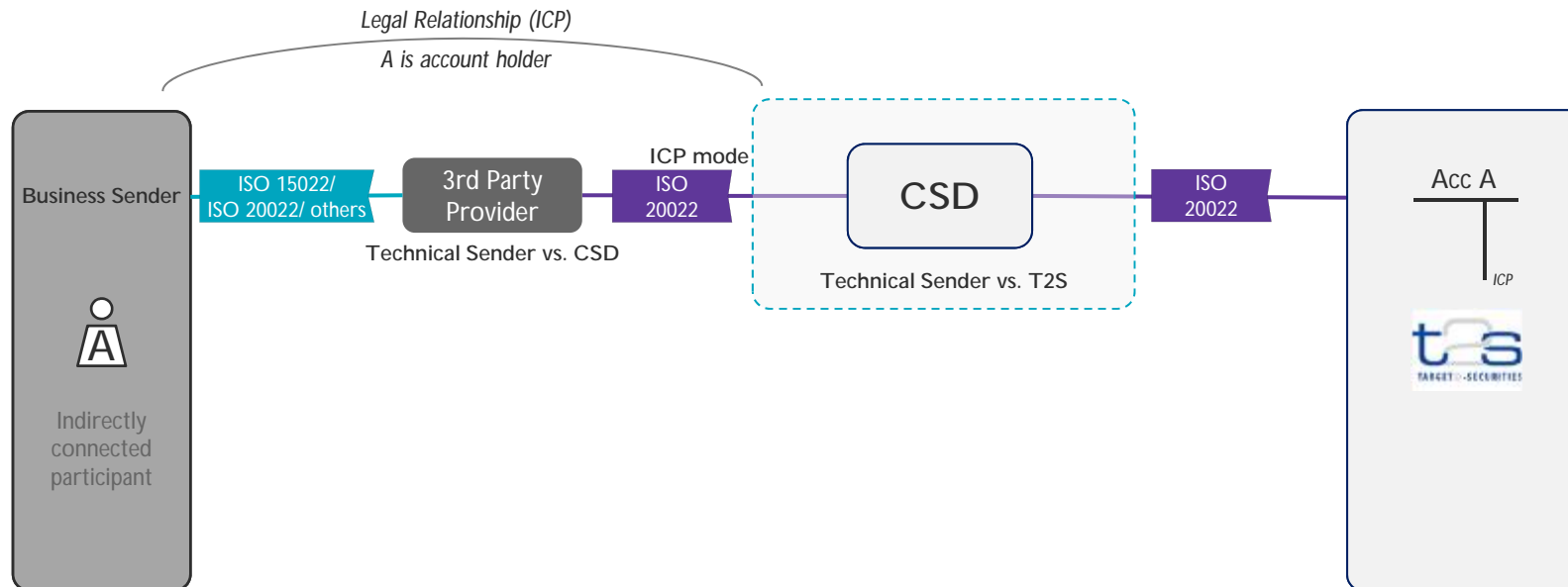


- § Participant A acts as an ICP
- § CSD has direct connectivity but is not a DCP according to DCP definition

ICP Scenarios (2/2)

Scenario 1.2 ICP connection via third party provider (sub-scenario derived from ICP-scenario 1.1)

- § Participant A owns account which will be outsourced to T2S (participant A is account holder)
- § Participant A uses third party provider as instruction sender (the third party provider has no direct connectivity to T2S)
- § Participant A keeps full responsibility for signing the business request. Participant A acts as business sender, 3P + CSD acting as technical sender
- § 3rd Party Provider acts as business and technical sender in case ICP does not send in ISO 20022
- § Depending on service level the CSD might also act as the Business Sender

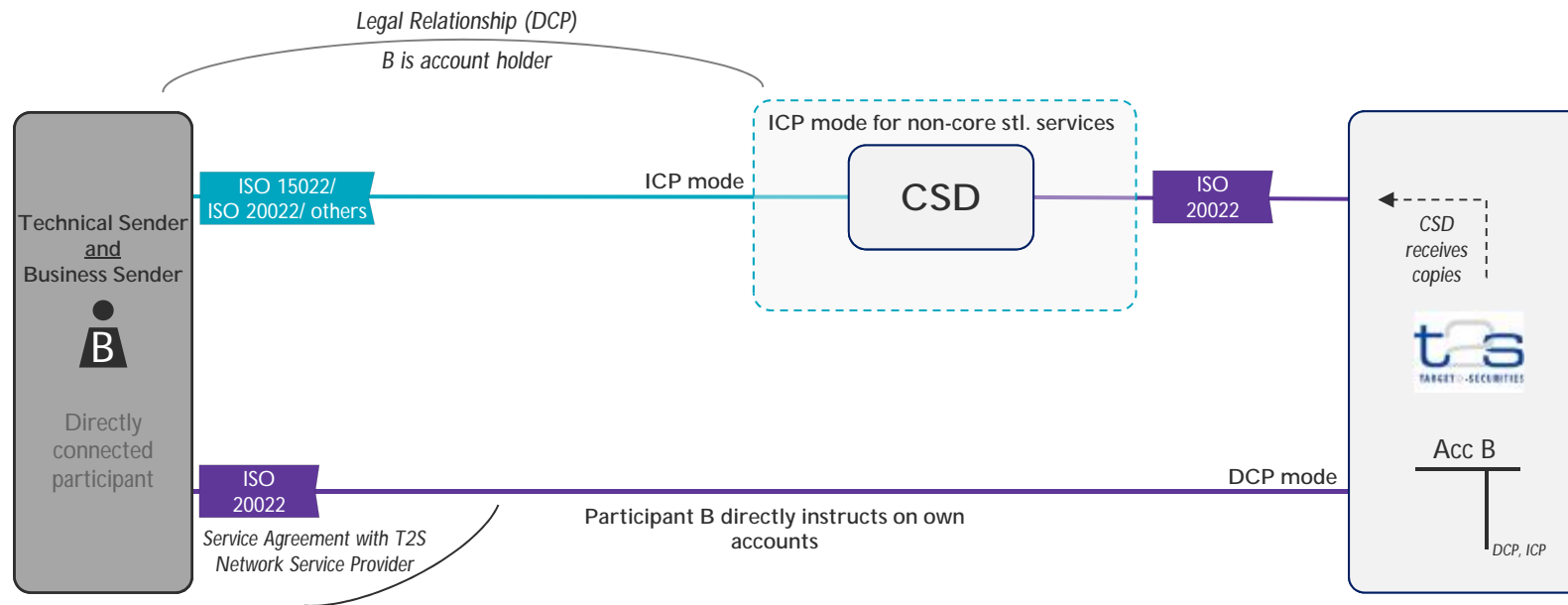


- § Participant A acts as an ICP
- § 3rd Party provider is technical router (and potentially as business sender) for ICP messages towards the CSD

DCP Scenarios (1/3)

Scenario 2.1 DCP connection 'full' DCP (core DCP scenario)

- § Participant B owns account which will be outsourced to T2S (B is account holder); account is maintained as DCP and optional as ICP Account
- § Participant B sends in ISO 20022
- § DCP has contract with NSP for direct access to T2S
- § T2S actor directly connects to T2S and also signs the business requests. T2S actor acts both as a technical & business sender
- § CSD receives copies of the messages based on subscription configuration

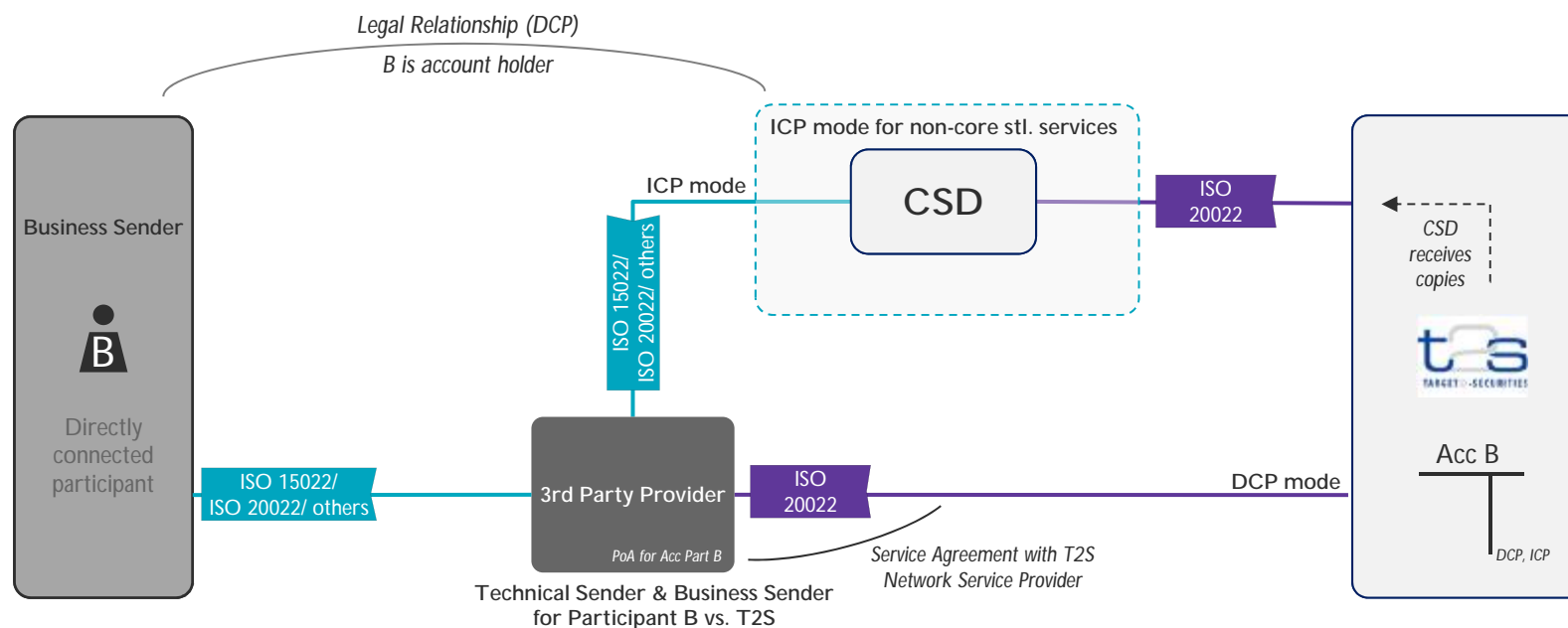


- § Participant B acts as a 'full' DCP for its own accounts
- § Legal relationship remains with the CSD (individual contractual arrangement between participant and CSD)
- § To maintain a direct connection to T2S a contractual agreement between participant B and the network service provider is necessary

DCP Scenarios (2/3)

Scenario 2.2 DCP connection and account operating via 3rd Party Provider (sub-scenario derived from 2.1)

- § Participant B owns account which will be outsourced to T2S; account is maintained as DCP and as ICP account (e.g. as back-up solution)
- § 3rd Party Provider operates B-Accounts with POA
- § In case participant B sends in ISO 20022 3rd Party Provider acts as technical sender only vs. T2S
- § 3rd Party provider has direct connectivity to T2S
- § Participant B receives all T2S related messages/reportings via 3rd Party-Provider

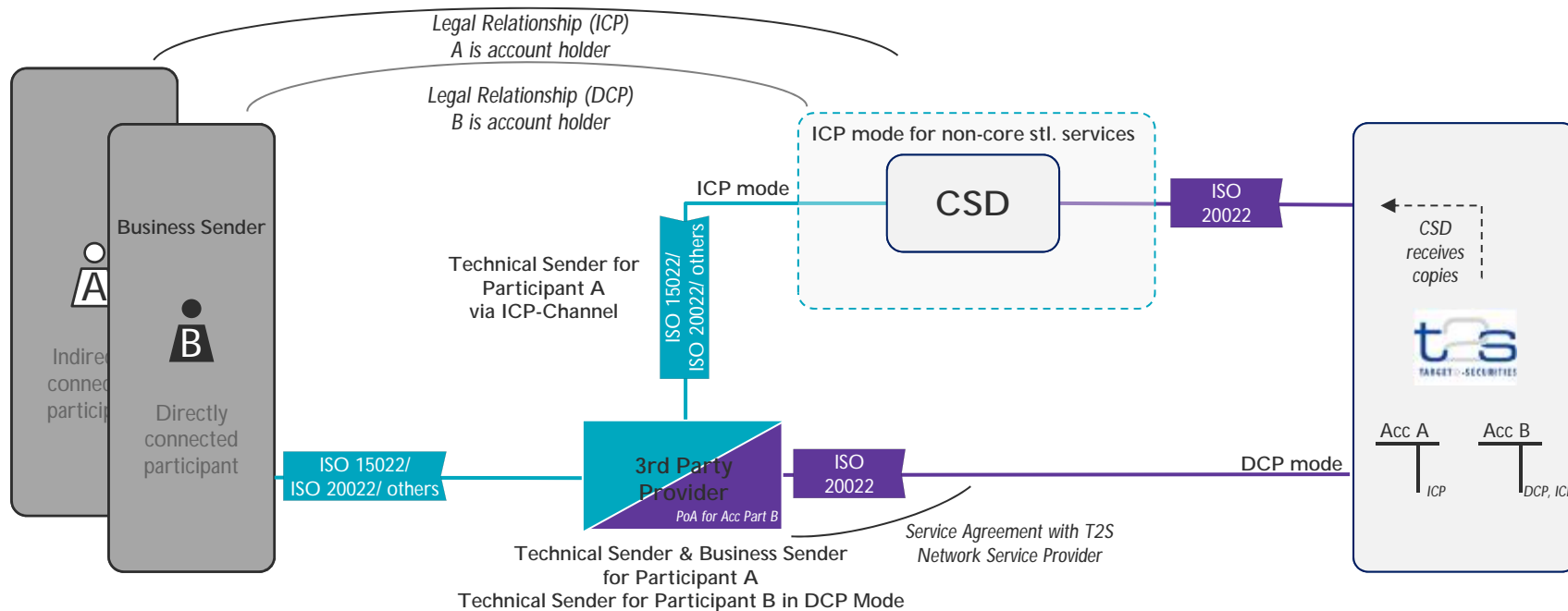


- § 3rd Party Provider is 'technical/full' DCP and has to be certified by the Eurosystem
- § Participant B is DCP (and maintains relationship with CSD)

DCP Scenarios (3/3)

Scenario 2.3 ICP and DCP customers via 3rd Party Provider (sub-scenario derived from 2.2)

- § Both participants (A & B) are using a 3rd party provider for account operations
- § Participant A acts in ICP mode ⇒ 3rd Party Provider has to use ICP-Channel for instructions sent by participant A
- § 3rd Party Provider operates B-Accounts via its direct connection to T2S
- § Participant B receives all T2S related messages/reportings via 3rd Party-Provider



- § 3rd Party Provider is 'technical/full' DCP
- § Participant A is ICP; Participant B is DCP (both parties maintain an according relationship with the CSD)
- § 3rd Party Provider has to differentiate ICP and DCP message flow

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Recap 4th DCP-CSD Workshop 23 Sept 2013

DCP Client Readiness Monitoring

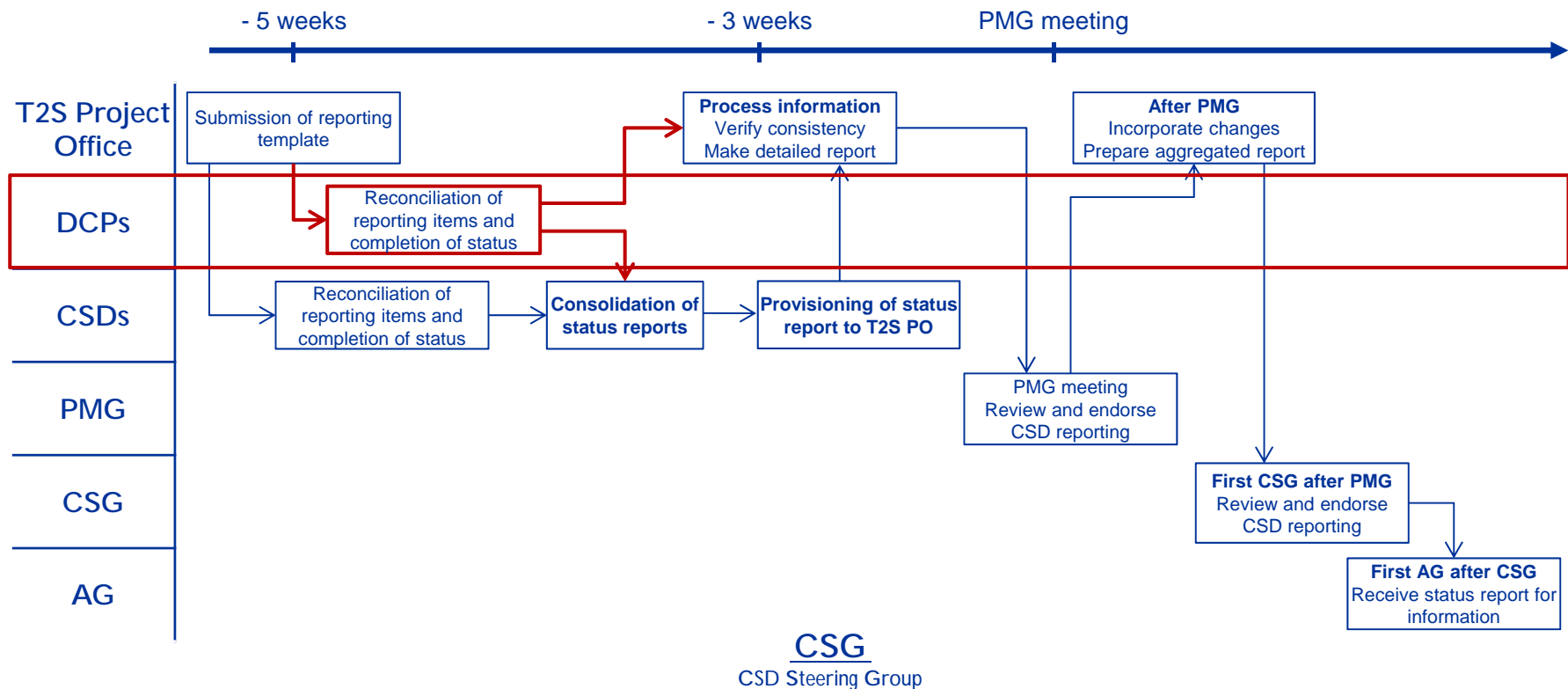
- § During the 4th DCP-CSD workshop CSDs provided an overview of the T2S client readiness monitoring concept and explained the need for considering the DCP client readiness status within the CSD readiness status reporting
- § The idea was brought up by one of the participants to have a joint DCP reporting until the firm commitment to become a DCP has to be issued (*discussion to be continued*)
- § In order to ease the process of setting up the structure and scope of the reporting CSDs will make a proposal based on the current structure of the CSD reporting including synchronization points relevant for DCPs

- § Continue discussion on starting signal and procedure (common vs. individual) for DCP Readiness Reporting towards the CSDs
- § Present a first proposal of a DCP client readiness status report (scope and structure)

Proposed DCP readiness status reporting procedure

Initially presented during DCP Forum in Madrid on 22 May 2013

- § Currently CSDs report on the steps they take to provide their community / DCPs the possibility to be ready
- § Interested DCP entities initiated the request to report to the ECB on their internal readiness
- § Although the exact scope of the status report is still to be defined, it is suggested that the DCPs report directly to the CSDs, where they intend to have a direct connectivity
- § CSDs will afterwards incorporate the status provided by the DCPs within their report



Proposed DCP readiness status reporting

Initially presented during DCP Forum in Madrid on 22 May 2013

DCP

DCPs provide detailed status report towards each CSD via which they will connect directly

CSD/NCB

CSDs include the status of their DCPs in their status reporting

T2S PO

T2S PO processes the status report and creates a detailed and aggregated status report

PMG

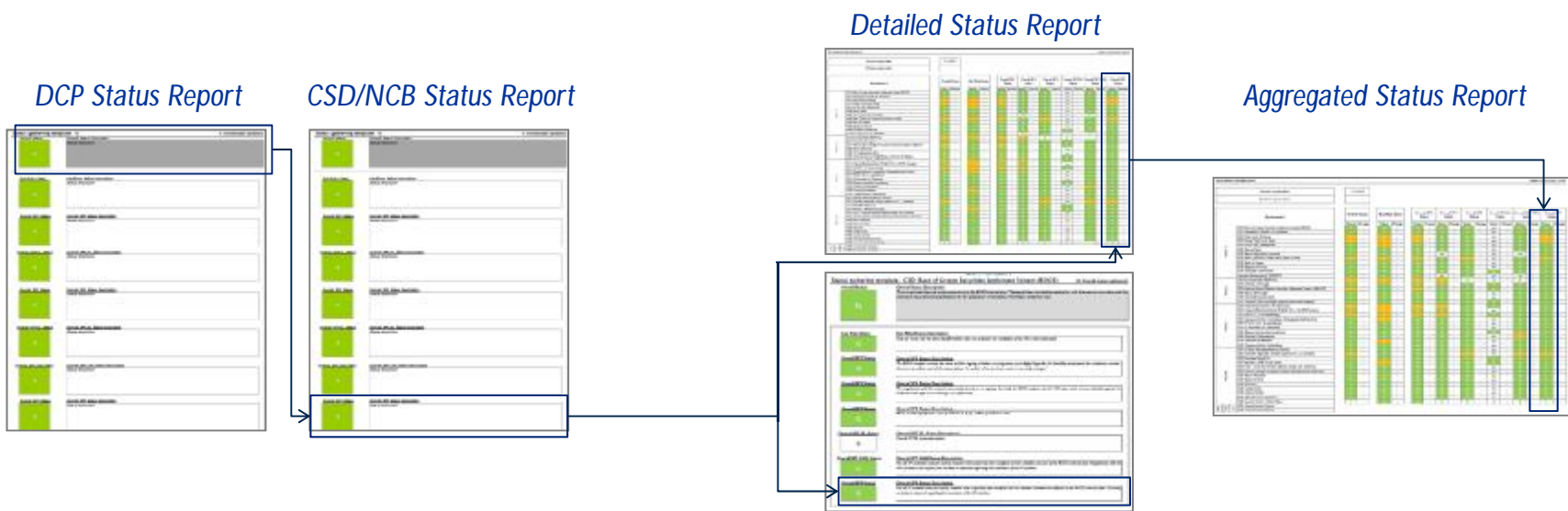
PMG reviews and endorses the detailed CSD status report each containing one status on the DCP readiness

CSG

After approval of the status report by the PMG the T2S PO provides an aggregated status report towards the CSG for information and endorsement

AG

After approval of the status report by the CSG, the AG receives the aggregated status report for information



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CSD Steering Group

High-level steps to support discussion on items which are of reporting relevance

Pre-requisites and conditions for becoming a DCP in T2S (High-Level)

To successfully become a DCP several analysis and evaluation activities related to bilateral agreements need to be taken into account

Evaluation and Analysis phase

- § Strategic analysis and evaluation on how to approach T2S
- § Communication and provisioning of non-binding declaration to become a DCP
- § Set-up of bilateral contractual arrangements with CSD related to T2S¹⁾
- § Provide firm commitment to become a DCP
- § Contractual arrangements with Network Service Providers
- § Evaluate testing and migration strategy to T2S

Testing and Pre-Migration Phase

- § Assess potential DCP migration scenarios
- § Execute internal system tests and T2S Community/ Business Day Tests (incl. Migration Testing)
- § DCP must pass certification of ECB and successful establish connectivity to T2S
- § DCP must pass authorization criteria determined by the CSD

Go-Live Phase/ DCP Migration to T2S

- § CSD to successfully finish community and business day testing phase and ready to migrate to T2S
- § DCP to receive access from CSD to different parts of T2S services
- § Set-up account-structure, define privileges and configuration, grant access rights (done by CSDs)
- § Start operation in DCP mode based on agreed go-live scenario

1) Assumption: DCP candidate has already an established relationship with the according CSD (i.e. securities account exists or will be opened at the CSD prior to migration)

Identification of relevant SPs and Milestones for DCP Client Readiness Reporting (1/3)

Derive DCP-reporting relevant SPs and Milestones based on T2S Executive Summary Plan

T2S Executive Summary Plan SP1 – SP4

		2011				2012				2013				2014			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
SP1	Start CSD/CB Feasibility Assessment Confirmed				◆ 20/12/2011												
	User Requirements V5.1				◆ 20/10/11												
	User Detailed Functional Specification V1.2				◆ 31/10/11												
	Start Feasibility Assessment Confirmed				◆ 02/11/11												
SP2	Feasibility Confirmation by CSD/CB								◆ 10/08/12								
	CSD/CB Feasibility Assessment			◆ 02/11/11					◆ 29/06/12								
	Signature FA/CPA					◆ 30/04/12	◆	◆ 29/06/12									
SP3	T2S Programme Plan Comprehensiveness Confirmed											◆ 31/05/13					
	User Detailed Functional Specification V1.2.1								◆ 07/09/12								
	Confirmation on the Composition and Timing of the Migration Waves								◆ 10/12/12								
SP4	Network Providers Confirmed for VAN																◆ 29/11/13
	Value Added Network					◆ 08/07/11		◆ 31/01/12		◆ 31/07/12				◆ 11/10/13			

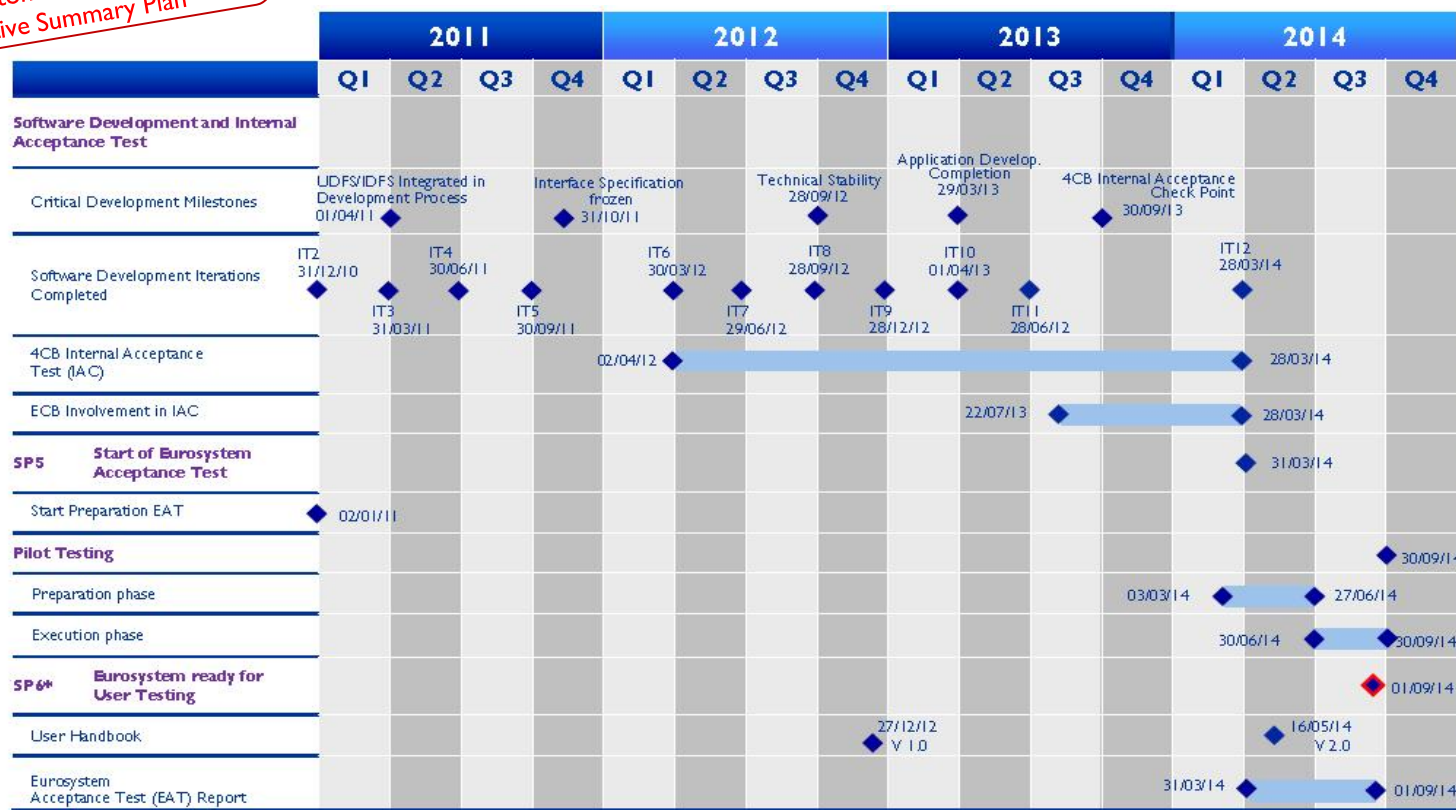
Proposal on DCP reporting relevant Milestones and Synchronization Points:

- § Status non-binding declaration to become a DCP (15 Oct 1013)
- § Define/ Agree on timing for firm commitment (tbd)
- § others

Identification of relevant SPs and Milestones for DCP Client Readiness Reporting (2/3)

Derive DCP-reporting relevant SPs and Milestones based on T2S Executive Summary Plan

T2S Executive Summary Plan SP5 – SP6



Proposal on DCP reporting relevant Milestones and Synchronization Points:

- § Status DCP readiness
- § Certification/Authorization Testing preparation (e.g. review, test planning, etc.)
- § Bilateral contractual agreements with CSDs/ NSPs
- § others



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Identification of relevant SPs and Milestones for DCP Client Readiness Reporting (3/3)

Derive DCP-reporting relevant SPs and Milestones based on T2S Executive Summary Plan

T2S Executive Summary Plan SP7 – SP16

		2012				2013				2014				2015			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Infrastructure Preparation																	
	Production Environment ready															◆ Production Environment Ready MAR 2015	
SP7 Start Connectivity Set-up for VAN Network Service Providers																	
	User Detailed Functional Specification V2.0											◆ 01/08/14					
	User Detailed Functional Specification V2.0											◆ 13/06/14					
SP8 Start Bilateral Interoperability Testing																	
	User Detailed Functional Specification V2.0															◆ 01/10/14	
SP13 Eurosystem ready for Production																	
	User Detailed Functional Specification V2.0															◆ 02/02/15	
Wave I Go-Live [tbc for subsequent waves]																	
SP9.1	Start Multilateral Interoperability Testing															◆ 05/01/15	
SP10.1	Start Community Testing															◆ 02/03/15	
SP11.1	Start Business Day Testing															◆ 18/05/15	
SP12.1	End of User Testing															◆ 12/06/15	
SP14.1	Ready to Connect to Production															◆ 27/02/15	
SP15.1	Ready to Upload Static Data															◆ 23/03/15	
SP16.1*	Ready for T2S Go-Live															◆ 19/06/15	
	Go-live															◆ 22/06/15	

Proposal on DCP reporting relevant Milestones and Synchronization Points:

- § Ready to connect to Community Test Environment
- § Successful connectivity test
- § Certified by Eurosystem
- § Authorized by CSD
- § Successful Community/Business Day Test
- § Ready for production
- § Go-Live (depending on Go-Live Scenario)
- others

Proposal for discussion

– Proposal – Dimensions of DCP Readiness Reporting

The proposal is based on the current structure of the CSD reporting including synchronization points relevant for DCPs

Customer status firm DCP commitment: open
 Planned GoLive and participating migration waves: tba
 Planned GoLive during cutover-weekend: yes/ no/ x weeks after wave x
 [..]

<i>Overall Status</i>	<i>Overall DCP Status Description</i>
Status Key Risks	<i>Key Risk Description</i>
Status SP.x/ Reporting Item	<i>Summary status on DCP relevant T2S Synchronization Point or Reporting Item</i>
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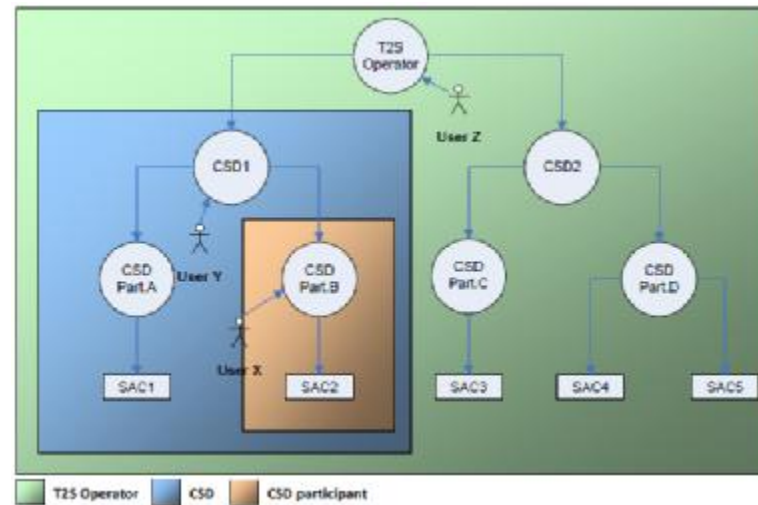
- § Provide general metrics on customer status for classification
- § DCP-candidates to provide a status summary on Key Risks and pre-defined Synchronization Points per Market (tbd)
- § Detailed Risk- and Issue-Reporting to be provided separately

Agenda

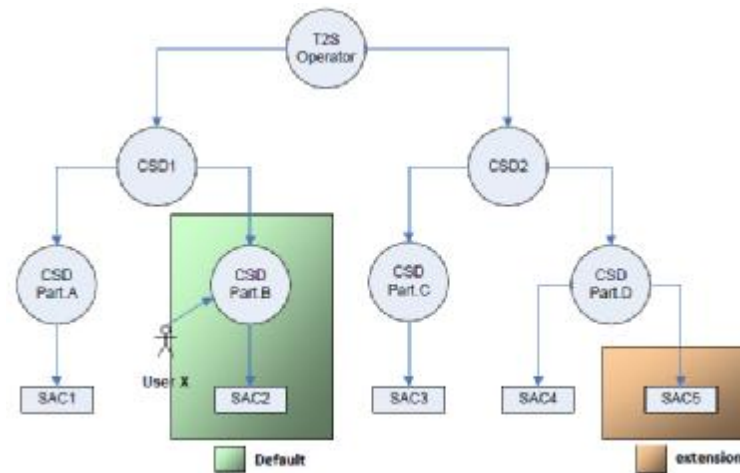
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T2S Data Scope (1/2)

Access Rights are based on default data scope in line with T2S party hierarchical model...



... as well as restricted or extended data scope



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T2S Data Scope (2/2)

By default, the T2S Actors are in a silo approach, as access rights are restricted per system entity at the start of T2S

By extending access rights, CSDs can allow their participants to navigate across T2S silos!
(as foreseen by the user requirements)



examples

- § CCP instructs cross-CSDs
- § GUI queries cross-system entities
- § Liquidity Transfers by CSD on behalf of a payment bank

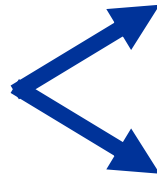
For Discussion

T2S Access Rights Issue

There are still open points regarding the visibility of Data Ownership and Management of Dynamic Data.

(1) Visibility of Data Ownership

E.g. GUI query about security account positions for ISIN XYZ system entities. No system entity field in GUI

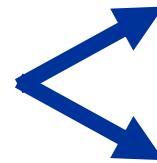


- If harmonisation of security account IDs (contains CSD-id) then indirect visibility
- If no harmonisation then no visibility

Risk of confusion with system entity's logo (white labelling)

(2) Management of Dynamic Data

E.g. specific case where CSD1/Party1 instructs for CSD2/Party2.
Instructing message stored under CSD1 subsequent lifecycle messages stored under CSD2.



- No full Audit Trail for CSD2
- Multiple Billing for one single transaction for Party2 (charging each service separately to CSD1 and CSD2)
- Confidentiality: files and messages containing cross-CSD instructions located in CSD1

During the May CSG meeting it was pointed out that in case a non-usage of cross system entity features was chosen (option 1), DCP's would have to send a separate file per CSD as otherwise data confidentiality issues may arise.

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Contingency arrangements for possible switch between Network Service Providers

Situation: The contingency arrangements of a 6 months notification period for a possible switch between Network Service Providers is deemed as too long by the members of the DCP forum

This issue is based on the following section of Article 11 of the T2S Framework Agreement:

1. *The Eurosystem shall allow the Contracting CSD and its DCPs to connect its IT systems to the T2S Platform, either via a Value-added Connection or via a Dedicated Link Connection.*
2. *The Contracting CSD shall inform the Eurosystem about the solution it has chosen for its connection to T2S at least six months prior to the intended start date of its testing activities.*
3. *The Contracting CSD shall use reasonable efforts to ensure that its own connectivity with the T2S Platform functions properly at all times. The Contracting CSD shall provide in its rules or contractual terms for an obligation to be imposed on its DCPs to use reasonable efforts to ensure that their connectivity with the T2S Platform functions properly at all times.*
4. *The Contracting CSD shall inform the Eurosystem of its intention to change its Network Service Provider (NSP) as soon as reasonably possible.*

Questions DCP-Forum for clarification:

- § Are the provisions applicable to CSDs also applicable to DCPs?
- § Where there is the need to change NSP, which are required steps by ECB (including connectivity testing phase) and related time table, frozen period, etc.?
- § Based on the static data configuration, it is always mentioned the “selected NSP” and not “selected NSPs”: why is this so? Should we understand that dual connectivity is not allowed?

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Future Workshop on Cash and Liquidity Management by Eurosystem

- § The Eurosystem will invite for a Liquidity and Auto-Collateralisation Workshop addressing topics in the area of
 - § T2S Cash Account Management,
 - § Characteristics and features auto-collateralization,
 - § Liquidity and Cash-Management in Central Bank Money,
 - § Migration related aspects

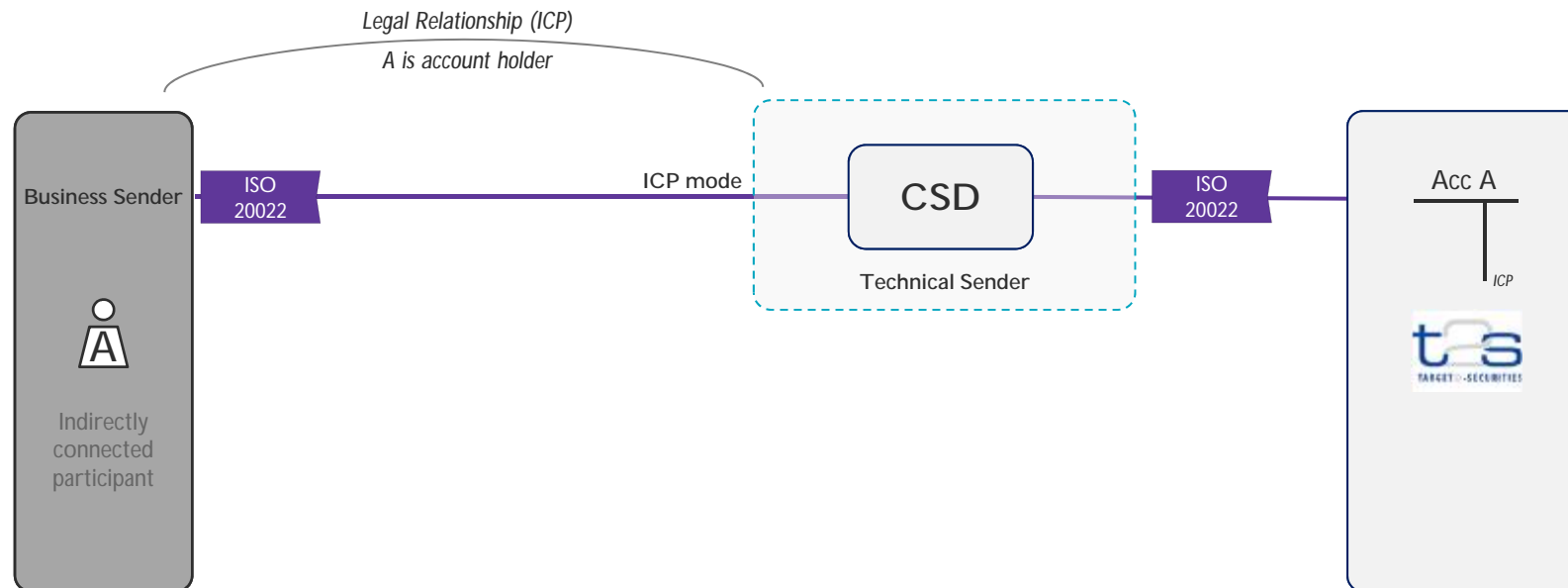
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Potential ICP Scenario

Scenario 1.3 ICP connection with CSD as technical sender only (sub-scenario derived from scenario 1.2)

- § Participant A owns account which will be outsourced to T2S (participant A is account holder)
- § Participant A sends messages in ISO 20022 | CSD does not validate or transform the message
- § Participant A keeps full responsibility for signing the business request. Participant A acts as business sender, CSD acts as technical sender (e.g. CSD is pure technical router vs. T2S)

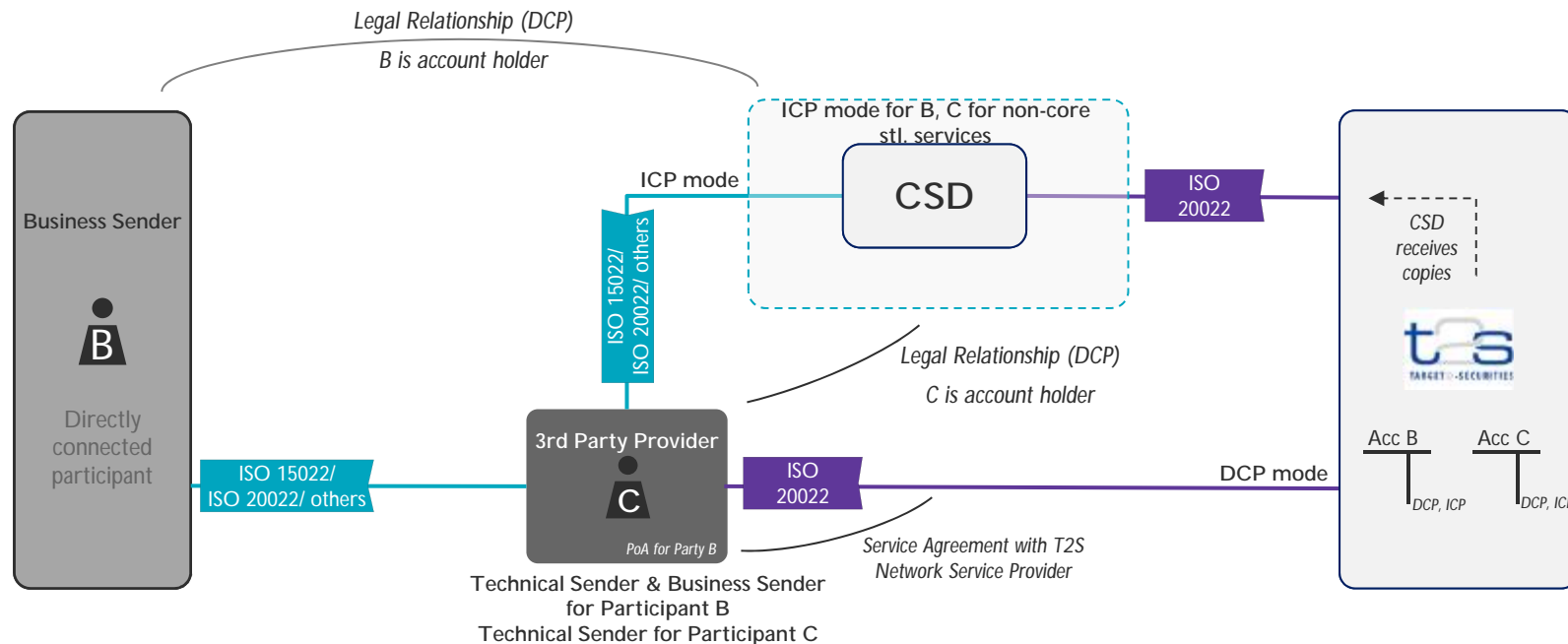


- § This scenario can be seen as a very special scenario as the CSD in general will not act as the technical sender only
- § Participant A acts as an ICP
- § CSD has direct connectivity but is not a DCP according to DCP definition

Additional DCP Scenario

Scenario 2.4 3rd Party Provider acting as DCP for 'own' accounts (sub-scenario of 2.1)

- § Participant B acts as DCP via 3rd Party Provider who operates account B
- § 3rd Party Provider operates own account C as DCP with direct connectivity to T2S
- § Participant B receives all T2S related messages/reportings via 3rd Party-Provider



- § 3rd Party Provider (= Participant C) is 'technical/full' DCP
- § Participant B is DCP and has contractual relationship with CSD but no direct connectivity to T2S

DCP Certification and Authorisation

DCPs need to pass two steps which are very different to each other with regard to their objectives and comprehensiveness.

DCP Certification

- § According to the Framework Agreement, the DCP Certification aims to provide evidence that the adapted IT platforms of a DCP does not harm T2S as the result of inappropriate technical communication or procedures.
- § As this is a ECB requirement, ECB will define the test cases which need to be successfully executed (test cases will be available 6 months before the community testing stage for wave 1).
- § The DCP Certification needs to be passed at an early stage of Community Testing.
- § The DCP Certification is less comprehensive than the DCP Authorization.
- § The DCP Certification has only to be passed once by a DCP, also when the DCP plans to connect to multiple CSDs.

DCP Authorization

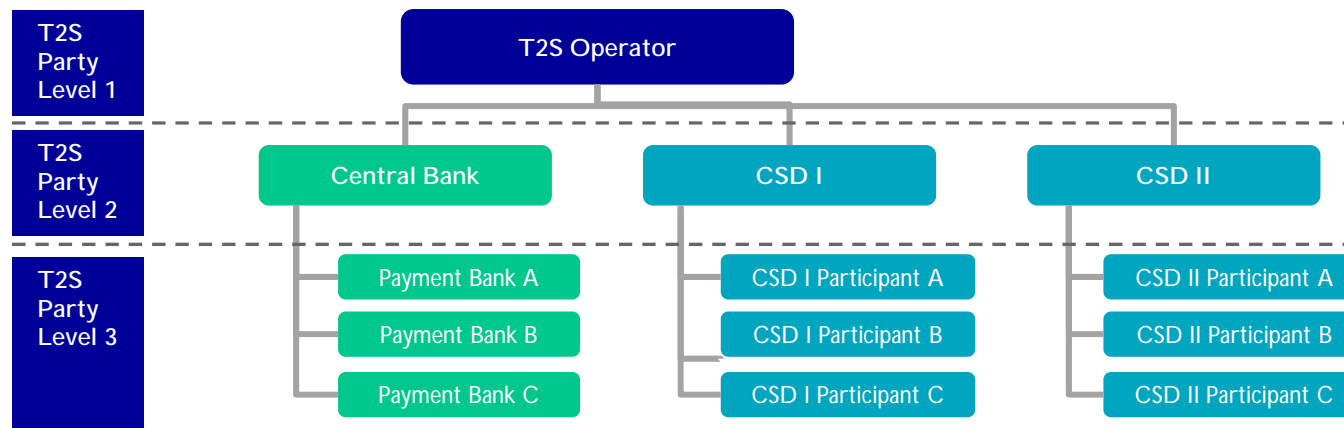
- § The CSDs are responsible for the authorization and therefore define the test cases that a DCP needs to successfully execute to show its compliance with CSD's processing according to market and legal specific requirements.
- § The test cases will cover specific business processes including market and CSD specific requirements (e.g. domestic settlement, cross-border scenarios with In-CSD and Out-CSD). CSDs will individually provide the test cases in adequate time.
- § DCP Authorization needs to be successfully passed by the DCP for each its CSDs prior to the end of the Community Test stage.
- § The CSDs aim to achieve a high degree of standardization. However, the degree of standardization depends on market and legal specific characteristics.

Note: Specific test cases can be subject to both, DCP Certification and DCP Authorization. If a test case has been already passed in the DCP Certification it serves as a proof for the DCP Authorization.

T2S Hierarchical Access Rights Model

The T2S Party Model is based on an hierarchical structure

- § Legal relationships between parties in T2S determine a hierarchical party model based on a three-level structure.
- § The T2S Operator is the only party on the top level of the hierarchy and it is in a legal relationship with each party of the second level, i.e. each CSD and each CB in T2S.
- § Legal relationships also exist between each party belonging to the second level of the hierarchy (i.e. a CSD or a CB) and all its participants (i.e. CSD participants for the CSDs and payment banks for the CBs).



T2S Access Rights Concept - Underlying Principles -

1. The party model is based on a hierarchical structure.
2. Each piece of information belongs to one system entity.
3. Functions are granted following the hierarchical party model.
4. Data are granted by the owner system entity.
5. Access rights are based on a RBAC model.
6. Access rights management is decentralized.
7. Access rights granularity is function-based and object-based.
8. The data scope (in terms of static and transactional data) is determined by the hierarchical party model.
9. The data scope can be altered (extended and/or reduced) in some cases.

Potential Solutions on T2S Access Rights Issues

- q Option 1 – No use of cross-system entities access rights

 - J All concerns cleared
 - L Back to legacy “silo” approach è DCPs (e.g. a pan-European CCP) can no longer instruct for multiple CSDs in bulk via a single user-id

- q Option 2 – Organisational/legal framework (CSG Legal Taskforce)

 - J Keep T2S access rights as-is and accommodate the concerns
 - J Fits to the “spirit of T2S” as common European settlement platform
 - K Reconciliation of billing still dependent on CSD participants organisations

- q Option 3 – Change of T2S design

 - J Alleviate some of the concerns è e.g. improved GUI visibility of data
 - L Not possible to solve all issues
 - L Change request impacting the T2S design => Cost/timing issues



SETTLING
WITHOUT
BORDERS

CSDs survey on offering of DCP services

Status as of 08 Oct 2013

	CSD	Offering of DCP Services <i>Decided to provide Decided not to provide Decision open</i>	Timing of service offering description <i>If the decision has been made to provide DCP services please indicate by when a description of the service offering will be communicated</i>	Timing <i>If the decision has been made to provide DCP services please indicate by when these services will be provided</i>
Wave 1	BOGS, Greece	Decided to provide	Still open	Still open
	Monte Titoli, Italy	Decided to provide	Already agreed and communicated to participants through the User Requirements document	Since the T2S go-live date
	MSE, Malta	Decided to provide	Service Offering description will be communicated at a future date	DCP Service Offering commencement will be duly announced
	Depozitarul Central, Romania	Decided to provide	By the end of 2013	T2S go-live (June 2015)
	SIX SIS Ltd, Switzerland	Decided to provide	By the end 2013	Wave 1
Wave 2	Euroclear, Belgium	Decided to provide	Early 2014	Wave 2 launch
	NBB SSS, Belgium	Decided to provide	Mid 2014	Wave 2 launch
	Euroclear France	Decided to provide	Early 2014	Wave 2 launch
	Euroclear, Netherlands	Decided to provide	Early 2014	Wave 2 launch
	Interbolsa, Portugal	Decided to provide	Early 2014	Wave 2 launch



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Wave 3	OeKB, Austria	Decided to provide	March 2014	As of migration T2S (3rd wave)
	CBF, Germany	Decided to provide	Service scope published via homepage, task forces, workshops and on bilateral meetings. Technical specification by the end of 2013	As of migration T2S (3rd wave)
	VP Securities, Denmark	Decided to provide	Pending on the ongoing discussion on possible (partly) T2S harmonization of CSD DCP services	With migration of local currency to T2S (expected for 2018)
	Keler Ltd, Hungary	Decided to provide	By the end of 2013	As of migration (3rd wave)
	LuxCSD, Luxembourg	Decision to provide	LuxCSD service is based on the Clearstream infrastructure and hence the same timeline applies as for CBF	As of migration (3rd wave)
	VPLux, Luxembourg	Decided to provide	Pending on the on-going discussion on possible (partly) T2S harmonization of CSD DCP services	2016
Wave 4	Estonia CSD	Decision open	Tbd	Tbd
	Iberclear, Spain	Decided to provide	Communicated to the interested DCPs on bilateral meetings	Depends on each of the services. Communicated to interested DCPs
	Euroclear Finland Ltd	Decided to provide	Tbd	As of migration (4th wave)
	Lithuania CSD plc.	Decision open, finalize questioning of participants	Tbd	Wave 4
	KDD, Slovenia	Decided to provide	By mid 2014	At the time of KDD's migration to T2S
	CDCP, Slovakia	Decision open	Tbd	Decision on provision of DCP services will be made after migration to T2S