

T2S PROJECT TEAM

15 August 2008
T2S-08-0197

Dear Godfried,

In December 2007, the ECB published the Target2-Securities User Requirements Document (T2S URD) for public market consultation to which you kindly responded. To begin with, the ECB would like to thank you for the time and effort that you have invested in reviewing this extensive documentation and the valuable feedback that you have provided to the T2S Project Team.

The project team has evaluated in detail the written comments received during the consultation period. However, the URD does not reflect all proposed amendments and changes, since not all responses from stakeholders directly affected the document's content. To ensure the necessary transparency regarding all comments received, the T2S Project Team is providing detailed clarification and/or answers to each respondent's written feedback on the URD.

We hereby provide clarifications and answers to European Repo Committee feedback on the URD.

Account structure

The functionalities of the T2S platform will support the T2S User's choice to maintain only one account for all collateral purposes. However, the use of such functionality is depending on the users and their counterparties as well as relevant market legal requirements.

Repo processing in T2S

We confirm that the Advisory Group has decided that T2S should support both possibilities to instruct repos, i.e. that repos can be initiated via one or two settlement instructions. Nevertheless, this issue has also been included in the list of topics for harmonisation as an issue that can be harmonised during the T2S specification phase.

For all other harmonisation issues of wider post trade interest a proposal for coordination with the relevant authorities is included which needs to be further detailed and elaborated. The whole dossier is expected to form part of the AG agenda meeting scheduled for early autumn. Please kindly refer to T2S webpage for further details (http://www.ecb.int/paym/t2s/pdf/harmonisation_080523.pdf).

Please let us know if you believe that the team has misinterpreted a comment or has failed to address an issue adequately. The T2S Project Team looks forward to working with you on this vital new project for Europe.

With kind regards

[Signed]

Marc Bayle

T2S Programme Manager