Summary of the responses to the ESCB/CESR call for contributions on European clearing and settlement systems

This summary of the responses to the call for contributions organised by the ESCB/CESR Working Group in the field of securities clearing and settlement does not constitute a complete overview of all the opinions expressed by the respondents. It has been drafted on a best-efforts basis and only highlights some of the more significant points made by the respondents. For further details, reference is to be made to the full submissions which are annexed to the present summary. Neither the summary nor the submissions reflect the position of the ESCB/CESR Working Group or its constituent members on the different issues.

1. Introduction

This note summarises the responses to the ESCB/CESR call for contributions. The ESCB/CESR Secretariat received 36 contributions from representatives of custodian banks, domestic central securities depositories (CSDs) and international central securities depositories (ICSDs), central counterparties (CCPs), stock exchanges and associations of bankers, CSDs, CCPs, brokers/dealers and investors. Although this summary broadly follows the outline of the ESCB/CESR "issues paper", some deviations are made in order to reflect important issues not covered in the issues paper. The list of contributors and the full submissions are annexed to this summary.

2. General issues

All contributions welcome the initiative of the ESCB/CESR Working Group in the field of securities clearing and settlement (hereafter referred to as the "Group"). In particular, they indicate that there is a need for co-operation between regulators and central banks at the European level in order to increase harmonisation and to ensure a level playing-field. However, some contributions express concerns about the many concurrent initiatives (Giovannini Group, European Commission, Group of Thirty (G30), International Securities Services Association, Thomas Murray, etc.), which are consuming significant resources within clearing and settlement organisations, adding to the costs of the services for all customers. In this context, it is suggested that the establishment of standards and recommendations will only be of real value if they are rigorously monitored and "enforced".

Furthermore, the contributions underline the need for a guarantee of equal implementation of the new standards, which will be worked out by the Group and by national and European regulators and supervisors in order to create a level playing-field. There is a particular need for a formal assessment process, as well as periodic review procedures, all of which would be monitored by public authorities. Finally, it was advised that the Group's and the European Commission's work should be co-ordinated in the area of regulation of clearing and settlement in Europe.

One contribution from a major stock exchange considers that the Group should avoid duplication of the work done by the European Commission. The standards concerning clearing, settlement and depository functions should be distinct and the public and commercial aspects should be differentiated. Furthermore, the implementation of the directives has to be monitored and the Group would be well placed to carry out this role jointly with the European Commission, with the latter having the power to deal with non-compliant Member States.

Finally, the majority of respondents would like to invite the Group to clarify the definitions and terms used in the CPSS-IOSCO Recommendations for Securities Settlement Systems as they suffer from some shortcomings. In particular, the Group should agree on clear definitions of the roles, tasks and responsibilities of the different players and service providers such as CCPs, clearers, domestic and international CSDs, securities settlement systems (SSSs) and custodian banks. A contribution from a major custodian bank expresses a strong view on the need to have a clear distinction between the roles and activities of CSDs, ICSDs and custodians. In its view, this segregation is important in order to define the features and the governance structure of each type of institution. One ICSD stresses the need to distinguish between the function of clearer and that of CCP, where the former does not assume any risk but rather calculates the obligations (on a gross or net basis) of the participants in the system, while the latter interposes itself between the seller and buyer and assumes the credit risk involved.

3. Issues for further consideration

3.1 Nature of the recommendations

There are several contradictory views on the nature of the instruments (recommendations, standards, regulations, etc.) to be used. Some contributions advocate the use of European legal instruments in order to ensure a level playing-field, while others see a danger with a binding regulation as it may hinder the necessary changes currently under way in the European securities infrastructure.

Nevertheless, the majority of the contributions indicate that the nature of the recommendations should be dependent on the content and purpose of the specific recommendations. However, some contributions indicate that there is a need for different levels of instruments: (i) legal instruments to be developed by the European Commission in co-ordination with the Group; (ii) standard rules to be developed by the Group; and (iii) market practices. As far as the scope of the legal instruments is concerned, it is suggested by many custodian banks and brokers/dealers to cover issues related to the

qualification of securities (dematerialisation), settlement finality, transfer of ownership and bankruptcy law protecting customers' assets. As regards the standard rules defined by the Group in close co-operation with market practitioners, these should cover the definition of real-time gross settlement (RTGS), matching and settlement deadlines, use of central bank versus commercial bank money, etc. As far as market practices are concerned, it is argued that any restructuring of the securities infrastructure should be governed by the market. For instance, market practices should define the choice of settlement location and of communication standards, deadlines for trade confirmation, the settlement cycle, securities lending and borrowing practices, etc.

However, one ICSD sees a danger, at present, in having binding legal instruments for securities clearing and settlement, a field which is currently undergoing significant change, as such binding rules could become an impediment to further integration within the European Union. This ICSD sees several advantages in the use of recommendations as the time frame needed for revising and updating recommendations tends to be significantly shorter than that needed for the adoption of EU legislation. Recommendations also provide a better framework for reaching agreement on high standards, whereas EU legislation tends to reflect the minimum common denominator.

A contribution from the securities settlement industry association also indicates that, owing to the rapid changes in the clearing and settlement industry, the use of recommendations/standards seems to be the best approach to promote a flexible regulatory framework which is easy to update.

One major stock exchange believes that if the agreed principles to be applied are widely accepted and already complied with by the industry, then these could take the form of a legally binding rule. However, should the work of the Group result in concrete and detailed measures, then they should take the form of recommendations.

A contribution from a CSD considers the use of legal instruments as necessary only in the area of harmonisation, which falls clearly under the responsibility of national or European authorities. The other issues related to harmonisation should be addressed by standards which can easily be changed in line with technical progress. Furthermore, the updating of legislation would consume a great deal of time and resources.

An association of global custodians believes that the Group's recommendations will only be effective if implemented by the adoption of a legal framework that has the force of law in each Member State. Furthermore, it advocates the benefits of using regulations rather than directives. In its view, variances in the manner in which the Member States have implemented (or not) directives have been an obstacle to EU securities market integration.

Finally, a contribution from a CCP considers that recommendations could serve as the basis for an EU directive or regulation. They should enable modification of the Investment Services Directive to create a "passport" for central counterparty clearing houses.

3.2 Addressee

Many contributions propose addressing the recommendations to all involved parties, dependent on their nature; some recommendations should be directed to regulators (e.g. common licensing standards for CSDs, CCPs, etc.), some others to legislators (e.g. for the removal of legal and tax barriers) and the remaining ones to the system operators and users (e.g. to ensure greater interoperability). For instance, one stock exchange considers that it is not enough to only regulate systems or system operators, and that major users should also be covered by the standards.

However, some contributors single out the regulators as the addressees of the recommendations because they are able to issue binding regulations. Others suggest that the market participants should be the addressees in order to encourage the consolidation process. Some other respondents consider that recommendations in the form of best practices should be addressed to all constituent parts of the clearing, settlement and custody community, including CSDs, ICSDs and users.

Finally, one major stock exchange considers that, unless the intent to reinforce the role of the European Central Bank as a pan-European overseer of securities clearing and settlement systems is clearly expressed, the recommendations should be addressed to national regulators, which will have to implement what is decided at the EU level.

3.3 Scope

The majority of the contributions indicate that the work of the Group should cover any entity, irrespective of its legal status, conducting clearing, settlement or related activities. Moreover, the Group should look at the complete securities transaction chain from trade execution to custody, drawing distinctions between the various links in this chain (e.g. matching, clearing, settlement and custody). In particular, the scope of the Group should encompass clearing houses, CSDs, ICSDs, registrars/issuers, professional custodians and payment agents. Furthermore, the work of the Group should be risk-oriented by establishing the obligation to implement adequate measures to control and mitigate risks. Another contribution from a securities interest group states that since there is an overlap between services provided by CSDs, ICSDs, CCPs and custodian banks, it would be helpful, in the interest of equality of treatment, to define the functions of and not just the traditional labels attached to the service providers. The new recommendations should also cover investors and fund managers, because they play a key role in ensuring the smooth functioning of clearing and settlement systems. In addition, the recommendations should cover the role and activities of trading platforms, and pay greater attention to entities that have special status or enjoy a monopoly/oligopoly position in a market as well as to cross-border transactions.

A contribution from the securities settlement industry association proposes the application of recommendations/standards based on a functional approach, covering the activities of custodians wherever they can be considered “systemically relevant”. However, one CSD stresses that although

the functional approach should be followed, there are services and activities such as basic functions of CSDs that justify a differentiated regulatory approach. Nevertheless, another CSD suggests that the area on which the Group should focus is the custodial services offered by ICSDs and by commercial custodians. The Group should particularly explore whether prudential and systemic regulation applied to both categories are consistent given the convergence of services and the isolation of credit risk in (I)CSDs. This contributor believes that CSDs should avoid credit risk of any sort and that ICSDs should be subject to tougher minimum standards than the majority of domestic CSDs.

Some contributions from some major custodian banks suggest that the recommendations should be drawn up in accordance with the legal status of the institutions being regulated. In particular, it was stated that the most important task of the Group should be to clarify the definitions of CSD and custodian bank and to provide a description of the scope of their activity (this issue is discussed further in Section 3.8).

With regard to cross-border activities, some respondents consider that the standards for cross-border transactions should not be independent of or separated from standards for domestic transactions. In their view, this is very important in order not to create inappropriate incentives for regulatory arbitrage. For instance, one respondent from securities settlement industry representative firmly believes that there should be special recommendations in the standards in relation to cross-border activities. One contributor from the banking sector representative points out that cross-border transactions should receive most attention, especially in the areas of direct membership of an exchange, a depository or a CCP, harmonisation of withholding tax treatment, operating hours, deadlines for trade confirmation, communication channels, conflict resolution and investor protection. The objective should be to create a single European market without reducing the efficiency of local markets, although these markets will need to be harmonised where appropriate. One contribution from the banking sector proposes that the cross-border aspect should be addressed by specific standards.

Concerning the types of securities to be covered, the majority of the contributions stress that legal harmonisation should cover all securities except derivatives as these are considered over-the-counter (OTC) contracts. However, a representative of central counterparty clearing houses believes that it would not be helpful to have standards with partial coverage in terms of financial instruments and, therefore, it advocates the coverage of commodity derivatives as well. According to a big stock exchange, no differentiation should be made among products that are processed by a CCP as the standards should be closely related to the CCP services, while a distinction between shares and bonds is necessary for (I)CSDs owing to the differences related to corporate actions. Other respondents argue that it could be useful to differentiate between equities and debt instruments because processing practices and laws governing equities are more difficult to harmonise.

3.4 Objectives

The majority of the contributions agree on the objectives of the central banks and regulators in the field of securities clearing and settlement systems identified in the ESCB/CESR issues paper, such as risk mitigation, investor protection, efficiency, creation of a level playing-field, and promotion of integration. Furthermore, these objectives should be applied to all entities acting in the field of securities clearing and settlement, including both credit institutions and pure custodian banks. Nevertheless, some contributors see the promotion of integration of the EU securities market infrastructure as an eventual result of the harmonisation process rather than a per se objective based on business criteria. A custodian bank proposes adding the support and encouragement of competition as an objective. However, representatives of small investors and investment firms point out that it is unclear whether the term "integration" in the objectives formulated by the Group means integration of all clearing and settlement systems or integration of rules, information and costs. They also indicate that customers and companies have been omitted from the objectives.

Another view put forward by a major custodian bank is that the objective of efficiency should be left to the market rather than regulatory supervision, although this objective can be better achieved by harmonisation of national legal systems. A securities industry representative proposes adding to the a priori formulated objectives the reduction of the cost of cross-border clearing and settlement in Europe which is "intellectually distinct from efficiency". In its view, it could be useful to create a standard taxonomy for studies on the true costs of cross-border processing and the internal costs of market participants. A banking association proposes complementing the stated objectives with: (i) facilitating capital raising in the EU market; (ii) considering separately the processes for retail and professional/institutional investors (especially in a cross-border context); (iii) further examining the possibility to settle in central bank money; and (iv) true globalisation of the markets (beyond the borders of the European Union). Other contributors from a big stock exchange and banking sector representative would also like the Group to consider access to finance and payment through the network of central banks, and harmonisation and standardisation of back-office procedures and of the requirements for reporting tax information.

With regard to the objective of creating a level playing-field, one banking association proposes that the Group should not only take into account the relationship between users and system providers, but also that between individual users/system providers themselves. Another contributor sees the need for the creation of a European passport, not only for CSDs, ICSDs, CCPs and custodians, but also for trustees.

According to a central counterparty clearing house, the Group's a priori formulated objectives are too ambitious and could lead to a confusion of purposes. Finally, some contributors see the need to define specific standards and to implement a European passport for custodians.

3.5 Access conditions

From the received contributions, it seems that, in general, there are no major problems for custodian banks to have access to a CCP or to a CSD either via a branch or a subsidiary, or to have remote access. However, some contributors consider that domestic protectionism prevents open access for institutions from other countries. In particular, even if remote access is allowed, CSDs still create an obstacle by requiring the use of their proprietary systems and language. Therefore, CSDs should use SWIFT communication tools for remote access.

Nevertheless, concrete examples of difficulties related to access and freedom of choice of service providers were given. For instance, several respondents believe that the present national rules do not allow for a level playing-field because specific service providers operate in a way which limits the options of users to select the services and products or other service providers.

According to one ICSD, there are differences in national jurisdictions concerning the recognition of clearing houses. These differences distort the level playing-field and, therefore, it recommends the development of European standards for a CCP to bring about harmonisation.

In a contribution from a custodian bank, the lack of distinction between the functions of a custodian bank and a CSD is highlighted. The consolidation of these functions is thus seen as leading to the de facto monopolistic situations which are at odds with the industry's expectations of a level playing-field. However, other banking and securities industry players consider that access conditions are not discriminatory in the euro area. In their view, a situation could exist in which legal criteria or intentional obstacles obstruct remote membership of clearing and settlement systems. In most cases, difficulties are linked to a lack of operational harmonisation and to incompatible processes.

Other contributions from major custodian banks point out the indirect restrictions such as the different conditions for access to central bank money for foreign participants and, therefore, the Group should address this issue, in particular the possibility for foreign banks to use overnight credit facilities.

Finally, the majority of contributions agree on the fact that access to all clearing and settlement processes and systems should be open, equitable and transparent. Furthermore, the users should be free to use all services in the way that best suits their needs. It is proposed that the Group should consider both the horizontal and vertical models and their impact on users' ability to make choices by "understanding the true costs of each element of the services they purchase". The lack of interoperability restricts the extent to which users can make use of their excess collateral held in one system to collateralise exposures in another system. Moreover, one major custodian bank proposes that the Group should analyse the access conditions in terms of whether participants have the freedom to select a certain service from a certain provider.

3.6 Risks and weaknesses

The contributions on the risks and weaknesses associated with securities clearing and settlement activities were relatively specific. All the contributors agreed on the relevant factors identified by the Group in its issues paper. These contributions can be summarised as follows.

As far as legal risk is concerned, one stock exchange considers the lack of a uniform European definition of "interest in indirectly held securities" as a considerable legal risk and weakness. Furthermore, it is believed that the different implementation of EU directives has caused ambiguity. The most important issues that need to be harmonised should include: (i) the nature and definition of the rights of the account holder; (ii) an efficient and simple procedure for creating and enforcing a collateral interest in securities; and (iii) the intermediaries' role beyond indirect holding and the specific risks that investors are exposed to as a consequence. In addition, several respondents would like to see dematerialisation as a standard for securities issuance in Europe.

With regard to custody risk, many contributors from different segments of the financial market advocate that credit institutions and investment firms should be required to segregate the customers' and custodians' assets and to reconcile positions on a regular basis. Furthermore, it is advised to draw up a very detailed description of operational procedures for the segregation of holdings. The Group should also consider measures to ensure full disclosure and transparency across all providers of safekeeping services – including CSDs, ICSDs, and sub-custodian and custodian banks – of any potential right, lien, interest or claim vis-à-vis clients' assets, whether for collateralisation or other purposes. Moreover, the investors should be made aware of the advantages of direct holdings of securities at the level of CSDs and the risks connected with indirect holdings. However, some custodian banks point out that the segregation of client and proprietary assets should not be required to extend beyond the books and records of the immediate contracting service provider. The custodian bank must maintain segregated client accounts within its own books and reconcile the total of these accounts with the accounts held at the CSD.

Concerning settlement risk, a number of contributors, including stock exchanges, CSDs and custodian banks, consider that the most crucial issues to be addressed by the Group are the timing of settlement finality (including the need for intraday settlement finality through an RTGS mechanism), delivery versus payment (DVP) for both domestic and cross-border transactions, and access to central bank money as a settlement asset for systemically important systems. However, one respondent from the securities industry thinks that settlement in commercial bank money should be allowed since it can accelerate settlement across currencies and time zones. Credit risks connected with custody services should be recognised separately and mitigated differently.

As regards operational risk, the majority of contributions point out the need to assess the capacity of the systems in terms of contingency planning, including testing, and data security controls. One CSD provides relatively detailed information on the risk management to be used by systemically important systems in relation to: (i) unexpected volume peaks; (ii) resilience of communication systems; (iii)

resilience to the failure of any computing components, hardware or software; (iv) careful procedures for managing the introduction of new or altered software to reduce the risk of operational problems; and (v) arrangements designed to minimise the risk that terrorist action could lead to a prolonged outage and to cover vulnerabilities in relation to staff as well as premises or computer equipment. However, one banking industry representative believes that the Group should not devote a lot of time to operational risk mitigation until more information about the Basel Committee on Banking Supervision's proposals on operational risks is available.

Finally, one association of investment firms points out that differences in taxation are a serious impediment for the functioning of cross-border straight-through processing (STP). The Group should consider European level instruments to attain more harmonised capital gain, corporate, stamp duty and dividend taxation.

3.7 Settlement cycles

In general, the majority of the contributors consider harmonised standard settlement cycles for all products as beneficial, but the benefits of a shorter cycle should not be outweighed by its costs. As expressed by one major custodian bank, the advantages of a shorter settlement cycle are a possibility to reduce the risks associated with the ability of a counterparty to settle a trade and to increase liquidity, as the sales proceeding from one market can be used to settle the purchases in another. The disadvantages are a potentially higher fail rate due to the inability for information to be exchanged in time, a particular challenge for trading across time zone differences, and a higher transaction cost owing to the inability to move funds for cross-border trades efficiently through foreign exchange markets not synchronised with the settlement cycle. Therefore, the Group should carefully assess the issue, taking into account not only entities directly connected with settlement, but also e.g. custodians, including indirect participants, and registrars. The corresponding improvement in the foreign exchange markets is also considered as an important argument in favour of a shorter settlement cycle.

However, several respondents from the entire financial sector support the standardisation and shortening of settlement cycles in order to ensure more efficient use of collateral and an evaluation of customers at the time a trade is agreed upon. It is considered that any move towards a shortening of the settlement cycle should be achievable, and that settlement risk reduction is not simply replaced by increased operational risk. For all regulated markets and all instruments, the target should be T+1 according to one stock exchange and an association of securities dealers, and T+2 according to other banking sector representatives. The ultimate aim for one major custodian bank would be T+0 for all instruments. Some contributors mention that the harmonisation of operating hours and days should also be taken into account. The market players should be provided with a feasible timetable that facilitates the necessary adaptation of systems and procedures.

With regard to the types of financial instruments, many contributors consider that there are benefits to be reaped from ensuring a single settlement cycle for all kinds of financial instruments given the increasing frequency of complex transactions. However, according to one custodian bank, the OTC market should not be concerned, because the settlement deadline is agreed between both participants on a bilateral basis and varies for different kinds of securities and transactions.

The arguments against shortening the settlement cycles, according to some respondents from the banking sector and investment firms, can be summarised as follows: the existence of a CCP would reduce counterparty risk; firms (especially small ones) are not able to cope with T+1 using a CSD that provides batch processing; the different features of foreign exchange processing; and the unavailability of RTGS payment systems.

Finally, a securities firm representative suggests that the Group should focus more on removing physical share certificates from general circulation than on shortening settlement cycles.

3.8 Structural issues

The majority of the contributions indicate that the consolidation of the European clearing and settlement industry is an issue for the market and that competition is the best way towards it. Regulatory intervention should be restricted to removing the legal and tax barriers that hinder cross-border clearing and settlement activities.

With regard to the future landscape of the European securities clearing and settlement industry, opinions differ according to the legal status of the contributor, i.e. whether it is a custodian, CSD, ICSD, CCP, etc.

Grouping together the main replies received from banks and their representatives, it is evident that CCPs, CSDs and ICSDs are considered as entities that should operate as utilities in relation to their core clearing and settlement functions, because they usually have either monopoly or oligopoly status in their own markets. They should also be owned and governed by the users, since this would align incentives to reduce costs and risks. These respondents also prefer horizontal integration where clearing and settlement could be combined, but they feel that trading should be separated. A unified structure, in their view, seems to be a better solution for achieving a level playing-field and the efficiency gains needed for a single capital market than interoperability between systems. In the view of one major custodian bank, the consolidation should not be managed by a single entity with a banking licence. In particular, the “present monopolistic positioning” of ICSDs calls for a clear definition of their role. They should act either as custodian banks with a banking licence or as CSDs without a banking licence, i.e. an ICSD “must choose to retain either the CSD or the custodian bank role, but not both”. Another custodian bank is against the linkage between stock exchanges and systems for clearing and settlement, because there is a risk of competition between trading venues

being frustrated by integral governance by for-profit companies over the complete value chain. In its view, a CSD should not deploy commercial activities in addition to its basic tasks.

A different view expressed by some other custodian banks considers custodians, CSDs and CCPs as businesses. However, there are some actors that have natural monopolies and should not compete with non-monopolistic players in their line of business or hinder market entry. They have asked the Group to consider competition issues between ICSDs, CSDs and other providers of settlement and safekeeping services.

Nevertheless, different views were put forward by several banking and investment firm representatives. They believe that custodians, CCPs, CSDs and ICSDs should be considered as competition-driven commercial companies and should be regulated as such. However, the view of some of these respondents deviates by favouring an asymmetric integration model rather than horizontal and/or vertical integration, i.e. the number of trading platforms can be relatively high, the CCPs must consolidate and the number of SSSs should be reduced. The trading service providers should be subject to clear regulations in order to ensure fair competition between providers. Finally, one major custodian bank proposes an alternative approach to horizontal and vertical integration, i.e. the creation of a central linkage of the national systems.

According to the views of the representatives of investment managers and investment firms, the integration of clearing and settlement should be achieved by linking the systems. The reduction in the number of settlement systems is not very important, provided that there is sufficient transparency in the process. Furthermore, it does not matter whether the structures are based on commercial or utility features provided the right governance and risk management are in place.

Opposite views were expressed by stock exchanges, CSDs, ICSDs and CCPs. They consider the providers of clearing and settlement services to be commercial firms with the resources to invest in and upgrade their operations in line with market developments. In their view, there is no single model for clearing and settlement for all markets and regulatory schemes. Solutions should be found by the market players, with the only governing principle that market solutions must be compatible with the overarching public interest in terms of cost efficiency and safety. The governance arrangements of infrastructure and service providers should support the objectives of users and owners and the public interest. They are also against public intervention influenced by “vociferous interest groups” since it would create havoc.

One stock exchange expresses doubts about the benefit of open access as it could lead to a proliferation of the existing CSDs and ICSDs and thus to an incoherent situation. Furthermore, open access would, in its view, strengthen competition in certain areas, such as risk management, between various CCPs, which would compete by reducing costs, thus endangering the stability of the markets in which they operate.

Another view expressed by a CSD is that the core services related to securities settlement should remain a utility business, whereas added value services should be provided competitively. The users should have the right to decide whether to use the custodian or utility infrastructure services. Public policy intervention may be needed to ensure that credit institutions do not limit access to the underlying utility infrastructure. The CSDs and ICSDs should be obliged to open up access to customers, who should have a real choice as to where they wish to settle and should not be compelled to purchase other services from the (I)CSDs which they could obtain elsewhere.

As far as public intervention to bring about structural changes is concerned, almost all the respondents do not see a need for such intervention. The changes should be driven by market forces. However, public authorities should encourage harmonisation of securities regulation and of the tax collection process, ensure a level playing-field, remove regulatory and de facto barriers preventing fair competition in the domains of trading, clearing and settlement, and allow remote access to markets on non-discriminatory terms. They should also encourage harmonisation in areas where differing standards create substantial costs for cross-border investment, such as withholding tax relief procedures.

Annex 1: List of institutions responding to the public consultation

1. ABN AMRO Bank N.V.
2. Association of Global Custodians (AGC)
3. Association of Private Client Investment Managers and Stockbrokers (APCIMS) and European Association of Securities Dealers (EASD)
4. Barclays
5. BNP Paribas Securities Services
6. British Bankers Association (BBA)
7. BWS Bank
8. Citibank
9. Clearstream International
10. Crestco
11. Deutsche Bank AG
12. Deutsche Börse and Clearstream
13. De Vidts Godfried
14. Euroclear Bank
15. Euronext and Clearnet
16. European Association of Central Counterparty Clearing Houses (EACH)
17. European Central Securities Depositories Association (ECSDA)
18. European Savings Banks Group (ESBG)
19. European Securities Forum (ESF)
20. Fédération Bancaire Européenne (FBE)
21. Fédération Bancaire Française (FBF), Association Française des Entreprises d'Investissement (AFEI) and Association Française des Titres (AFTI)
22. Finnish Association of Securities Dealers (FASD)
23. Finnish Bankers' Association (FBA)
24. Hellenic Exchanges Group SA
25. HEX Group
26. Iberclear
27. Investment Company Institute
28. London Clearing House
29. Madrid Stock Exchange
30. Mercados Financieros
31. Nordea Bank Finland (NBF) and the Taxpayers Association of Finland (TAF) (as summarised by the Capital Markets Department of the Finnish Financial Supervision Authority)
32. Pershing Division of Donaldson, Lufkin & Jenrette Securities Corporation (a Crédit Suisse First Boston company) and Pershing Securities Limited
33. Santander Central Hispano

34. UBS Warburg
35. Valencia Stock Exchange
36. Zentraler Kreditausschuss