

Minutes of the 5th User Committee Meeting 01-09-2014



Attendance:

Chairman: Bart Baudewyn (BNP Paribas Fortis) replaced by Jean-Pierre De Snoeck

Members: Philippe Lepoutre (BDA), Olivier De Bruyn (KBC) (excused), Pieter Samyn (ING), Katia Depuydt (Euroclear), Warren Thorsen (Citibank), Jean-Paul Rousseau (Febelfin), Luc Goossens (Belfius), Gil Vanden Broeck (BNP Paribas Securities Services).

Secretary: David Rubens (NBB-SSS)

NBB-SSS: Herwig Smissaert, Marc Lejoly, Jimmy Steenhout, Koen Geenen

Introduction

- Welcoming
- Approval of minutes of last UC meeting
- Renewal of the UC members: no changes in the composition

1. Rule Book

- New NBB-SSS Rule book – written consultation
 - o Q: Any change regarding the holding of foreign currency assets?
A: Yes, due to a new Royal Decree every participant will be able to hold any type of asset on any type of account.
Q: What are the foreign currencies?
A: The currencies for which the ECB publishes an exchange rate. Additionally, we will also change the used exchange rate in foreign currency transactions from the rate on T-2 to the rate of T-1 (thus diminishing the exchange rate risk).
 - o Remark NBB-SSS: you will need to use secured e-mail, but there is a certificate on the USB token that can be used for signing e-mails (so you do not need to use verisign or globalsign).
 - o Q: p9, 5.1.1.4 Belgian State Treasury bills and EMTN : Belgian State Treasury Bills : Are these ' Staatsbons ' ?
A: No. Staatsbons are described further.
 - o Q: Will all shorts be penalised? What about queues?
A: At present we take into account the origin of the short, but in the future (as ESMA wants us to treat each short as a short) this might change.
 - o Remark NBB-SSS: The OPT-OUT setting per account per participant can be found on our SharePoint site.
 - o Q: p28, 8.1.2 Instruction Fees : Code 12 instructions (Euronext Brussels) will be charged at 0,85 EUR (instead of 0,24 EUR now): Correct ?
A: Yes
 - o Q: Is the pricing fixed?
A: No, one year from now, we will have to update our rule book again. We will seize this opportunity to make an assessment of the income streams and we might fine-tune the tariffs to guarantee a stable income. Our current tariff structure is based on expected use of certain services, however we do not know what the actual use will be.
 - o Q: Partial settlement: if you do 4 partial settlements in one transaction, do you have to pay 4 times the fee of €5?
A: No. Just once. It is a fee for the use of the partialling in a trade.

- Q: Are there any changes in the PoA?
A: Yes, it will now be defined at account level, no longer at participant level.
- Q: I did not see a mention of the pledge account. Is this possible?
A: There should be one. We will check. If it is not there, we will adapt it.
- Q: Is it possible to cancel transactions (which should be bilaterally cancelled) via an already matched cancellation instruction?
A: Yes.
- Remark: Is it not a lack of consistency of having a user committee which is being requested to give advice while the decisions have already been made?
A: Yes and no. Formally speaking, you are right, but, as already announced in the previous UC, NBB-SSS would propose the NBB board of Directors to maintain the present tariff structure right from the start of Ramses, what finally has been the case and as such did not formally require a prior advice by the UC. At the same time, new functionalities had to be priced but, unfortunately, time constraints made a prior advice by the UC virtually impossible. However, any well-founded remarks made during the consultation phase would have led to a new request to the NBB board of Directors for approval of an amendment of the tariff structure.
- Q: Will changes be possible on the tariff structure in the future?
A: With the changes required by the launch of T2S in 2015, the Rule Book will have to be adapted again which will give also the opportunity to change the tariff structure.
- Q: Is it possible to receive a simulation of the impact of the new pricing, similar to the introduction of the Eses pricing with Euroclear some years ago?
A: It is very difficult at this stage to make a simulation as we cannot predict some of the essential parameters that will affect the result (which services will be used in which quantities etc.).
- Q: Legal remark: It is not possible to work with the national registration number for the token provisioning (you need to ask permission to a special commission)
A: We have adapted the procedure and will use 'date of birth' and 'place of birth' instead.

2. T2S - Ramses status

Link to presentation [Ramses](#)

- A short briefing of the status is given. More info can be found in the slides presented at the info-session, the same day in the afternoon.
- Q Belfius: Is it possible that Ramses is compatible with older Java versions?
- A: This is difficult. We will, each time a new Java version is available, move to the new version and still support the last version, but not older versions. This is linked to IT security.

3. NBB-SSS Facts and figures

Link to presentations [New issuances and maturities](#) + [Settlement ratio](#)

- Settlement volumes
- Issuance activity
- Settlement ratio: slight drop due to the end of the automatic lending and borrowing.

4. Incident reporting

- Overview of technical problems
- Discussion

5. Miscellaneous

- Terms of reference of the NBB-SSS Management Committee: MC will be a new player in the NBB-SSS governance and will take over some of the tasks of the NBB Direction Committee. The MC will start as from 01/01/2015.
- Royal decree on foreign currency assets (see paragraph on rule book)

6. Lunch - dining rooms
