

T2S DKK 2018 - Clauses on be implemented in other places of VP Rule Book than the Settlement Rules:

VP Rule Book Part 1 – Definitions

The following new definitions will be added:

“DCA” means a central bank money account opened in the books of a Central Bank designated for cash settlement of transfer orders and cash payments from corporate actions in the T2S system.

“DCP” means a directly connected participant of T2S.

“Derogation Threshold” has the meaning as set out in Part 4 of the VP Rule Book (Settlement Rules).

“DvP” means “delivery versus payment”.

“DwP” means “delivery with payment”

“FoP” means “free of payment”.

“ICP” means an indirectly connected participant of T2S.

“PFoD” means “payment free of delivery”.

“Pre-Match” means a comparison conducted by VP of the information contained in two connected Transfer Orders against the T2S match criteria as specified in the T2S User Guidelines.

“T2S Account” means a Securities Account opened by the Securities Account Controller, where the Securities Account Controller has requested the account to be mirrored in T2S by earmarking the account as a T2S Account in the VP Clearing and Settlement system.

“T2S Auto-Collateral” means an auto-collateralisation functionality to cover lack of cash on a DCA.

“T2S Business Day” means a day where the T2S system is open for settlement as set out in the T2S User Guidelines.

“T2S Currency” means either DKK or EUR.

“T2S Eligible Securities” has the meaning as set out in Part 4 of the VP Rule Book (Settlement Rules).

“T2S Settlement Required Transaction” means a securities transaction which must be submitted for T2S Settlement as described in Part 4 of the VP Rule Book (Settlement Rules).

“T2S Transfer” means a transfer of securities from a VP Account to a T2S Account or from a T2S Account to a VP Account, as the case may be.

“VP Account” means a Securities Account opened by the Securities Account Controller, where the Securities Account Controller has not requested the account to be mirrored in T2S.

VP Rule Book Part 3 – Book-entry Rules

NEW Clause – T2S Accounts and link of DCAs

The following clause will be added:

1. A Securities Account Controller may open both VP Accounts and T2S Accounts. The terms for opening and closing of a T2S Account is described in the User Guidelines.
2. The Securities Account Controller must define the DCA(s) to which a T2S Account must be linked in order to deliver/receive the cash of transactions that settle via T2S Settlement and cash payments from corporate actions.
3. The Securities Account Controller must link at least one DCA to a T2S Account. However, the Settlement Participant will only be able to settle Transfer Orders with a certain settlement currency, if a DCA in the same currency is linked to its T2S Account. Similarly, cash payments related to corporate actions can only be paid, if a DCA in the same currency as the corporate action payment, is linked to the T2S Account. The terms for defining the DCA is described in the User Guidelines. The DCA may be held by the Settlement Participant himself or by another Settlement Participant.

Clauses on CSDs to be implemented in the VP Rule Book

NEW Clause - Corporate Actions

The following text will be added at the end of the Section 8 "Corporate Actions" at immigration:

"The corporate action processes were severely updated as per the date DKK became a T2S eligible currency ([insert date])."
