

Accelerated Settlement Working Group

25 February 2025 Teams Call

Meeting Minutes

Participants (in attendance in bold):

Bill Hodash (PMO)

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|------------------------------|---|
| ▪ John Abel, | DTCC |
| ▪ Ekaterina Andropova, | Cognizant |
| ▪ Fabian Brederweld, | ABN AMRO |
| ▪ Haroun Boucheta, | BNP Paribas (Co-Chair) |
| ▪ David Büchler, | Liechtensteinische Landesbank |
| ▪ Christopher Butler, | BNY Mellon |
| ▪ Akhila Chaganti, | Deutsche Bank AG |
| ▪ Alex Chow, | The Investment Association |
| ▪ Jennifer Cryan, | Citigroup |
| ▪ Simon Daniel, | SWIFT |
| ▪ Caroline Diggines, | Northern Trust |
| ▪ Andrew Dobbs | TCS |
| ▪ Barbara Domenici, | ECSDA |
| ▪ Alex Duggan, | Cognizant |
| ▪ Hannah Elson, | JP Morgan |
| ▪ Danny Green, | Broadridge |
| ▪ Jonathan Hartwell, | Northern Trust |
| ▪ Katherine Hoesel | Cofinpro AG |
| ▪ Kamala Kannan, | S&P Global Market (Co-Chair) |
| ▪ Prasanna Kumar Jha, | Citibank |
| ▪ Emma Johnson, | JP Morgan |
| ▪ Gareth Jones, | Euroclear SA/NV |
| ▪ Thomas Koehler, | HKEX |
| ▪ Matt Johnson | DTCC |
| ▪ Loana Juka, | Erste Group Bank AG |
| ▪ Chris Lam, | BNY Mellon |
| ▪ Hector Lau, | HKEX |
| ▪ Heidi Lee, | Deutsche Bank AG |
| ▪ Louis Lesnika, | CIBC Mellon |
| ▪ Nadra Mueller, | Deutsche Bank AG |
| ▪ Nicolas Mallia, | ECSDA |
| ▪ Katica Mandic, | Privredna Banka Zagreb d.d. |
| ▪ Douglas McNaughton, | U.S. Bank |
| ▪ Koen Mertens, | KBC Bank |
| ▪ Hui Ying Mew, | Deutsche Bank AG |
| ▪ Marco Palazzi, | Bank Julius Bär & Co. Ltd |
| ▪ Jack Parker, | JP Morgan |
| ▪ David Petiteville, | Royal Bank of Canada |
| ▪ Michelle Pitts | Citigroup |
| ▪ Jonas Prokop, | Cofinpro AG |

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| ▪ Lars Scheuerling, | Deutsche WertpapierService Bank |
| ▪ Sascha Schönsiegel, | NEXGEN |
| ▪ Sladjan Seferovic, | NEXGEN, Business Consultants GmbH |
| ▪ Kristi Sisa, | Nasdaq |
| ▪ Jan Stelzer, | NEXGEN |
| ▪ AN Tran Quoc, | Standard Chartered Bank |
| ▪ Gabor Varga, | Swiss Re |
| ▪ Damien Veillard, | BNP Paribas |
| ▪ Deepa Viswanathan, | Deutsche Bank AG |
| ▪ Frank Wang, | Deutsche Bank AG |
| ▪ Ron Van den Broek, | ABN AMRO |
| ▪ Serkan Yagci | X-markets GmbH & Co. KG |
| ▪ Sanja Lukacic | Intesa Sanpaolo Group |

Agenda

1. ISSA T0 Analysis
2. EU T+1 Program Status
3. UK Task Force Update
4. Swiss Market T+1 Status

1. ISSA T0 Analysis

Key Points Addressed

- While no comments were received from the WG members on the ISSA T0 Analysis Draft Outline., we opened it up for discussion today and it was decided to add the following considerations:
 - The impacts on institutional investors versus retail investors.
 - Key lessons learned from the North America implementations.
 - Regulatory oversight of transactions.
 - Stress cross-border aspects and the need to coordinate the ultimate business case analyses globally.
- It was noted that the Banque De France has begun an initial exploration of possible T0 settlement models via the concept of a Unified Ledger.
- At the March Meeting we will begin drafting, starting with defining the multiple possible models we wish to analyze, and we will ask for volunteers to work in teams to begin drafting sections of the draft white paper.

2. EU T+1 Program Status

Key Points Addressed

- The Call for EU T+1 Industry Committee Technical Workstream Members has been very successful with several hundred SMEs joining, including many from ISSA member firms, with three as co-chairs of three workstreams. Firms are invited to continue to put forward candidates to participate.
- The Technical Workstreams are as follows:
 - Trading
 - Matching and Confirmations
 - Clearing
 - Settlement

- Securities Financing (Repo Substream)
 - Securities Financing (Securities Lending Substream)
 - FX
 - Asset Management
 - Scope
 - Legal and Regulatory
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- The EU public authorities are Observers and have their own governance committee.
 - The EC issued a proposal to revise CSDR to mandate T+1 in November 2027. The usual process for ratification has begun in time to allow for passage before the targeted implementation date.
 - While the Industry Committee sent the EC a letter requesting an exemption for some classes of SFTs, it was not received in time to make it into the EC's initial proposal. The EC clearly understands the rationale for the exemption and no objections have been raised.
 - Also under discussion is the possible temporary suspension of fail penalties during the transition period.
 - A critical stakeholder is the operator of T2S, and they are looking to publish in June, a schedule for the required changes to T2S to accommodate the known market practice changes.

3. UK Task Force Update

Key Points Addressed

- The Task Force's Implementation Plan was published earlier this month and has been well received by the industry. The work by the market participants to plan, fund and schedule their work to accommodate the practice changes has begun. Only the scope recommendation will be included in the UK revision to its version of CSDR, all other recommendations are part of the "Code of Conduct".
- Some work continues including on PSET, how to accommodate firms that wish to implement T+1 for their trades with certain counterparties earlier than in November 2027 and on the SFT exemption, an area the UK is striving to stay aligned on with the EU.
- The Code of Conduct will be maintained by the Task Force at least until implementation in November 2027, but it is not clear after that. Critical recommendations in the Code will be reflected in the Euroclear UK (CREST) rulebook, notably including those that impact the operational timetable.
- A Value Exchange Pulse Survey on UK Industry Readiness was distributed following the Implementation Plan being published. ISSA is participating by commenting on draft questions and distributing it to our members and posting it on our website. All WG members are requested to ensure their firms complete the survey.

4. Swiss Market T+1 Update

Key Points Addressed

- The swissSPTC recommended that the transition to a T+1 Settlement Cycle for the domestic markets in Switzerland and Liechtenstein should occur in October 2027.
- The swissSPTC Task Force T+1 will now commence detailed assessments on specific proposals and produce recommendations for the transition.

AOB and Close

No other business raised. The meeting was then closed.

Summary of Follow Up Actions

No.	Action Description	Responsibility	Deadline
1.	Update draft white paper outline and discuss methodology to draft sections of the paper	Bill, Haroun, Kamala	March 21