

2 December 2023

APPROVED

MANDATE OF THE OPERATIONS MANAGERS GROUP

1. Preamble

The Operations Managers Group (OMG) was established by the T2S Steering Level. This is in accordance with the provision of the Schedule 8, Section 2, sub-section c) of the T2S Framework Agreement (FA) and the T2S Currency Participation Agreement (CPA).

2. Responsibilities and tasks

The OMG is responsible for developing and maintaining the T2S Manual of Operational Procedures (MOP) that describes all operational processes and procedures to be applied in normal and abnormal situations (i.e. incident scenarios) to ensure the smooth functioning of the T2S Services.¹

The OMG is responsible for all operational activities that can be planned in advance. These activities include, *inter alia*:

- developing and maintaining the T2S MOP;
- developing and maintaining the T2S UTEST Terms of Reference (UTEST ToR);
- monitoring and reviewing the T2S Service performance against the committed service levels as specified in Schedule 6 (Service Level Agreement - SLA) of the T2S FA and T2S CPA;
- being responsible for the T2S Pre-production and T2S Production environments;
- discussing topics in relation to T2S operational risks and issues;
- fulfilling its tasks defined in the T2S MOP and the T2S Operational Process Governance Framework (see Schedule 8, Annex 2 of the T2S FA and the T2S CPA).

¹ See definition of the MOP in Schedule 1 of the T2S FA and the T2S CPA.

The OMG is responsible for all operational scenarios/situations that cannot be planned in advance (i.e., incident and crisis management). In particular, the OMG shall put in place the necessary follow-ups to incidents managed by Settlement Managers and Crisis Managers.

The OMG mandate shall:

- be reviewed every three years commencing on the date of its approval by the Market Infrastructure Board (MIB);
- expire with the termination of all T2S FAs and T2S CPAs;
- expire when the legal basis for the establishment of the OMG in Schedule 8 of the T2S FA and the T2S CPA has been revoked.

3. Composition and Term

3.1. Chairperson

The MIB shall appoint the Chairperson of the OMG on the basis of technical expertise, after consultation with the T2S CSD Steering Group (CSG) and the T2S Non-euro Currencies Steering Group (NECSG). As a rule, the OMG Chairperson shall be a staff member of the ECB. The OMG Chairperson shall be entitled to designate an alternate to replace him/her in exceptional circumstances. The OMG Chairperson shall have the following tasks and responsibilities:

- determine the frequency, format and agenda of the meetings;
- conduct the OMG meetings;
- be accountable for the preparation and delivery to the OMG and the T2S Steering level of the OMG Deliverables;
- ensure that all OMG Members and Observers can express their views in the OMG discussions and that all views are duly considered;
- invite external experts and/or members of the T2S teams at the ECB and the 4CB to the OMG meetings for discussion on specific topics;
- report to the T2S Steering Level.

3.2. Secretary

The Secretary of the OMG shall be a staff member of the ECB, designated by the OMG Chairperson. The OMG Secretary shall have, *inter alia*, the following tasks and responsibilities:

- co-ordinate the organisation of regular and ad-hoc meetings and teleconferences and the preparation of the relevant documents;
- support the OMG Chairperson in the preparations for the OMG meetings and teleconferences;
- draft the outcomes of the meetings;

- support the OMG Chairperson in preparing the reporting to the T2S Steering level;
- maintain the OMG membership list, which includes the representatives of the OMG Members and Observers; and
- disseminate, following the approval of the OMG Chairperson, the Deliverables of the OMG to the T2S Steering level.

3.3. Members

The Members of the OMG shall be operations experts from the following organisations:

- the Signatories CSDs;
- non-euro area NCBs that have signed the T2S CPA;
- euro area NCBs and non-euro area NCBs participating in T2S for euro settlement because of a connection to T2;
- the ECB;
- the 4CB.

Whenever an OMG Member is no longer serving in the entity it represented, its role as OMG Member shall cease with immediate effect. The entity concerned shall nominate a new Member without delay and inform the OMG Chairperson and the OMG Secretary.

3.4. Observers

Up to ten User representatives shall participate as Observers for specific agenda items of the OMG meetings. Upon T2S CSG and NECSG consultation, the MIB shall nominate these representatives upon proposal from User members of the Advisory Group on Market Infrastructures for Securities and Collateral (AMI-SeCo).

The OMG Observers are nominated for a renewable term which shall be aligned with the term of the OMG membership. The OMG Observers can actively participate in the meetings for specific agenda items of the OMG, but they do not participate in its decision-making. Whenever an OMG Observer is no longer serving in the entity it represented, its role as OMG Observer shall cease with immediate effect. The entity concerned shall nominate until the end of the regular term a new Observer without delay and inform the OMG Chairperson and the OMG Secretary which will inform the T2S Steering level accordingly.

The OMG Observers are excluded from business sensitive topics, i.e., incident management, T2S Service performance against the SLA and sensitive ad-hoc topics.

The OMG Observers shall:

- have expertise on operational aspects of securities settlement processes relevant for T2S;
- have expertise on operational aspects of T2S;
- preferably participate also in other relevant European bodies and initiatives.

3.5. Participation

Participants in the OMG shall provide adequate resources in order to progress with the OMG work within a short period. The OMG Members and Observers can be replaced by one alternate in exceptional

circumstances, who can attend the meetings and may express views on behalf. The alternate shall be notified to the OMG Chairperson and the OMG Secretary sufficiently in advance.

4. Reporting

The OMG reports regularly to the T2S Steering Level via the OMG Chairperson, and as agreed by the OMG.

5. Working procedures

5.1. Meetings

The OMG shall meet usually every month. The OMG Chairperson may convene additional meetings when this is required for the OMG to fulfil its mandate in an efficient manner. The OMG shall hold its meetings by means of conference calls. Meetings may also be held in physical format. The dates and places of meetings shall be communicated to the OMG Members and the OMG Observers sufficiently in advance.

Meeting documentation will be circulated sufficiently in advance of meetings (i.e. at the latest five T2S Settlement Days prior to an OMG meeting) unless otherwise agreed by the OMG.

The agenda of the regular meeting shall have:

- i) agenda items are based on (i) the OMG's commitments defined in the T2S FA, the T2S CPA and the T2S MOP, and (ii) organisational aspects e.g. the approval of the agenda and the outcome of the previous meeting as well as the action points to be reviewed.
- ii) ad-hoc agenda items, which either:
 - have been proposed sufficiently in advance of the meeting; or
 - are added at the beginning of a meeting by an OMG Member for which, if a consensus is required, a written procedure will be initiated.

In addition, the OMG holds regular calls to prioritise Production Problems, usually on a bi-weekly basis.

The OMG aims at working in consensus. Consensus means a process by which the OMG synthesises its ideas and concerns to form a common collaborative agreement acceptable to all OMG Members.

Any OMG Member, on receipt of the meeting material, can request a written procedure if cannot attend the meeting. Any OMG Member not present during the discussion and having not requested a written procedure beforehand is deemed to agree with the consensus achieved during the OMG discussion.

In case a consensus cannot be found, the OMG Chairperson reports the differing views to the relevant bodies.

5.2. Deliverables

The OMG shall produce the relevant deliverables in accordance with the rules set out in Schedule 8, Annex 2 of the T2S FA and of the T2S CPA.

5.3. Interaction and information exchange

The OMG shall maintain regular interaction with the other T2S Technical Groups and relevant substructures

and may request relevant information directly from other T2S Technical Groups and provide relevant information directly to other T2S Technical Groups. The OMG may decide to issue consultations or questionnaires on dedicated topics to fulfil its mandate.

6. Substructures

The OMG may establish substructures to support its work in an efficient manner. The mandate of such substructures shall be defined and approved by the OMG. The OMG shall coordinate with the T2S Steering level to avoid the duplication of substructures on similar topics.

7. Transparency

All relevant documentation and information shall be made available in a secure workspace EUDPR compliant and accessible to all OMG Members and Observers. The OMG mandate, the OMG Members list and meeting outcomes not including business sensitive topics, i.e., incident management, and T2S Service performance against the SLA and sensitive ad-hoc topics shall be made available to the public on the ECB website.

In exceptional cases, the OMG Chairperson may decide to restrict the publication of individual documents, if these documents contain confidential information (as defined in Schedule 1 of the T2S FA and the T2S CPA). The OMG Members, the OMG Observers and the invited experts may not disclose such information to the public.

Any publication of documents must be in line with Articles 29 and 45 of the of the T2S FA and the T2S CPA respectively.