

T2S: Basic issues for IBERCLEAR	Comments
CoSD (just after validation)	IBERCLEAR and Spanish NUG agree that CoSD functionality should be further defined with a deeper explanation of business case(s) covered. T2S should inform CSD administering party(ies) <u>just after validation and before matching or settlement.</u>
Subscription Service	In the AG that took place last 3-4 of March was announced that the <u>subscription service will not have additional cost.</u> Please, include this information in the URs taking into account that this issue is key.
Matching	As far as we do not agree with the explanatory note to Proposal 30 that implies a contradiction with Principle 5 "The T2S settlement service will allow CSDs to offer their participant at least the same level of settlement functionality" , <u>we consider that Cross-CSD instructions or instructions from directly connected users do not necessarily have to match in T2S.</u>
Fails Management	IBERCLEAR and the Spanish NUG prefer the <u>option 2</u> , because this option allows an active systemic risk management while maintaining a level playing field among all CSDs.
Help Desk	T2S should provide this service only to CSDs. As far as the CSDs are responsible of their business, they should be the only ones in charge of providing technical customer service features for their participants (directly connected users or not).
Conectivity choice (Communication costs)	Different fees for direct and indirect participants will be against the neutrality principle. As a matter of fact, all CSDs participants will necessarily have a connection to their CSDs, regardless they are direct or indirect users. Therefore, the cost will be the same.

Bilateral cancelation (Instruction maintenance)	<p>"Any T2S party or CSD may cancel its instructions unilaterally prior to matching. <u>Once matched, T2S actors can cancel instructions only bilaterally, i.e. both parties must send a cancellation instruction (binding matching) for the cancellation to take affect.</u> CSDs, CCPs or stock exchanges may perform unilateral cancellations of instructions, instructed by them under a power of attorney from their participants at any time unless the instruction has settled." IBERCLEAR and Spanish NUG agree that unilateral cancelation must not be allowed. It implies a contradiction with the principle of binding instructions. T2S actors can not use the hold mechanism unilaterally for matched instructions.</p>
--	--