

I agree  
 I do not agree entirely  
 I completely disagree

Yes  
 No

## Feedback to consultation paper

<b>Document Title</b>	<b>T2S Consultation Paper: Principles and High Level Proposals</b>
<b>Document Reference</b>	<b>070323_note_ConsultPrincipalsProposals_v0.98.doc</b>
<b>Issued for review</b>	<b>26.04.2007</b>
<b>Deadline for review</b>	<b>27.06.2007</b>

Proposal Nr.	Statement	Comment	Institution	Confidential
1	I agree	T2S should offer a uniform account structure together with a unique participant identification. ISO 13616 (IBAN) is the market standard for uniquely identifying the cash account of a customer at a financial institution and is the mandatory account number structure to be used for any future payment in Europe. ISO 9362 (BIC) is the market standard for counterparty identification and is endorsed by CESR as the reporting ID to be used in conjunction with MiFID, ISO 9362 (BIC) should be the only counterparty ID mechanism supported by T2S. As the registration authority and issuing agent for BICs and IBANs, SWIFT will work with T2S and the markets to ensure that all relevant financial institutions and their customers are properly identified.	SWIFT scl	No
2			SWIFT scl	No
3			SWIFT scl	No
4	I agree	Our current understanding is that, corporate actions are not in the scope of T2S. However, corporate actions on flows may be part of the settlement process of T2S. Capturing relevant corporate action data feeds to ensure proper settlement accounting is a fundamental requirement for T2S.	SWIFT scl	No
5			SWIFT scl	No
6			SWIFT scl	No
7			SWIFT scl	No

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<b>Proposal Nr.</b>	<b>Statement</b>	<b>Comment</b>	<b>Institution</b>	<b>Confidential</b>
8	I agree	Intermediaries should be identified using a unique ID. ISO 9362 (BIC) is the market standard for counterparty identification and is endorsed by CESR as the reporting ID to be used in conjunction with MiFID, ISO 9362 (BIC) should be the only counterparty ID mechanism supported by T2S. As the registration authority and issuing agent for BICs, SWIFT will work with T2S to ensure that all relevant financial institutions and their customers are properly identified.	SWIFT scl	No
9			SWIFT scl	No
10			SWIFT scl	No
11	I agree	(1) T2S settlement static data should be structured using the recognised international data model developed by ISO TC68/SC4/WG11 which provides a single standard for describing a financial instrument throughout its lifecycle. According to WG11, the extensibility and scalability of this model should enable T2S to integrate multiple data sources, feed diverse applications and add future static data functionality by precisely understanding the content of the data including how one data element relates to another. (2) <b>Our current understanding is that, corporate actions are not in the scope of T2S. However, corporate actions on flows (market claims and transformations of pending settlement instructions) may be part of the settlement process of T2S. Capturing relevant corporate action data feeds to ensure proper settlement accounting may become a fundamental requirement for T2S.</b> (3) All T2S counterparties should be identified using the current standard ISO9362 (Bank Identification Code or BIC) for institutional identification. This is currently being extended to include funds (collective investment vehicles) as financial entities, alongside the traditional identifica	SWIFT scl	No
12			SWIFT scl	No
13			SWIFT scl	No
14			SWIFT scl	No
15			SWIFT scl	No
16			SWIFT scl	No
17			SWIFT scl	No
18			SWIFT scl	No

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19	I agree	ISO standards -ISO 9362 (Bank Identifier Code), ISO 3166 (Country Code), ISO 4217 (Currency Codes), ISO 6166 (International Securities Identification Number), ISO 13616 (International Bank Account Number), ISO 10383 ( Market Identifier Code), ISO 10962 (Classification of Financial Instrument), ISO 8601 Date/Time, ISO 9019 ( Numbering of Certificates) - should form the basis of T2S's Reference Data repository. As the registration authority for many of these standards, SWIFT is ready support the implementation of T2S via structured and automated data feeds carrying the most up-to-date databases of these industry standards.	SWIFT scl	No
20			SWIFT scl	No
21	I agree	Reference to operating hours including start and close of the settlement window may be of interest to T2S and its participants. Existing ISO messages (MX messages) do support such functionalities in the payments area . SWIFT is ready to support T2S if it appears that such messages could be useful to meet the needs of T2S and its participants.	SWIFT scl	No
22	I agree	Time differences should be taken into consideration when defining the operating hours.	SWIFT scl	No
23			SWIFT scl	No
24			SWIFT scl	No
25			SWIFT scl	No
26			SWIFT scl	No
27			SWIFT scl	No
28			SWIFT scl	No
29			SWIFT scl	No
30			SWIFT scl	No
31			SWIFT scl	No
32			SWIFT scl	No
33			SWIFT scl	No
34			SWIFT scl	No
35			SWIFT scl	No
36			SWIFT scl	No
37	I agree	SWIFT would recommend including the Securities Market Practice Group (SMPG) recommendations when defining users requirements.	SWIFT scl	No
38			SWIFT scl	No
39			SWIFT scl	No
40			SWIFT scl	No
41			SWIFT scl	No
42			SWIFT scl	No
43			SWIFT scl	No

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44			SWIFT scl	No
45			SWIFT scl	No
46			SWIFT scl	No
47			SWIFT scl	No
48			SWIFT scl	No
49			SWIFT scl	No
50			SWIFT scl	No
51			SWIFT scl	No
52	I agree	For participants' communication with Target2, specific communication mechanisms have been developed to communicate with the Information and Control Module (ICM) based on SWIFT standards, interfaces, messaging and network. T2S should consider to re-use these mechanisms to minimise the adoption costs of many participants which already have such interface in place for Target2 and will reduce the level of investment needed to build such a system for T2S	SWIFT scl	No
53			SWIFT scl	No
54			SWIFT scl	No
55			SWIFT scl	No
56			SWIFT scl	No
57			SWIFT scl	No
58	I agree	For UtoA, a solution should be offered that will run on simple PCs without any need for specific development by the institution deciding to use this mode (as only access or as contingency access) while offering the same level of functionality and security as the AtoA mode selected by other institutions for achieving the same goal.	SWIFT scl	No
59	I agree	SWIFT continues to play a lead role in the definition of a communication protocol to remove Giovannini barrier 1. Settlement has been part of the scope of this exercise from the beginning. A considerable amount of analysis has already been done between SWIFT Standards and market participants to identify what standards and network links are required to support settlement and reconciliation, both on a domestic and cross-border perspective. SWIFT feels that this knowledge could be beneficial in helping define the standards which will support T2S user requirements. We are also keen to ensure synergy between the various market initiatives which are addressing settlement and reconciliation.	SWIFT scl	No
60			SWIFT scl	No
61			SWIFT scl	No
62			SWIFT scl	No
63			SWIFT scl	No
64			SWIFT scl	No

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65			SWIFT scr1	No
66			SWIFT scr1	No
67	I agree	T2S must be able to count on a service with 100% availability and full resilience in case of disaster.	SWIFT scr1	No