Annex 2: Detailed individual responses received from the markets/CSDs

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Type of Events	**Std No.**	**Standard Description**	**CSD/Market Status**	**Type of Implementation Gap**	**Further Comments**	**Implementation Plan**	
Market Claims	**1**	For a given transaction, a market claim should be detected by the two Instruction Owners CSDs (IOCs), or the CCP(s) where applicable, of the two counterparties in the transaction.	**NOT IMPLEMENTED**	Major Technical Change	**Current practice:** **Domestic transactions (OeKB is IOC for both instructions -> also including transactions where one of the Instructions is sent by another CSD):** **Market claims are detected by OeKB (OTC-cash claims in EUR only) and the CCP.A (cash & securities claims). As there is currently no record date in AT the detection is ex-date based.** **Cross Border Transaction (OeKB is IOC for only one Instruction):** **As current European market practice the potential market claims are detected by the issuer CSD (or the respective investor CSD which is instructed by OeKB for the settlement and wich holds the respective security for OeKB and where the other counterparty of the transaction holds the account) where the settlement takes place. OeKB as investor CSD will pass on all information to its customers (detection) and credits/debits performed by the other CSD.** **Gap:** **- Detection of OTC claims in non EUR payments and securities distributions:** **Change to OeKBs corporate action system. Reporting to customers has to be clarified.** **- Detection of claims in case of Cross Border transactions.** **Major change to OeKBs corporate action system. Reporting to customers has to be clarified.**	**With the introduction of T2S (implementation plan exists and was communicated to the market)**	

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Market Claims	2	The mechanism to detect market claims is at the discretion, and is the responsibility, of the IOCs and the CCPs of the counterparties.	**IMPLEMENTED**	N/A	Query against corporate action database and securities' settlement system (after migration = T2S)	
Market Claims	3	Maximum time period for claim detection: 20 T2S opening days from record date.	**NOT IMPLEMENTED**	Market Practice Change	Currently no limitation but a limit can be easily introduced. No Record Date in the Austrian Market (Legal or market practice Issue)	The introduction of the Record date in the Austrian Market is planned for Nov. 2015.
Market Claims	4	Market claims should be detected after the close of business on record date and during the rest of the claims detection period.	**NOT IMPLEMENTED**	Major Technical Change	No record date in AT Payment of coupon compensation is detected and effected under the following conditions: - successful final settlement of the transaction - Trade Date < Ex Date - Value Date (corresponding to the Effective Settlement Date) ≥ Ex Date - Payment Date has been reached Record date introduction and the new detection regime requires legal or market practice changes as well as IT-changes within OeKB and the AT-Banks.	see 3

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Type of Events	**Std No.**	**Standard Description**	**CSD/Market Status**	**Type of Implementation Gap**	**Further Comments**	**Implementation Plan**
Market Claims	5	After record date, the market claim detection mechanism should operate at a minimum once a day after the end of standard T2S daytime settlement processing ("End of Day" in T2S URD) and prior to the start of the next settlement day ("Start of Day" in T2S URD).	**NOT IMPLEMENTED**	Straightforward to Implement	**Current practice** OeKB: If the underlying transaction is settled before (Value Date < Payment Date) the Payment Date the resulting compensation is detected at Payment Date (when the payment is calculated). If the underlying transaction is settled on/after (Value Date ≥ Payment Date) the Payment Date the resulting compensation is detected on settlement (when settlement is performed). Customers: Multiple procedures Gap: Introduction of Record date (see 3). Introduction of daily detection (currently event based (payment or settlement))	see 3
Market Claims	6	As a general principle, market claims should be detected for all transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to indicate that no claim at all should be raised on a given transaction.	**NOT IMPLEMENTED**	Major Technical Change	Currently no opt-out available in AT. Technical/regulatory change to provide opt-out possibility. Small change for OeKB (as functionality provided in T2S) probably major change for AT-Banks.	With the introduction of T2S (implementation plan exists and was communicated to the market)

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Market Claims	7	Counterparties in the underlying transaction may choose to include the ex/cum indicator only if they want to deviate from the standard market claim procedure, as described in the CAJWG standards.	**NOT IMPLEMENTED**	Major Technical Change	Currently not supported.	With the introduction of T2S (implementation plan exists and was communicated to the market)
Market Claims	8	As per CAJWG standards, market claims should be detected only for matched instructions (i.e. irrevocable transactions).	**NOT IMPLEMENTED**	Market Practice Change	Currently the claim detection only happens when the transaction is settled (and the payment occurred). Detection already in status matched has to be introduced.	With the introduction of T2S (implementation plan exists and was communicated to the market)
Market Claims	9	Market claims should be generated only by the two IOCs (or the CCPs) of the two parties to the transaction. IOCs and CCPs should also generate market claims on behalf of their clients who have access to direct technical connectivity to T2S. Those clients should not generate market claims in T2S.	**NOT IMPLEMENTED**	Major Technical Change	see 1. New regime has to be introduced	With the introduction of T2S (implementation plan exists and was communicated to the market)

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	**10**	**For each outturn (result of CA entitlement), there should be the generation of a separate market claim instruction. Types of market claim instructions:** **(i) FOP transfer of securities (receipt and delivery)** **(ii) Payment free of delivery (PFOD) transfer of cash;** **The payment currency of the (cash) market claim should be the same as the currency of the original corporate action. The currency of the original corporate action is defined by the issuer of the underlying security.** **In case the currency of the corporate action payment is not a T2S Settlement Currency, then the counterparties in the underlying transaction should decide between them how to settle the cash entitlement outside T2S.**	**NOT IMPLEMENTED**	**Major Technical Change**	**Currently only OTC cash claims (see 1) which are directly booked on the cash accounts with OeKB (-> no instructions generated, no central bank money). PFOD transaction type not used in AT. Major change for OeKB and Banks (Customers) systems to generate and monitor separate transactions in their systems.**	**With the introduction of T2S (implementation plan exists and was communicated to the market)**

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	**11**	When the generation of a market claim instruction results in outturn securities fractions, the number of outturn securities in the market claim instruction should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for remaining securities fractions, then no further action is required by IOC b) In case the issuer compensates investors for remaining securities fractions with cash, an additional PFOD transaction should be generated by IOC transferring cash to the beneficial owner.	**NOT IMPLEMENTED**	Major Technical Change	No separate instruction available (see 10). To be implemented.	With the introduction of T2S (implementation plan exists and was communicated to the market)

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Market Claims	**12**	In order to be able identify market claims, a specific ISO transaction type code "CLAI" should be used in the settlement instructions.	**NOT IMPLEMENTED**	Major Technical Change	No separate instruction available (see 10). To be implemented.	With the introduction of T2S (implementation plan exists and was communicated to the market)
Market Claims	**13**	For any individual ISIN, or any individual category of securities, all CSDs/CCPs that accept such securities should use the same rules to generate market claims. The rules, or terms, are defined by the issuer for each corporate action event. The issuer should pass them onto the issuer CSD and made available by the issuer CSD to all of its clients, including the Investor CSDs.	**NOT IMPLEMENTED**	Legislative Change	There is currently no direct information flow between the Issuer and the CSD as described in the CAJWG Market Standards for Corporate Actions Processing in the Austrian Market.	The information flow between the Issuer (or the Issuers Agent) and the CSD in the Austrian Market is currently under discussion between the involved parties (CSD, banks as issuers and issuers agents).

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Market Claims	14	For the settlement of market claim itself (as settled in T2S), the tax statuses of the receiving/delivering accounts should have no direct effect on the amount of cash/securities to be transferred. For a specific ISIN and a specific event, the amount of cash/securities to be transferred should be dependent solely on the number of securities in the underlying transaction. This means that for a specific ISIN and a specific event, the rate of the market claim should always be the same, and should be fixed by the issuer CSD. (*The claim could be an indemnity at, for example, 100% of the gross dividend, or could be a gross or net dividend amount). Subsequent, or in parallel, to the market claim, a withholding agent could process tax adjustments.*	IMPLEMENTED	N/A	Tax adjustments, if necessary, should be processed by the relevant withholding agent.	

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Market Claims	15	The CSDs/CCPs generating the market claim will identify which T2S dedicated cash accounts should be used.	**NOT IMPLEMENTED**	Straightforward to Implement	Currently only commercial bank money is used.	With the introduction of T2S (implementation plan exists and was communicated to the market)
Market Claims	16	Matching is required for all market claims settlement instructions.	**NOT IMPLEMENTED**	Major Technical Change	Currently no separate transaction for market claims is generated. Full concept has to be implemented by OeKB and Banks (customers) from scratch (see also 10)	With the introduction of T2S (implementation plan exists and was communicated to the market)
Market Claims	17	Each CSD/CCP will include in the market claim settlement instruction sent to T2S appropriate references so that its participant can identify and process the claim satisfactorily.	**NOT IMPLEMENTED**	Major Technical Change	Currently no separate transaction for market claims is generated. Full concept has to be implemented by OeKB and Banks (customers) from scratch (see also 10)	With the introduction of T2S (implementation plan exists and was communicated to the market)

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Market Claims	**18**	The market claim should be instructed in T2S by using as trade date of the claim, the same date as the trade date of the underlying transaction. The settlement date of the market claim should be the payment date of the transaction. The settlement date of the market claim should be the payment date of the underlying corporate action.	**NOT IMPLEMENTED**	Major Technical Change	Currently no separate transaction for market claims is generated. Full concept has to be implemented by OeKB and Banks (customers) from scratch (see also 10)	With the introduction of T2S (implementation plan exists and was communicated to the market)
Market Claims	**19**	The market claim transaction should be instructed with the same status (i.e. either 'on hold' or 'released') as the underlying transaction.	**NOT IMPLEMENTED**	Major Technical Change	Currently no separate transaction for market claims is generated. Full concept has to be implemented by OeKB and Banks (customers) from scratch (see also 10)	With the introduction of T2S (implementation plan exists and was communicated to the market)
Market Claims	**20**	The standard T2S rules for who can amend settlement instructions should apply.	**NOT IMPLEMENTED**	Major Technical Change	Currently no separate transaction for market claims is generated. Full concept has to be implemented by OeKB and Banks (customers) from scratch (see also 10)	With the introduction of T2S (implementation plan exists and was communicated to the market)

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Market Claims	**21**	The standard T2S rules for amending settlement instructions should apply.	**NOT IMPLEMENTED**	Major Technical Change	Currently no separate transaction for market claims is generated. Full concept has to be implemented by OeKB and Banks (customers) from scratch (see also 10)	With the introduction of T2S (implementation plan exists and was communicated to the market)
Market Claims	**22**	The standard T2S rules for cancelling settlement instructions should apply.	**NOT IMPLEMENTED**	Major Technical Change	Currently no separate transaction for market claims is generated. Full concept has to be implemented by OeKB and Banks (customers) from scratch (see also 10)	With the introduction of T2S (implementation plan exists and was communicated to the market)
Market Claims	**23**	In line with the CAJWG standards, the settlement of a market claim should be independent from the settlement of the respective underlying transaction. However, market infrastructures should provide to their participants a user friendly facility which gives them the option to ensure that the market claim is not settled prior to the settlement of the underlying transaction.	**NOT IMPLEMENTED**	Major Technical Change	Currently no separate transaction for market claims is generated. Full concept has to be implemented by OeKB and Banks (customers) from scratch (see also 10)	With the introduction of T2S (implementation plan exists and was communicated to the market)

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Market Claims	24	In line with standard T2S settlement conditions will include: (i) payment date has been reached, (ii) resources (cash and/or securities are available.	NOT IMPLEMENTED	Major Technical Change	Currently no separate transaction for market claims is generated. Full concept has to be implemented by OeKB and Banks (customers) from scratch (see also 10)	With the introduction of T2S (implementation plan exists and was communicated to the market)
Market Claims	25	There should be no partial settlement for market claims in cash. Partial settlement should be limited to market claims in securities and take into account the standard T2S rules for partial settlement. Partial settlement indicator of the market claim should replicate the one of the underlying transaction.	NOT IMPLEMENTED	Major Technical Change	Currently no separate transaction for market claims is generated. Full concept has to be implemented by OeKB and Banks (customers) from scratch (see also 10)	With the introduction of T2S (implementation plan exists and was communicated to the market)
Market Claims	26	The standard T2S rules for the recycling period should apply.	NOT IMPLEMENTED	Major Technical Change	Currently no separate transaction for market claims is generated. Full concept has to be implemented by OeKB and Banks (customers) from scratch (see also 10)	With the introduction of T2S (implementation plan exists and was communicated to the market)

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Market Claims	27	**Each CSD/CCP generating a market claim will report to its own participant.**	**NOT IMPLEMENTED**	Major Technical Change	**Currently no separate transaction for market claims is generated. Full concept has to be implemented by OeKB and Banks (customers) from scratch (see also 10)**	**With the introduction of T2S (implementation plan exists and was communicated to the market)**
Market Claims	28	**T2S will provide its standard pending/settled transaction reporting. A CSD/CCP may provide additional reporting to its participant.**	**NOT IMPLEMENTED**	Major Technical Change	**Currently no separate transaction for market claims is generated. Full concept has to be implemented by OeKB and Banks (customers) from scratch (see also 10)**	**With the introduction of T2S (implementation plan exists and was communicated to the market)**

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transform ations	**1**	**At the CCP level:** When agreed with the Instruction Owner CSDs (IOCs) the CCP itself can manage the transformation for CCP transactions via a Power Of Attorney (POA) on the participants' accounts by use of the T2S cancellation and replacement mechanisms. **At the CSD level (both CSDs of the buyer and the seller are connected to T2S): The IOCs will manage the transformation:** (i) When the underlying transaction impacts two accounts in the same IOC. The cancellation and replacement will be managed and instructed in T2S by the IOC itself; (ii) In a cross-CSD transaction, each IOC has to cancel the instruction (bilateral cancellation process in T2S) and to send to T2S the new transformed instruction for matching	**NOT IMPLEMENT ED**	Major Technical Change	**Current practice:** **For CSD/OTC Settlement no transformations are done. On CCP level basic (manual) transformation services are offered. New regime must be build up from scratch.** **Gap:** **Serious change to current market practice and to IT-Infrastructure (for OeKB and market participants).**	**With the introduction of T2S (implementation plan exists and was communicated to the market)** **The handling of CCP instructions has to be agreed between OeKB CSD and CCP.**

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Transformations	2	The transformation process shall take place by end of record date or market deadline and during the rest of the transformation detection period (i.e. 20 T2S opening days after the record date/market deadline).	**NOT IMPLEMENTED**	Major Technical Change	**Current practice:** For CSD/OTC Settlement no transformations are done. On CCP level basic (manual) transformation services are offered. New regime must be build up from scratch. **Gap:** Serious change to current market practice and to IT-Infrastructure (for OeKB and market participants).	With the introduction of T2S (implementation plan exists and was communicated to the market) The handling of CCP instructions has to be agreed between OeKB CSD and CCP.
Transformations	3	As a general principle, transformations will be applicable to all eligible transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to deviate from the standard transformation procedures.	**NOT IMPLEMENTED**	Major Technical Change	**Current practice:** For CSD/OTC Settlement no transformations are done. On CCP level basic (manual) transformation services are offered. New regime must be build up from scratch. **Gap:** Serious change to current market practice and to IT-Infrastructure (for OeKB and market participants).	With the introduction of T2S (implementation plan exists and was communicated to the market) The handling of CCP instructions has to be agreed between OeKB CSD and CCP.

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transform ations	4	IOCs/CCPs managing the transformation will use the ISO20022 format as specified in the T2S URD. IOCs/CCPs will include in the transformation settlement instructions the appropriate references so that their own participants can identify and process the transformation satisfactorily in their own books. The minimum references required include: T2S reference of the underlying transaction, the "TRAN" ISO settlement transaction condition code, and CSD corporate action event reference. From a T2S system specification perspective, these references are only for information purposes (for CSDs/CCPs participants) as these references do not trigger any specific functionality in T2S (other than standard settlement	**NOT IMPLEMENTED**	Major Technical Change	Current practice: For CSD/OTC Settlement no transformations are done. On CCP level basic (manual) transformation services are offered. New regime must be build up from scratch. Gap: Serious change to current market practice and to IT-Infrastructure (for OeKB and market participants).	With the introduction of T2S (implementation plan exists and was communicated to the market) The handling of CCP instructions has to be agreed between OeKB CSD and CCP.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	5	CSD/CCP may match locally the new instructions related to the transformation and send them to T2S as already matched for settlement or send them as separate instructions for matching in T2S.	NOT IMPLEMENTED	Major Technical Change	**Current practice:** For CSD/OTC Settlement no transformations are done. On CCP level basic (manual) transformation services are offered. New regime must be build up from scratch. **Gap:** Serious change to current market practice and to IT-Infrastructure (for OeKB and market participants).	With the introduction of T2S (implementation plan exists and was communicated to the market) The handling of CCP instructions has to be agreed between OeKB CSD and CCP.
Transformations	6	Both IOCs/CCPs should send new instructions to T2S, for matching purposes.	NOT IMPLEMENTED	Major Technical Change	**Current practice:** For CSD/OTC Settlement no transformations are done. On CCP level basic (manual) transformation services are offered. New regime must be build up from scratch. **Gap:** Serious change to current market practice and to IT-Infrastructure (for OeKB and market participants).	With the introduction of T2S (implementation plan exists and was communicated to the market) The handling of CCP instructions has to be agreed between OeKB CSD and CCP.
Transformations	7	The earliest settlement date (SD) of the new transaction(s) should be the latest between the payment date (PD) of the entitlement and the SD of the underlying transaction.	NOT IMPLEMENTED	Major Technical Change	**Current practice:** For CSD/OTC Settlement no transformations are done. On CCP level basic (manual) transformation services are offered. New regime must be build up from scratch. **Gap:** Serious change to current market practice and to IT-Infrastructure (for OeKB and market participants).	With the introduction of T2S (implementation plan exists and was communicated to the market) The handling of CCP instructions has to be agreed between OeKB CSD and CCP.

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
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Transformations	8	The transformed instructions should retain the same characteristics (trade date, cash consideration) as those of the underlying instruction with the possible exception of the three following fields in respect with the terms of the reorganisation: (i) The quantity of securities; (ii) The ISIN; (iii) The settlement date (SD).	**NOT IMPLEMENTED**	Major Technical Change	**Current practice:** For CSD/OTC Settlement no transformations are done. On CCP level basic (manual) transformation services are offered. New regime must be build up from scratch. **Gap:** Serious change to current market practice and to IT-Infrastructure (for OeKB and market participants).	With the introduction of T2S (implementation plan exists and was communicated to the market) The handling of CCP instructions has to be agreed between OeKB CSD and CCP.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transform ations	**9**	The settlement amount of the transformed (new) instructions should be proportional to the ratio of each outturn securities. In case of multiple outturns (i.e. multiple new ISINs being generated by the transformation process), the new instructions should not be settled as linked settlement in T2S. The transformed instructions should retain the same characteristics (trade date) as those of the underlying transaction with the possible exception of the four following fields in respect with the terms of the reorganisation: • The quantity of securities • The cash consideration should be allocated to the transformed transactions according to the rates provided by the issuer • The ISIN • The settlement date (SD)	**NOT IMPLEMENT ED**	Major Technical Change	**Current practice:** For CSD/OTC Settlement no transformations are done. On CCP level basic (manual) transformation services are offered. New regime must be build up from scratch. **Gap:** Serious change to current market practice and to IT-Infrastructure (for OeKB and market participants).	With the introduction of T2S (implementation plan exists and was communicated to the market) The handling of CCP instructions has to be agreed between OeKB CSD and CCP.

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Transform ations	10	The cash transfer(s) settlement instructions should retain the same characteristics as those of the underlying transaction. If the instruction of the underlying transaction was against payment, two new instructions, in opposite directions, will be created; one for the settlement amount and one for the cash outturn. The transfers should not be linked. If the instruction of the underlying transaction was free of payment, only one transfer, for the cash outturn, will be created.	**NOT IMPLEMENT ED**	Major Technical Change	Current practice: For CSD/OTC Settlement no transformations are done. On CCP level basic (manual) transformation services are offered. New regime must be build up from scratch. Gap: Serious change to current market practice and to IT-Infrastructure (for OeKB and market participants).	With the introduction of T2S (implementation plan exists and was communicated to the market) The handling of CCP instructions has to be agreed between OeKB CSD and CCP.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
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Transformations	11	When the transformation results in outturn securities fractions, the number of securities should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for the remaining securities fractions, then no further action is required by the IOCs b) In case the issuer compensates investors for remaining securities fractions with cash, then an additional PFOD transaction should be generated by the IOCs	**NOT IMPLEMENTED**	Major Technical Change	**Current practice:** For CSD/OTC Settlement no transformations are done. On CCP level basic (manual) transformation services are offered. New regime must be build up from scratch. **Gap:** Serious change to current market practice and to IT-Infrastructure (for OeKB and market participants).	With the introduction of T2S (implementation plan exists and was communicated to the market) The handling of CCP instructions has to be agreed between OeKB CSD and CCP.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
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Transformations	12	The transformed transaction should be instructed with the same status as the underlying transaction.	**NOT IMPLEMENTED**	**Major Technical Change**	**Current practice:** For CSD/OTC Settlement no transformations are done. On CCP level basic (manual) transformation services are offered. New regime must be build up from scratch. **Gap:** Serious change to current market practice and to IT-Infrastructure (for OeKB and market participants).	With the introduction of T2S (implementation plan exists and was communicated to the market) The handling of CCP instructions has to be agreed between OeKB CSD and CCP.
Transformations	13	The new transformed transaction should ensure that the following indicators are correctly replicated: (i) Partialling indicator of the original transaction instruction; (ii) Ex/cum indicator; (iii) Opt-out indicator related to the market claim creation.	**NOT IMPLEMENTED**	**Major Technical Change**	**Current practice:** For CSD/OTC Settlement no transformations are done. On CCP level basic (manual) transformation services are offered. New regime must be build up from scratch. **Gap:** Serious change to current market practice and to IT-Infrastructure (for OeKB and market participants).	With the introduction of T2S (implementation plan exists and was communicated to the market) The handling of CCP instructions has to be agreed between OeKB CSD and CCP.
Buyer Protection	1	For a given transaction and prior to the BP deadline, the BP requirement will be invoked by the buyer (the buyer will issue BP instructions to the seller).	**IMPLEMENTED**		OeKB does not and will not implement an automated BP service as affected events are very rare. As market practice BP is carried out bilaterally between the buyer and seller.	

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Buyer Protection	2	When a BP requirement is not invoked by the buyer, then the market default rules for elections should apply.	**IMPLEMENTED**		market default = no action	
Buyer Protection	3	The buyer will be tracking open transactions to which he is entitled to elect and will decide whether or not he wants to invoke a BP.	**IMPLEMENTED**			
Buyer Protection	4	As per scope in the introduction, all transactions still pending on BP deadline in securities which are subject to a corporate action and a BP regime in the CSD of Issuance can be subject to a BP mechanism.	**IMPLEMENTED**			

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Buyer Protection	5	No matching is required in the CSDs' systems. However it is recommended that the seller acknowledges to the buyer, the receipt of the BP instruction.	**IMPLEMENTED**			
Buyer Protection	6	The buyer should include in BP instructions, references to the underlying CA and the underlying transaction to which the CA applies (securities trade or other)	**IMPLEMENTED**			
Buyer Protection	7	Whether late BP instructions should be accepted should be established on the basis of bilateral agreement between the buyer and the seller, or the CSD/CCP rules – where and when CSDs/CCPs are offering such BP processing services.	**IMPLEMENTED**			

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Buyer Protection	8	It is recommended that the ISO20022 standards are referred to as the basis for such BP instructions.	**NOT IMPLEMENTED**	Market Practice Change		OeKB does not and will not implement an automated BP service. BP is carried out bilaterally between the buyer and seller. The standards will be established as market practice till the introduction of T2S.
Buyer Protection	9	BP deadlines for Automated BP mechanism. For trade date T (which is the guaranteed participation date/last trade date of the underlying CA), the BP deadline should be on T+n (where n = settlement cycle) and the market deadline on T+n+1 day Taking as working assumption a T+3 settlement cycle: • business day 1 = T; • business day 4 = T+3: buyer protection deadline; • business day 5 = T+4 market deadline BP deadlines for Manual BP mechanism For BP instructions from actors other than CCPs, the BP deadline is T+n. For BP instructions from CCPs the BP deadline is T+n+1 hour	**NOT IMPLEMENTED**	Market Practice Change		OeKB does not and will not implement an automated BP service. BP is carried out bilaterally between the buyer and seller. The standards will be established as market practice till the introduction of T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: AUSTRIA			
Buyer Protection	10	The BP deadline should be identical across all (I) CSDs in T2S for all securities.	**NOT IMPLEMENTED**	Market Practice Change		OeKB does not and will not implement an automated BP service. BP is carried out bilaterally between the buyer and seller. The standards will be established as market practice till the introduction of T2S.
Buyer Protection	11	The BP instruction itself can only be amended by the buyer, before the BP deadline.	**NOT IMPLEMENTED**	Market Practice Change		OeKB does not and will not implement an automated BP service. BP is carried out bilaterally between the buyer and seller. The standards will be established as market practice till the introduction of T2S.
Buyer Protection	12	Only the BP election (i.e. corporate action option) can be amended in the BP instruction.	**NOT IMPLEMENTED**	Market Practice Change		OeKB does not and will not implement an automated BP service. BP is carried out bilaterally between the buyer and seller. The standards will be established as market practice till the introduction of T2S.
Buyer Protection	13	If the underlying transaction can be settled prior to the BP deadline, it should settle and the BP instruction should be cancelled by the Instruction Owner CSD (IOC) if the IOC offers such a BP service. When BP is handled bilaterally, the BP is void.	**NOT IMPLEMENTED**	Market Practice Change		OeKB does not and will not implement an automated BP service. BP is carried out bilaterally between the buyer and seller. The standards will be established as market practice till the introduction of T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: AUSTRIA			
Buyer Protection	14	Process for pending transactions on BP deadline: In case of Automated BP mechanism Transactions attached with a valid BP that are still pending at the BP deadline should be frozen (put on hold) by the IOCs until their transformation on market deadline/record date. The Transformation of the underlying transaction should be carried out by the IOCs, in accordance with the BP instruction, at the Market Deadline / Record Date of the voluntary reorganisation. In case of Manual BP mechanism If the CSD does not provide an automated BP service, then buyer and seller shall cancel the underlying transaction and re-instruct in accordance with the BP	NOT IMPLEMENTED	Market Practice Change		OeKB does not and will not implement an automated BP service. BP is carried out bilaterally between the buyer and seller. The standards will be established as market practice till the introduction of T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: AUSTRIA				
Buyer Protection	15	Conditions for settlement of protected entitlement In case of Automated BP mechanism The IOC will set on hold (freeze) and transform in T2S the underlying transaction based on BP instruction it receives (from the buyer). In case of Manual BP mechanism The buyer and seller shall amend the underlying transaction (as per current practice: cancel and re-instruct).	**NOT IMPLEMENTED**	Market Practice Change		OeKB does not and will not implement an automated BP service. BP is carried out bilaterally between the buyer and seller. The standards will be established as market practice till the introduction of T2S.
Buyer Protection	16	If a buyer wants to make a partial election, they would need to split the original transaction into the shapes they require.	**NOT IMPLEMENTED**	Market Practice Change		OeKB does not and will not implement an automated BP service. BP is carried out bilaterally between the buyer and seller. The standards will be established as market practice till the introduction of T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: AUSTRIA				
Buyer Protection	17	The Settlement Date (SD) of the protected entitlements should be the payment date of the underlying CA.	**NOT IMPLEMENTED**	Market Practice Change		OeKB does not and will not implement an automated BP service. BP is carried out bilaterally between the buyer and seller. The standards will be established as market practice till the introduction of T2S.
Buyer Protection	18	Settlement of BP instructions should take place as specified in the T2S transformations standards.	**NOT IMPLEMENTED**	Market Practice Change		OeKB does not and will not implement an automated BP service. BP is carried out bilaterally between the buyer and seller. The standards will be established as market practice till the introduction of T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – BNYM CSD						
Market Claims		**For a given transaction, a market claim should be detected by the two Instruction Owners CSDs (IOCs), or the CCP(s) where applicable, of the two counterparties in the transaction.**	Not Implemented	Major Technical Change	Our CA current system already has the partial capability to detect market claim for both receipt and delivery transactions. There are significant enhancements to be brought to comply with T2S CASG standards, but this is so far on schedule.	BNYM shall comply with this standard by November 2015, start of testing
Market Claims	2	**The mechanism to detect market claims is at the discretion, and is the responsibility, of the IOCs and the CCPs of the counterparties.**	Not Implemented	Major Technical Change	Same as above	BNYM shall comply with this standard by November 2015, start of testing
Market Claims	3	**Maximum time period for claim detection: 20 T2S opening days from record date.**	Not Implemented	Straightforward to Implement	Our current system has currently no limit to the claim detection period. This is however not a big change and foresee no particular issue with it.	BNYM shall comply with this standard by November 2015, start of testing

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	**4**	**Market claims should be detected after the close of business on record date and during the rest of the claims detection period.**	Not Implemented	Straightforward to Implement	The Market Claims are currently detected in our current system as of ex date. We will need to change the current logic to detect claims on record date and during the rest of the claims detection period only. This is not considered to be a big change.	BNYM shall comply with this standard by November 2015, start of testing
Market Claims	**5**	**After record date, the market claim detection mechanism should operate at a minimum once a day after the end of standard T2S daytime settlement processing ("End of Day" in T2S URD) and prior to the start of the next settlement day ("Start of Day" in T2S URD).**	Not Implemented	Straightforward to Implement	Our current system has already the partial capability to detect market claim once a day. The market claim detection mechanism and time will need to be enhanced to comply with the T2S standards. This is not a significant enhancement.	BNYM shall comply with this standard by November 2015, start of testing

2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – BNYM CSD

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	6	**As a general principle, market claims should be detected for all transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to indicate that no claim at all should be raised on a given transaction.**	Not Implemented	Straightforward to Implement	Need to build capacity to read "Opt out" indicator and exempt transaction from market claim detection and generation logic. This is not a significant enhancement.	BNYM shall comply with this standard by November 2015, start of testing
Market Claims	7	**Counterparties in the underlying transaction may choose to include the ex/cum indicator only if they want to deviate from the standard market claim procedure, as described in the CAJWG standards.**	Not Implemented	Straightforward to Implement	Our current system has already the capacity to read and display the Ex/Cum indicator. This process will be enhanced to comply with T2S standards.	BNYM shall comply with this standard by November 2015, start of testing
Market Claims	8	**As per CAJWG standards, market claims should be detected only for matched instructions (i.e. irrevocable transactions).**	Not Implemented	Straightforward to Implement	our current system can detect matched vs unmatched transactions, but logic will need to be enhanced and adapted to T2S specificities.	BNYM shall comply with this standard by November 2015, start of testing

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – BNYM CSD						
Market Claims	9	Market claims should be generated only by the two IOCs (or the CCPs) of the two parties to the transaction. IOCs and CCPs should also generate market claims on behalf of their clients who have access to direct technical connectivity to T2S. Those clients should not generate market claims in T2S.	Not Implemented	Major Technical Change	Need to build capacity to generate market claim instructions messages according to T2S standards. We will adapt the set ups in the current system to align with the standard.	BNYM shall comply with this standard by November 2015, start of testing

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – BNYM CSD					
Market Claims	**10**	For each outturn (result of CA entitlement), there should be the generation of a separate market claim instruction. Types of market claim instructions: (i) FOP transfer of securities (receipt and delivery) (ii) Payment free of delivery (PFOD) transfer of cash; The payment currency of the (cash) market claim should be the same as the currency of the original corporate action. The currency of the original corporate action is defined by the issuer of the underlying security. In case the currency of the corporate action payment is not a T2S Settlement Currency, then the counterparties in the underlying transaction should decide between them how to settle the cash entitlement outside T2S.	Not Implemented	Major Technical Change	Need to build capacity to generate market claim instructions messages according to T2S standards. Need detection mecanism to highlight when market claims should settle outside of T2S. This is considered to be a significant enhancement.	BNYM shall comply with this standard by November 2015, start of testing

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	**11**	**When the generation of a market claim instruction results in outturn securities fractions, the number of outturn securities in the market claim instruction should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for remaining securities fractions, then no further action is required by IOC** **b) In case the issuer compensates investors for remaining securities fractions with cash, an additional PFOD transaction should be generated by IOC transferring cash to the beneficial owner.**	Not Implemented	Straightforward to Implement	Need to build capacity to detect and generate market claims on cash in lieu.	BNYM shall comply with this standard by November 2015, start of testing

2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – BNYM CSD

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – BNYM CSD			
Market Claims	12	**In order to be able identify market claims, a specific ISO transaction type code "CLAI" should be used in the settlement instructions.**	Not Implemented	Straightforward to Implement	Need to build capacity to include code "CLAI" in market claim instructions	BNYM shall comply with this standard by November 2015, start of testing
Market Claims	13	**For any individual ISIN, or any individual category of securities, all CSDs/CCPs that accept such securities should use the same rules to generate market claims. The rules, or terms, are defined by the issuer for each corporate action event. The issuer should pass them onto the issuer CSD and made available by the issuer CSD to all of its clients, including the Investor CSDs.**	Not Implemented	Major Technical Change	Need to build the capacity to apply the same rate as provided by the Issuer CSD to all market claims	BNYM shall comply with this standard by November 2015, start of testing

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	14	For the settlement of market claim itself (as settled in T2S), the tax statuses of the receiving/delivering accounts should have no direct effect on the amount of cash/securities to be transferred. For a specific ISIN and a specific event, the amount of cash/securities to be transferred should be dependent solely on the number of securities in the underlying transaction. This means that for a specific ISIN and a specific event, the rate of the market claim should always be the same, and should be fixed by the issuer CSD. (*The claim could be an indemnity at, for example, 100% of the gross dividend, or could be a gross or net dividend amount). Subsequent, or in parallel, to the market claim, a withholding agent could process tax adjustments.*	Implemented	Other	For BNYM as an issuer CSD, the rate will be communicated and applied to the market claims process. For BNYM as an investor CSD, the system will need to be enhanced.	BNYM shall comply with this standard by November 2015.

2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – BNYM CSD

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – BNYM CSD			
Market Claims	15	The CSDs/CCPs generating the market claim will identify which T2S dedicated cash accounts should be used.	Not Implemented	Straightforward to Implement	No significant issue.	BNYM shall comply with this standard by November 2015, start of testing
Market Claims	16	Matching is required for all market claims settlement instructions.	Not Implemented	Straightforward to Implement	From the perspective of BNYM as an issuer CSD, this is straightforward to implement.	BNYM shall comply with this standard by November 2015, start of testing
Market Claims	17	Each CSD/CCP will include in the market claim settlement instruction sent to T2S appropriate references so that its participant can identify and process the claim satisfactorily.	Not Implemented	Straightforward to Implement	Need to build capacity to include correct references in claim instructions.	BNYM shall comply with this standard by November 2015, start of testing

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – BNYM CSD				
Market Claims	18	The market claim should be instructed in T2S by using as trade date of the claim, the same date as the trade date of the underlying transaction. The settlement date of the market claim should be the payment date of the transaction. The settlement date of the market claim should be the payment date of the underlying corporate action.	Not Implemented	Straightforward to Implement	Need to build capacity to generate market claims according to T2S standards - not a significant issue	BNYM shall comply with this standard by November 2015, start of testing
Market Claims	19	The market claim transaction should be instructed with the same status (i.e. either 'on hold' or 'released') as the underlying transaction.	Not Implemented	Major Technical Change	Need to build capacity to track the underlying transactions status and apply them to the market claims generated. This is considered to be significant enhancement.	BNYM shall comply with this standard by November 2015, start of testing
Market Claims	20	The standard T2S rules for who can amend settlement instructions should apply.	Implemented	Other	We plan to allow the standard T2S rules to apply.	Will be incorporated in BNYM plan

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – BNYM CSD				
Market Claims	21	**The standard T2S rules for amending settlement instructions should apply.**	Implemented	Other	We plan to allow the standard T2S rules to apply.	Will be incorporated in BNYM plan
Market Claims	22	**The standard T2S rules for cancelling settlement instructions should apply.**	Implemented	Other	We plan to allow the standard T2S rules to apply.	Will be incorporated in BNYM plan
Market Claims	23	**In line with the CAJWG standards, the settlement of a market claim should be independent from the settlement of the respective underlying transaction. However, market infrastructures should provide to their participants a user friendly facility which gives them the option to ensure that the market claim is not settled prior to the settlement of the underlying transaction.**	Not Implemented	Straightforward to Implement	Settlement of market claims is independent of the underlying transaction in our current system, but complete process will need to be updated for T2S. This should be straightforward to implement	BNYM shall comply with this standard by November 2015, start of testing

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	**24**	**In line with standard T2S settlement conditions will include: (i) payment date has been reached, (ii) resources (cash and/or securities are available.**	Not Implemented	Straightforward to Implement	Straightforward to implement	BNYM shall comply with this standard by November 2015, start of testing
Market Claims	**25**	**There should be no partial settlement for market claims in cash. Partial settlement should be limited to market claims in securities and take into account the standard T2S rules for partial settlement. Partial settlement indicator of the market claim should replicate the one of the underlying transaction.**	Not Implemented	Straightforward to Implement	Need to review standard T2S rules for partial settlement. To be investigated further whether the partial settlement indicator being the same can be an issue or not.	BNYM shall comply with this standard by November 2015, start of testing
Market Claims	**26**	**The standard T2S rules for the recycling period should apply.**	Implemented	Other	We plan to allow the standard T2S rules to apply.	BNYM shall comply with this standard by November 2015, start of testing

2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – BNYM CSD

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: **BELGIUM – BNYM CSD**			
Market Claims	27	**Each CSD/CCP generating a market claim will report to its own participant.**	Implemented	Other	We currently report market claims. BNYM may further enhance the market claim reporting.	Will be incorporated in BNYM plan
Market Claims	28	**T2S will provide its standard pending/settled transaction reporting. A CSD/CCP may provide additional reporting to its participant.**	Implemented	Other	BNYM may further enhance the current reporting capability.	Will be incorporated in BNYM plan

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – BNYM CSD		
Transform ations	1	**At the CCP level: When agreed with the Instruction Owner CSDs (IOCs) the CCP itself can manage the transformation for CCP transactions via a Power Of Attorney (POA) on the participants' accounts by use of the T2S cancellation and replacement mechanisms.** **At the CSD level (both CSDs of the buyer and the seller are connected to T2S): The IOCs will manage the transformation: (i) When the underlying transaction impacts two accounts in the same IOC. The cancellation and replacement will be managed and instructed in T2S by the IOC itself; (ii) In a cross-CSD transaction, each IOC has to cancel the instruction (bilateral cancellation process in T2S) and to send to T2S the new transformed instruction for matching.** **When the transaction is cross-border (one CSD is in T2S and the other is**	Not Implemented	Major Technical Change	Limited capability to cancel and replace transactions for transformation already exist. Need to build automated transformation process according to T2S rules. Significant enhancement but manageable for the deadline.	BNYM shall comply with this standard by November 2015, start of testing

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – BNYM CSD				
Transformations	2	**The transformation process shall take place by end of record date or market deadline and during the rest of the transformation detection period (i.e. 20 T2S opening days after the record date/market deadline).**	Not Implemented	Straightforward to Implement	Need to enhance the automated transformation process	BNYM shall comply with this standard by November 2015, start of testing
Transformations	3	**As a general principle, transformations will be applicable to all eligible transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to deviate from the standard transformation procedures.**	Not Implemented	Straightforward to Implement	Need to build in current system the capacity to detect "opt out" indicator and to exempt those transactions from the transformation process.	BNYM shall comply with this standard by November 2015, start of testing

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	**4**	**IOCs/CCPs managing the transformation will use the ISO20022 format as specified in the T2S URD. IOCs/CCPs will include in the transformation settlement instructions the appropriate references so that their own participants can identify and process the transformation satisfactorily in their own books. The minimum references required include: T2S reference of the underlying transaction, the "TRAN" ISO settlement transaction condition code, and CSD corporate action event reference. From a T2S system specification perspective, these references are only for information purposes (for CSDs/CCPs participants) as these references do not trigger any specific functionality in T2S (other than standard settlement**	Not Implemented	Straightforward to Implement	Need to build capacity to add "TRAN" code in transformation transactions. This is not significant enhancement.	BNYM shall comply with this standard by November 2015, start of testing

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – BNYM CSD			
Transformations	**5**	**CSD/CCP may match locally the new instructions related to the transformation and send them to T2S as already matched for settlement or send them as separate instructions for matching in T2S.**	Not Implemented	Major Technical Change	BNYM will comply with the standard, but will need to analyse the possiblities in further details to determine our choice. It makes sense to use the already matched possibility.	BNYM shall comply with this standard by November 2015, start of testing
Transformations	**6**	**Both IOCs/CCPs should send new instructions to T2S, for matching purposes.**	Not Implemented	Straightforward to Implement	BNYM will comply with the standard, but will need to analyse the possiblities in further details to determine our choice.	BNYM shall comply with this standard by November 2015, start of testing
Transformations	**7**	**The earliest settlement date (SD) of the new transaction(s) should be the latest between the payment date (PD) of the entitlement and the SD of the underlying transaction.**	Not Implemented	Straightforward to Implement	Need capacity to generate transformation with TD and SD according to the T2S CASG standards (the main effort is related to the generation of the transformation instructions)	BNYM shall comply with this standard by November 2015, start of testing

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	**8**	**The transformed instructions should retain the same characteristics (trade date, cash consideration) as those of the underlying instruction with the possible exception of the three following fields in respect with the terms of the reorganisation: (i) The quantity of securities; (ii) The ISIN; (iii) The settlement date (SD).**	Not Implemented	Major Technical Change	The generation of transformed instructions with the characteristics of the underlying will be straightforward, except for the most complex events.	BNYM shall comply with this standard by November 2015, start of testing

2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – BNYM CSD

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: **BELGIUM – BNYM CSD**			
Transformations	**9**	**The settlement amount of the transformed (new) instructions should be proportional to the ratio of each outturn securities.** **In case of multiple outturns (i.e. multiple new ISINs being generated by the transformation process), the new instructions should not be settled as linked settlement in T2S.** **The transformed instructions should retain the same characteristics (trade date) as those of the underlying transaction with the possible exception of the four following fields in respect with the terms of the reorganisation:** **• The quantity of securities** **• The cash consideration should be allocated to the transformed transactions according to the rates provided by the issuer** **• The ISIN** **• The settlement date (SD)**	Not Implemented	Major Technical Change	The generation of transformed instructions with the characteristics of the underlying will be straightforward, but a larger development will be required for the most complex events.	BNYM shall comply with this standard by November 2015, start of testing

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – BNYM CSD						
Transformations	**10**	**The cash transfer(s) settlement instructions should retain the same characteristics as those of the underlying transaction. If the instruction of the underlying transaction was against payment, two new instructions, in opposite directions, will be created; one for the settlement amount and one for the cash outturn. The transfers should not be linked. If the instruction of the underlying transaction was free of payment, only one transfer, for the cash outturn, will be created.**	Not Implemented	Major Technical Change	Need to build capacity to generate transformation transaction for cash outurn.	BNYM shall comply with this standard by November 2015, start of testing

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – BNYM CSD			
Transformations	11	When the transformation results in outturn securities fractions, the number of securities should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for the remaining securities fractions, then no further action is required by the IOCs b) In case the issuer compensates investors for remaining securities fractions with cash, then an additional PFOD transaction should be generated by the IOCs	Not Implemented	Straightforward to Implement	Need to build capacity to generate transformation transaction for cash in lieu	BNYM shall comply with this standard by November 2015, start of testing
Transformations	12	The transformed transaction should be instructed with the same status as the underlying transaction.	Not Implemented	Major Technical Change	Need to build capacity to track status of underlying transactions and generate transformation transactions with the same status	BNYM shall comply with this standard by November 2015, start of testing

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – BNYM CSD				
Transformations	**13**	**The new transformed transaction should ensure that the following indicators are correctly replicated: (i) Partialling indicator of the original transaction instruction; (ii) Ex/cum indicator; (iii) Opt-out indicator related to the market claim creation.**	Not Implemented	Straightforward to Implement	as above	BNYM shall comply with this standard by November 2015, start of testing
Buyer Protection	**1**	**For a given transaction and prior to the BP deadline, the BP requirement will be invoked by the buyer (the buyer will issue BP instructions to the seller).**	Implemented	Other	As an issuer CSD, BNYM plan to offer a manual BP service. As an investor CSD, we shall offer an enhanced service	Will be incorporated in BNYM plan
Buyer Protection	**2**	**When a BP requirement is not invoked by the buyer, then the market default rules for elections should apply.**	Implemented	Other	Market default will be applied when no BP is invoked by the buyer.	Will be incorporated in BNYM plan

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – BNYM CSD						
Buyer Protection	3	The buyer will be tracking open transactions to which he is entitled to elect and will decide whether or not he wants to invoke a BP.	Implemented	Other		Will be incorporated in BNYM plan
Buyer Protection	4	As per scope in the introduction, all transactions still pending on BP deadline in securities which are subject to a corporate action and a BP regime in the CSD of Issuance can be subject to a BP mechanism.	Not Implemented	Straightforward to Implement	Straightforward to implement in the context of an issuer CSD. Larger technical change required in the context of an investor CSD.	BNYM shall comply with this standard by November 2015, start of testing
Buyer Protection	5	No matching is required in the CSDs' systems. However it is recommended that the seller acknowledges to the buyer, the receipt of the BP instruction.	Implemented	Other		Will be incorporated in BNYM plan

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – BNYM CSD				
Buyer Protection	6	The buyer should include in BP instructions, references to the underlying CA and the underlying transaction to which the CA applies (securities trade or other)	Implemented	Other		Will be incorporated in BNYM plan
Buyer Protection	7	Whether late BP instructions should be accepted should be established on the basis of bilateral agreement between the buyer and the seller, or the CSD/CCP rules – where and when CSDs/CCPs are offering such BP processing services.	Implemented	Other		Will be incorporated in BNYM plan
Buyer Protection	8	It is recommended that the ISO20022 standards are referred to as the basis for such BP instructions.	Not Implemented	Other	The BNYM will support the recommended template for BP.	Will be incorporated in BNYM plan

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	**9**	**BP deadlines for Automated BP mechanism. For trade date T (which is the guaranteed participation date/last trade date of the underlying CA), the BP deadline should be on T+n (where n = settlement cycle) and the market deadline on T+n+1 day Taking as working assumption a T+3 settlement cycle:** **• business day 1 = T;** **• business day 4 = T+3: buyer protection deadline;** **• business day 5 = T+4 market deadline** **BP deadlines for Manual BP mechanism** **For BP instructions from actors other than CCPs, the BP deadline is T+n.** **For BP instructions from CCPs the BP deadline is T+n+1 hour**	Not Implemented	Straightforward to Implement	As an issuer CSD, BNYM will communicate BP deadline according to the standards.	BNYM shall comply with this standard by November 2015, start of testing
Buyer Protection	**10**	**The BP deadline should be identical across all (I) CSDs in T2S for all securities.**	Not Implemented	Straightforward to Implement	Issuer CSD BP deadline will be included in CA notifications	BNYM shall comply with this standard by November 2015, start of testing

2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – BNYM CSD

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – BNYM CSD				
Buyer Protection	**11**	The BP instruction itself can only be amended by the buyer, before the BP deadline.	Not Implemented	Other		Will be incorporated in BNYM plan
Buyer Protection	**12**	Only the BP election (i.e. corporate action option) can be amended in the BP instruction.	Not Implemented	Other		Will be incorporated in BNYM plan
Buyer Protection	**13**	If the underlying transaction can be settled prior to the BP deadline, it should settle and the BP instruction should be cancelled by the Instruction Owner CSD (IOC) if the IOC offers such a BP service. When BP is handled bilaterally, the BP is void.	Not Implemented	Other		Will be incorporated in BNYM plan

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – BNYM CSD				
Buyer Protection	14	**Process for pending transactions on BP deadline:** **In case of Automated BP mechanism** **Transactions attached with a valid BP that are still pending at the BP deadline should be frozen (put on hold) by the IOCs until their transformation on market deadline/record date. The Transformation of the underlying transaction should be carried out by the IOCs, in accordance with the BP instruction, at the Market Deadline / Record Date of the voluntary reorganisation.** **In case of Manual BP mechanism** **If the CSD does not provide an automated BP service, then buyer and seller shall cancel the underlying transaction and re-instruct in accordance with the BP**	Not Implemented	Straightforward to Implement	Straightforward to implement in the context of an issuer CSD. Larger technical change required in the context of an investor CSD.	Will be incorporated in BNYM plan

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – BNYM CSD				
Buyer Protection	15	**Conditions for settlement of protected entitlement** **In case of Automated BP mechanism** **The IOC will set on hold (freeze) and transform in T2S the underlying transaction based on BP instruction it receives (from the buyer).** **In case of Manual BP mechanism** **The buyer and seller shall amend the underlying transaction (as per current practice: cancel and re-instruct).**	Not Implemented	Straightforward to Implement	Straightforward to implement in the context of an issuer CSD. Larger technical change required in the context of an investor CSD.	BNYM shall comply with this standard by November 2015, start of testing
Buyer Protection	16	**If a buyer wants to make a partial election, they would need to split the original transaction into the shapes they require.**	Not Implemented	Other		BNYM shall comply with this standard by November 2015, start of testing

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – BNYM CSD				
Buyer Protection	**17**	**The Settlement Date (SD) of the protected entitlements should be the payment date of the underlying CA.**	Not Implemented	Other	Refer to Transformations standards	BNYM shall comply with this standard by November 2015, start of testing
Buyer Protection	**18**	**Settlement of BP instructions should take place as specified in the T2S transformations standards.**	Not Implemented	Other	Refer to Transformations standards	BNYM shall comply with this standard by November 2015, start of testing

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM - EUROCLEAR				
Market Claims		For a given transaction, a market claim should be detected by the two Instruction Owners CSDs (IOCs), or the CCP(s) where applicable, of the two counterparties in the transaction.	**IMPLEMENTED**	N/A		
Market Claims	2	The mechanism to detect market claims is at the discretion, and is the responsibility, of the IOCs and the CCPs of the counterparties.	**IMPLEMENTED**	N/A		
Market Claims	3	Maximum time period for claim detection: 20 T2S opening days from record date.	**NOT IMPLEMENTED**	Straightforward to Implement	The current maximum time period for claim detection is 45 BD. This time period will be set to 20 BD in the frame of the T2S project. Rmk: specific case of SRD to be further investigated.	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015 : testing - March 2016 : go live

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM - EUROCLEAR				
Market Claims	4	Market claims should be detected after the close of business on record date and during the rest of the claims detection period.	**IMPLEMENTED**	N/A	A minor technical change (change in detection rule) has been implemented in March 2014 in order to apply this standard to reverse market claims as well. Before this minor change, reverse market claims were suppressed and did not occur materially. This change has been implemented in ESES in March 2014.	This change has been implemented in ESES in March 2014.
Market Claims	5	After record date, the market claim detection mechanism should operate at a minimum once a day after the end of standard T2S daytime settlement processing ("End of Day" in T2S URD) and prior to the start of the next settlement day ("Start of Day" in T2S URD).	**IMPLEMENTED**	N/A		

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM - EUROCLEAR				
Market Claims	6	As a general principle, market claims should be detected for all transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to indicate that no claim at all should be raised on a given transaction.	**NOT IMPLEMENTED**	Major Technical Change	Opt-out is currently not facilitated by ESES.	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015 : testing - March 2016 : go live
Market Claims	7	Counterparties in the underlying transaction may choose to include the ex/cum indicator only if they want to deviate from the standard market claim procedure, as described in the CAJWG standards.	**NOT IMPLEMENTED**	Major Technical Change	Currently, ESES does not provide ex/cum indicator in the ISO message.	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015 : testing - March 2016 : go live
Market Claims	8	As per CAJWG standards, market claims should be detected only for matched instructions (i.e. irrevocable transactions).	**IMPLEMENTED**	N/A		

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	9	Market claims should be generated only by the two IOCs (or the CCPs) of the two parties to the transaction. IOCs and CCPs should also generate market claims on behalf of their clients who have access to direct technical connectivity to T2S. Those clients should not generate market claims in T2S.	**IMPLEMENTED**	N/A		

2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM - EUROCLEAR

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	10	For each outturn (result of CA entitlement), there should be the generation of a separate market claim instruction. Types of market claim instructions: (i) FOP transfer of securities (receipt and delivery) (ii) Payment free of delivery (PFOD) transfer of cash; The payment currency of the (cash) market claim should be the same as the currency of the original corporate action. The currency of the original corporate action is defined by the issuer of the underlying security. In case the currency of the corporate action payment is not a T2S Settlement Currency, then the counterparties in the underlying transaction should decide between them how to settle the cash entitlement outside T2S.	**IMPLEMENTED**	N/A		

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	**11**	When the generation of a market claim instruction results in outturn securities fractions, the number of outturn securities in the market claim instruction should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for remaining securities fractions, then no further action is required by IOC b) In case the issuer compensates investors for remaining securities fractions with cash, an additional PFOD transaction should be generated by IOC transferring cash to the beneficial owner.	**NOT IMPLEMENTED**	Major Technical Change	With regard to rounding down the standard is complied with, but the additional PFOD transaction needs to be developed.	Functionalities will be part of the T2S adaptation plan : - September 2015 : testing - March 2016 : go live Dependency with other countries adaptation plan to be noticed

2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM - EUROCLEAR

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: **BELGIUM - EUROCLEAR**				
Market Claims	**12**	In order to be able identify market claims, a specific ISO transaction type code "CLAI" should be used in the settlement instructions.	**NOT IMPLEMENTED**	Straightforward to Implement	Currently not applicable in ESES (no use of such ISO transaction type codes). The use of "CLAI" ISO transaction type code will be implemented in the frame of T2S project.	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015 : testing - March 2016 : go live
Market Claims	**13**	For any individual ISIN, or any individual category of securities, all CSDs/CCPs that accept such securities should use the same rules to generate market claims. The rules, or terms, are defined by the issuer for each corporate action event. The issuer should pass them onto the issuer CSD and made available by the issuer CSD to all of its clients, including the Investor CSDs.	**NOT IMPLEMENTED**	Other	Presumption is that same amount should be used by both CSDs in case of Cross CSD market claim. Assuming that this standard will be fulfilled, it would imply having all other standards fulfilled by all the T2S markets… Hence colour of the report would depend not only on a given market willing to implement the standard. We plan to be compliant by the T2S but this compliancy also depends on the other countries compliancy for this standard. Presumption is that same amount should be used by both CSDs in case of cross-CSD market claim.	Functionalities will be part of the T2S adaptation plan: - September 2015: testing - March 2016: go live Dependency with other countries adaptation plan to be noticed

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	**14**	For the settlement of market claim itself (as settled in T2S), the tax statuses of the receiving/delivering accounts should have no direct effect on the amount of cash/securities to be transferred. For a specific ISIN and a specific event, the amount of cash/securities to be transferred should be dependent solely on the number of securities in the underlying transaction. This means that for a specific ISIN and a specific event, the rate of the market claim should always be the same, and should be fixed by the issuer CSD. (*The claim could be an indemnity at, for example, 100% of the gross dividend, or could be a gross or net dividend amount). Subsequent, or in parallel, to the market claim, a withholding agent could process tax adjustments.*	**NOT IMPLEMENTED**	Other	Currently not compliant as the rate applied for the market claim are not derived automatically from the Issuer CSD. Solution to be implemented in ESES within T2S scope: tax rate should be derived from the Issuer CSD national practice. Pending issue with regards to securities not primarily issued in T2S (maximum rate of the country of issuance could be applied). The French community raise the point that CASG should define a T2S Market Practices to harmonise the way of applying rates to the Market Claim. The "simplest" approach could recommend a Gross rate (define by the issuer) and then act to local administration for being paid back accordingly. At upper level a certain need for harmonisation is needed to correctly interpret what is the tax status of a Market Claim (capital gain? indemnity?...) cause of difference from countries to others. It is suggested that this specific issue should be raised by the CASG to the HSG. Furthermore an harmonisation of delay to have the pay back from national authorities should also be suggested in order	Functionalities will be part of the T2S adaptation plan: - September 2015: testing - March 2016: go live

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM - EUROCLEAR				
Market Claims	15	The CSDs/CCPs generating the market claim will identify which T2S dedicated cash accounts should be used.	**IMPLEMENTED**	N/A		
Market Claims	16	Matching is required for all market claims settlement instructions.	**IMPLEMENTED**	N/A		
Market Claims	17	Each CSD/CCP will include in the market claim settlement instruction sent to T2S appropriate references so that its participant can identify and process the claim satisfactorily.	**IMPLEMENTED**	N/A		

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: **BELGIUM - EUROCLEAR**			
Market Claims	**18**	The market claim should be instructed in T2S by using as trade date of the claim, the same date as the trade date of the underlying transaction. The settlement date of the market claim should be the payment date of the transaction. The settlement date of the market claim should be the payment date of the underlying corporate action.	**NOT IMPLEMENTED**	Major Technical Change	Currently the TD is the same as the one of the underlying transaction, while the ISD of the MKC is the current Business Day if detected after the PD. To be implemented in the frame of T2S	This is planned to be implemented in the frame of T2S adaptation plan. - September 201 : testing - March 2016: go live
Market Claims	**19**	The market claim transaction should be instructed with the same status (i.e. either 'on hold' or 'released') as the underlying transaction.	**NOT IMPLEMENTED**	Major Technical Change	Considered as not implemented as such (On hold/Released) concepts do not exist in ESES. Standard to be implemented in the frame of T2S. Manual procedure for bilateral cancellation currently being rolled out	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM - EUROCLEAR	
Market Claims	**20**	The standard T2S rules for who can amend settlement instructions should apply.	**NOT IMPLEMENTED**	Straightforward to Implement	Considered as not implemented as such concepts do not exist in ESES. Standard to be implemented in the frame of T2S: either IOCs or parties to amend their instructions. Manual procedure for bilateral cancellation currently being rolled out	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live
Market Claims	**21**	The standard T2S rules for amending settlement instructions should apply.	**NOT IMPLEMENTED**	Straightforward to Implement	Considered as not implemented as such concepts do not exist in ESES. Standard T2S rules for amending to apply in the frame of T2S. Manual procedure for bilateral cancellation currently being rolled out	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live
Market Claims	**22**	The standard T2S rules for cancelling settlement instructions should apply.	**NOT IMPLEMENTED**	Straightforward to Implement	Considered as not implemented as such concepts do not exist in ESES. Standard to be implemented in the frame of T2S. Manual procedure for bilateral cancellation currently being rolled out	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM - EUROCLEAR						
Market Claims	**23**	In line with the CAJWG standards, the settlement of a market claim should be independent from the settlement of the respective underlying transaction. However, market infrastructures should provide to their participants a user friendly facility which gives them the option to ensure that the market claim is not settled prior to the settlement of the underlying transaction.	**NOT IMPLEMENTED**	Major Technical Change	ESES comply with the first part of this standard (the settlement of the market claim transaction is independent from settlement of the underlying transaction). Currently, the user friendly facility as required by the standard is not available. The user friendly facility will be this that will be used for any settlement instruction.	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live
Market Claims	**24**	In line with standard T2S settlement conditions will include: (i) payment date has been reached, (ii) resources (cash and/or securities are available.	**IMPLEMENTED**	N/A		

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: **BELGIUM - EUROCLEAR**				
Market Claims	25	There should be no partial settlement for market claims in cash. Partial settlement should be limited to market claims in securities and take into account the standard T2S rules for partial settlement. Partial settlement indicator of the market claim should replicate the one of the underlying transaction.	**NOT IMPLEMENTED**	Major Technical Change	There is currently no partial settlement on market claim in ESES. Standard to be implemented in the frame of T2S, including replication of the partial settlement indicator from the underlying instruction.	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live
Market Claims	26	The standard T2S rules for the recycling period should apply.	**NOT IMPLEMENTED**	Major Technical Change	ESES recycling period for market claims is limited to 45 business days. Standard T2S recycling period to apply in the frame of T2S.	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live
Market Claims	27	Each CSD/CCP generating a market claim will report to its own participant.	**IMPLEMENTED**	N/A		

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	**28**	T2S will provide its standard pending/settled transaction reporting. A CSD/CCP may provide additional reporting to its participant.	**NOT IMPLEMENTED**	Major Technical Change	Currently considered as not implement in ESES (not applicable due to architectural considerations). T2S to report 20022 settlement format instruction only, while ESES will provide custody reporting Issue with regards to the choice of the format for reporting of market claims to be investigated further (ISO Custody - or Transaction Management - vs. ISO Settlement). Alignment of all various CSDs to be agreed on the usage of such messaging. See SMPG.	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live

2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM - EUROCLEAR

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: **BELGIUM - EUROCLEAR**	
Transformations	1	**At the CCP level: When agreed with the Instruction Owner CSDs (IOCs) the CCP itself can manage the transformation for CCP transactions via a Power Of Attorney (POA) on the participants' accounts by use of the T2S cancellation and replacement mechanisms.** **At the CSD level (both CSDs of the buyer and the seller are connected to T2S): The IOCs will manage the transformation: (i) When the underlying transaction impacts two accounts in the same IOC. The cancellation and replacement will be managed and instructed in T2S by the IOC itself; (ii) In a cross-CSD transaction, each IOC has to cancel the instruction (bilateral cancellation process in T2S) and to send to T2S the new transformed instruction for matching.**	**NOT IMPLEMENTED**	**Major Technical Change**	Currently the 'cancel and replace' principle is applied within ESES, but only related to intraCSD transactions. However some specifics exist in ESES, hence considered as not fully implemented: - far leg of repo is subject to transformation instead of 'cancel and replace', - mandatory reorganisation against cash where a movement in the opposite direction is generated to complement the underlying instruction, - reorganisation with options where no new instruction is created. In the frame of T2S, for intraCSD transactions, cancellation and creation will be instructed by the ESES CSDs, while for XCSD transactions this will require matching (both for cancellation and creation). Rmq : need for a specific cancellation reason code related to "transformation processing". - Follow up: pending issues regarding a list of limited optional events (potentially 2 CAEV). However this list is under fine-tuning process to ensure having embraced all the cases - Follow up: high level of confidence on mandatory reorganisation - Between March and September 2016, CCP ("cash business") will deal with failed trades on Record Date (end of day) for mandatory reorganisations with a cancel and replace process. French government bonds will be handled via Euroclear process. - The non-compliancy of transformation is not due to the ESES T2S engines and the way it operates the corporate actions on flows. It is a consequence of the use of inappropriate qualifiers in the announcement of the C.A that leads to inappropriate per default option application : an optional CA must be announced as a mandatory CA + optional content, instead of pure voluntary option The adaptation regards the CA on stock processing that will be enhanced with the so called "Euroclear stream 6" delivery in September 2016. The status will automatically change to "implemented" when this delivery of September 2016 will be achieved. -Technical issue regarding the implementation of the CA. WG standard (i.e. Corporate actions on stock standard) and linked to the restricted capabilities of ESES platform to use the range of qualifiers for the announcements	This is planned to be implemented in the frame of T2S adaptation plan for mandatory reorganisations without options events, and few elective events - Sep 2015: testing - March 2016: go live This is planned to be implemented in the frame of CSE Stream 6 adaptation plan for the other elective events. (for this standard the concern is limited in fact to 2 CAEV potentially). - June 2016: testing - September 2016: go live

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM - EUROCLEAR			
Transformations	2	The transformation process shall take place by end of record date or market deadline and during the rest of the transformation detection period (i.e. 20 T2S opening days after the record date/market deadline).	**NOT IMPLEMENTED**	Straightforward to Implement	ESES period for creating transformations is limited to 45 business days following the record date/market deadline. This will be changed to 20 BD in the frame of T2S. The transformation process itself will be ready as part of the T2S adaptation plan. However it will not be seen as such as far as the first standard is not fulfilled	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live
Transformations	3	As a general principle, transformations will be applicable to all eligible transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to deviate from the standard transformation procedures.	**NOT IMPLEMENTED**	Major Technical Change	Opt out is currently not facilitated by ESES.	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	**4**	IOCs/CCPs managing the transformation will use the ISO20022 format as specified in the T2S URD. IOCs/CCPs will include in the transformation settlement instructions the appropriate references so that their own participants can identify and process the transformation satisfactorily in their own books. The minimum references required include: T2S reference of the underlying transaction, the "TRAN" ISO settlement transaction condition code, and CSD corporate action event reference. From a T2S system specification perspective, these references are only for information purposes (for CSDs/CCPs participants) as these references do not trigger any specific functionality in T2S (other than standard settlement	**NOT IMPLEMENTED**	Major Technical Change	As of today, this piece of information is not available In current messages	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	5	CSD/CCP may match locally the new instructions related to the transformation and send them to T2S as already matched for settlement or send them as separate instructions for matching in T2S.	**IMPLEMENTED**	N/A		
Transformations	6	Both IOCs/CCPs should send new instructions to T2S, for matching purposes.	**NOT IMPLEMENTED**	Major Technical Change	This is a new T2S functionality	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live
Transformations	7	The earliest settlement date (SD) of the new transaction(s) should be the latest between the payment date (PD) of the entitlement and the SD of the underlying transaction.	**IMPLEMENTED**	N/A		

2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM - EUROCLEAR

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	8	The transformed instructions should retain the same characteristics (trade date, cash consideration) as those of the underlying instruction with the possible exception of the three following fields in respect with the terms of the reorganisation: (i) The quantity of securities; (ii) The ISIN; (iii) The settlement date (SD).	**IMPLEMENTED**	N/A		

2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM - EUROCLEAR

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: **BELGIUM - EUROCLEAR**			
Transformations	9	The settlement amount of the transformed (new) instructions should be proportional to the ratio of each outturn securities. In case of multiple outturns (i.e. multiple new ISINs being generated by the transformation process), the new instructions should not be settled as linked settlement in T2S. The transformed instructions should retain the same characteristics (trade date) as those of the underlying transaction with the possible exception of the four following fields in respect with the terms of the reorganisation: • The quantity of securities • The cash consideration should be allocated to the transformed transactions according to the rates provided by the issuer • The ISIN • The settlement date (SD)	**NOT IMPLEMENTED**	Major Technical Change	Currently ESES process is only to cancel underlying instruction in case of multiple outturns.	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM - EUROCLEAR	
Transform ations	**10**	**The cash transfer(s) settlement instructions should retain the same characteristics as those of the underlying transaction. If the instruction of the underlying transaction was against payment, two new instructions, in opposite directions, will be created; one for the settlement amount and one for the cash outturn. The transfers should not be linked. If the instruction of the underlying transaction was free of payment, only one transfer, for the cash outturn, will be created.**	**NOT IMPLEMENT ED**	**Major Technical Change**	**There is no cancel and replace mechanism for transformation into cash in ESES (related to mandatory reorganisation against cash without option).** **Standard to be implemented in the frame of T2S**	**This is planned to be implemented in the frame of T2S adaptation plan.** **- September 2015: testing** **- March 2016: go live**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM - EUROCLEAR				
Transformations	**11**	**When the transformation results in outturn securities fractions, the number of securities should be rounded down to the nearest whole number. Furthermore:** **a) In case the issuer does not compensate investors for the remaining securities fractions, then no further action is required by the IOCs** **b) In case the issuer compensates investors for remaining securities fractions with cash, then an additional PFOD transaction should be generated by the IOCs**	**NOT IMPLEMENTED**	**Major Technical Change**	**Currently, in case of fractions, only the underlying transaction is cancelled and no new instruction is created.** **Standard to be implemented in the frame of the custody evolutions where the functionality will be delivered in the ESES stream 5 evolution but only offered in T2S**	**Planned in the "ESES stream 5" to be delivered Q1 2015 for testing phase for a Q1 2015 functionality delivery in the ESES stream 5 evolution but only offered in T2S** **Same comment as Market claim**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM - EUROCLEAR						
Transformations	**12**	The transformed transaction should be instructed with the same status as the underlying transaction.	**NOT IMPLEMENTED**	Major Technical Change	Currently, in case of fractions, only the underlying transaction is cancelled and no new instruction is created.	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live
Transformations	**13**	The new transformed transaction should ensure that the following indicators are correctly replicated: (i) Partialling indicator of the original transaction instruction; (ii) Ex/cum indicator; (iii) Opt-out indicator related to the market claim creation.	**NOT IMPLEMENTED**	Major Technical Change	The indicators are currently not available in the relevant messages	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live
Buyer Protection	**1**	For a given transaction and prior to the BP deadline, the BP requirement will be invoked by the buyer (the buyer will issue BP instructions to the seller).	**NOT IMPLEMENTED**	Market Practice Change	Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented

Technical gap only, and associated market practice | To be implemented by 09/2016 |

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	2	When a BP requirement is not invoked by the buyer, then the market default rules for elections should apply.	**NOT IMPLEMENTED**	Market Practice Change	Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented Technical gap only, and associated market practice	To be implemented by 09/2016
Buyer Protection	3	The buyer will be tracking open transactions to which he is entitled to elect and will decide whether or not he wants to invoke a BP.	**NOT IMPLEMENTED**	Market Practice Change	Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented Technical gap only, and associated market practice	To be implemented by 09/2016
Buyer Protection	4	As per scope in the introduction, all transactions still pending on BP deadline in securities which are subject to a corporate action and a BP regime in the CSD of Issuance can be subject to a BP mechanism.	**NOT IMPLEMENTED**	Market Practice Change	Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented Technical gap only, and associated market practice	To be implemented by 09/2016

2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM - EUROCLEAR

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: **BELGIUM - EUROCLEAR**			
Buyer Protection	5	No matching is required in the CSDs' systems. However it is recommended that the seller acknowledges to the buyer, the receipt of the BP instruction.	**NOT IMPLEMENTED**	Market Practice Change	Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented

Technical gap only, and associated market practice | To be implemented by 09/2016 |
| **Buyer Protection** | 6 | The buyer should include in BP instructions, references to the underlying CA and the underlying transaction to which the CA applies (securities trade or other) | **NOT IMPLEMENTED** | Market Practice Change | Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented

Technical gap only, and associated market practice | To be implemented by 09/2016 |
| **Buyer Protection** | 7 | Whether late BP instructions should be accepted should be established on the basis of bilateral agreement between the buyer and the seller, or the CSD/CCP rules – where and when CSDs/CCPs are offering such BP processing services. | **NOT IMPLEMENTED** | Market Practice Change | Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented

Technical gap only, and associated market practice | To be implemented by 09/2016 |

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM - EUROCLEAR	
Buyer Protection	**8**	It is recommended that the ISO20022 standards are referred to as the basis for such BP instructions.	**NOT IMPLEMENTED**	Market Practice Change	Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented Technical gap only, and associated market practice	To be implemented by 09/2016
Buyer Protection	**9**	BP deadlines for Automated BP mechanism. For trade date T (which is the guaranteed participation date/last trade date of the underlying CA), the BP deadline should be on T+n (where n = settlement cycle) and the market deadline on T+n+1 day Taking as working assumption a T+3 settlement cycle: • business day 1 = T; • business day 4 = T+3: buyer protection deadline; • business day 5 = T+4 market deadline BP deadlines for Manual BP mechanism For BP instructions from actors other than CCPs, the BP deadline is T+n. For BP instructions from CCPs the BP deadline is T+n+1 hour	**NOT IMPLEMENTED**	Market Practice Change	Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented Technical gap only, and associated market practice	To be implemented by 09/2016

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	**10**	The BP deadline should be identical across all (I) CSDs in T2S for all securities.	**NOT IMPLEMENTED**	**Market Practice Change**	Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented Technical gap only, and associated market practice	**To be implemented by 09/2016**
Buyer Protection	**11**	The BP instruction itself can only be amended by the buyer, before the BP deadline.	**NOT IMPLEMENTED**	**Market Practice Change**	Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented Technical gap only, and associated market practice	**To be implemented by 09/2016**
Buyer Protection	**12**	Only the BP election (i.e. corporate action option) can be amended in the BP instruction.	**NOT IMPLEMENTED**	**Market Practice Change**	Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented Technical gap only, and associated market practice	**To be implemented by 09/2016**

2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM - EUROCLEAR

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM - EUROCLEAR	
Buyer Protection	13	If the underlying transaction can be settled prior to the BP deadline, it should settle and the BP instruction should be cancelled by the Instruction Owner CSD (IOC) if the IOC offers such a BP service. When BP is handled bilaterally, the BP is void.	**NOT IMPLEMENTED**	Market Practice Change	Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented Technical gap only, and associated market practice	To be implemented by 09/2016

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: **BELGIUM - EUROCLEAR**						
Buyer Protection	**14**	**Process for pending transactions on BP deadline:** **In case of Automated BP mechanism** **Transactions attached with a valid BP that are still pending at the BP deadline should be frozen (put on hold) by the IOCs until their transformation on market deadline/record date. The Transformation of the underlying transaction should be carried out by the IOCs, in accordance with the BP instruction, at the Market Deadline / Record Date of the voluntary reorganisation.** **In case of Manual BP mechanism** **If the CSD does not provide an automated BP service, then buyer and seller shall cancel the underlying transaction and re-instruct in accordance with the BP**	**NOT IMPLEMENTED**	**Market Practice Change**	**Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented** **Technical gap only, and associated market practice**	**To be implemented by 09/2016**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM - EUROCLEAR			
Buyer Protection	**15**	**Conditions for settlement of protected entitlement** **In case of Automated BP mechanism** **The IOC will set on hold (freeze) and transform in T2S the underlying transaction based on BP instruction it receives (from the buyer).** **In case of Manual BP mechanism** **The buyer and seller shall amend the underlying transaction (as per current practice: cancel and re-instruct).**	**NOT IMPLEMENTED**	**Market Practice Change**	**Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented** **Technical gap only, and associated market practice**	**To be implemented by 09/2016**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM - EUROCLEAR			
Buyer Protection	16	If a buyer wants to make a partial election, they would need to split the original transaction into the shapes they require.	**NOT IMPLEMENTED**	Market Practice Change	Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented Technical gap only, and associated market practice	To be implemented by 09/2016
Buyer Protection	17	The Settlement Date (SD) of the protected entitlements should be the payment date of the underlying CA.	**NOT IMPLEMENTED**	Market Practice Change	Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented Technical gap only, and associated market practice	To be implemented by 09/2016
Buyer Protection	18	Settlement of BP instructions should take place as specified in the T2S transformations standards.	**NOT IMPLEMENTED**	Market Practice Change	Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented Technical gap only, and associated market practice	To be implemented by 09/2016

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – NBB SSS			
Market Claims		For a given transaction, a market claim should be detected by the two Instruction Owners CSDs (IOCs), or the CCP(s) where applicable, of the two counterparties in the transaction.	**NOT IMPLEMENTED**	Major Technical Change	**Detection by CSD to be implemented with release of the new software platform**	2 February 2015
Market Claims	2	The mechanism to detect market claims is at the discretion, and is the responsibility, of the IOCs and the CCPs of the counterparties.	**NOT IMPLEMENTED**	Major Technical Change	**Will be implemented with release of the new software platform**	2 February 2015
Market Claims	3	Maximum time period for claim detection: 20 T2S opening days from record date.	**NOT IMPLEMENTED**	Major Technical Change	**Will be implemented with release of the new software platform**	2 February 2015
Market Claims	4	Market claims should be detected after the close of business on record date and during the rest of the claims detection period.	**NOT IMPLEMENTED**	Major Technical Change	**Will be implemented with release of the new software platform**	2 February 2015
Market Claims	5	After record date, the market claim detection mechanism should operate at a minimum once a day after the end of standard T2S daytime settlement processing ("End of Day" in T2S URD) and prior to the start of the next settlement day ("Start of Day" in T2S URD).	**NOT IMPLEMENTED**	Major Technical Change	**Will be implemented with release of the new software platform**	2 February 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – NBB SSS						
Market Claims	6	As a general principle, market claims should be detected for all transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to indicate that no claim at all should be raised on a given transaction.	**NOT IMPLEMENTED**	Major Technical Change	Will be implemented with release of the new software platform	2 February 2015
Market Claims	7	Counterparties in the underlying transaction may choose to include the ex/cum indicator only if they want to deviate from the standard market claim procedure, as described in the CAJWG standards.	**NOT IMPLEMENTED**	N/A	Fixed income securities are always considered to be CUM, thus generating market claims.	
Market Claims	8	As per CAJWG standards, market claims should be detected only for matched instructions (i.e. irrevocable transactions).	**NOT IMPLEMENTED**	Major Technical Change	Will be implemented with release of the new software platform	2 February 2015
Market Claims	9	Market claims should be generated only by the two IOCs (or the CCPs) of the two parties to the transaction. IOCs and CCPs should also generate market claims on behalf of their clients who have access to direct technical connectivity to T2S. Those clients should not generate market claims in T2S.	**NOT IMPLEMENTED**	Major Technical Change	Will be implemented with release of the new software platform	2 February 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	**10**	For each outturn (result of CA entitlement), there should be the generation of a separate market claim instruction. **Types of market claim instructions:** **(i) FOP transfer of securities (receipt and delivery)** **(ii) Payment free of delivery (PFOD) transfer of cash;** **The payment currency of the (cash) market claim should be the same as the currency of the original corporate action. The currency of the original corporate action is defined by the issuer of the underlying security.** **In case the currency of the corporate action payment is not a T2S Settlement Currency, then the counterparties in the underlying transaction should decide between them how to settle the cash entitlement outside T2S.**	**NOT IMPLEMENTED**	Major Technical Change	**Will be implemented with release of the new software platform**	2 February 2015

2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – NBB SSS

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – NBB SSS				
Market Claims	**11**	When the generation of a market claim instruction results in outturn securities fractions, the number of outturn securities in the market claim instruction should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for remaining securities fractions, then no further action is required by IOC b) In case the issuer compensates investors for remaining securities fractions with cash, an additional PFOD transaction should be generated by IOC transferring cash to the beneficial owner.	**NOT IMPLEMENTED**	N/A	**Fixed income securities only: coupons in cash only.**	
Market Claims	**12**	In order to be able identify market claims, a specific ISO transaction type code "CLAI" should be used in the settlement instructions.	**NOT IMPLEMENTED**	Major Technical Change	**Will be implemented with release of the new software platform**	2 February 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: **BELGIUM – NBB SSS**			
Market Claims	**13**	For any individual ISIN, or any individual category of securities, all CSDs/CCPs that accept such securities should use the same rules to generate market claims. The rules, or terms, are defined by the issuer for each corporate action event. The issuer should pass them onto the issuer CSD and made available by the issuer CSD to all of its clients, including the Investor CSDs.	**NOT IMPLEMENTED**	N/A	Until now unclear what rules/terms can be defined for fixed income securities besides the standard rules.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – NBB SSS				
Market Claims	14	For the settlement of market claim itself (as settled in T2S), the tax statuses of the receiving/delivering accounts should have no direct effect on the amount of cash/securities to be transferred. For a specific ISIN and a specific event, the amount of cash/securities to be transferred should be dependent solely on the number of securities in the underlying transaction. This means that for a specific ISIN and a specific event, the rate of the market claim should always be the same, and should be fixed by the issuer CSD. (*The claim could be an indemnity at, for example, 100% of the gross dividend, or could be a gross or net dividend amount). Subsequent, or in parallel, to the market claim, a withholding agent could process tax adjustments.*	**NOT IMPLEMENTED**	Major Technical Change	**Will be implemented with release of the new software platform**	2 February 2015
Market Claims	15	The CSDs/CCPs generating the market claim will identify which T2S dedicated cash accounts should be used.	**NOT IMPLEMENTED**	Major Technical Change	**Will be implemented with release of the new software platform**	2 February 2015
Market Claims	16	Matching is required for all market claims settlement instructions.	**NOT IMPLEMENTED**	Major Technical Change	**Will be implemented with release of the new software platform**	2 February 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	17	Each CSD/CCP will include in the market claim settlement instruction sent to T2S appropriate references so that its participant can identify and process the claim satisfactorily.	NOT IMPLEMENTED	Major Technical Change	Will be implemented with release of the new software platform	2 February 2015
Market Claims	18	The market claim should be instructed in T2S by using as trade date of the claim, the same date as the trade date of the underlying transaction. The settlement date of the market claim should be the payment date of the transaction. The settlement date of the market claim should be the payment date of the underlying corporate action.	NOT IMPLEMENTED	Major Technical Change	Will be implemented with release of the new software platform	2 February 2015
Market Claims	19	The market claim transaction should be instructed with the same status (i.e. either 'on hold' or 'released') as the underlying transaction.	NOT IMPLEMENTED	Major Technical Change	Will be implemented with release of the new software platform. Next to that: the market claim status can also be defined on account level: e.g. all market claims considering this account are to be put 'on hold'.	2 February 2015
Market Claims	20	The standard T2S rules for who can amend settlement instructions should apply.	NOT IMPLEMENTED	Major Technical Change	Will be implemented with release of the new software platform	2 February 2015
Market Claims	21	The standard T2S rules for amending settlement instructions should apply.	NOT IMPLEMENTED	Major Technical Change	Will be implemented with release of the new software platform	2 February 2015

2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – NBB SSS

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	22	The standard T2S rules for cancelling settlement instructions should apply.	NOT IMPLEMENTED	Major Technical Change	Will be implemented with release of the new software platform	
Market Claims	23	In line with the CAJWG standards, the settlement of a market claim should be independent from the settlement of the respective underlying transaction. However, market infrastructures should provide to their participants a user friendly facility which gives them the option to ensure that the market claim is not settled prior to the settlement of the underlying transaction.	NOT IMPLEMENTED	Major Technical Change	Will be implemented with release of the new software platform	2 February 2015
Market Claims	24	In line with standard T2S settlement conditions will include: (i) payment date has been reached, (ii) resources (cash and/or securities are available.	IMPLEMENTED			
Market Claims	25	There should be no partial settlement for market claims in cash. Partial settlement should be limited to market claims in securities and take into account the standard T2S rules for partial settlement. Partial settlement indicator of the market claim should replicate the one of the underlying transaction.	NOT IMPLEMENTED	Major Technical Change	If the underlying transaction is PARC, and thus the MC is as well, how is T2S going to prevent the partial settlement of the MC?\n\nReplication of the status can be developed, the 'never partial behavior' in spite of the status may be more challenging.	2 February 2015

2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – NBB SSS

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – NBB SSS				
Market Claims	**26**	The standard T2S rules for the recycling period should apply.	**NOT IMPLEMENTED**	Major Technical Change	**Will be implemented with release of the new software platform**	2 February 2015
Market Claims	**27**	Each CSD/CCP generating a market claim will report to its own participant.	**NOT IMPLEMENTED**	Major Technical Change	**Will be implemented with release of the new software platform**	2 February 2015
Market Claims	**28**	T2S will provide its standard pending/settled transaction reporting. A CSD/CCP may provide additional reporting to its participant.	**NOT IMPLEMENTED**	Major Technical Change	**Will be implemented with release of the new software platform**	2 February 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – NBB SSS				
Transformations	1	**At the CCP level: When agreed with the Instruction Owner CSDs (IOCs) the CCP itself can manage the transformation for CCP transactions via a Power Of Attorney (POA) on the participants' accounts by use of the T2S cancellation and replacement mechanisms.** **At the CSD level (both CSDs of the buyer and the seller are connected to T2S): The IOCs will manage the transformation: (i) When the underlying transaction impacts two accounts in the same IOC. The cancellation and replacement will be managed and instructed in T2S by the IOC itself; (ii) In a cross-CSD transaction, each IOC has to cancel the instruction (bilateral cancellation process in T2S) and to send to T2S the new transformed instruction for matching.** **When the transaction is cross-border (one CSD is in T2S and the other is outside T2S): The T2S connected IOCs/CCP will manage the transformation. CSDs which are not connected to T2S cannot instruct T2S.**	**NOT IMPLEMENTED**	Major Technical Change	Will be implemented with release of the new software platform	2 February 2015
Transformations	2	**The transformation process shall take place by end of record date or market deadline and during the rest of the transformation detection period (i.e. 20 T2S opening days after the record date/market deadline).**	**NOT IMPLEMENTED**	N/A	**For fixed income securities, transformations only take place on the maturity date of the isin, after which no instructions on this ISIN coming from participants are allowed anymore.** **So no detection period needed in this case.**	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – NBB SSS				
Transformations	**3**	As a general principle, transformations will be applicable to all eligible transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to deviate from the standard transformation procedures.	**NOT IMPLEMENTED**	Major Technical Change	**Will be implemented with release of the new software platform**	2 February 2015
Transformations	**4**	IOCs/CCPs managing the transformation will use the ISO20022 format as specified in the T2S URD. IOCs/CCPs will include in the transformation settlement instructions the appropriate references so that their own participants can identify and process the transformation satisfactorily in their own books. The minimum references required include: T2S reference of the underlying transaction, the "TRAN" ISO settlement transaction condition code, and CSD corporate action event reference. From a T2S system specification perspective, these references are only for information purposes (for CSDs/CCPs participants) as these references do not trigger any specific functionality in T2S (other than standard settlement processing).	**NOT IMPLEMENTED**	Major Technical Change	**Will be implemented with release of the new software platform**	2 February 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – NBB SSS				
Transformations	5	CSD/CCP may match locally the new instructions related to the transformation and send them to T2S as already matched for settlement or send them as separate instructions for matching in T2S.	**NOT IMPLEMENTED**	Major Technical Change	**Will be implemented with release of the new software platform**	2 February 2015
Transformations	6	Both IOCs/CCPs should send new instructions to T2S, for matching purposes.	**NOT IMPLEMENTED**	Major Technical Change	**Will be implemented with release of the new software platform**	2 February 2015
Transformations	7	The earliest settlement date (SD) of the new transaction(s) should be the latest between the payment date (PD) of the entitlement and the SD of the underlying transaction.	**NOT IMPLEMENTED**	Major Technical Change	**Will be implemented with release of the new software platform**	2 February 2015
Transformations	8	The transformed instructions should retain the same characteristics (trade date, cash consideration) as those of the underlying instruction with the possible exception of the three following fields in respect with the terms of the reorganisation: (i) The quantity of securities; (ii) The ISIN; (iii) The settlement date (SD).	**NOT IMPLEMENTED**	Major Technical Change	**Will be implemented with release of the new software platform**	2 February 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – NBB SSS				
Transforma tions	9	The settlement amount of the transformed (new) instructions should be proportional to the ratio of each outturn securities. In case of multiple outturns (i.e. multiple new ISINs being generated by the transformation process), the new instructions should not be settled as linked settlement in T2S. The transformed instructions should retain the same characteristics (trade date) as those of the underlying transaction with the possible exception of the four following fields in respect with the terms of the reorganisation: • The quantity of securities • The cash consideration should be allocated to the transformed transactions according to the rates provided by the issuer • The ISIN • The settlement date (SD)	**NOT IMPLEMENTED**	N/A	No transformation of this nature in fixed income securities.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	**10**	**The cash transfer(s) settlement instructions should retain the same characteristics as those of the underlying transaction. If the instruction of the underlying transaction was against payment, two new instructions, in opposite directions, will be created; one for the settlement amount and one for the cash outturn. The transfers should not be linked. If the instruction of the underlying transaction was free of payment, only one transfer, for the cash outturn, will be created.**	**NOT IMPLEMENTED**	Major Technical Change	**Will be implemented with release of the new software platform**	2 February 2015

2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – NBB SSS

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	**11**	**When the transformation results in outturn securities fractions, the number of securities should be rounded down to the nearest whole number. Furthermore:** **a) In case the issuer does not compensate investors for the remaining securities fractions, then no further action is required by the IOCs** **b) In case the issuer compensates investors for remaining securities fractions with cash, then an additional PFOD transaction should be generated by the IOCs**	**NOT IMPLEMENTED**	N/A	**Not for fixed income securities.**	
Transformations	**12**	**The transformed transaction should be instructed with the same status as the underlying transaction.**	**NOT IMPLEMENTED**	Major Technical Change	**Will be implemented with release of the new software platform**	2 February 2015
Transformations	**13**	**The new transformed transaction should ensure that the following indicators are correctly replicated: (i) Partialling indicator of the original transaction instruction; (ii) Ex/cum indicator; (iii) Opt-out indicator related to the market claim creation.**	**NOT IMPLEMENTED**	Major Technical Change	**Will be implemented with release of the new software platform** **Does this mean that partialling is allowed for transformations? Cfr MC 25-rule.**	2 February 2015

2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – NBB SSS

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	1	For a given transaction and prior to the BP deadline, the BP requirement will be invoked by the buyer (the buyer will issue BP instructions to the seller).	**NOT IMPLEMENTED**	N/A		
Buyer Protection	2	When a BP requirement is not invoked by the buyer, then the market default rules for elections should apply.	**NOT IMPLEMENTED**	N/A		
Buyer Protection	3	The buyer will be tracking open transactions to which he is entitled to elect and will decide whether or not he wants to invoke a BP.	**NOT IMPLEMENTED**	N/A		
Buyer Protection	4	As per scope in the introduction, all transactions still pending on BP deadline in securities which are subject to a corporate action and a BP regime in the CSD of Issuance can be subject to a BP mechanism.	**NOT IMPLEMENTED**	N/A		
Buyer Protection	5	No matching is required in the CSDs' systems. However it is recommended that the seller acknowledges to the buyer, the receipt of the BP instruction.	**NOT IMPLEMENTED**	N/A		

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	6	The buyer should include in BP instructions, references to the underlying CA and the underlying transaction to which the CA applies (securities trade or other)	**NOT IMPLEMENTED**	N/A		
Buyer Protection	7	Whether late BP instructions should be accepted should be established on the basis of bilateral agreement between the buyer and the seller, or the CSD/CCP rules – where and when CSDs/CCPs are offering such BP processing services.	**NOT IMPLEMENTED**	N/A		
Buyer Protection	8	It is recommended that the ISO20022 standards are referred to as the basis for such BP instructions.	**NOT IMPLEMENTED**	N/A		

2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – NBB SSS

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – NBB SSS				
Buyer Protection	9	**BP deadlines for Automated BP mechanism. For trade date T (which is the guaranteed participation date/last trade date of the underlying CA), the BP deadline should be on T+n (where n = settlement cycle) and the market deadline on T+n+1 day Taking as working assumption a T+3 settlement cycle:** **• business day 1 = T;** **• business day 4 = T+3: buyer protection deadline;** **• business day 5 = T+4 market deadline** **BP deadlines for Manual BP mechanism** **For BP instructions from actors other than CCPs, the BP deadline is T+n.** **For BP instructions from CCPs the BP deadline is T+n+1 hour**	**NOT IMPLEMENTED**	N/A		
Buyer Protection	10	**The BP deadline should be identical across all (I) CSDs in T2S for all securities.**	**NOT IMPLEMENTED**	N/A		
Buyer Protection	11	**The BP instruction itself can only be amended by the buyer, before the BP deadline.**	**NOT IMPLEMENTED**	N/A		

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – NBB SSS						
Buyer Protection	12	Only the BP election (i.e. corporate action option) can be amended in the BP instruction.	NOT IMPLEMENTED	N/A		
Buyer Protection	13	If the underlying transaction can be settled prior to the BP deadline, it should settle and the BP instruction should be cancelled by the Instruction Owner CSD (IOC) if the IOC offers such a BP service. When BP is handled bilaterally, the BP is void.	NOT IMPLEMENTED	N/A		

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: BELGIUM – NBB SSS						
Buyer Protection	14	**Process for pending transactions on BP deadline:** **In case of Automated BP mechanism** **Transactions attached with a valid BP that are still pending at the BP deadline should be frozen (put on hold) by the IOCs until their transformation on market deadline/record date. The Transformation of the underlying transaction should be carried out by the IOCs, in accordance with the BP instruction, at the Market Deadline / Record Date of the voluntary reorganisation.** **In case of Manual BP mechanism** **If the CSD does not provide an automated BP service, then buyer and seller shall cancel the underlying transaction and re-instruct, in accordance with the BP instruction, at the market deadline / record date of the voluntary reorganisation.**	**NOT IMPLEMENTED**	N/A		

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: **BELGIUM – NBB SSS**				
Buyer Protection	15	Conditions for settlement of protected entitlement In case of Automated BP mechanism The IOC will set on hold (freeze) and transform in T2S the underlying transaction based on BP instruction it receives (from the buyer). In case of Manual BP mechanism The buyer and seller shall amend the underlying transaction (as per current practice: cancel and re-instruct).	**NOT IMPLEMENTED**	N/A		
Buyer Protection	16	If a buyer wants to make a partial election, they would need to split the original transaction into the shapes they require.	**NOT IMPLEMENTED**	N/A		
Buyer Protection	17	The Settlement Date (SD) of the protected entitlements should be the payment date of the underlying CA.	**NOT IMPLEMENTED**	N/A		
Buyer Protection	18	Settlement of BP instructions should take place as specified in the T2S transformations standards.	**NOT IMPLEMENTED**	N/A		

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: SWITZERLAND	
Market Claims		For a given transaction, a market claim should be detected by the two Instruction Owners CSDs (IOCs), or the CCP(s) where applicable, of the two counterparties in the transaction.	**IMPLEMENTED**	N/A	Compliance is already achieved. Compliance will be maintained with the implementation of T2S (June 2015)	
Market Claims	2	The mechanism to detect market claims is at the discretion, and is the responsibility, of the IOCs and the CCPs of the counterparties.	**IMPLEMENTED**	N/A	Compliance is already achieved. Compliance will be maintained with the implementation of T2S (June 2015)	
Market Claims	3	Maximum time period for claim detection: 20 T2S opening days from record date.	**NOT IMPLEMENTED**	Straightforward to Implement	Compliance will be achieved with the implementation of T2S (June 2015)	Implementation of CASG standard by June 2015
Market Claims	4	Market claims should be detected after the close of business on record date and during the rest of the claims detection period.	**NOT IMPLEMENTED**	Major Technical Change	Compliance will be achieved with the implementation of T2S (June 2015)	Implementation of CASG standard by June 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: SWITZERLAND			
Market Claims	5	After record date, the market claim detection mechanism should operate at a minimum once a day after the end of standard T2S daytime settlement processing ("End of Day" in T2S URD) and prior to the start of the next settlement day ("Start of Day" in T2S URD).	**IMPLEMENTED**	N/A	Compliance is already achieved. Compliance will be maintained with the implementation of T2S (June 2015)	
Market Claims	6	As a general principle, market claims should be detected for all transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to indicate that no claim at all should be raised on a given transaction.	**NOT IMPLEMENTED**	Straightforward to Implement	Compliance will be achieved with the implementation of T2S (June 2015)	Implementation of CASG standard by June 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: SWITZERLAND				
Market Claims	**7**	**Counterparties in the underlying transaction may choose to include the ex/cum indicator only if they want to deviate from the standard market claim procedure, as described in the CAJWG standards.**	**NOT IMPLEMENTED**	**Straightforward to Implement**	**Compliance will be achieved with the implementation of T2S (June 2015)**	**Implementation of CASG standard by June 2015**
Market Claims	**8**	**As per CAJWG standards, market claims should be detected only for matched instructions (i.e. irrevocable transactions).**	**NOT IMPLEMENTED**	**Straightforward to Implement**	**Compliance will be achieved with the implementation of T2S (June 2015)**	**Implementation of CASG standard by June 2015**
Market Claims	**9**	**Market claims should be generated only by the two IOCs (or the CCPs) of the two parties to the transaction. IOCs and CCPs should also generate market claims on behalf of their clients who have access to direct technical connectivity to T2S. Those clients should not generate market claims in T2S.**	**NOT IMPLEMENTED**	**Straightforward to Implement**	**Compliance will be achieved with the implementation of T2S (June 2015)**	**Implementation of CASG standard by June 2015**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: SWITZERLAND				
Market Claims	**10**	For each outturn (result of CA entitlement), there should be the generation of a separate market claim instruction. Types of market claim instructions: (i) FOP transfer of securities (receipt and delivery) (ii) Payment free of delivery (PFOD) transfer of cash; The payment currency of the (cash) market claim should be the same as the currency of the original corporate action. The currency of the original corporate action is defined by the issuer of the underlying security. In case the currency of the corporate action payment is not a T2S Settlement Currency, then the counterparties in the underlying transaction should decide between them how to settle the cash entitlement outside T2S.	**NOT IMPLEMENTED**	Straightforward to Implement	Compliance will be achieved with the implementation of T2S (June 2015)	Implementation of CASG standard by June 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: SWITZERLAND		

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	11	When the generation of a market claim instruction results in outturn securities fractions, the number of outturn securities in the market claim instruction should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for remaining securities fractions, then no further action is required by IOC b) In case the issuer compensates investors for remaining securities fractions with cash, an additional PFOD transaction should be generated by IOC transferring cash to the beneficial owner.	**NOT IMPLEMENTED**	Market Practice Change	Compliance will be achieved with the implementation of T2S (June 2015) Fraction Price should be announced by ISSUER before Record Date EOD.	Implementation of CASG standard by June 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: **SWITZERLAND**				
Market Claims	12	In order to be able identify market claims, a specific ISO transaction type code "CLAI" should be used in the settlement instructions.	**NOT IMPLEMENTED**	Straightforward to Implement	Compliance will be achieved with the implementation of T2S (June 2015)	Implementation of CASG standard by June 2015
Market Claims	13	For any individual ISIN, or any individual category of securities, all CSDs/CCPs that accept such securities should use the same rules to generate market claims. The rules, or terms, are defined by the issuer for each corporate action event. The issuer should pass them onto the issuer CSD and made available by the issuer CSD to all of its clients, including the Investor CSDs.	**IMPLEMENTED**	N/A	Compliance is already achieved. Compliance will be maintained with the implementation of T2S (June 2015)	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: SWITZERLAND				
Market Claims	14	For the settlement of market claim itself (as settled in T2S), the tax statuses of the receiving/delivering accounts should have no direct effect on the amount of cash/securities to be transferred. For a specific ISIN and a specific event, the amount of cash/securities to be transferred should be dependent solely on the number of securities in the underlying transaction. This means that for a specific ISIN and a specific event, the rate of the market claim should always be the same, and should be fixed by the issuer CSD. (*The claim could be an indemnity at, for example, 100% of the gross dividend, or could be a gross or net dividend amount). Subsequent, or in parallel, to the market claim, a withholding agent could process tax adjustments.*	**IMPLEMENTED**	N/A	Compliance is already achieved. Compliance will be maintained with the implementation of T2S (June 2015)	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: SWITZERLAND			
Market Claims	**15**	The CSDs/CCPs generating the market claim will identify which T2S dedicated cash accounts should be used.	**IMPLEMENTED**	N/A	Compliance is already achieved. Compliance will be maintained with the implementation of T2S (June 2015)	
Market Claims	**16**	Matching is required for all market claims settlement instructions.	**IMPLEMENTED**	N/A	Compliance is already achieved. Compliance will be maintained with the implementation of T2S (June 2015)	
Market Claims	**17**	Each CSD/CCP will include in the market claim settlement instruction sent to T2S appropriate references so that its participant can identify and process the claim satisfactorily.	**NOT IMPLEMENTED**	Straightforward to Implement	Compliance will be achieved with the implementation of T2S (June 2015)	Implementation of CASG standard by June 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: SWITZERLAND			
Market Claims	18	The market claim should be instructed in T2S by using as trade date of the claim, the same date as the trade date of the underlying transaction. The settlement date of the market claim should be the payment date of the transaction. The settlement date of the market claim should be the payment date of the underlying corporate action.	**NOT IMPLEMENTED**	Straightforward to Implement	Compliance will be achieved with the implementation of T2S (June 2015) Cash market claim transactions in CHF will take place outside T2S (CHF not in scope of T2S)	Implementation of CASG standard by June 2015
Market Claims	19	The market claim transaction should be instructed with the same status (i.e. either 'on hold' or 'released') as the underlying transaction.	**NOT IMPLEMENTED**	Straightforward to Implement	Compliance will be achieved with the implementation of T2S (June 2015)	Implementation of CASG standard by June 2015
Market Claims	20	The standard T2S rules for who can amend settlement instructions should apply.	**NOT IMPLEMENTED**	Straightforward to Implement	Compliance will be achieved with the implementation of T2S (June 2015)	Implementation of CASG standard by June 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: **SWITZERLAND**			
Market Claims	21	The standard T2S rules for amending settlement instructions should apply.	**NOT IMPLEMENTED**	Straightforward to Implement	Compliance will be achieved with the implementation of T2S (June 2015)	Implementation of CASG standard by June 2015
Market Claims	22	The standard T2S rules for cancelling settlement instructions should apply.	**NOT IMPLEMENTED**	Straightforward to Implement	Compliance will be achieved with the implementation of T2S (June 2015)	Implementation of CASG standard by June 2015
Market Claims	23	In line with the CAJWG standards, the settlement of a market claim should be independent from the settlement of the respective underlying transaction. However, market infrastructures should provide to their participants a user friendly facility which gives them the option to ensure that the market claim is not settled prior to the settlement of the underlying transaction.	**NOT IMPLEMENTED**	Straightforward to Implement	Compliance will be achieved with the implementation of T2S (June 2015)	Implementation of CASG standard by June 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: SWITZERLAND				
Market Claims	24	In line with standard T2S settlement conditions will include: (i) payment date has been reached, (ii) resources (cash and/or securities are available.	**IMPLEMENTED**	N/A	Compliance is already achieved. Compliance will be maintained with the implementation of T2S (June 2015)	
Market Claims	25	There should be no partial settlement for market claims in cash. Partial settlement should be limited to market claims in securities and take into account the standard T2S rules for partial settlement. Partial settlement indicator of the market claim should replicate the one of the underlying transaction.	**NOT IMPLEMENTED**	Straightforward to Implement	Compliance will be achieved with the implementation of T2S (June 2015)	Implementation of CASG standard by June 2015
Market Claims	26	The standard T2S rules for the recycling period should apply.	**NOT IMPLEMENTED**	Straightforward to Implement	Compliance will be achieved with the implementation of T2S (June 2015)	Implementation of CASG standard by June 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: SWITZERLAND			
Market Claims	27	Each CSD/CCP generating a market claim will report to its own participant.	**IMPLEMENTED**	N/A	Compliance is already achieved. Compliance will be maintained with the implementation of T2S (June 2015)	
Market Claims	28	T2S will provide its standard pending/settled transaction reporting. A CSD/CCP may provide additional reporting to its participant.	**IMPLEMENTED**	N/A	Compliance is already achieved. Compliance will be maintained with the implementation of T2S (June 2015)	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: **SWITZERLAND**			
Transformations	1	<u>At the CCP level:</u> When agreed with the Instruction Owner CSDs (IOCs) the CCP itself can manage the transformation for CCP transactions via a Power Of Attorney (POA) on the participants' accounts by use of the T2S cancellation and replacement mechanisms. <u>At the CSD level (both CSDs of the buyer and the seller are connected to T2S):</u> <u>The IOCs will manage the transformation:</u> (i) When the underlying transaction impacts two accounts in the same IOC. The cancellation and replacement will be managed and instructed in T2S by the IOC itself; (ii) In a cross-CSD transaction, each IOC has to cancel the instruction (bilateral cancellation process in T2S) and to send to T2S the new transformed instruction for matching. <u>When the transaction is cross-border (one CSD is in T2S and the other is</u>	**NOT IMPLEMENTED**	Straightforward to Implement	Compliance will be achieved with the implementation of T2S (June 2015)	Implementation of CASG standard by June 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: SWITZERLAND				
Transformations	2	The transformation process shall take place by end of record date or market deadline and during the rest of the transformation detection period (i.e. 20 T2S opening days after the record date/market deadline).	**NOT IMPLEMENTED**	Major Technical Change	Compliance will be achieved with interim solution (transformation only once on record date EOD) with the implementation of T2S (June 2015) . 'Transformation for 20 days from record date' shall be implemented upon formal decision from CASG & T2S.	Compliance will be achieved with interim solution (transformation only once on record date EOD) with the implementation of T2S (June 2015) . 'Transformation for 20 days from record date' shall be implemented upon formal decision from CASG & T2S.
Transformations	3	As a general principle, transformations will be applicable to all eligible transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to deviate from the standard transformation procedures.	**NOT IMPLEMENTED**	Straightforward to Implement	Compliance will be achieved with the implementation of T2S (June 2015)	Implementation of CASG standard by June 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: SWITZERLAND			
Transform ations	4	IOCs/CCPs managing the transformation will use the ISO20022 format as specified in the T2S URD. IOCs/CCPs will include in the transformation settlement instructions the appropriate references so that their own participants can identify and process the transformation satisfactorily in their own books. The minimum references required include: T2S reference of the underlying transaction, the "TRAN" ISO settlement transaction condition code, and CSD corporate action event reference. From a T2S system specification perspective, these references are only for information purposes (for CSDs/CCPs participants) as these references do not trigger any specific functionality in T2S (other than standard settlement	NOT IMPLEMENT ED	Straightforward to Implement	Compliance will be achieved with the implementation of T2S (June 2015)	Implementation of CASG standard by June 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: **SWITZERLAND**				
Transformations	5	**CSD/CCP may match locally the new instructions related to the transformation and send them to T2S as already matched for settlement or send them as separate instructions for matching in T2S.**	**NOT IMPLEMENTED**	**Straightforward to Implement**	**Compliance will be achieved with the implementation of T2S (June 2015)**	**Implementation of CASG standard by June 2015**
Transformations	6	**Both IOCs/CCPs should send new instructions to T2S, for matching purposes.**	**NOT IMPLEMENTED**	**Straightforward to Implement**	**Compliance will be achieved with the implementation of T2S (June 2015)**	**Implementation of CASG standard by June 2015**
Transformations	7	**The earliest settlement date (SD) of the new transaction(s) should be the latest between the payment date (PD) of the entitlement and the SD of the underlying transaction.**	**NOT IMPLEMENTED**	**Straightforward to Implement**	**Compliance will be achieved with the implementation of T2S (June 2015)**	**Implementation of CASG standard by June 2015**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: SWITZERLAND						
Transformations	8	The transformed instructions should retain the same characteristics (trade date, cash consideration) as those of the underlying instruction with the possible exception of the three following fields in respect with the terms of the reorganisation: (i) The quantity of securities; (ii) The ISIN; (iii) The settlement date (SD).	**IMPLEMENTED**	N/A	Compliance is already achieved. Compliance will be maintained with the implementation of T2S (June 2015)	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	**9**	The settlement amount of the transformed (new) instructions should be proportional to the ratio of each outturn securities. In case of multiple outturns (i.e. multiple new ISINs being generated by the transformation process), the new instructions should not be settled as linked settlement in T2S. The transformed instructions should retain the same characteristics (trade date) as those of the underlying transaction with the possible exception of the four following fields in respect with the terms of the reorganisation: • The quantity of securities • The cash consideration should be allocated to the transformed transactions according to the rates provided by the issuer • The ISIN • The settlement date (SD)	**NOT IMPLEMENTED**	Straightforward to Implement	Compliance will be achieved with the implementation of T2S (June 2015)	Implementation of CASG standard by June 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: SWITZERLAND	
Transformations	10	The cash transfer(s) settlement instructions should retain the same characteristics as those of the underlying transaction. If the instruction of the underlying transaction was against payment, two new instructions, in opposite directions, will be created; one for the settlement amount and one for the cash outturn. The transfers should not be linked. If the instruction of the underlying transaction was free of payment, only one transfer, for the cash outturn, will be created.	**NOT IMPLEMENTED**	Straightforward to Implement	Compliance will be achieved with the implementation of T2S (June 2015)	Implementation of CASG standard by June 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: SWITZERLAND				
Transformations	11	When the transformation results in outturn securities fractions, the number of securities should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for the remaining securities fractions, then no further action is required by the IOCs b) In case the issuer compensates investors for remaining securities fractions with cash, then an additional PFOD transaction should be generated by the IOCs	**NOT IMPLEMENTED**	Market Practice Change	Compliance will be achieved with the implementation of T2S (June 2015) Fraction Price should be announced by ISSUER before Record Date EOD.	Implementation of CASG standard by June 2015
Transformations	12	The transformed transaction should be instructed with the same status as the underlying transaction.	**NOT IMPLEMENTED**	Straightforward to Implement	Compliance will be achieved with the implementation of T2S (June 2015)	Implementation of CASG standard by June 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	13	The new transformed transaction should ensure that the following indicators are correctly replicated: (i) Partialling indicator of the original transaction instruction; (ii) Ex/cum indicator; (iii) Opt-out indicator related to the market claim creation.	**NOT IMPLEMENTED**	Straightforward to Implement	Compliance will be achieved with the implementation of T2S (June 2015)	Implementation of CASG standard by June 2015
Buyer Protection	1	For a given transaction and prior to the BP deadline, the BP requirement will be invoked by the buyer (the buyer will issue BP instructions to the seller).	**IMPLEMENTED**	N/A	Compliance is already achieved. Compliance will be maintained with the implementation of T2S (June 2015)	As per SIX SIS decision in August 2013, no automated buyer protection service will be provided by SIX SIS (Swiss MIG has been informed accordingly). Instead a 'manual buyer protection process' will be followed by market participants.
Buyer Protection	2	When a BP requirement is not invoked by the buyer, then the market default rules for elections should apply.	**NOT IMPLEMENTED**	Market Practice Change	Compliance will be achieved with the implementation of T2S (June 2015)	Implementation of CASG standard by June 2015

2015 - T2S Corporate Actions Standards Gap Analysis: **SWITZERLAND**

2015 - T2S Corporate Actions Standards Gap Analysis: SWITZERLAND

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	3	The buyer will be tracking open transactions to which he is entitled to elect and will decide whether or not he wants to invoke a BP.	**IMPLEMENTED**	N/A	Compliance is already achieved. Compliance will be maintained with the implementation of T2S (June 2015)	As per SIX SIS decision in August 2013, no automated buyer protection service will be provided by SIX SIS (Swiss MIG has been informed accordingly). Instead a 'manual buyer protection process' will be followed by market participants.
Buyer Protection	4	As per scope in the introduction, all transactions still pending on BP deadline in securities which are subject to a corporate action and a BP regime in the CSD of Issuance can be subject to a BP mechanism.	**IMPLEMENTED**	N/A	Compliance is already achieved. Compliance will be maintained with the implementation of T2S (June 2015)	As per SIX SIS decision in August 2013, no automated buyer protection service will be provided by SIX SIS (Swiss MIG has been informed accordingly). Instead a 'manual buyer protection process' will be followed by market participants.
Buyer Protection	5	No matching is required in the CSDs' systems. However it is recommended that the seller acknowledges to the buyer, the receipt of the BP instruction.	**NOT IMPLEMENTED**	Market Practice Change	Compliance will be achieved with the implementation of T2S (June 2015)	Implementation of CASG standard by June 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: **SWITZERLAND**			
Buyer Protection	6	The buyer should include in BP instructions, references to the underlying CA and the underlying transaction to which the CA applies (securities trade or other)	**IMPLEMENTED**	N/A	Compliance is already achieved. Compliance will be maintained with the implementation of T2S (June 2015)	As per SIX SIS decision in August 2013, no automated buyer protection service will be provided by SIX SIS (Swiss MIG has been informed accordingly). Instead a 'manual buyer protection process' will be followed by market participants.
Buyer Protection	7	Whether late BP instructions should be accepted should be established on the basis of bilateral agreement between the buyer and the seller, or the CSD/CCP rules – where and when CSDs/CCPs are offering such BP processing services.	**NOT IMPLEMENTED**	Market Practice Change	Compliance will be achieved with the implementation of T2S (June 2015)	Implementation of CASG standard by June 2015
Buyer Protection	8	It is recommended that the ISO20022 standards are referred to as the basis for such BP instructions.	**NOT IMPLEMENTED**	Market Practice Change	Compliance will be achieved with the implementation of T2S (June 2015)	Implementation of CASG standard by June 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: SWITZERLAND	
Buyer Protection	9	BP deadlines for Automated BP mechanism. For trade date T (which is the guaranteed participation date/last trade date of the underlying CA), the BP deadline should be on T+n (where n = settlement cycle) and the market deadline on T+n+1 day Taking as working assumption a T+3 settlement cycle: • business day 1 = T; • business day 4 = T+3: buyer protection deadline; • business day 5 = T+4 market deadline BP deadlines for Manual BP mechanism For BP instructions from actors other than CCPs, the BP deadline is T+n. For BP instructions from CCPs the BP deadline is T+n+1 hour	**NOT IMPLEMENTED**	Market Practice Change	Compliance will be achieved with the implementation of T2S (June 2015)	Implementation of CASG standard by June 2015
Buyer Protection	10	The BP deadline should be identical across all (I) CSDs in T2S for all securities.	**NOT IMPLEMENTED**	Market Practice Change	Compliance will be achieved with the implementation of T2S (June 2015)	Implementation of CASG standard by June 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: SWITZERLAND				
Buyer Protection	11	The BP instruction itself can only be amended by the buyer, before the BP deadline.	**IMPLEMENTED**	N/A	Compliance is already achieved. Compliance will be maintained with the implementation of T2S (June 2015)	As per SIX SIS decision in August 2013, no automated buyer protection service will be provided by SIX SIS (Swiss MIG has been informed accordingly). Instead a 'manual buyer protection process' will be followed by market participants.
Buyer Protection	12	Only the BP election (i.e. corporate action option) can be amended in the BP instruction.	**NOT IMPLEMENTED**	Market Practice Change	Compliance will be achieved with the implementation of T2S (June 2015)	Implemetation of CASG standard by June 2015
Buyer Protection	13	If the underlying transaction can be settled prior to the BP deadline, it should settle and the BP instruction should be cancelled by the Instruction Owner CSD (IOC) if the IOC offers such a BP service. When BP is handled bilaterally, the BP is void.	**IMPLEMENTED**	N/A	Compliance is already achieved. Compliance will be maintained with the implementation of T2S (June 2015)	As per SIX SIS decision in August 2013, no automated buyer protection service will be provided by SIX SIS (Swiss MIG has been informed accordingly). Instead a 'manual buyer protection process' will be followed by market participants.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: SWITZERLAND			
Buyer Protection	14	Process for pending transactions on BP deadline: In case of Automated BP mechanism Transactions attached with a valid BP that are still pending at the BP deadline should be frozen (put on hold) by the IOCs until their transformation on market deadline/record date. The Transformation of the underlying transaction should be carried out by the IOCs, in accordance with the BP instruction, at the Market Deadline / Record Date of the voluntary reorganisation. In case of Manual BP mechanism If the CSD does not provide an automated BP service, then buyer and seller shall cancel the underlying transaction and re-instruct in accordance with the BP	**IMPLEMENTED**	N/A	Compliance is already achieved. Compliance will be maintained with the implementation of T2S (June 2015)	As per SIX SIS decision in August 2013, no automated buyer protection service will be provided by SIX SIS (Swiss MIG has been informed accordingly). Instead a 'manual buyer protection process' will be followed by market participants.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: SWITZERLAND	
Buyer Protection	15	**Conditions for settlement of protected entitlement** **In case of Automated BP mechanism** **The IOC will set on hold (freeze) and transform in T2S the underlying transaction based on BP instruction it receives (from the buyer).** **In case of Manual BP mechanism** **The buyer and seller shall amend the underlying transaction (as per current practice: cancel and re-instruct).**	**IMPLEMENTED**	N/A	**Compliance is already achieved.** **Compliance will be maintained with the implementation of T2S (June 2015)**	**As per SIX SIS decision in August 2013, no automated buyer protection service will be provided by SIX SIS (Swiss MIG has been informed accordingly). Instead a 'manual buyer protection process' will be followed by market participants.**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: SWITZERLAND			
Buyer Protection	**16**	If a buyer wants to make a partial election, they would need to split the original transaction into the shapes they require.	**IMPLEMENTED**	N/A	Compliance is already achieved. Compliance will be maintained with the implementation of T2S (June 2015)	As per SIX SIS decision in August 2013, no automated buyer protection service will be provided by SIX SIS (Swiss MIG has been informed accordingly). Instead a 'manual buyer protection process' will be followed by market participants.
Buyer Protection	**17**	The Settlement Date (SD) of the protected entitlements should be the payment date of the underlying CA.	**NOT IMPLEMENTED**	Market Practice Change	Compliance will be achieved with the implementation of T2S (June 2015)	Implementation of CASG standard by June 2015
Buyer Protection	**18**	Settlement of BP instructions should take place as specified in the T2S transformations standards.	**NOT IMPLEMENTED**	Market Practice Change	Compliance will be achieved with the implementation of T2S (June 2015)	Implementation of CASG standard by June 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
				2015 - T2S Corporate Actions Standards Gap Analysis: GERMANY			
Market Claims	1	For a given transaction, a market claim should be detected by the two Instruction Owners CSDs (IOCs), or the CCP(s) where applicable, of the two counterparties in the transaction.	**IMPLEMENTED**	N/A	Clearstream already detects Market Claims for both counterparties as well as the CCP. Nevertheless, in case of X-Border instructions the Market Claims are generated by the Issuer CSD.	As already implemented, the standard will only be migrated in September 2016 with the participation of CBF on T2S.	
Market Claims	2	The mechanism to detect market claims is at the discretion, and is the responsibility, of the IOCs and the CCPs of the counterparties.	**IMPLEMENTED**	N/A	By following the CAJWG standards regarding the definiton of Market Claims, Clearstream already follows this standard regarding the detection solely.	As already implemented, the standard will only be migrated in September 2016 with the participation of CBF on T2S.	
Market Claims	3	Maximum time period for claim detection: 20 T2S opening days from record date.	**IMPLEMENTED**	N/A	At present Clearstream provides a claim detection period of 20 BD.	As already implemented, the standard will only be migrated in September 2016 with the participation of CBF on T2S.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
					2015 - T2S Corporate Actions Standards Gap Analysis: GERMANY		
Market Claims	**4**	Market claims should be detected after the close of business on record date and during the rest of the claims detection period.	**IMPLEMENTED**	Legislative Change	Already today Clearstream detects Market Claims at Rec-1 (=Ex) and for the following period.	Detection of market claims and automated processing already implemented but starting point must be aligned based on not yet implemented RD (as defined in the standards) in Germany. Implementation of RD in Germany is foreseen in 2015 being effective 01.01.2016.	
Market Claims	**5**	After record date, the market claim detection mechanism should operate at a minimum once a day after the end of standard T2S daytime settlement processing ("End of Day" in T2S URD) and prior to the start of the next settlement day ("Start of Day" in T2S URD).	**IMPLEMENTED**	N/A	Currently Clearstream detects market claim relevant transactions for Income events once a day. For Non-Income events the detection takes place during the Clearstream settlement cycles several times a day.	As already implemented, the standard will only be migrated in September 2016 with the participation of CBF on T2S.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
					2015 - T2S Corporate Actions Standards Gap Analysis: GERMANY		
Market Claims	**6**	As a general principle, market claims should be detected for all transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to indicate that no claim at all should be raised on a given transaction.	**NOT IMPLEMENTED**	Straightforward to Implement	At present Clearstream only provides the Ex-Flag (SPEX) to exclude the respective transaction from the Market Claiming process.	The standard (OPT-OUT) will be implemented by September 2016 with the participation of CBF on T2S.	
Market Claims	**7a**	Counterparties in the underlying transaction may choose to include the ex/cum indicator only if they want to deviate from the standard market claim procedure, as described in the CAJWG standards.	**IMPLEMENTED**	N/A	At present Clearstream provides the Ex-Flag (SPEX) to customers in order to exclude transactions from the Market Claiming process.	As already implemented (SPEX-Flag), the standard will only be migrated (simply changing SPEX to XCPN) in September 2016 with the participation of CBF on T2S.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
					2015 - T2S Corporate Actions Standards Gap Analysis: GERMANY		
Market Claims	**7b**	Counterparties in the underlying transaction may choose to include the ex/cum indicator only if they want to deviate from the standard market claim procedure, as described in the CAJWG standards.	**NOT IMPLEMENTED**	Legislative Change	There are some conflicts by implementing the "cum" flag with the German laws e.g. in respect of "manufactured dividends " when not entitled transactions can be flagged as entitled transaction and tax voucher will be created.	Due to conflicting tax implications in Germany it is in principle not intended to implement the CUM flag without prior approval by the ministry of finance. In this regard German market started discussion with ministry of finance to get approval that t2s "cum" flag processing will not create any prudential complaints by tax audit based on the fact that a market claim is a dividend and not a cash compensation in respect of tax purposes in Germany. In general there is no need for a "cum" flag by changing the trade date to a day prior Ex, cum processing can be achieved. The "cum" flag will be matching criteria in German market (following the standards) but will be considered for Custody processing only for non-German securities (manual).	**7b**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
				2015 - T2S Corporate Actions Standards Gap Analysis: GERMANY			
Market Claims	**8**	As per CAJWG standards, market claims should be detected only for matched instructions (i.e. irrevocable transactions).	**IMPLEMENTED**	Other	Market claims are detected on basis of pending, matched trades on record date (MT564 REPE ACLA); Market and Reverse Claims are generated at CBF on basis of settled transactions, which is the standard for reverse and market claims. Claims on open instructions caused several problems (late trades, Rec-Date) when this processing was standard in the German market. CAJWG Standards apply on „irrevocable transactions" which would not be fulfilled by „matched transactions" solely. There the underlying transaction could be set „on hold" while the MC settles. Furthermore a real-time detection is required to account for open transactions."	Taken into account the detection to be based on matched trades (irrespective of being pending or settled), the standard is already implemented and will only be migrated in September 2016 with the participation of CBF on T2S. Clarifying and final discussion regarding definition, interpretation and implementation of "irrevocable transactions" will be discussed in CASG (and CAJWG) in 2015.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
					2015 - T2S Corporate Actions Standards Gap Analysis: GERMANY		
Market Claims	9	**Market claims should be generated only by the two IOCs (or the CCPs) of the two parties to the transaction. IOCs and CCPs should also generate market claims on behalf of their clients who have access to direct technical connectivity to T2S. Those clients should not generate market claims in T2S.**	**NOT IMPLEMENTED**	Other	security outcome: *Straightforward to implement* cash outcome: *Taxation Change/Regulatory Change* By introducing IOC the process to withhold taxes in case of Cross-Border transactions (for DE-ISIN) needs to be re-designed. *Legislative Change* At present Clearstream is obliged to deduct the withholding tax by being the last paying instance. This includes payments out of market claims. With implementing the IOC model Clearstream is not able to fullfill the commitment as the deduction of the tax can be prevented by foreign participants simply by not entering the counter-leg. The respective paragraph that needs to be amended: clause 44 EStG, paragraph 1, numer 3b). *Market Practice Change* All T2S direct-participants do have to apply the same rule and must be obliged to enter the counter-leg of the tax deduction entered by Clearstream.	security outcome: to be implemented in September 2016 with the participation of CBF on T2S cash outcome (Domestic): not to be implemented with the participation of CBF on T2S in wave 3. Implementation timeline will be decided by the NUG in autumn 2014. cash outcome (X-Border): to be implemented in September 2016 with the participation of CBF on T2S" German market developed a functional model to generate PFODs and integrated tax calculation to fulfill the tax obligations for last paying agents by generating market claims on dividends. CASG will be asked for approval and afterwards development will be started. Implementation of that market rule will be feasible at the latest six months after CBF will participate on T2S (wave 3).	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
Market Claims	**10a**	For each outturn (result of CA entitlement), there should be the generation of a separate market claim instruction. Types of market claim instructions: (i) FOP transfer of securities (receipt and delivery) (ii) Payment free of delivery (PFOD) transfer of cash; The payment currency of the (cash) market claim should be the same as the currency of the original corporate action. The currency of the original corporate action is defined by the issuer of the underlying security. In case the currency of the corporate action payment is not a T2S Settlement Currency, then the counterparties in the underlying transaction should decide between them how to settle the cash entitlement outside T2S.	**IMPLEMENTED**	Other	security outcome: In case of a security distribution already today CBF instructs FoPs on each underlying transaction	security outcome: As already implemented, the standard will only be migrated in September 2016 with the participation of CBF on T2S	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
Market Claims	**10b**	For each outturn (result of CA entitlement), there should be the generation of a separate market claim instruction. Types of market claim instructions: (i) FOP transfer of securities (receipt and delivery) (ii) Payment free of delivery (PFOD) transfer of cash; The payment currency of the (cash) market claim should be the same as the currency of the original corporate action. The currency of the original corporate action is defined by the issuer of the underlying security. In case the currency of the corporate action payment is not a T2S Settlement Currency, then the counterparties in the underlying transaction should decide between them how to settle the cash entitlement outside T2S.	**NOT IMPLEMENTED**	Other	**cash outcome:** **Market Practice, Taxation, Regulatory & Legislative Change** **Please refer also to CASG no. 09 for Market Claims.** **The settlement of Non-T2S-Currencies will be handled as before, therefore the requirement is fulfilled.**	**cash outcome (Domestic):** **Implementation at the latest 6 months after CBF's migration to T2S.** **cash outcome (X-Border):** **to be implemented in September 2016 with the participation of CBF on T2S**	

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
					2015 - T2S Corporate Actions Standards Gap Analysis: GERMANY		
Market Claims	**11**	When the generation of a market claim instruction results in outturn securities fractions, the number of outturn securities in the market claim instruction should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for remaining securities fractions, then no further action is required by IOC b) In case the issuer compensates investors for remaining securities fractions with cash, an additional PFOD transaction should be generated by IOC transferring cash to the beneficial owner.	**NOT IMPLEMENTED**	Market Practice Change	Clearstream as Issuer CSD: By using Partial Rights (interim securities) in case of occuring fractions, there is no cash in lieu required for the german market where Clearstream is Issuer CSD. Clearstream as Investor CSD: If PFoDs are used by other IN-CSD, Clearstream would accepts them on the DCAs at T2S.	fraction compensation (Domestic): not to be implemented with the participation of CBF on T2S in wave 3. Implementation timeline will be decided by the NUG in autumn 2014. fraction compensation (X-Border): to be implemented in September 2016 with the participation of CBF on T2S Clarifying and final discusion regarding definition, interpretation and implementation of "fractions and MSU" will be disussed in CASG (and CAJWG) in 2015	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
					2015 - T2S Corporate Actions Standards Gap Analysis: **GERMANY**		
Market Claims	**12**	In order to be able identify market claims, a specific ISO transaction type code "CLAI" should be used in the settlement instructions.	**IMPLEMENTED**	N/A	At present Clearstream provides the CLAI-Flag in ISO15022 to customers in order to identify Market Claims.	As already implemented, the standard will only be migrated in September 2016 with the participation of CBF on T2S.	
Market Claims	**13**	For any individual ISIN, or any individual category of securities, all CSDs/CCPs that accept such securities should use the same rules to generate market claims. The rules, or terms, are defined by the issuer for each corporate action event. The issuer should pass them onto the issuer CSD and made available by the issuer CSD to all of its clients, including the Investor CSDs.	**IMPLEMENTED**	N/A	Detailed information e.g. exchange ratios or dividends are received by the CSD from the issuer. The CSD is also calculating the market claims for the German CCP.	As already implemented, the standard will only be migrated in September 2016 with the participation of CBF on T2S.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
Market Claims	**14**	For the settlement of market claim itself (as settled in T2S), the tax statuses of the receiving/delivering accounts should have no direct effect on the amount of cash/securities to be transferred. For a specific ISIN and a specific event, the amount of cash/securities to be transferred should be dependent solely on the number of securities in the underlying transaction. This means that for a specific ISIN and a specific event, the rate of the market claim should always be the same, and should be fixed by the issuer CSD. (*The claim could be an indemnity at, for example, 100% of the gross dividend, or could be a gross or net dividend amount). Subsequent, or in parallel, to the market claim, a withholding agent could process tax adjustments.*	**NOT IMPLEMENTED**	Other	**Market Practice, Taxation, Regulatory & Legislative Change**	**German market developed a functional model to generate PFODs and integrated tax calculation to fulfill the tax obligations for last paying agents by generating market claims on dividends. CASG will be asked for approval and afterwards development will be started.**	
					At present Clearstream is responsible for the deduction of the withholding tax. Furthermore there are distinctions to be considered (resident or non-resident taxpayer) in first instance.		
					Please refer also to CASG no. 09 for Market Claims.	**Implementation of that market rule will be feasible at the latest six months after CBF will participate on T2S (wave 3).**	

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
**2015 - T2S Corporate Actions Standards Gap Analysis: GERMANY**
Market Claims	**15**	The CSDs/CCPs generating the market claim will identify which T2S dedicated cash accounts should be used.	**NOT IMPLEMENTED**	Other	Market Practice, Taxation, Regulatory & Legislative Change Please refer also to CASG no. 09 for Market Claims.	German market developed a functional model to generate PFODs and integrated tax calculation to fulfill the tax obligations for last paying agents by generating market claims on dividends. CASG will be asked for approval and afterwards development will be started. Implementation of that market rule will be feasible at the latest six months after CBF will participate on T2S (wave 3).	15

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
					2015 - T2S Corporate Actions Standards Gap Analysis: GERMANY		
Market Claims	**16**	Matching is required for all market claims settlement instructions.	**NOT IMPLEMENTED**	Other	**Market Practice, Major Technical Change** **Domestic transactions (Non-Income):** **At present, Market Claims are instructed already matched, because they are based on settled to transcations. This raises market efficiency. Any changes to this will result in a change of the Market Practice and lower market efficiency.** **X-Border transactions (Non-Income):** **With T2S X-Border Clearstream will enter only one leg (matching required). Though, this feature is: Straightforward to implement** **Domestic & X-Border (Income):** **At present, Market Claims are instructed via TARGET2 where there is no concept of matching. Regarding T2S changes please refer also to CASG no. 09 for Market Claims.**	**The standard will be implemented by September 2016 with the participation of CBF on T2S.**	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
			2015 - T2S Corporate Actions Standards Gap Analysis: **GERMANY**				
Market Claims	17	Each CSD/CCP will include in the market claim settlement instruction sent to T2S appropriate references so that its participant can identify and process the claim satisfactorily.	NOT IMPLEMENTED	Straightforward to Implement	For customers acting in DCP- or ICP mode, Clearstream will provide the "T2S Actors Reference" as well as the "T2S MITI" of the underlying transaction.	The standard will be implemented by September 2016 with the participation of CBF on T2S.	
Market Claims	18	The market claim should be instructed in T2S by using as trade date of the claim, the same date as the trade date of the underlying transaction. The settlement date of the market claim should be the payment date of the transaction. The settlement date of the market claim should be the payment date of the underlying corporate action.	IMPLEMENTED	N/A	In the case of payment date = record date + 1 the settlement date of the market claim is after payment date (same day as settlement date for Non Income events, next day for Income events), because creating of market claims will be done on basis of settled underlying trades.	As already implemented, the standard will only be migrated in September 2016 with the participation of CBF on T2S.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
					2015 - T2S Corporate Actions Standards Gap Analysis: GERMANY		
Market Claims	**19**	The market claim transaction should be instructed with the same status (i.e. either 'on hold' or 'released') as the underlying transaction.	**NOT IMPLEMENTED**	Market Practice Change	At present market claims are based on settled transactions as these were defined to be "irrevocable" according to CAJWG standards. Furthermore, Clearstream experienced manifold problems with the compensation on open transactions. Therefore the MPC decided to consider only settled transactions for market claims.	Market Claims should be based on „irrevocable transactions" according to CAJWG Standards. Please refer also to CASG no. 1 & 8 for Market Claims.	
Market Claims	**20**	The standard T2S rules for who can amend settlement instructions should apply.	**NOT IMPLEMENTED**	Straightforward to Implement	According to CAJWG rules market claims are not modifiable at all. Clearstream considers this standard also for T2S by setting the ModificationAllowance-Flag to ""NO"". Nevertheless, the current feature to set up blocked market claims requiring the release of customers (if applied for this service) will also be provided.	With the participation of Clearstream on T2S the current service will be migrated and enhanced, by allowing customers applying for the Block-functionality to release, modify or cancel the market claims regardless if they are ICP or DCP.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
				2015 - T2S Corporate Actions Standards Gap Analysis: GERMANY			
Market Claims	**21**	The standard T2S rules for amending settlement instructions should apply.	**NOT IMPLEMENTED**	Straightforward to Implement	According to CAJWG rules market claims are not modifiable at all. Clearstream considers this standard also for T2S by setting the ModificationAllowance-Flag to ""NO"". Nevertheless, the current feature to set up blocked market claims requiring the release of customers (if applied for this service) will also be provided.	With the participation of Clearstream on T2S the current service will be migrated and enhanced, by allowing customers applying for the Block-functionality to release, modify or cancel the market claims regardless if they are ICP or DCP.	
Market Claims	**22**	The standard T2S rules for cancelling settlement instructions should apply.	**NOT IMPLEMENTED**	Straightforward to Implement	According to CAJWG rules market claims are not modifiable at all. Clearstream considers this standard also for T2S by setting the ModificationAllowance-Flag to ""NO"". Nevertheless, the current feature to set up blocked market claims requiring the release of customers (if applied for this service) will also be provided.	With the participation of Clearstream on T2S the current service will be migrated and enhanced, by allowing customers applying for the Block-functionality to release, modify or cancel the market claims regardless if they are ICP or DCP.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
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Market Claims	**23**	In line with the CAJWG standards, the settlement of a market claim should be independent from the settlement of the respective underlying transaction. However, market infrastructures should provide to their participants a user friendly facility which gives them the option to ensure that the market claim is not settled prior to the settlement of the underlying transaction.	**IMPLEMENTED**	N/A	CBF creates the market claims after settlement of the underlying transaction and will therefore not have any potential conflict with lifecycles.	As already implemented, the standard will only be migrated in September 2016 with the participation of CBF on T2S. Based on the decison of German market to process market claims when underlying is settled the question of independency will not occur. Please see comment on market claim standard #8	
Market Claims	**24**	In line with standard T2S settlement conditions will include: (i) payment date has been reached, (ii) resources (cash and/or securities are available.	**IMPLEMENTED**	N/A	The current processing considers these rules to the payment date and any kind of required resources (cash or securities).	As already implemented, the standard will only be migrated in September 2016 with the participation of CBF on T2S.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
				2015 - T2S Corporate Actions Standards Gap Analysis: **GERMANY**			
Market Claims	**25**	There should be no partial settlement for market claims in cash. Partial settlement should be limited to market claims in securities and take into account the standard T2S rules for partial settlement. Partial settlement indicator of the market claim should replicate the one of the underlying transaction.	**NOT IMPLEMENTED**	Market Practice Change	Generally a partial settlement of market claims is not possible, because the respective flag will be set to "NO". The reason for this is the short time slot on T2S where partial settlement is allowed (two times for half an hour during RTS). Nevertheless, as the market claims will be generated based on settled trades and these can be subject to partial settlement, for each settled part of the underlying instruction a market claim will be generated. Therefore the standard is fulfilled. Regarding ""irrevocable transactions"", please also refer to CASG no. 8 for Market Claims Regarding ""market claims in cash"", please also refer to CASG no. 1 for Market Claims	Implementation at the latest 6 months after CBF's migration to T2S.	
Market Claims	**26**	The standard T2S rules for the recycling period should apply.	**IMPLEMENTED**	N/A	Today CBF recycles open transactions after 40 business days. This rule will be migrated to T2S.	As already implemented, the standard will only be migrated in September 2016 with the participation of CBF on T2S.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
Market Claims	**27**	Each CSD/CCP generating a market claim will report to its own participant.	**IMPLEMENTED**	N/A	CBF provides comprehensive reporting regarding market claims.	As already implemented, the standard will only be migrated in September 2016 with the participation of CBF on T2S.	
Market Claims	**28**	T2S will provide its standard pending/settled transaction reporting. A CSD/CCP may provide additional reporting to its participant.	**IMPLEMENTED**	N/A	<u>Income Event:</u> CBF sends a MT564 REPE / ACLA on record date on basis of pending underlying trades and MT566 CLAI after settlement of the market claim. The MT564 REPE / CLAI after creation of the market claim is an open requirement (ER U58029) <u>Non Income Event:</u> CBF sends a MT564 REPE / ACLA on record date on basis of pending underlying trades, MT564 REPE / CLAI after creation of the market claim and MT566 CLAI after settlement of the market claim	As already implemented, the standard will only be migrated in September 2016 with the participation of CBF on T2S.	

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
Transformations	1	**At the CCP level:** When agreed with the Instruction Owner CSDs (IOCs) the CCP itself can manage the transformation for CCP transactions via a Power Of Attorney (POA) on the participants' accounts by use of the T2S cancellation and replacement mechanisms. **At the CSD level (both CSDs of the buyer and the seller are connected to T2S): The IOCs will manage the transformation:** (i) When the underlying transaction impacts two accounts in the same IOC. The cancellation and replacement will be managed and instructed in T2S by the IOC itself; (ii) In a cross-CSD transaction, each IOC has to cancel the instruction (bilateral cancellation process in T2S) and to send to T2S the new transformed instruction for matching. **When the transaction is cross-border (one CSD is in T2S and the other is**	NOT IMPLEMENTED	Straightforward to Implement	**CSD (domestic transactions):** Clearstream in the role of the IOC for both sides will manage the transformation by cancelling and re-instructing each leg. **CSD (X-Border transactions):** Clearstream as well follow the IOC-Model by managing (cancel & re-instruct) only the leg being in charge of. **CCP:** CCP already cancel and reinstruct today on basis of CBF transaction information. In future when CCP plans trade date netting in addition to settlement date netting, then CBF would cancel/reinstruct for those trades (already matched)	The standard will be implemented by September 2016 with the participation of CBF on T2S.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
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Transformations	2	The transformation process shall take place by end of record date or market deadline and during the rest of the transformation detection period (i.e. 20 T2S opening days after the record date/market deadline).	**NOT IMPLEMENTED**	Straightforward to Implement	Clearstream will process the transformations at the end of Record Date and provide a transformation period of 20 BD after first transformation.	The standard will be implemented by September 2016 with the participation of CBF on T2S.	
Transformations	3	As a general principle, transformations will be applicable to all eligible transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to deviate from the standard transformation procedures.	**NOT IMPLEMENTED**	Straightforward to Implement	Opt-out flag currently not implemented within the transformation detection process. This flag can be used to exclude transactions in general from transaction management (claims, transformations). Clearstream will with T2S consider this bilaterally agreed flag and simply cancel the instruction without re-instructing.	The standard will be implemented by September 2016 with the participation of CBF on T2S.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
					2015 - T2S Corporate Actions Standards Gap Analysis: GERMANY		
Transform ations	**4**	**IOCs/CCPs managing the transformation will use the ISO20022 format as specified in the T2S URD. IOCs/CCPs will include in the transformation settlement instructions the appropriate references so that their own participants can identify and process the transformation satisfactorily in their own books. The minimum references required include: T2S reference of the underlying transaction, the "TRAN" ISO settlement transaction condition code, and CSD corporate action event reference. From a T2S system specification perspective, these references are only for information purposes (for CSDs/CCPs participants) as these references do not trigger any specific functionality in T2S (other**	**NOT IMPLEMENT ED**	**Straightforward to Implement**	Clearstream will trigger the transaformation process by cancelling the underlying instructions via sese.020 for each instruction leg. The re-instructing will be triggered simultanously via sese.024 providing the original dataset except: • amended ISIN and/or amended nominal • <SttlmParams><SttlmTxCond><Cd><TRAN > • <TradDtls><SttlmInstrPrcgAddtlDtls> carrying the CORP-ID • T2S-MITI reference of the original/underlying instruction • T2S-Actors-Reference of the original/underlying instruction • Clearstream provides a new T2S-Actors reference being unique The latter will be provided in the section of additional trade details. To assure correct processing of the transformation, Clearstream will b+F43lock the respective security in order to prevent customer settlement in the old ISIN except CBF-instructions.	**The standard will be implemented by September 2016 with the participation of CBF on T2S.**	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
Transformations	5	CSD/CCP may match locally the new instructions related to the transformation and send them to T2S as already matched for settlement or send them as separate instructions for matching in T2S.	**NOT IMPLEMENTED**	Straightforward to Implement	All customer instructions will be transformed leg-based. Therefore the matching will be handled on T2S.	The standard will be implemented by September 2016 with the participation of CBF on T2S.	
Transformations	6	Both IOCs/CCPs should send new instructions to T2S, for matching purposes.	**NOT IMPLEMENTED**	Straightforward to Implement	In case of Cross Border instructions, CBF will cancel their effected instruction legs and re-instruct them.	The standard will be implemented by September 2016 with the participation of CBF on T2S.	
Transformations	7	The earliest settlement date (SD) of the new transaction(s) should be the latest between the payment date (PD) of the entitlement and the SD of the underlying transaction.	**NOT IMPLEMENTED**	Straightforward to Implement	Info: Record Date for Reorg Events where transformation is applicable is on payment date - 1 BD. In Future: New instruction has to contain intended settlement date at least with current business date.	The standard will be implemented by September 2016 with the participation of CBF on T2S.	

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
Transformations	**8**	The transformed instructions should retain the same characteristics (trade date, cash consideration) as those of the underlying instruction with the possible exception of the three following fields in respect with the terms of the reorganisation: (i) The quantity of securities; (ii) The ISIN; (iii) The settlement date (SD).	**NOT IMPLEMENTED**	Straightforward to Implement	Clearstream will retain the original information of the underlying instructions except the points mentioned under "CASG no.4 Transformations".	The standard will be implemented by September 2016 with the participation of CBF on T2S.	

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
					2015 - T2S Corporate Actions Standards Gap Analysis: GERMANY		
Transformations	9	The settlement amount of the transformed (new) instructions should be proportional to the ratio of each outturn securities. In case of multiple outturns (i.e. multiple new ISINs being generated by the transformation process), the new instructions should not be settled as linked settlement in T2S. The transformed instructions should retain the same characteristics (trade date) as those of the underlying transaction with the possible exception of the four following fields in respect with the terms of the reorganisation: • The quantity of securities • The cash consideration should be allocated to the transformed transactions according to the rates provided by the issuer • The ISIN • The settlement date (SD)	**NOT IMPLEMENTED**	Straightforward to Implement	German market practice does not fore see this constellation. Instead one or more tender lines will be used. Therefore this requirement will be fullfilled.	The standard will be implemented by September 2016 with the participation of CBF on T2S.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
					2015 - T2S Corporate Actions Standards Gap Analysis: GERMANY		
Transformations	10	The cash transfer(s) settlement instructions should retain the same characteristics as those of the underlying transaction. If the instruction of the underlying transaction was against payment, two new instructions, in opposite directions, will be created; one for the settlement amount and one for the cash outturn. The transfers should not be linked. If the instruction of the underlying transaction was free of payment, only one transfer, for the cash outturn, will be created.	**NOT IMPLEMENTED**	Straightforward to Implement	Clearstream will implement this process with ER M48120 "Transformation for Mandatory Reorgs in Cash" before participating on T2S. This service will than be migrated to T2S.	The standard will be implemented by November 2014.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
Transformations	11	When the transformation results in outturn securities fractions, the number of securities should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for the remaining securities fractions, then no further action is required by the IOCs b) In case the issuer compensates investors for remaining securities fractions with cash, then an additional PFOD transaction should be generated by the IOCs	**NOT IMPLEMENTED**	Market Practice Change	In the German Market fraction processing applies. This process will also be adopted under T2S by changing the Static Data of the security respectivly. Furthermore the German market does not see the necessity to change the current processing.	Please refer to answer Market Claim Standard 11. Clarifying and final discussion regarding definition, interpretation and implementation of "fractions and MSU" will be disussed in CASG (and CAJWG) in 2015.	

2015 - T2S Corporate Actions Standards Gap Analysis: GERMANY

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
				2015 - T2S Corporate Actions Standards Gap Analysis: GERMANY			
Transformations	**12**	**The transformed transaction should be instructed with the same status as the underlying transaction.**	**NOT IMPLEMENTED**	**Straightforward to Implement**	**At Present Clearstream modifies instructions in case of reorganizational events thereby keeping all status. While re-instructing with T2S all status will be restored. Linkages are not included.**	**The standard will be implemented by September 2016 with the participation of CBF on T2S.**	
Transformations	**13**	**The new transformed transaction should ensure that the following indicators are correctly replicated: (i) Partialling indicator of the original transaction instruction; (ii) Ex/cum indicator; (iii) Opt-out indicator related to the market claim creation.**	**NOT IMPLEMENTED**	**Straightforward to Implement**	**Clearstream will provide the same indicators as the underlying instruction.**	**The standard will be implemented by September 2016 with the participation of CBF on T2S.**	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
					2015 - T2S Corporate Actions Standards Gap Analysis: GERMANY		
Buyer Protection	**1**	**For a given transaction and prior to the BP deadline, the BP requirement will be invoked by the buyer (the buyer will issue BP instructions to the seller).**	**IMPLEMENTED**	N/A	**Buyer protection is handled bilaterally in Germany: In this case, only the market participants need to comply with the T2S CA standards on manual buyer protection. The CSD would not need to make any system changes in relation to buyer protection since the exchange of BP instructions takes place bilaterally between the counterparts, outside the CSD environment.** **If a CSD wishes to act as an Investor CSD for a market in which the issuer CSD has chosen to implement an automated BP functionality, then the investor CSD would need to comply with the Issuer CSD framework, like any other Issuer CSD participant. The Investor CSD would therefore manage BP for the servicing of those ISINs issued in the issuer CSD, complying with the T2S BP standards. However this does not necessarily require that the investor CSD would need to implement a fully automated BP solution. Indeed, if the investor CSD would be servicing only a few ISINs issued in the issuer CSD, implementing automated BP functionality would not be economically viable. Rather the investor CSD would only need to provide service levels for BP complying with the T2S standards, which could also be done in a non-automated manner.**	**German market decided to do not introduced an automated BP infrastructure.** **Manual BP requirements on counterparty level will be implemented before participating on T2S.** **Clearstream Banking will publish on its website the final version of the Buyer Protection Instruction (BPI) template agreed by CAJWG and T2S CASG**	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
			2015 - T2S Corporate Actions Standards Gap Analysis: GERMANY				
Buyer Protection	2	When a BP requirement is not invoked by the buyer, then the market default rules for elections should apply.	**IMPLEMENTED**	N/A	See comment on BP standard 01	See comment on BP standard 01	
Buyer Protection	3	The buyer will be tracking open transactions to which he is entitled to elect and will decide whether or not he wants to invoke a BP.	**IMPLEMENTED**	N/A	See comment on BP standard 01	See comment on BP standard 01	3
Buyer Protection	4	As per scope in the introduction, all transactions still pending on BP deadline in securities which are subject to a corporate action and a BP regime in the CSD of Issuance can be subject to a BP mechanism.	**IMPLEMENTED**	N/A	See comment on BP standard 01	See comment on BP standard 01	4

					2015 - T2S Corporate Actions Standards Gap Analysis: **GERMANY**		
Type of Events	**Std No.**	**Standard Description**	**CSD/Market Status**	**Type of Implementation Gap**	**Further Comments**	**Implementation Plan**	colour compliant status of markets
Buyer Protection	5	No matching is required in the CSDs' systems. However it is recommended that the seller acknowledges to the buyer, the receipt of the BP instruction.	**IMPLEMENTED**	N/A	See comment on BP standard 01	See comment on BP standard 01	5
Buyer Protection	6	The buyer should include in BP instructions, references to the underlying CA and the underlying transaction to which the CA applies (securities trade or other)	**IMPLEMENTED**	N/A	See comment on BP standard 01	See comment on BP standard 01	6
Buyer Protection	7	Whether late BP instructions should be accepted should be established on the basis of bilateral agreement between the buyer and the seller, or the CSD/CCP rules – where and when CSDs/CCPs are offering such BP processing services.	**IMPLEMENTED**	N/A	See comment on BP standard 01	See comment on BP standard 01	7

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
					2015 - T2S Corporate Actions Standards Gap Analysis: GERMANY		
Buyer Protection	8	It is recommended that the ISO20022 standards are referred to as the basis for such BP instructions.	**NOT IMPLEMENTED**	N/A	See comment on BP standard 01	See comment on BP standard 01	8
Buyer Protection	9	BP deadlines for Automated BP mechanism. For trade date T (which is the guaranteed participation date/last trade date of the underlying CA), the BP deadline should be on T+n (where n = settlement cycle) and the market deadline on T+n+1 day Taking as working assumption a T+3 settlement cycle: • business day 1 = T; • business day 4 = T+3: buyer protection deadline; • business day 5 = T+4 market deadline BP deadlines for Manual BP mechanism For BP instructions from actors other than CCPs, the BP deadline is T+n. For BP instructions from CCPs the BP deadline is T+n+1 hour	**IMPLEMENTED**	N/A	See comment on BP standard 01	See comment on BP standard 01	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
2015 - T2S Corporate Actions Standards Gap Analysis: GERMANY							
Buyer Protection	**10**	The BP deadline should be identical across all (I) CSDs in T2S for all securities.	**NOT IMPLEMENTED**	N/A	See comment on BP standard 01	See comment on BP standard 01	
Buyer Protection	**11**	The BP instruction itself can only be amended by the buyer, before the BP deadline.	**IMPLEMENTED**	N/A	See comment on BP standard 01	See comment on BP standard 01	
Buyer Protection	**12**	Only the BP election (i.e. corporate action option) can be amended in the BP instruction.	**IMPLEMENTED**	N/A	See comment on BP standard 01	See comment on BP standard 01	
Buyer Protection	**13**	If the underlying transaction can be settled prior to the BP deadline, it should settle and the BP instruction should be cancelled by the Instruction Owner CSD (IOC) if the IOC offers such a BP service. When BP is handled bilaterally, the BP is void.	**NOT IMPLEMENTED**	N/A	See comment on BP standard 01	See comment on BP standard 01	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets

2015 - T2S Corporate Actions Standards Gap Analysis: GERMANY

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
Buyer Protection	**14**	**Process for pending transactions on BP deadline:** **In case of Automated BP mechanism** **Transactions attached with a valid BP that are still pending at the BP deadline should be frozen (put on hold) by the IOCs until their transformation on market deadline/record date. The Transformation of the underlying transaction should be carried out by the IOCs, in accordance with the BP instruction, at the Market Deadline / Record Date of the voluntary reorganisation.** **In case of Manual BP mechanism** **If the CSD does not provide an automated BP service, then buyer and seller shall cancel the underlying transaction and re**	**IMPLEMENTED**	N/A	See comment on BP standard 01	See comment on BP standard 01	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
					2015 - T2S Corporate Actions Standards Gap Analysis: **GERMANY**		
Buyer Protection	**15**	**Conditions for settlement of protected entitlement** **In case of Automated BP mechanism** **The IOC will set on hold (freeze) and transform in T2S the underlying transaction based on BP instruction it receives (from the buyer).** **In case of Manual BP mechanism** **The buyer and seller shall amend the underlying transaction (as per current practice: cancel and re-instruct).**	**IMPLEMENTED**	N/A	See comment on BP standard 01	See comment on BP standard 01	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
		2015 - T2S Corporate Actions Standards Gap Analysis: GERMANY					
Buyer Protection	**16**	If a buyer wants to make a partial election, they would need to split the original transaction into the shapes they require.	**IMPLEMENTED**	N/A	See comment on BP standard 01	See comment on BP standard 01	
Buyer Protection	**17**	The Settlement Date (SD) of the protected entitlements should be the payment date of the underlying CA.	**IMPLEMENTED**	N/A	See comment on BP standard 01	See comment on BP standard 01	
Buyer Protection	**18**	Settlement of BP instructions should take place as specified in the T2S transformations standards.	**IMPLEMENTED**	N/A	See comment on BP standard 01	See comment on BP standard 01	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan	colour compliant status of markets
Additional Comments			Regarding the pending introduction of a record date for dividends in Germany, that is deemed of utmost importance for the German market, the initiative to introduce the necessary legislative changes has been recently reconsidered based on market-wide concensus. We therefore see a good chance that these legal changes will be implemented well in-time before T2S go-live. Furthermore, the overall compliance status has improved in comparison to the last gap analysis in particular since standards 1, 2, 4, 8 for market claims are considered to be implemented. Beside this assessment according to the two-colour scheme laid down in the explanatory memo the German market deems it useful to also add an evaluation in line with the four-colour scheme generally used to measure the overall compliance status of harmonisation activities. This gives more perspective insight on expected progress with regards to implementation by the time of migration of the German market. With regard to this additional information one can basically conclude that large parts of the standards will be implemented at the latest with migration to T2S. There are however some standards where issues around implementation are further analysed and discussed in the German market. In the end no implementation is only foreseen regarding standard 7b as there is no need for a cum-flag.			

2015 - T2S Corporate Actions Standards Gap Analysis: GERMANY

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan

2015 - T2S Corporate Actions Standards Gap Analysis: Denmark

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	1	For a given transaction, a market claim should be detected by the two Instruction Owners CSDs (IOCs), or the CCP(s) where applicable, of the two counterparties in the transaction.	NOT IMPLEMENTED	Straightforward to implement.	Data is available.	Part of the VP adaptation to T2S. VP will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP.
Market Claims	2	The mechanism to detect market claims is at the discretion, and is the responsibility, of the IOCs and the CCPs of the counterparties.	NOT IMPLEMENTED	Straightforward to implement.	Data is available.	Part of the VP adaptation to T2S. VP will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP.
Market Claims	3	Maximum time period for claim detection: 20 T2S opening days from record date.	NOT IMPLEMENTED	Straightforward to implement.	Data is available.	Part of the VP adaptation to T2S. VP will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP.
Market Claims	4	Market claims should be detected after the close of business on record date and during the rest of the claims detection period.	NOT IMPLEMENTED	Straightforward to implement.		Part of the VP adaptation to T2S. VP will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: Denmark				
Market Claims	5	After record date, the market claim detection mechanism should operate at a minimum once a day after the end of standard T2S daytime settlement processing ("End of Day" in T2S URD) and prior to the start of the next settlement day ("Start of Day" in T2S URD).	NOT IMPLEMENTED	Straightforward to implement.		Part of the VP adaptation to T2S. VP will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP.
Market Claims	6	As a general principle, market claims should be detected for all transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to indicate that no claim at all should be raised on a given transaction.	NOT IMPLEMENTED	Straightforward to implement.		Part of the VP adaptation to T2S. VP will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP.
Market Claims	7	Counterparties in the underlying transaction may choose to include the ex/cum indicator only if they want to deviate from the standard market claim procedure, as described in the CAJWG standards.	NOT IMPLEMENTED	Straightforward to implement.		Part of the VP adaptation to T2S. VP will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP.
Market Claims	8	As per CAJWG standards, market claims should be detected only for matched instructions (i.e. irrevocable transactions).	NOT IMPLEMENTED	Straightforward to implement.		Part of the VP adaptation to T2S. VP will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: Denmark				
Market Claims	9	Market claims should be generated only by the two IOCs (or the CCPs) of the two parties to the transaction. IOCs and CCPs should also generate market claims on behalf of their clients who have access to direct technical connectivity to T2S. Those clients should not generate market claims in T2S.	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP adaptation to T2S. VP will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: Denmark				
Market Claims	**10**	For each outturn (result of CA entitlement), there should be the generation of a separate market claim instruction. Types of market claim instructions: (i) FOP transfer of securities (receipt and delivery) (ii) Payment free of delivery (PFOD) transfer of cash; The payment currency of the (cash) market claim should be the same as the currency of the original corporate action. The currency of the original corporate action is defined by the issuer of the underlying security. In case the currency of the corporate action payment is not a T2S Settlement Currency, then the counterparties in the underlying transaction should decide between them how to settle the cash entitlement outside T2S.	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP adaptation to T2S. VP will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: Denmark				
Market Claims	11	When the generation of a market claim instruction results in outturn securities fractions, the number of outturn securities in the market claim instruction should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for remaining securities fractions, then no further action is required by IOC b) In case the issuer compensates investors for remaining securities fractions with cash, an additional PFOD transaction should be generated by IOC transferring cash to the beneficial owner.	NOT IMPLEMENTED	Straightforward to implement.		Part of the VP adaptation to T2S. VP will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP.
Market Claims	12	In order to be able identify market claims, a specific ISO transaction type code "CLAI" should be used in the settlement instructions.	NOT IMPLEMENTED	Straightforward to implement.		Part of the VP adaptation to T2S. VP will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: **Denmark**			
Market Claims	13	For any individual ISIN, or any individual category of securities, all CSDs/CCPs that accept such securities should use the same rules to generate market claims. The rules, or terms, are defined by the issuer for each corporate action event. The issuer should pass them onto the issuer CSD and made available by the issuer CSD to all of its clients, including the Investor CSDs.	**NOT IMPLEMENTED**	Straightforward to implement.	Straightforward to implement in case the issuer CSD complies to the harmonised standards, if not it may potentially involve major technical changes.	Part of the VP adaptation to T2S. VP will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: **Denmark**						
Market Claims	14	For the settlement of market claim itself (as settled in T2S), the tax statuses of the receiving/delivering accounts should have no direct effect on the amount of cash/securities to be transferred. For a specific ISIN and a specific event, the amount of cash/securities to be transferred should be dependent solely on the number of securities in the underlying transaction. This means that for a specific ISIN and a specific event, the rate of the market claim should always be the same, and should be fixed by the issuer CSD. (*The claim could be an indemnity at, for example, 100% of the gross dividend, or could be a gross or net dividend amount). Subsequent, or in parallel, to the market claim, a withholding agent could process tax adjustments.*	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP adaptation to T2S. VP will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP.
Market Claims	15	The CSDs/CCPs generating the market claim will identify which T2S dedicated cash accounts should be used.	**IMPLEMENTED**	N/A.		Implemented as part of the ongoing VP adaptation to T2S.
Market Claims	16	Matching is required for all market claims settlement instructions.	**IMPLEMENTED**	N/A.		Implemented as part of the ongoing VP adaptation to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: Denmark				
Market Claims	17	Each CSD/CCP will include in the market claim settlement instruction sent to T2S appropriate references so that its participant can identify and process the claim satisfactorily.	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP adaptation to T2S. VP will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP.
Market Claims	18	The market claim should be instructed in T2S by using as trade date of the claim, the same date as the trade date of the underlying transaction. The settlement date of the market claim should be the payment date of the transaction. The settlement date of the market claim should be the payment date of the underlying corporate action.	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP adaptation to T2S. VP will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP.
Market Claims	19	The market claim transaction should be instructed with the same status (i.e. either 'on hold' or 'released') as the underlying transaction.	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP adaptation to T2S. VP will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP.
Market Claims	20	The standard T2S rules for who can amend settlement instructions should apply.	**IMPLEMENTED**	N/A.		Implemented as part of the ongoing VP adaptation to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: Denmark				
Market Claims	21	The standard T2S rules for amending settlement instructions should apply.	IMPLEMENTED	N/A.		Implemented as part of the ongoing VP adaptation to T2S.
Market Claims	22	The standard T2S rules for cancelling settlement instructions should apply.	IMPLEMENTED	N/A.		Implemented as part of the ongoing VP adaptation to T2S.
Market Claims	23	In line with the CAJWG standards, the settlement of a market claim should be independent from the settlement of the respective underlying transaction. However, market infrastructures should provide to their participants a user friendly facility which gives them the option to ensure that the market claim is not settled prior to the settlement of the underlying transaction.	NOT IMPLEMENTED	Straightforward to implement.		Part of the VP adaptation to T2S. VP will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP.
Market Claims	24	In line with standard T2S settlement conditions will include: (i) payment date has been reached, (ii) resources (cash and/or securities are available.	NOT IMPLEMENTED	Straightforward to implement.		Part of the VP adaptation to T2S. VP will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	25	There should be no partial settlement for market claims in cash. Partial settlement should be limited to market claims in securities and take into account the standard T2S rules for partial settlement. Partial settlement indicator of the market claim should replicate the one of the underlying transaction.	NOT IMPLEMENTED	Straightforward to implement.		Part of the VP adaptation to T2S. VP will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP.
Market Claims	26	The standard T2S rules for the recycling period should apply.	IMPLEMENTED	N/A.		Implemented as part of the ongoing VP adaptation to T2S.
Market Claims	27	Each CSD/CCP generating a market claim will report to its own participant.	NOT IMPLEMENTED	Straightforward to implement.		Part of the VP adaptation to T2S. VP will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP.
Market Claims	28	T2S will provide its standard pending/settled transaction reporting. A CSD/CCP may provide additional reporting to its participant.	NOT IMPLEMENTED	Straightforward to implement.		Part of the VP adaptation to T2S. VP will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP.

2015 - T2S Corporate Actions Standards Gap Analysis: Denmark

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: Denmark						
Transformations	**1**	**At the CCP level:** When agreed with the Instruction Owner CSDs (IOCs) the CCP itself can manage the transformation for CCP transactions via a Power Of Attorney (POA) on the participants' accounts by use of the T2S cancellation and replacement mechanisms. **At the CSD level (both CSDs of the buyer and the seller are connected to T2S):** The IOCs will manage the transformation: (i) When the underlying transaction impacts two accounts in the same IOC. The cancellation and replacement will be managed and instructed in T2S by the IOC itself; (ii) In a cross-CSD transaction, each IOC has to cancel the instruction (bilateral cancellation process in T2S) and to send to T2S the new transformed instruction for matching. **When the transaction is cross-border (one CSD is in T2S and the other is outside T2S):** The T2S connected IOCs/CCP will manage the transformation. CSDs which are not connected to T2S cannot instruct T2S.	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP adaptation to T2S. VP will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP.
Transformations	**2**	The transformation process shall take place by end of record date or market deadline and during the rest of the transformation detection period (i.e. 20 T2S opening days after the record date/market deadline).	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP adaptation to T2S. VP will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: Denmark				
Transformations	3	As a general principle, transformations will be applicable to all eligible transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to deviate from the standard transformation procedures.	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP adaptation to T2S. VP will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP.
Transformations	4	IOCs/CCPs managing the transformation will use the ISO20022 format as specified in the T2S URD. IOCs/CCPs will include in the transformation settlement instructions the appropriate references so that their own participants can identify and process the transformation satisfactorily in their own books. The minimum references required include: T2S reference of the underlying transaction, the "TRAN" ISO settlement transaction condition code, and CSD corporate action event reference. From a T2S system specification perspective, these references are only for information purposes (for CSDs/CCPs participants) as these references do not trigger any specific functionality in T2S (other than standard settlement processing).	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP adaptation to T2S. VP will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP.

			2015 - T2S Corporate Actions Standards Gap Analysis: **Denmark**			
Type of Events	**Std No.**	**Standard Description**	**CSD/Market Status**	**Type of Implementation Gap**	**Further Comments**	**Implementation Plan**
Transformations	5	CSD/CCP may match locally the new instructions related to the transformation and send them to T2S as already matched for settlement or send them as separate instructions for matching in T2S.	**IMPLEMENTED**	N/A.		Implemented as part of the ongoing VP adaptation to T2S.
Transformations	6	Both IOCs/CCPs should send new instructions to T2S, for matching purposes.	**IMPLEMENTED**	N/A.		Implemented as part of the ongoing VP adaptation to T2S.
Transformations	7	The earliest settlement date (SD) of the new transaction(s) should be the latest between the payment date (PD) of the entitlement and the SD of the underlying transaction.	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP adaptation to T2S. VP will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP.
Transformations	8	The transformed instructions should retain the same characteristics (trade date, cash consideration) as those of the underlying instruction with the possible exception of the three following fields in respect with the terms of the reorganisation: (i) The quantity of securities; (ii) The ISIN; (iii) The settlement date (SD).	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP adaptation to T2S. VP will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: Denmark				
Transformations	**9**	The settlement amount of the transformed (new) instructions should be proportional to the ratio of each outturn securities. In case of multiple outturns (i.e. multiple new ISINs being generated by the transformation process), the new instructions should not be settled as linked settlement in T2S. The transformed instructions should retain the same characteristics (trade date) as those of the underlying transaction with the possible exception of the four following fields in respect with the terms of the reorganisation: • **The quantity of securities** • **The cash consideration should be allocated to the transformed transactions according to the rates provided by the issuer** • **The ISIN** • **The settlement date (SD)**	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP adaptation to T2S. VP will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: Denmark				
Transformations	**10**	The cash transfer(s) settlement instructions should retain the same characteristics as those of the underlying transaction. If the instruction of the underlying transaction was against payment, two new instructions, in opposite directions, will be created; one for the settlement amount and one for the cash outturn. The transfers should not be linked. If the instruction of the underlying transaction was free of payment, only one transfer, for the cash outturn, will be created.	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP adaptation to T2S. VP will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: Denmark				
Transformations	11	When the transformation results in outturn securities fractions, the number of securities should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for the remaining securities fractions, then no further action is required by the IOCs b) In case the issuer compensates investors for remaining securities fractions with cash, then an additional PFOD transaction should be generated by the IOCs	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP adaptation to T2S. VP will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP.
Transformations	12	The transformed transaction should be instructed with the same status as the underlying transaction.	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP adaptation to T2S. VP will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	13	The new transformed transaction should ensure that the following indicators are correctly replicated: (i) Partialling indicator of the original transaction instruction; (ii) Ex/cum indicator; (iii) Opt-out indicator related to the market claim creation.	NOT IMPLEMENTED	Straightforward to implement.		Part of the VP adaptation to T2S. VP will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP.
Buyer Protection	1	For a given transaction and prior to the BP deadline, the BP requirement will be invoked by the buyer (the buyer will issue BP instructions to the seller).	NOT IMPLEMENTED	Market practice change.		Based on a common decision by the Danish market participants, a compliant manual BP handling will be implemented at the same time as the VP automated CA on flow solution, i.e. by the migration in September 2016.
Buyer Protection	2	When a BP requirement is not invoked by the buyer, then the market default rules for elections should apply.	NOT IMPLEMENTED	Straightforward to implement.		Based on a common decision by the Danish market participants, a compliant manual BP handling will be implemented at the same time as the VP automated CA on flow solution, i.e. by the migration in September 2016.
Buyer Protection	3	The buyer will be tracking open transactions to which he is entitled to elect and will decide whether or not he wants to invoke a BP.	NOT IMPLEMENTED	Market practice change.		Based on a common decision by the Danish market participants, a compliant manual BP handling will be implemented at the same time as the VP automated CA on flow solution, i.e. by the migration in September 2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: Denmark				
Buyer Protection	4	As per scope in the introduction, all transactions still pending on BP deadline in securities which are subject to a corporate action and a BP regime in the CSD of Issuance can be subject to a BP mechanism.	**NOT IMPLEMENTED**	Market practice change.		Based on a common decision by the Danish market participants, a compliant manual BP handling will be implemented at the same time as the VP automated CA on flow solution, i.e. by the migration in September 2016.
Buyer Protection	5	No matching is required in the CSDs' systems. However it is recommended that the seller acknowledges to the buyer, the receipt of the BP instruction.	**NOT IMPLEMENTED**	Market practice change.		Based on a common decision by the Danish market participants, a compliant manual BP handling will be implemented at the same time as the VP automated CA on flow solution, i.e. by the migration in September 2016.
Buyer Protection	6	The buyer should include in BP instructions, references to the underlying CA and the underlying transaction to which the CA applies (securities trade or other)	**NOT IMPLEMENTED**	Market practice change.		Based on a common decision by the Danish market participants, a compliant manual BP handling will be implemented at the same time as the VP automated CA on flow solution, i.e. by the migration in September 2016.
Buyer Protection	7	Whether late BP instructions should be accepted should be established on the basis of bilateral agreement between the buyer and the seller, or the CSD/CCP rules – where and when CSDs/CCPs are offering such BP processing services.	**NOT IMPLEMENTED**	Market practice change.		Based on a common decision by the Danish market participants, a compliant manual BP handling will be implemented at the same time as the VP automated CA on flow solution, i.e. by the migration in September 2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: Denmark				
Buyer Protection	8	It is recommended that the ISO20022 standards are referred to as the basis for such BP instructions.	**NOT IMPLEMENTED**	Market practice change.		Based on a common decision by the Danish market participants, a compliant manual BP handling will be implemented at the same time as the VP automated CA on flow solution, i.e. by the migration in September 2016.
Buyer Protection	9	BP deadlines for Automated BP mechanism. For trade date T (which is the guaranteed participation date/last trade date of the underlying CA), the BP deadline should be on T+n (where n = settlement cycle) and the market deadline on T+n+1 day Taking as working assumption a T+3 settlement cycle: • business day 1 = T; • business day 4 = T+3: buyer protection deadline; • business day 5 = T+4 market deadline BP deadlines for Manual BP mechanism For BP instructions from actors other than CCPs, the BP deadline is T+n. For BP instructions from CCPs the BP deadline is T+n+1 hour	**NOT IMPLEMENTED**	Market practice change.		Based on a common decision by the Danish market participants, a compliant manual BP handling will be implemented at the same time as the VP automated CA on flow solution, i.e. by the migration in September 2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: Denmark						
Buyer Protection	10	The BP deadline should be identical across all (I) CSDs in T2S for all securities.	**NOT IMPLEMENTED**	Market practice change.		Based on a common decision by the Danish market participants, a compliant manual BP handling will be implemented at the same time as the VP automated CA on flow solution, i.e. by the migration in September 2016.
Buyer Protection	11	The BP instruction itself can only be amended by the buyer, before the BP deadline.	**NOT IMPLEMENTED**	Market practice change.		Based on a common decision by the Danish market participants, a compliant manual BP handling will be implemented at the same time as the VP automated CA on flow solution, i.e. by the migration in September 2016.
Buyer Protection	12	Only the BP election (i.e. corporate action option) can be amended in the BP instruction.	**NOT IMPLEMENTED**	Market practice change.		Based on a common decision by the Danish market participants, a compliant manual BP handling will be implemented at the same time as the VP automated CA on flow solution, i.e. by the migration in September 2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: Denmark			
Buyer Protection	13	If the underlying transaction can be settled prior to the BP deadline, it should settle and the BP instruction should be cancelled by the Instruction Owner CSD (IOC) if the IOC offers such a BP service. When BP is handled bilaterally, the BP is void.	**NOT IMPLEMENTED**	Market practice change.		Based on a common decision by the Danish market participants, a compliant manual BP handling will be implemented at the same time as the VP automated CA on flow solution, i.e. by the migration in September 2016.

2015 - T2S Corporate Actions Standards Gap Analysis: **Denmark**						
Type of Events	**Std No.**	**Standard Description**	**CSD/Market Status**	**Type of Implementation Gap**	**Further Comments**	**Implementation Plan**
Buyer Protection	14	Process for pending transactions on BP deadline: **In case of Automated BP mechanism** Transactions attached with a valid BP that are still pending at the BP deadline should be frozen (put on hold) by the IOCs until their transformation on market deadline/record date. The Transformation of the underlying transaction should be carried out by the IOCs, in accordance with the BP instruction, at the Market Deadline / Record Date of the voluntary reorganisation. **In case of Manual BP mechanism** If the CSD does not provide an automated BP service, then buyer and seller shall cancel the underlying transaction and re-instruct, in accordance with the BP instruction, at the market deadline / record date of the voluntary reorganisation.	**NOT IMPLEMENTED**	Market practice change.		Based on a common decision by the Danish market participants, a compliant manual BP handling will be implemented at the same time as the VP automated CA on flow solution, i.e. by the migration in September 2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	15	Conditions for settlement of protected entitlement In case of Automated BP mechanism The IOC will set on hold (freeze) and transform in T2S the underlying transaction based on BP instruction it receives (from the buyer). In case of Manual BP mechanism The buyer and seller shall amend the underlying transaction (as per current practice: cancel and re-instruct).	NOT IMPLEMENTED	Market practice change.		Based on a common decision by the Danish market participants, a compliant manual BP handling will be implemented at the same time as the VP automated CA on flow solution, i.e. by the migration in September 2016.
Buyer Protection	16	If a buyer wants to make a partial election, they would need to split the original transaction into the shapes they require.	NOT IMPLEMENTED	Market practice change.		Based on a common decision by the Danish market participants, a compliant manual BP handling will be implemented at the same time as the VP automated CA on flow solution, i.e. by the migration in September 2016.
Buyer Protection	17	The Settlement Date (SD) of the protected entitlements should be the payment date of the underlying CA.	NOT IMPLEMENTED	Market practice change.		Based on a common decision by the Danish market participants, a compliant manual BP handling will be implemented at the same time as the VP automated CA on flow solution, i.e. by the migration in September 2016.

2015 - T2S Corporate Actions Standards Gap Analysis: Denmark

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	18	Settlement of BP instructions should take place as specified in the T2S transformations standards.	**NOT IMPLEMENTED**	Market practice change.		Based on a common decision by the Danish market participants, a compliant manual BP handling will be implemented at the same time as the VP automated CA on flow solution, i.e. by the migration in September 2016.

2015 - T2S Corporate Actions Standards Gap Analysis: **Denmark**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: ESTONIA	
Market Claims		For a given transaction, a market claim should be detected by the two Instruction Owners CSDs (IOCs), or the CCP(s) where applicable, of the two counterparties in the transaction.	Implemented	N/A	The information necessary for the detection of market claims is available in the CSD system and is used for detection by the CSD.	
Market Claims	2	The mechanism to detect market claims is at the discretion, and is the responsibility, of the IOCs and the CCPs of the counterparties.	Implemented	N/A	A query to the CA database combined with the query to the pending transactions database to identify transactions that meet the date criteria for claim generation is used to implement the functionality.	
Market Claims	3	Maximum time period for claim detection: 20 T2S opening days from record date.	Implemented	N/A	As the occurrence of market claims is very rare in the market, it was decided to omit the 20 days detection period for the time being in order to detect the maximum amount of possible claims. The 20 days detection period can be included in the query any time.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: ESTONIA			
Market Claims	4	Market claims should be detected after the close of business on record date and during the rest of the claims detection period.	Implemented	N/A	The detection of market claims after the close of business on record date and during the rest of the claims detection period has been implemented. Please refer also to standard 3 above.	
Market Claims	5	After record date, the market claim detection mechanism should operate at a minimum once a day after the end of standard T2S daytime settlement processing ("End of Day" in T2S URD) and prior to the start of the next settlement day ("Start of Day" in T2S URD).	Implemented	N/A	The detection functionality is available continuously. Thus the requirement to detect claims at least once a day is met.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	6	**As a general principle, market claims should be detected for all transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to indicate that no claim at all should be raised on a given transaction.**	Not Implemented	Market Practice Change	Market claims are detected for all transactions. The implementation of the opt-out indicator requires technical changes in the system, as well as change of market practice and change of the CSD rules. Thus it was decided to implement the functionality as step 2 together with the implementation of the settlement functionality of claims.	Decision has been taken to implement the new functionalities related to the processing of corporate actions on flows in two steps - first the detection mechanism and later the generation and settlement of the relevant instructions (proceeds). Detection functionality of market claims was made available in the test system by Q1 2013; the functionality was tested with the involvement of market participants and launched in the live system on 05.04.2013. Opt-out indicator will be implemented in the new CSD system together with the settlement functionality of claims. Implementation time in the test system: Q3 2015 start

2015 - T2S Corporate Actions Standards Gap Analysis: **ESTONIA**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: ESTONIA			
Market Claims	7	**Counterparties in the underlying transaction may choose to include the ex/cum indicator only if they want to deviate from the standard market claim procedure, as described in the CAJWG standards.**	Not Implemented	Market Practice Change	The implementation of the ex/cum indicator requires technical changes in the system, as well as change of market practice and change of the CSD rules. Thus it was decided to implement the functionality as step 2 together with the implementation of the settlement functionality of claims.	Ex/cum indicator will be implemented in the new CSD system together with the settlement functionality of claims. Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S. Amendments to the CSD rules to take effect by the migration to T2S Q1 2017.
Market Claims	8	**As per CAJWG standards, market claims should be detected only for matched instructions (i.e. irrevocable transactions).**	Implemented	N/A	The detection of market claims for matched transactions only has been implemented.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: ESTONIA				
Market Claims	9	**Market claims should be generated only by the two IOCs (or the CCPs) of the two parties to the transaction. IOCs and CCPs should also generate market claims on behalf of their clients who have access to direct technical connectivity to T2S. Those clients should not generate market claims in T2S.**	Not Implemented	Market Practice Change	Market claims generation by the CSD to be implemented, requiring a technical and market practice change. Change of the CSD rules is also required.	Generation of market claims to be implemented in the second phase of developments. Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S. Amendments to the CSD rules to take effect by the migration to T2S Q1 2017.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: ESTONIA				
Market Claims	10	**For each outturn (result of CA entitlement), there should be the generation of a separate market claim instruction. Types of market claim instructions:** **(i) FOP transfer of securities (receipt and delivery)** **(ii) Payment free of delivery (PFOD) transfer of cash;** **The payment currency of the (cash) market claim should be the same as the currency of the original corporate action. The currency of the original corporate action is defined by the issuer of the underlying security.** **In case the currency of the corporate action payment is not a T2S Settlement Currency, then the counterparties in the underlying transaction should decide between them how to settle the cash entitlement outside T2S.**	Not Implemented	Market Practice Change	The prescribed types of market claim instructions to be implemented. Change of CSD rules is necessary.	Generation of market claims to be implemented in the second phase of developments. Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S. Amendments to the CSD rules to take effect by the migration to T2S Q1 2017.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: ESTONIA	
Market Claims	11	**When the generation of a market claim instruction results in outturn securities fractions, the number of outturn securities in the market claim instruction should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for remaining securities fractions, then no further action is required by IOC** **b) In case the issuer compensates investors for remaining securities fractions with cash, an additional PFOD transaction should be generated by IOC transferring cash to the beneficial owner.**	Not Implemented	Market Practice Change	According to the current market practice the Issuer decides how to handle fractions. A requirement to apply the rounding down principle to the number of outturn securities fractions will be added to the new rules of the CSD effective after migration to T2S. The compensation handling mechanism is straightforward to implement.	Generation of market claims to be implemented in the second phase of developments. Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S. Amendments to the CSD rules to take effect by the migration to T2S Q1 2017.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: **ESTONIA**				
Market Claims	12	In order to be able identify market claims, a specific ISO transaction type code "CLAI" should be used in the settlement instructions.	Not Implemented	Straightforward to Implement	A specific ISO transaction type code "CLAI" to be used in the settlement instructions in order to identify market claims, requiring technical change.	Generation of market claims to be implemented in the second phase of developments. Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
				2015 - T2S Corporate Actions Standards Gap Analysis: ESTONIA		
Market Claims	13	For any individual ISIN, or any individual category of securities, all CSDs/CCPs that accept such securities should use the same rules to generate market claims. The rules, or terms, are defined by the issuer for each corporate action event. The issuer should pass them onto the issuer CSD and made available by the issuer CSD to all of its clients, including the Investor CSDs.	Implemented	N/A	Implementation of the calculation of the entitled proceeds based on the terms of the CA event. The CA notification procedure (Issuer->Issuer CSD->clients including Investor CSDs) is already followed as market practice.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: ESTONIA	
Market Claims	14	For the settlement of market claim itself (as settled in T2S), the tax statuses of the receiving/delivering accounts should have no direct effect on the amount of cash/securities to be transferred. For a specific ISIN and a specific event, the amount of cash/securities to be transferred should be dependent solely on the number of securities in the underlying transaction. This means that for a specific ISIN and a specific event, the rate of the market claim should always be the same, and should be fixed by the issuer CSD. (*The claim could be an indemnity at, for example, 100% of the gross dividend, or could be a gross or net dividend amount). Subsequent, or in parallel, to the market claim, a withholding agent could process tax adjustments.*	Implemented	N/A	As the CSD offers taxation services (withholding tax at source and quick refund) and performs as withholding agent upon request of Issuer, the tax adjustments can be processed in parallel to the market claim processing. According to the present legislation tax has to be declared to the Tax Board by the 10th date of the calendar month following the period of taxation regarding the benefits granted during the calendar month. This buffer allows the processing of tax adjustments before the declaration to the Tax Board; according to the present understanding rare cases may occur when there is a need to reclaim tax from the Tax Board; in such cases the currently available procedures are to be followed and there is no need to make changes to the current procedures or regulations.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: ESTONIA	
Market Claims	15	The CSDs/CCPs generating the market claim will identify which T2S dedicated cash accounts should be used.	Implemented	N/A	The CSD shall identify the T2S dedicated cash accounts to be used for the market claims processing. Similar process is currently in use for the identification of Participants' cash accounts for settlement proceeds.	
Market Claims	16	Matching is required for all market claims settlement instructions.	Not Implemented	Straightforward to Implement	The matching functionality of market claims to be implemented.	Generation of market claims to be implemented in the second phase of developments. Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	17	**Each CSD/CCP will include in the market claim settlement instruction sent to T2S appropriate references so that its participant can identify and process the claim satisfactorily.**	Not Implemented	Straightforward to Implement	Appropriate references for the market claim instruction to be negotiated with the Participants of the CSD.	Generation of market claims to be implemented in the second phase of developments. Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.

2015 - T2S Corporate Actions Standards Gap Analysis: ESTONIA

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: ESTONIA						
Market Claims	18	**The market claim should be instructed in T2S by using as trade date of the claim, the same date as the trade date of the underlying transaction. The settlement date of the market claim should be the payment date of the transaction. The settlement date of the market claim should be the payment date of the underlying corporate action.**	Not Implemented	Straightforward to Implement	The trade date of the claim to be set the same as the trade date of the underlying transaction. The settlement date of the claim to be set the same as the payment date of the underlying corporate action.	Generation of market claims to be implemented in the second phase of developments. Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: **ESTONIA**				
Market Claims	19	**The market claim transaction should be instructed with the same status (i.e. either 'on hold' or 'released') as the underlying transaction.**	Not Implemented	Straightforward to Implement	Market claim transaction to be instructed with the same status as the underlying transaction. The hold/release mechanism is already available in the CSD system.	Generation of market claims to be implemented in the second phase of developments. Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: ESTONIA			
Market Claims	20	**The standard T2S rules for who can amend settlement instructions should apply.**	Not Implemented	Straightforward to Implement	Standard T2S rules for amending settlement instructions to be applied in the context of market claims amending rules.	Generation of market claims to be implemented in the second phase of developments. Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: ESTONIA						
Market Claims	21	**The standard T2S rules for amending settlement instructions should apply.**	Not Implemented	Straightforward to Implement	Standard T2S rules for amending settlement instructions to be applied in the context of market claims amending rules.	Generation of market claims to be implemented in the second phase of developments. Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan

2015 - T2S Corporate Actions Standards Gap Analysis: ESTONIA

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	22	The standard T2S rules for cancelling settlement instructions should apply.	Not Implemented	Straightforward to Implement	Standard T2S rules for cancelling settlement instructions to be applied in the context of market claims cancellation.	Generation of market claims to be implemented in the second phase of developments. Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: **ESTONIA**			
Market Claims	23	**In line with the CAJWG standards, the settlement of a market claim should be independent from the settlement of the respective underlying transaction. However, market infrastructures should provide to their participants a user friendly facility which gives them the option to ensure that the market claim is not settled prior to the settlement of the underlying transaction.**	Not Implemented	Straightforward to Implement	A market claim to be treated independently from the settlement of the respective underlying transaction. The CSD system provides a user friendly facility for management of transfers.	Generation of market claims to be implemented in the second phase of developments. Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: ESTONIA						
Market Claims	**24**	**In line with standard T2S settlement conditions will include: (i) payment date has been reached, (ii) resources (cash and/or securities are available.**	Not Implemented	Straightforward to Implement	The T2S settlement conditions to be applied.	Generation of market claims to be implemented in the second phase of developments. Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
**2015 - T2S Corporate Actions Standards Gap Analysis: ESTONIA**						
Market Claims	25	**There should be no partial settlement for market claims in cash. Partial settlement should be limited to market claims in securities and take into account the standard T2S rules for partial settlement. Partial settlement indicator of the market claim should replicate the one of the underlying transaction.**	Not Implemented	Straightforward to Implement	Currently no partial settlement is practiced in the market, thus requiring market practice change and technical changes in the system, as well as change of the CSD rules.	Generation of market claims to be implemented in the second phase of developments. Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S. Amendments to the CSD rules to take effect by the migration to T2S Q1 2017.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: ESTONIA			
Market Claims	26	**The standard T2S rules for the recycling period should apply.**	Implemented	N/A	Currently unmatched settlement instructions are purged after 20 days from the intended settlement date or the last status change; matched instructions are retained in the system until settled or cancelled by counterparties to the trade. Thus only minor adjustments (application of T2S calendar) are needed in the context of T2S.	
Market Claims	27	**Each CSD/CCP generating a market claim will report to its own participant.**	Implemented	N/A	Reports are available in user-to-application mode as well as in application-to-application mode; message types and XML structures comply with the ISO20022 standard. The same reporting principles will be followed in the context of T2S.	
Market Claims	28	**T2S will provide its standard pending/settled transaction reporting. A CSD/CCP may provide additional reporting to its participant.**	Implemented	N/A	The standard pending/settled transaction reporting will be provided. Please see also comment above (standard 27).	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: ESTONIA				
Transformations	1	**At the CCP level: When agreed with the Instruction Owner CSDs (IOCs) the CCP itself can manage the transformation for CCP transactions via a Power Of Attorney (POA) on the participants' accounts by use of the T2S cancellation and replacement mechanisms.** **At the CSD level (both CSDs of the buyer and the seller are connected to T2S): The IOCs will manage the transformation: (i) When the underlying transaction impacts two accounts in the same IOC. The cancellation and replacement will be managed and instructed in T2S by the IOC itself; (ii) In a cross-CSD transaction, each IOC has to cancel the instruction (bilateral cancellation process in T2S) and to send to T2S the new transformed instruction for matching.** **When the transaction is cross-border (one CSD is in T2S and the other is**	Implemented	N/A	The detection of transactions subject to transformations was implemented together with the implementation of the market claims detection.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: ESTONIA	
Transformations	2	**The transformation process shall take place by end of record date or market deadline and during the rest of the transformation detection period (i.e. 20 T2S opening days after the record date/market deadline).**	Implemented	N/A	As the occurrence of transformations is very rare in the market, it was decided to omit the 20 days detection period for the time being in order to detect the maximum amount of possible transformations. The 20 days detection period can be included in the query any time.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	3	**As a general principle, transformations will be applicable to all eligible transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to deviate from the standard transformation procedures.**	Not Implemented	Straightforward to Implement	Transformations are applicable for all transactions. The implementation of the opt-out indicator requires technical changes in the system, as well as change of market practice and change of the CSD rules. Thus it was decided to implement the functionality as step 2 together with the implementation of the processing functionality of transformations.	Detection functionality of transformations was made available in the test system by Q1 2013; the functionality was tested with the involvement of market participants and launched in the live system on 05.04.2013.

The processing of transformations according to the T2S standards will be implemented in the second phase of developments and introduced to the new CSD system.

Implementation time in the test system: Q3 2015   start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched |

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	**4**	**IOCs/CCPs managing the transformation will use the ISO20022 format as specified in the T2S URD. IOCs/CCPs will include in the transformation settlement instructions the appropriate references so that their own participants can identify and process the transformation satisfactorily in their own books. The minimum references required include: T2S reference of the underlying transaction, the "TRAN" ISO settlement transaction condition code, and CSD corporate action event reference. From a T2S system specification perspective, these references are only for information purposes (for CSDs/CCPs participants) as these references do not trigger any specific functionality in T2S (other than standard settlement**	Not Implemented	Straightforward to Implement	Relevant ISO20022 format for managing the transformation, the ISO transaction type code "TRAN" and appropriate references to be implemented. ISO20022 format messaging has already been implemented in the market since 2011.	Processing of transformations to be implemented in the second phase of developments. Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: ESTONIA			
Transform ations	5	**CSD/CCP may match locally the new instructions related to the transformation and send them to T2S as already matched for settlement or send them as separate instructions for matching in T2S.**	Not Implemented	Straightforward to Implement	T2S matching rules to be followed for handling transformation instructions matching.	Processing of transformations to be implemented in the second phase of developments. Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: ESTONIA	
Transformations	6	**Both IOCs/CCPs should send new instructions to T2S, for matching purposes.**	Not Implemented	Straightforward to Implement	T2S matching rules to be followed for handling transformation instructions matching.	Processing of transformations to be implemented in the second phase of developments. Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transform ations	**7**	**The earliest settlement date (SD) of the new transaction(s) should be the latest between the payment date (PD) of the entitlement and the SD of the underlying transaction.**	Not Implemented	Straightforward to Implement	The settlement date of the new transformed instructions to be defined according to the proposed T2S principles.	Processing of transformations to be implemented in the second phase of developments. Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.

2015 - T2S Corporate Actions Standards Gap Analysis: ESTONIA

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: ESTONIA			
Transform ations	8	**The transformed instructions should retain the same characteristics (trade date, cash consideration) as those of the underlying instruction with the possible exception of the three following fields in respect with the terms of the reorganisation: (i) The quantity of securities; (ii) The ISIN; (iii) The settlement date (SD).**	Not Implemented	Straightforward to Implement	Transformation into new security with a single outturn to be implemented according to the proposed T2S rules.	Processing of transformations to be implemented in the second phase of developments. Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
				2015 - T2S Corporate Actions Standards Gap Analysis: **ESTONIA**		
Transformations	9	**The settlement amount of the transformed (new) instructions should be proportional to the ratio of each outturn securities.** **In case of multiple outturns (i.e. multiple new ISINs being generated by the transformation process), the new instructions should not be settled as linked settlement in T2S.** **The transformed instructions should retain the same characteristics (trade date) as those of the underlying transaction with the possible exception of the four following fields in respect with the terms of the reorganisation:** **• The quantity of securities** **• The cash consideration should be allocated to the transformed transactions according to the rates provided by the issuer** **• The ISIN** **• The settlement date (SD)**	Not Implemented	Straightforward to Implement	Transformation into two or more new securities to be implemented according to the proposed T2S rules.	Processing of transformations to be implemented in the second phase of developments. Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: ESTONIA			
Transform ations	**10**	The cash transfer(s) settlement instructions should retain the same characteristics as those of the underlying transaction. If the instruction of the underlying transaction was against payment, two new instructions, in opposite directions, will be created; one for the settlement amount and one for the cash outturn. The transfers should not be linked. If the instruction of the underlying transaction was free of payment, only one transfer, for the cash outturn, will be created.	Not Implemented	Straightforward to Implement	Transformation into cash to be implemented according to the proposed T2S rules.	Processing of transformations to be implemented in the second phase of developments. Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: ESTONIA				
Transformations	**11**	**When the transformation results in outturn securities fractions, the number of securities should be rounded down to the nearest whole number. Furthermore:** **a) In case the issuer does not compensate investors for the remaining securities fractions, then no further action is required by the IOCs** **b) In case the issuer compensates investors for remaining securities fractions with cash, then an additional PFOD transaction should be generated by the IOCs**	Not Implemented	Market Practice Change	According to the current market practice the Issuer decides how to handle fractions. A requirement to apply the rounding down principle to the number of outturn securities fractions will be added to the new rules of the CSD effective from the migration to T2S. The compensation handling mechanism is straightforward to implement.	Processing of transformations to be implemented in the second phase of developments. Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S. Amendments to the CSD rules to take effect by the migration to T2S Q1 2017.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: ESTONIA			
Transformations	12	**The transformed transaction should be instructed with the same status as the underlying transaction.**	Not Implemented	Straightforward to Implement	The instructing of the transformed transaction with the same status as the underlying transaction to be implemented.	Processing of transformations to be implemented in the second phase of developments. Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: ESTONIA				
Transform ations	13	**The new transformed transaction should ensure that the following indicators are correctly replicated: (i) Partialling indicator of the original transaction instruction; (ii) Ex/cum indicator; (iii) Opt-out indicator related to the market claim creation.**	Not Implemented	Straightforward to Implement	In order to replicate the indicators (partialling, ex/cum, opt-out) of the underlying transaction in the new outturn transaction(s), the relevant fields need to be implemented in the system thus requiring technical changes to the system.	Processing of transformations to be implemented in the second phase of developments. Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: ESTONIA			
Buyer Protection	1	**For a given transaction and prior to the BP deadline, the BP requirement will be invoked by the buyer (the buyer will issue BP instructions to the seller).**	Not Implemented	Market Practice Change	Manual buyer protection solution will be developed (instructions will be mediated by the market participants without the involvement of the CSD in case of domestic settlement). The CSD will via manual procedures mediate the instructions in cases involving cross-CSD settlement.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures. Implementation time: The practice will be launched together with the migration to T2S.
Buyer Protection	2	**When a BP requirement is not invoked by the buyer, then the market default rules for elections should apply.**	Not Implemented	Market Practice Change	Manual procedures to be implemented requiring market practice change.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures. Implementation time: The practice will be launched together with the migration to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: ESTONIA	
Buyer Protection	3	The buyer will be tracking open transactions to which he is entitled to elect and will decide whether or not he wants to invoke a BP.	Not Implemented	Market Practice Change	Manual procedures to be implemented requiring market practice change.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures. Implementation time: The practice will be launched together with the migration to T2S.
Buyer Protection	4	As per scope in the introduction, all transactions still pending on BP deadline in securities which are subject to a corporate action and a BP regime in the CSD of Issuance can be subject to a BP mechanism.	Not Implemented	Market Practice Change	Manual procedures to be implemented requiring market practice change.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures. Implementation time: The practice will be launched together with the migration to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: ESTONIA	
Buyer Protection	5	No matching is required in the CSDs' systems. However it is recommended that the seller acknowledges to the buyer, the receipt of the BP instruction.	Not Implemented	Market Practice Change	Manual procedures to be implemented requiring market practice change.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures. Implementation time: The practice will be launched together with the migration to T2S.
Buyer Protection	6	The buyer should include in BP instructions, references to the underlying CA and the underlying transaction to which the CA applies (securities trade or other)	Not Implemented	Market Practice Change	Manual procedures to be implemented requiring market practice change.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures. Implementation time: The practice will be launched together with the migration to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: ESTONIA						
Buyer Protection	7	**Whether late BP instructions should be accepted should be established on the basis of bilateral agreement between the buyer and the seller, or the CSD/CCP rules – where and when CSDs/CCPs are offering such BP processing services.**	Not Implemented	Market Practice Change	Manual procedures to be implemented requiring market practice change.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures. Implementation time: The practice will be launched together with the migration to T2S.
Buyer Protection	8	**It is recommended that the ISO20022 standards are referred to as the basis for such BP instructions.**	Not Implemented	Market Practice Change	Manual procedures to be implemented requiring market practice change.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures. Implementation time: The practice will be launched together with the migration to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	**9**	**BP deadlines for Automated BP mechanism. For trade date T (which is the guaranteed participation date/last trade date of the underlying CA), the BP deadline should be on T+n (where n = settlement cycle) and the market deadline on T+n+1 day Taking as working assumption a T+3 settlement cycle:** **• business day 1 = T;** **• business day 4 = T+3: buyer protection deadline;** **• business day 5 = T+4 market deadline** **BP deadlines for Manual BP mechanism** **For BP instructions from actors other than CCPs, the BP deadline is T+n.** **For BP instructions from CCPs the BP deadline is T+n+1 hour**	Not Implemented	Market Practice Change	Manual procedures to be implemented requiring market practice change.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures. Implementation time: The practice will be launched together with the migration to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: ESTONIA						
Buyer Protection	10	The BP deadline should be identical across all (I) CSDs in T2S for all securities.	Not Implemented	Market Practice Change	Manual procedures to be implemented requiring market practice change.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures. Implementation time: The practice will be launched together with the migration to T2S.
Buyer Protection	11	The BP instruction itself can only be amended by the buyer, before the BP deadline.	Not Implemented	Market Practice Change	Manual procedures to be implemented requiring market practice change.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures. Implementation time: The practice will be launched together with the migration to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
				2015 - T2S Corporate Actions Standards Gap Analysis: **ESTONIA**		
Buyer Protection	12	**Only the BP election (i.e. corporate action option) can be amended in the BP instruction.**	Not Implemented	Market Practice Change	Manual procedures to be implemented requiring market practice change.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures. Implementation time: The practice will be launched together with the migration to T2S.
Buyer Protection	13	**If the underlying transaction can be settled prior to the BP deadline, it should settle and the BP instruction should be cancelled by the Instruction Owner CSD (IOC) if the IOC offers such a BP service.** **When BP is handled bilaterally, the BP is void.**	Not Implemented	Market Practice Change	Manual procedures to be implemented requiring market practice change.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures. Implementation time: The practice will be launched together with the migration to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	14	**Process for pending transactions on BP deadline:** **In case of Automated BP mechanism** **Transactions attached with a valid BP that are still pending at the BP deadline should be frozen (put on hold) by the IOCs until their transformation on market deadline/record date. The Transformation of the underlying transaction should be carried out by the IOCs, in accordance with the BP instruction, at the Market Deadline / Record Date of the voluntary reorganisation.** **In case of Manual BP mechanism** **If the CSD does not provide an automated BP service, then buyer and seller shall cancel the underlying transaction and re-instruct in accordance with the BP**	Not Implemented	Market Practice Change	Manual procedures to be implemented requiring market practice change.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures. Implementation time: The practice will be launched together with the migration to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: ESTONIA			
Buyer Protection	15	**Conditions for settlement of protected entitlement** **In case of Automated BP mechanism** **The IOC will set on hold (freeze) and transform in T2S the underlying transaction based on BP instruction it receives (from the buyer).** **In case of Manual BP mechanism** **The buyer and seller shall amend the underlying transaction (as per current practice: cancel and re-instruct).**	Not Implemented	Market Practice Change	Manual procedures to be implemented requiring market practice change.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures. Implementation time: The practice will be launched together with the migration to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: **ESTONIA**			
Buyer Protection	16	**If a buyer wants to make a partial election, they would need to split the original transaction into the shapes they require.**	Not Implemented	Market Practice Change	Manual procedures to be implemented requiring market practice change.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures. Implementation time: The practice will be launched together with the migration to T2S.
Buyer Protection	17	**The Settlement Date (SD) of the protected entitlements should be the payment date of the underlying CA.**	Not Implemented	Market Practice Change	Manual procedures to be implemented requiring market practice change.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures. Implementation time: The practice will be launched together with the migration to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	18	**Settlement of BP instructions should take place as specified in the T2S transformations standards.**	Not Implemented	Market Practice Change	Manual procedures to be implemented requiring market practice change.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures. Implementation time: The practice will be launched together with the migration to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: Spain						
Market Claims		For a given transaction, a market claim should be detected by the two Instruction Owners CSDs (IOCs), or the CCP(s) where applicable, of the two counterparties in the transaction.	**IMPLEMENTED**	N/A	IBERCLEAR is aware of the pending transactions and detects market claims.	
Market Claims	2	The mechanism to detect market claims is at the discretion, and is the responsibility, of the IOCs and the CCPs of the counterparties.	**IMPLEMENTED**	N/A	IBERCLEAR has a DDBB with the CA and the pending transactions which have been instructed.	
Market Claims	3	Maximum time period for claim detection: 20 T2S opening days from record date.	**NOT IMPLEMENTED**	Straightforward to Implement	This time period is set to 20 BD in the frame of the Reform before T2S Project, in October 2015.	- Procedure published in November 21st 2014 - It will be implemented in October 2015
Market Claims	4	Market claims should be detected after the close of business on record date and during the rest of the claims detection period.	**IMPLEMENTED**	N/A	Market claims are detected after the close of business on the record day.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: **Spain**	
Market Claims	5	After record date, the market claim detection mechanism should operate at a minimum once a day after the end of standard T2S daytime settlement processing ("End of Day" in T2S URD) and prior to the start of the next settlement day ("Start of Day" in T2S URD).	IMPLEMENTED	N/A	Market claims are detected once a day, after the End of Day processing.	
Market Claims	6	As a general principle, market claims should be detected for all transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to indicate that no claim at all should be raised on a given transaction.	Not Implemented	Major Technical Change	There is no opt-out indicator in Iberclear. It will be implemented following T2S CA standards in the frame of T2S Project	- Following T2S CA standards - Procedure published in November 21st 2014 - It will be implemented in October 2015 -
Market Claims	7	Counterparties in the underlying transaction may choose to include the ex/cum indicator only if they want to deviate from the standard market claim procedure, as described in the CAJWG standards.	Not Implemented	Major Technical Change	There is no ex/cum indicator in Iberclear. It will be implemented following T2S CA standards in the frame of T2S Project	- Following T2S CA standards - It will be implemented in February 2017
Market Claims	8	As per CAJWG standards, market claims should be detected only for matched instructions (i.e. irrevocable transactions).	IMPLEMENTED	N/A	Market claims are detected for irrevocable trades	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: Spain						
Market Claims	9	Market claims should be generated only by the two IOCs (or the CCPs) of the two parties to the transaction. IOCs and CCPs should also generate market claims on behalf of their clients who have access to direct technical connectivity to T2S. Those clients should not generate market claims in T2S.	**IMPLEMENTED**	N/A	Corporate Action SWIFT mesagges are not implemented in IBERCLEAR so, consequently, no instruction is created. However, IBERCLEAR generates the market claims by credits or debits in the accounts of its participants	CA SWIFT messages will be Implemented in the Frame of Reform Project, in October 2015.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: **Spain**			
Market Claims	10	For each outturn (result of CA entitlement), there should be the generation of a separate market claim instruction. Types of market claim instructions: (i) FOP transfer of securities (receipt and delivery) (ii) Payment free of delivery (PFOD) transfer of cash; The payment currency of the (cash) market claim should be the same as the currency of the original corporate action. The currency of the original corporate action is defined by the issuer of the underlying security. In case the currency of the corporate action payment is not a T2S Settlement Currency, then the counterparties in the underlying transaction should decide between them how to settle the cash entitlement outside T2S.	IMPLEMENTED	N/A	Corporate Action SWIFT mesagges are not implemented in IBERCLEAR. However, market claims instructions are created for each outturn.	CA SWIFT messages will be Implemented in the Frame of Reform Project, in October 2015.

**2015 - T2S Corporate Actions Standards Gap Analysis: Spain**
Type of Events	**Std No.**	**Standard Description**	**CSD/Market Status**	**Type of Implementation Gap**	**Further Comments**	**Implementation Plan**
Market Claims	11	When the generation of a market claim instruction results in outturn securities fractions, the number of outturn securities in the market claim instruction should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for remaining securities fractions, then no further action is required by IOC b) In case the issuer compensates investors for remaining securities fractions with cash, an additional PFOD transaction should be generated by IOC transferring cash to the beneficial owner.	**Not Implemented**	Straightforward to Implement	Nowadays if the issuer compensates IBERCLEAR generates it by credits or debits in the accounts of its participants as Corporate Action SWIFT messages are not implemented in IBERCLEAR CA SWIFT messages will be Implemented in the Frame of Reform Project, in October 2015.	- **Procedure published in November 21st 2014** - **It will be implemented in October 2015**
Market Claims	12	In order to be able identify market claims, a specific ISO transaction type code "CLAI" should be used in the settlement instructions.	**Not Implemented**	Major Technical Change	Corporate Action SWIFT messages are not implemented in IBERCLEAR so, consequently, no instruction with the type code CLAI is created.	- **Procedure published in November 21st 2014** - **It will be implemented in October 2015**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: **Spain**			
Market Claims	13	For any individual ISIN, or any individual category of securities, all CSDs/CCPs that accept such securities should use the same rules to generate market claims. The rules, or terms, are defined by the issuer for each corporate action event. The issuer should pass them onto the issuer CSD and made available by the issuer CSD to all of its clients, including the Investor CSDs.	IMPLEMENTED	N/A	CSDs operating in T2S has to comply with the standards and rules of T2S.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	14	For the settlement of market claim itself (as settled in T2S), the tax statuses of the receiving/delivering accounts should have no direct effect on the amount of cash/securities to be transferred. For a specific ISIN and a specific event, the amount of cash/securities to be transferred should be dependent solely on the number of securities in the underlying transaction. This means that for a specific ISIN and a specific event, the rate of the market claim should always be the same, and should be fixed by the issuer CSD. (*The claim could be an indemnity at, for example, 100% of the gross dividend, or could be a gross or net dividend amount). Subsequent, or in parallel, to the market claim, a withholding agent could process tax adjustments.*	IMPLEMENTED	N/A	The tax status of the accounts does not have direct effect on the amount to transfer.	
Market Claims	15	The CSDs/CCPs generating the market claim will identify which T2S dedicated cash accounts should be used.	IMPLEMENTED	N/A	The CSD identifies the account to be used.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: Spain				
Market Claims	**16**	Matching is required for all market claims settlement instructions.	**Not Implemented**	Straightforward to Implement	**Market Claims SWIFT messages are not implemented in IBERCLEAR, consequently, no instruction is created.**	- **Procedure published in November 21st 2014** - **It will be implemented in October 2015**
Market Claims	**17**	Each CSD/CCP will include in the market claim settlement instruction sent to T2S appropriate references so that its participant can identify and process the claim satisfactorily.	**Not Implemented**	Straightforward to Implement	**Market Claims SWIFT messages are not implemented in IBERCLEAR, consequently, no instruction is created.**	- **Procedure published in November 21st 2014** - **It will be implemented in October 2015**
Market Claims	**18**	The market claim should be instructed in T2S by using as trade date of the claim, the same date as the trade date of the underlying transaction. The settlement date of the market claim should be the payment date of the transaction. The settlement date of the market claim should be the payment date of the underlying corporate action.	**Not Implemented**	Straightforward to Implement	**It will be implemented n the frame of the Reform before T2S Project, in October 2015.**	- **Procedure published in November 21st 2014** - **It will be implemented in October 2015**
Market Claims	**19**	The market claim transaction should be instructed with the same status (i.e. either 'on hold' or 'released') as the underlying transaction.	**Not Implemented**	Straightforward to Implement	**Market Claims will be instructed with the same status as the underlying transaction. SWIFT messages are not implemented in IBERCLEAR, but will be in the frame of the Reform before T2S Project, in October 2015.**	- **Procedure published in November 21st 2014** - **It will be implemented in October 2015**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
				2015 - T2S Corporate Actions Standards Gap Analysis: Spain		
Market Claims	20	The standard T2S rules for who can amend settlement instructions should apply.	**Not Implemented**	Legislative Change	The standard T2S rules for who can amend settlement instructions are not yet implemented. The new securities Law 32/2011, which allows the system to be compliant with T2S in the future, has already been approved. Nevertheless, some further lower-rank regulation (including Iberclear´s Rule Book) still has to be modified.	- Describe on the Schedule of the Registry and Settlement System of IBERCLEAR. - It will be implemented in October 2015
Market Claims	21	The standard T2S rules for amending settlement instructions should apply.	**Not Implemented**	Legislative Change	The standard T2S rules for who can amend settlement instructions are not yet implemented. The new securities Law 32/2011, which allows the system to be compliant with T2S in the future, has already been approved. Nevertheless, some further lower-rank regulation (including Iberclear´s Rule Book) still has to be modified.	- Describe on the Schedule of the Registry and Settlement System of IBERCLEAR. - It will be implemented in October 2015
Market Claims	22	The standard T2S rules for cancelling settlement instructions should apply.	**Not Implemented**	Legislative Change	The standard T2S rules for who can amend settlement instructions are not yet implemented. The new securities Law 32/2011, which allows the system to be compliant with T2S in the future, has already been approved. Nevertheless, some further lower-rank regulation (including Iberclear´s Rule Book) still has to be modified.	- Describe on the Schedule of the Registry and Settlement System of IBERCLEAR. - It will be implemented in October 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: Spain				
Market Claims	23	In line with the CAJWG standards, the settlement of a market claim should be independent from the settlement of the respective underlying transaction. However, market infrastructures should provide to their participants a user friendly facility which gives them the option to ensure that the market claim is not settled prior to the settlement of the underlying transaction.	IMPLEMENTED	N/A	Market claims always settle at the same time or later, never prior, than the underlying transaction.	
Market Claims	24	In line with standard T2S settlement conditions will include: (i) payment date has been reached, (ii) resources (cash and/or securities are available.	IMPLEMENTED	N/A	Market claims settle if payment date has been reached and resources are available.	
Market Claims	25	There should be no partial settlement for market claims in cash. Partial settlement should be limited to market claims in securities and take into account the standard T2S rules for partial settlement. Partial settlement indicator of the market claim should replicate the one of the underlying transaction.	Not Implemented	Straightforward to Implement	Partial settlement is not possible for market claims in securities due to the fact partial settlement is currently not possible in IBERCLEAR. IBERCLEAR will comply with T2S rules in the future.	- Procedure published in November 21st 2014 - It will be implemented in October 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: **Spain**						
Market Claims	26	The standard T2S rules for the recycling period should apply.	Not Implemented	Straightforward to Implement	There is not recycling in IBERCLEAR currently. But it will be in the Frame of the Reform Project, in October 2015, before T2S.	- Procedure published in November 21st 2014 - It will be implemented in October 2015
Market Claims	27	Each CSD/CCP generating a market claim will report to its own participant.	IMPLEMENTED	N/A	IBERCLEAR reports to its own participants.	
Market Claims	28	T2S will provide its standard pending/settled transaction reporting. A CSD/CCP may provide additional reporting to its participant.	Not Implemented	Straightforward to Implement	No report on pending/settled transaction is sent because no instruction for market claims is generated currently, but it will be implemented on the frame of Reform Project, in October 2015, before T2S.	- Procedure published in November 21st 2014 - It will be implemented in October 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: Spain				
Transformations	1	<u>At the CCP level:</u> **When agreed with the Instruction Owner CSDs (IOCs) the CCP itself can manage the transformation for CCP transactions via a Power Of Attorney (POA) on the participants' accounts by use of the T2S cancellation and replacement mechanisms.** <u>**At the CSD level (both CSDs of the buyer and the seller are connected to T2S): The IOCs will manage the transformation:**</u> **(i) When the underlying transaction impacts two accounts in the same IOC. The cancellation and replacement will be managed and instructed in T2S by the IOC itself; (ii) In a cross-CSD transaction, each IOC has to cancel the instruction (bilateral cancellation process in T2S) and to send to T2S the new transformed instruction for matching.** <u>**When the transaction is cross-border (one CSD is in T2S and the other is outside T2S):**</u> **The T2S connected IOCs/CCP will manage the transformation. CSDs which are not connected to T2S cannot instruct T2S.**	IMPLEMENTED	N/A	Nowadays, IBERCLEAR knows not only which are the pending transactions but also the transformation regarding the related C.A.	
Transformations	2	The transformation process shall take place by end of record date or market deadline and during the rest of the transformation detection period (i.e. 20 T2S opening days after the record date/market deadline).	IMPLEMENTED	N/A	Depending on the corporate event IBERCLEAR manages the pending transactions in order to transform them according to the rules of the reorganization at the end of the record date or within the detection period (maximum 20 more days)	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: Spain				
Transforma tions	**3**	**As a general principle, transformations will be applicable to all eligible transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to deviate from the standard transformation procedures.**	**Not Implemented**	Major Technical Change	**Transformations are applicable to all eligible transaction in IBERCLEAR. Counterparties will be able to cancel their instructions if they don't want the CSD to transform it. However, there is no possibility to use the opt-out indicator since it is not developed yet. Iberclear will comply with T2S rules.**	**It will be implemented following T2S CA standards in the frame of T2S Project**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	4	**IOCs/CCPs managing the transformation will use the ISO20022 format as specified in the T2S URD. IOCs/CCPs will include in the transformation settlement instructions the appropriate references so that their own participants can identify and process the transformation satisfactorily in their own books. The minimum references required include: T2S reference of the underlying transaction, the "TRAN" ISO settlement transaction condition code, and CSD corporate action event reference. From a T2S system specification perspective, these references are only for information purposes (for CSDs/CCPs participants) as these references do not trigger any specific functionality in T2S (other than standard settlement processing).**	**Not Implemented**	Straightforward to Implement	**As far as we do not have implemented the SWIFT messages for Corporate Actions, the transformation cannot be identified with the required references (underlying transaction, TRAN and the Corporate Action reference). ISO15022 will be developed in the frame of the Reform Project, in October 2015, before T2S. Iberclear will comply with T2S Rules.**	- **Procedure published in November 21st 2014** - **It will be implemented in October 2015** - **It will be implemented following T2S CA standards in the frame of T2S Project**
Transformations	5	**CSD/CCP may match locally the new instructions related to the transformation and send them to T2S as already matched for settlement or send them as separate instructions for matching in T2S.**	**Not Implemented**	Straightforward to Implement	**It will be developed In the frame of the Reform, in October 2015, before T2S Project.**	- **Procedure published in November 21st 2014** - **It will be implemented in October 2015**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: Spain	
Transformations	6	Both IOCs/CCPs should send new instructions to T2S, for matching purposes.	Not Implemented	Straightforward to Implement	Transformation Instructions via SWIFT are not implemented yet, Iberclear will comply with T2S rules.	- Procedure published in November 21st 2014 - It will be implemented in October 2015 - It will be implemented following T2S CA standards in the frame of T2S Project
Transformations	7	The earliest settlement date (SD) of the new transaction(s) should be the latest between the payment date (PD) of the entitlement and the SD of the underlying transaction.	IMPLEMENTED	N/A	The SD of the transformed instruction is the same than the SD of the underlying transaction. This SD is always after the PD of the entitlement	
Transformations	8	The transformed instructions should retain the same characteristics (trade date, cash consideration) as those of the underlying instruction with the possible exception of the three following fields in respect with the terms of the reorganisation: (i) The quantity of securities; (ii) The ISIN; (iii) The settlement date (SD).	IMPLEMENTED	N/A	IBERCLEAR retains with a single outturn the same characteristics of the underlying instruction	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: Spain		
Transformations	9	The settlement amount of the transformed (new) instructions should be proportional to the ratio of each outturn securities. In case of multiple outturns (i.e. multiple new ISINs being generated by the transformation process), the new instructions should not be settled as linked settlement in T2S. The transformed instructions should retain the same characteristics (trade date) as those of the underlying transaction with the possible exception of the four following fields in respect with the terms of the reorganisation: • The quantity of securities • The cash consideration should be allocated to the transformed transactions according to the rates provided by the issuer • The ISIN • The settlement date (SD)	**IMPLEMENTED**	N/A	In case of multiple outturns, instructions are not linked between each other.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	**10**	The cash transfer(s) settlement instructions should retain the same characteristics as those of the underlying transaction. If the instruction of the underlying transaction was against payment, two new instructions, in opposite directions, will be created; one for the settlement amount and one for the cash outturn. The transfers should not be linked. If the instruction of the underlying transaction was free of payment, only one transfer, for the cash outturn, will be created.	**Not Implemented**	Straightforward to Implement	For a corporate event which takes place through IBERCLEAR the new transaction retains the same characteristics and the outturn is paid separately from the underlying instruction. In the frame of the Reform Project, in October 2015, before T2S.	- **Procedure published in November 21st 2014** - **It will be implemented in October 2015**

2015 - T2S Corporate Actions Standards Gap Analysis: Spain

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	**11**	**When the transformation results in outturn securities fractions, the number of securities should be rounded down to the nearest whole number. Furthermore:** **a) In case the issuer does not compensate investors for the remaining securities fractions, then no further action is required by the IOCs** **b) In case the issuer compensates investors for remaining securities fractions with cash, then an additional PFOD transaction should be generated by the IOCs**	**Not Implemented**	Straightforward to Implement	**If, due to a transformation, apart from securities, the seller may have to deliver a cash amount to the buyer arising from the application of the corporate action ratio, IBERCLEAR shall generate two different transactions linked to the underlying one. One shall comprise the delivery of the securities arising from the reorganisation while the other shall be the cash delivery arising from the calculation of the fractions. Settlement of the cash delivery, corresponding to the fractions, will be subject to the prior settlement of the delivery of securities.**	- **Procedure published in November 21st 2014** - **It will be implemented in October 2015**
Transformations	**12**	**The transformed transaction should be instructed with the same status as the underlying transaction.**	**IMPLEMENTED**	N/A	**The status of the transformation remains the same as the underlying transaction. Iberclear has not implemented SWIFT messages for CA. CA SWIFT messages will be Implemented in the Frame of Reform Project, in October 2015.**	
Transformations	**13**	**The new transformed transaction should ensure that the following indicators are correctly replicated: (i) Partialling indicator of the original transaction instruction; (ii) Ex/cum indicator; (iii) Opt-out indicator related to the market claim creation.**	**Not Implemented**	Major Technical Change	**The mentioned indicators are not implemented. This will be implemented in the frame of T2S Project.**	**It will be implemented following T2S CA standards in the frame of T2S Project**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: Spain						
Buyer Protection	1	For a given transaction and prior to the BP deadline, the BP requirement will be invoked by the buyer (the buyer will issue BP instructions to the seller).	**Not Implemented**	Major Technical Change	**Buyer will be able to instruct IBERCLEAR the BP instruction. (IBERCLEAR will send those instructions to the seller)**	- **Buyer will instruct IBERCLEAR by Fax or email.** - **Procedure published in November 21st 2014** - **It will be implemented in October 2015**
Buyer Protection	2	When a BP requirement is not invoked by the buyer, then the market default rules for elections should apply.	**Not Implemented**	Major Technical Change	**IBERCLEAR will apply market default rules for elections.**	- **Buyer will instruct IBERCLEAR by Fax or email.** - **Procedure published in November 21st 2014** - **It will be implemented in October 2015**
Buyer Protection	3	The buyer will be tracking open transactions to which he is entitled to elect and will decide whether or not he wants to invoke a BP.	**Not Implemented**	Major Technical Change	**IBERCLEAR will inform to its participants who obtain a position or who are involved in any transactions with the security involved in the corporate action, from that time until the market deadline.**	- **Procedure published in November 21st 2014** - **It will be implemented in October 2015**
Buyer Protection	4	As per scope in the introduction, all transactions still pending on BP deadline in securities which are subject to a corporate action and a BP regime in the CSD of Issuance can be subject to a BP mechanism.	**Not Implemented**	Major Technical Change	**Buyer will be able to instruct IBERCLEAR the BP instruction. (IBERCLEAR will send those instructions to the seller)**	- **Buyer will instruct IBERCLEAR by Fax or email.** - **Procedure published in November 21st 2014** - **It will be implemented in October 2015**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	5	No matching is required in the CSDs' systems. However it is recommended that the seller acknowledges to the buyer, the receipt of the BP instruction.	**Not Implemented**	Major Technical Change	It will be implemented following T2S CA standards in the frame of T2S Project	
Buyer Protection	6	The buyer should include in BP instructions, references to the underlying CA and the underlying transaction to which the CA applies (securities trade or other)	**Not Implemented**	Major Technical Change	Reference of the underlying instruction to which the CA applies included.	- Procedure published in November 21st 2014 - It will be implemented in October 2015
Buyer Protection	7	Whether late BP instructions should be accepted should be established on the basis of bilateral agreement between the buyer and the seller, or the CSD/CCP rules – where and when CSDs/CCPs are offering such BP processing services.	**Not Implemented**	Major Technical Change	Iberclear will have Manual BP, therefore the Buyer and the Seller will have to entertain a bilateral agreement.	It will be implemented following T2S CA standards in the frame of T2S Project
Buyer Protection	8	It is recommended that the ISO20022 standards are referred to as the basis for such BP instructions.	**Not Implemented**	Major Technical Change	IBERCLEAR will accept instructions from the Buyer by Fax o email.	ISO20022 will be implemented on the frame of T2S

2015 - T2S Corporate Actions Standards Gap Analysis: Spain

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: Spain				
Buyer Protection	9	BP deadlines for Automated BP mechanism. For trade date T (which is the guaranteed participation date/last trade date of the underlying CA), the BP deadline should be on T+n (where n = settlement cycle) and the market deadline on T+n+1 day Taking as working assumption a T+3 settlement cycle: • business day 1 = T; • business day 4 = T+3: buyer protection deadline; • business day 5 = T+4 market deadline BP deadlines for Manual BP mechanism For BP instructions from actors other than CCPs, the BP deadline is T+n. For BP instructions from CCPs the BP deadline is T+n+1 hour	**Not Implemented**	Major Technical Change	**CSD will follow T2S BP standards.**	- **Procedure published in November 21st 2014** - **It will be implemented in October 2015**
Buyer Protection	10	The BP deadline should be identical across all (I) CSDs in T2S for all securities.	**Not Implemented**	Major Technical Change	**According to the standards BP deadline will be follow the Guaranteed Participation Date by a settlement cycle.**	- **Procedure published in November 21st 2014** - **It will be implemented in October 2015**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: Spain						
Buyer Protection	**11**	The BP instruction itself can only be amended by the buyer, before the BP deadline.	**Not Implemented**	Major Technical Change	The Buyer will be the only one who can amend the instruction	- **Procedure published in November 21st 2014** - **It will be implemented in October 2015**
Buyer Protection	**12**	Only the BP election (i.e. corporate action option) can be amended in the BP instruction.	**Not Implemented**	Major Technical Change	The BP election can be amended in the BP instruction	- **Procedure published in November 21st 2014** - **It will be implemented in October 2015**
Buyer Protection	**13**	If the underlying transaction can be settled prior to the BP deadline, it should settle and the BP instruction should be cancelled by the Instruction Owner CSD (IOC) if the IOC offers such a BP service. When BP is handled bilaterally, the BP is void.	**Not Implemented**	Major Technical Change	If the underlying transaction can be settled prior BP deadline, the BP instruction will be cancelled	- **Procedure published in November 21st 2014** - **It will be implemented in October 2015**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: **Spain**				
Buyer Protection	14	**Process for pending transactions on BP deadline:** **In case of Automated BP mechanism** **Transactions attached with a valid BP that are still pending at the BP deadline should be frozen (put on hold) by the IOCs until their transformation on market deadline/record date. The Transformation of the underlying transaction should be carried out by the IOCs, in accordance with the BP instruction, at the Market Deadline / Record Date of the voluntary reorganisation.** **In case of Manual BP mechanism** **If the CSD does not provide an automated BP service, then buyer and seller shall cancel the underlying transaction and re-instruct, in accordance with the BP instruction, at the market deadline / record date of the voluntary reorganisation.**	**Not Implemented**	Major Technical Change	**CSD will have a Manual BP Mechanism.**	**It will be implemented following T2S CA standards in the frame of T2S Project**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: Spain				
Buyer Protection	15	**Conditions for settlement of protected entitlement** **In case of Automated BP mechanism** **The IOC will set on hold (freeze) and transform in T2S the underlying transaction based on BP instruction it receives (from the buyer).** **In case of Manual BP mechanism** **The buyer and seller shall amend the underlying transaction (as per current practice: cancel and re-instruct).**	**Not Implemented**	Major Technical Change	**CSD will have a Manual BP Mechanism. Counterparties shall cancel and re-instruct.**	**It will be implemented following T2S CA standards in the frame of T2S Project**
Buyer Protection	16	**If a buyer wants to make a partial election, they would need to split the original transaction into the shapes they require.**	**Not Implemented**	Major Technical Change	**CSD will follow buyer elected instruction.**	- **Procedure published in November 21st 2014** - **It will be implemented in October 2015**
Buyer Protection	17	**The Settlement Date (SD) of the protected entitlements should be the payment date of the underlying CA.**	**Not Implemented**	Major Technical Change	**CSD will follow T2S BP standards**	- **Procedure published in November 21st 2014** - **It will be implemented in October 2015**
Buyer Protection	18	**Settlement of BP instructions should take place as specified in the T2S transformations standards.**	**Not Implemented**	Major Technical Change	**CSD will follow T2S BP standards**	**It will be implemented following T2S CA standards in the frame of T2S Project**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments (Gap and further steps)	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: FINLAND	
Market Claims	1	For a given transaction, a market claim should be detected by the two Instruction Owners CSDs (IOCs), or the CCP(s) where applicable, of the two counterparties in the transaction.	**NOT IMPLEMENTED**	Major Technical Change	Currently in Finland, the responsibility for detecting market claims is ultimately on the clearing parties (including CCP). Market claims are processed manually between the participants outside the settlement system. According to the standard, the responsibility would be on Euroclear Finland (EFi) as the CSD and market claims should be detected automatically. EFi as a CSD will detect market claims based on the situation on the Record Date of a CA event and during following 20 opening days for pending matched settlement instructions.	There is a project ongoing for building facilities for the Finnish market to join T2S, i.e. building the new CSD system. As a part of the project, technical facilities for processing market claims according to the standards on the Finnish market are built. Market claims will be available for money market instruments as of 2 February 2015 and for all other instruments in Q2 2016 i.e. before the Finnish market joins T2S in wave 4. The implementation of the standards related to market claims requires changes to the market practice as well.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments (Gap and further steps)	Implementation Plan
Market Claims	2	The mechanism to detect market claims is at the discretion, and is the responsibility, of the IOCs and the CCPs of the counterparties.	**NOT IMPLEMENTED**	Major Technical Change	Currently the responsibility for detecting market claims is ultimately on the clearing parties (including CCP). EFi as the CSD will be responsible for detecting market claims for the Finnish market. Detection of market claims will happen automatically in the CSD system.	There is a project ongoing for building facilities for the Finnish market to join T2S, i.e. the new CSD system. As a part of the project, technical facilities for processing market claims according to the standards on the Finnish market are built. Market claims will be available for money market instruments as of 2 February 2015 and for all other instruments in Q2 2016 2016 i.e. before the Finnish market joins T2S in wave 4. The implementation of the standards related to market claims requires changes to the market practice as well.

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments (Gap and further steps)	Implementation Plan
Market Claims	3	Maximum time period for claim detection: 20 T2S opening days from record date.	**NOT IMPLEMENTED**	Straightforward to Implement	Currently there are no time limits to the market claim detection of the clearing parties. **The claim detection period will be defined according to the standard. The CSD system will automatically detect market claims for pending matched settlement instructions on the Record Date EOD and during following 20 opening days.**	The claim detection period will be defined for the claim detection mechanism according to standard as a part of the implementation of standards 1 and 2. Market claims will be available for money market instruments as of 2 February 2015 and for all other instruments in Q2/2016.
Market Claims	4	Market claims should be detected after the close of business on record date and during the rest of the claims detection period.	**NOT IMPLEMENTED**	Straightforward to Implement	Currently market claims are manually detected by clearing parties and reported to the CSD outside the settlement system. **On the Record Date EOD the CSD system will create market claims based on pending matched settlement instructions eligible to receive proceeds of the CA event. During following 20 opening days the CSD system will detect market claims daily after the close of business.**	The claim detection period will be defined for the claim detection mechanism according to standard as a part of the implementation of standards 1 and 2. Market claims will be available for money market instruments as of 2 February 2015 and for all other instruments in Q2/2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments (Gap and further steps)	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: FINLAND	
Market Claims	5	After record date, the market claim detection mechanism should operate at a minimum once a day after the end of standard T2S daytime settlement processing ("End of Day" in T2S URD) and prior to the start of the next settlement day ("Start of Day" in T2S URD).	NOT IMPLEMENTED	Straightforward to Implement	Currently market claims are manually detected by clearing parties and reported to the CSD outside the settlement system. The claim detection period will be defined for the claim detection mechanism according to standard. After the Record Date the CSD system will detect market claims based on pending matched settlement instructions daily after the close of business EOD.	The claim detection period will be defined for the claim detection mechanism according to standard as a part of the implementation of standards 1 and 2. Market claims will be available for money market instruments as of 2 February 2015 and for all other instruments in Q2/2016.
Market Claims	6	As a general principle, market claims should be detected for all transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to indicate that no claim at all should be raised on a given transaction.	NOT IMPLEMENTED	Straightforward to Implement	Currently there is no parameter in the settlement instructions for the clearing parties to "opt-out" market claims even if the market claims are ultimately agreed between the clearing parties. Opt-out indicator will be available in settlement instructions when the mechanism for detecting market claims is implemented on the Finnish market.	Part of the implementation of standards 1 and 2. Market claims will be available for money market instruments as of 2 February 2015 and for all other instruments in Q2/2016.

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments (Gap and further steps)	Implementation Plan
Market Claims	7	Counterparties in the underlying transaction may choose to include the ex/cum indicator only if they want to deviate from the standard market claim procedure, as described in the CAJWG standards.	NOT IMPLEMENTED	Straightforward to Implement	Functionality exists in settlement instructions but is not widely used. Ex/cum indicator will be taken into account when detecting market claims. However, opt-out indicator will have priority in relation to ex/cum indicator if present in same settlement instructions.	Ex/cum indicator will be notified in market claim detection as a part of the implementation of standards 1 and 2 as of 2 February 2015 and in Q2/2016.
Market Claims	8	As per CAJWG standards, market claims should be detected only for matched instructions (i.e. irrevocable transactions).	NOT IMPLEMENTED	Straightforward to Implement	Currently market claims are manually detected by clearing parties and reported to the CSD outside the settlement system. Along with the market claim mechanism, the CSD system will create market claims only for matched settlement instructions.	Part of the implementation of the market claim mechanism (standards 1 and 2) which will be implemented as of 2 February 2015 and in Q2/2016.
Market Claims	9	Market claims should be generated only by the two IOCs (or the CCPs) of the two parties to the transaction. IOCs and CCPs should also generate market claims on behalf of their clients who have access to direct technical connectivity to T2S. Those clients should not generate market claims in T2S.	NOT IMPLEMENTED	Straightforward to Implement	Currently market claims are manually detected by clearing parties and reported to the CSD outside the settlement system. EFi as the CSD will generate market claims for the local settlement instructions and for cross CSD settlement instructions where EFi is the IOC on behalf of both direct and indirect participants.	Part of the implementation of the market claim mechanism (standards 1 and 2) which will be implemented as of 2 February 2015 and in Q2/2016.

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments (Gap and further steps)	Implementation Plan
Market Claims	10	For each outturn (result of CA entitlement), there should be the generation of a separate market claim instruction. Types of market claim instructions: (i) FOP transfer of securities (receipt and delivery) (ii) Payment free of delivery (PFOD) transfer of cash; The payment currency of the (cash) market claim should be the same as the currency of the original corporate action. The currency of the original corporate action is defined by the issuer of the underlying security. In case the currency of the corporate action payment is not a T2S Settlement Currency, then the counterparties in the underlying transaction should decide between them how to settle the cash entitlement outside T2S.	**NOT IMPLEMENTED**	**Major Technical Change**	Currently market claims are manually detected by clearing parties and reported to the CSD outside the settlement system. EFi will create market claims settlement instructions for cash and securities which are settled either as FOP or PFOD settlement transactions in EUR. For non-EUR payments EFi has a mechanism for paying the cash outside T2S. The automatic generation of market claim instructions will be developed according to standard 2. Processing market claims requires changes to market practice regarding payments in non T2S currencies and to tax processing especially regarding dividend payments.	Part of the implementation of the market claim mechanism (standards 1 and 2) which will be implemented as of 2 February 2015 and in Q2/2016.

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments (Gap and further steps)	Implementation Plan
Market Claims	11	When the generation of a market claim instruction results in outturn securities fractions, the number of outturn securities in the market claim instruction should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for remaining securities fractions, then no further action is required by IOC b) In case the issuer compensates investors for remaining securities fractions with cash, an additional PFOD transaction should be generated by IOC transferring cash to the beneficial owner.	**NOT IMPLEMENTED**	Major Technical Change	Currently market claims are manually detected by clearing parties and reported to the CSD outside the settlement system. In case of fractions, market claims for securities distribution will be rounded down when created by the CSD system. If the issuer compensates fractions they will be paid as PFOD settlement instructions. .	Part of the implementation of the market claim mechanism (standards 1 and 2) which will be implemented as of 2 February 2015 and in Q2/2016.
Market Claims	12	In order to be able identify market claims, a specific ISO transaction type code "CLAI" should be used in the settlement instructions.	**NOT IMPLEMENTED**	Straightforward to Implement	There is no specific parameter to indicate market claim instructions since market claims are processed outside the settlement system. The CSD system will automatically create market claims with CLAI transaction type code.	Part of the implementation of the market claim mechanism (standards 1 and 2) which will be implemented as of 2 February 2015 and in Q2/2016.

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Type of Events	**Std No.**	**Standard Description**	**CSD/Market Status**	**Type of Implementation Gap**	**Further Comments** **(Gap and further steps)**	**Implementation Plan**
Market Claims	**13**	For any individual ISIN, or any individual category of securities, all CSDs/CCPs that accept such securities should use the same rules to generate market claims. The rules, or terms, are defined by the issuer for each corporate action event. The issuer should pass them onto the issuer CSD and made available by the issuer CSD to all of its clients, including the Investor CSDs.	**NOT IMPLEMENTED**	Straightforward to Implement	Currently market claims are manually processed by clearing parties and reported to the CSD outside the settlement system. As the IOC, EFi is responsible for developing a mechanism to retrieve relevant data related to the CA at hands as well as generating the market claims. The CSD system will generate market claims according to the standards. EFi in a role of Issuer CSD will advise issuers issuing securities in EFi to follow the standards for detecting market claims.	Part of the implementation of the market claim mechanism (standards 1 and 2) which will be implemented as of 2 February 2015 and in Q2/2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments (Gap and further steps)	Implementation Plan
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Market Claims	**14**	For the settlement of market claim itself (as settled in T2S), the tax statuses of the receiving/delivering accounts should have no direct effect on the amount of cash/securities to be transferred. For a specific ISIN and a specific event, the amount of cash/securities to be transferred should be dependent solely on the number of securities in the underlying transaction. This means that for a specific ISIN and a specific event, the rate of the market claim should always be the same, and should be fixed by the issuer CSD. (*The claim could be an indemnity at, for example, 100% of the gross dividend, or could be a gross or net dividend amount). Subsequent, or in parallel, to the market claim, a withholding agent could process tax adjustments.*	**NOT IMPLEMENTED**	**Taxation change**	Currently market claims are manually processed by clearing parties and reported to the CSD outside the settlement system. Taxes are taken into account since it is a manual process. Part of the market claims are handled as cash compensation. Due to the existing tax laws, EFi aims at processing market claims in gross. Discussions with issuers, market participants and tax authorities are ongoing regarding especially taxation of dividend payments. Solution is expected to be received during Q2 2014 which will clarify possible needs for changes in tax laws. Changes to market practice will be needed as well.	Taxation needs will be taken into account in the implementation of the market claim mechanism which will be implemented as of 2 February 2015 and in Q2/2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments (Gap and further steps)	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: FINLAND			
Market Claims	15	The CSDs/CCPs generating the market claim will identify which T2S dedicated cash accounts should be used.	**NOT IMPLEMENTED**	Straightforward to Implement	No market claim instructions are generated by the CSD. The only market claims are generated by the clearing parties and only regarding dividends, and the market claims are processed outside the settlement system. EFi as the CSD will identify T2S dedicated cash accounts in market claims detection process.	Part of the implementation of the market claim mechanism (standards 1 and 2) which will be implemented as of 2 February 2015 and in Q2/2016.
Market Claims	16	Matching is required for all market claims settlement instructions.	**NOT IMPLEMENTED**	Straightforward to Implement	Currently no market claim instructions are generated by the CSD. EFi as the CSD will create settlement instructions for market claims in the market claim detection process and match them locally. Locally matched settlement instructions are sent to T2S as already matched.	Part of the implementation of the market claim mechanism (standards 1 and 2) which will be implemented as of 2 February 2015 and in Q2/2016.
Market Claims	17	Each CSD/CCP will include in the market claim settlement instruction sent to T2S appropriate references so that its participant can identify and process the claim satisfactorily.	**NOT IMPLEMENTED**	Straightforward to Implement	Market claim instructions are generated manually by clearing participants and processed outside the settlement system. EFi as the CSD will create market claims for matched settlement instructions with appropriate references. Both CA reference and reference of the underlying transaction will be included in the market claim settlement instruction.	Part of the implementation of the market claim mechanism (standards 1 and 2) which will be implemented as of 2 February 2015 and in Q2/2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments (Gap and further steps)	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: FINLAND				
Market Claims	18	The market claim should be instructed in T2S by using as trade date of the claim, the same date as the trade date of the underlying transaction. The settlement date of the market claim should be the payment date of the transaction. The settlement date of the market claim should be the payment date of the underlying corporate action.	NOT IMPLEMENTED	Straightforward to Implement	Currently no market claim instructions are generated by the CSD. EFi as the CSD will create market claims. In the settlement instructions the trade date will be the trade date of the underlying transaction and the settlement date same as the payment date of the CA event.	Part of the implementation of the market claim mechanism (standards 1 and 2) which will be implemented as of 2 February 2015 and in Q2/2016.
Market Claims	19	The market claim transaction should be instructed with the same status (i.e. either 'on hold' or 'released') as the underlying transaction.	NOT IMPLEMENTED	Straightforward to Implement	Currently no market claim instructions are generated by the CSD. EFi as a CSD will create market claims. The settlement instructions for market claims will be created with the same status as the underlying transaction.	Part of the implementation of the market claim mechanism (standards 1 and 2) which will be implemented as 2 February 2015 and in Q2/2016.
Market Claims	20	The standard T2S rules for who can amend settlement instructions should apply.	NOT IMPLEMENTED	Straightforward to Implement	Currently no market claim instructions are generated by the CSD. EFi as the CSD will create market claims. Settlement instructions for market claims will be processed like other settlement instructions according to T2S standards and they can be amended respectively.	Part of the implementation of the market claim mechanism (standards 1 and 2) which will be implemented as of 2 February 2015 and in Q2/2016.

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments (Gap and further steps)	Implementation Plan
Market Claims	**21**	The standard T2S rules for amending settlement instructions should apply.	**NOT IMPLEMENTED**	**Straightforward to Implement**	Currently no market claim instructions are generated by the CSD. EFi as the CSD will create market claims. Settlement instructions for market claims will be processed like other settlement instructions according to T2S standards and they can be amended respectively.	Part of the implementation of the market claim mechanism (standards 1 and 2) which will be implemented as of 2 February 2015 and in Q2/2016.
Market Claims	22	The standard T2S rules for cancelling settlement instructions should apply.	NOT IMPLEMENTED	Straightforward to Implement	Currently no market claim instructions are generated by the CSD. EFi as the CSD will create market claims. Settlement instructions for market claims will be processed like other settlement instructions according to T2S standards and they can be cancelled respectively.	Part of the implementation of the market claim mechanism (standards 1 and 2) which will be implemented as of 2 February 2015 and in Q2/2016.
Market Claims	**23**	In line with the CAJWG standards, the settlement of a market claim should be independent from the settlement of the respective underlying transaction. However, market infrastructures should provide to their participants a user friendly facility which gives them the option to ensure that the market claim is not settled prior to the settlement of the underlying transaction.	**NOT IMPLEMENTED**	**Major Technical Change**	Currently no market claim instructions are generated by the CSD. EFi as the CSD will create market claims. As a user friendly facility, EFi will create market claims on party hold and the delivering party has to release the market claim settlement instruction. Settlement instructions for market claims will be settled independently from the underlying instructions.	Part of implementation of standards 1 and 2. Requires additional parameters to the settlement instructions (hold & release and references). Part of the implementation of the market claim mechanism which will be implemented as of 2 February 2015 and in Q2/2016. The implementation of this standard requires a change in market practice.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments (Gap and further steps)	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: FINLAND				
Market Claims	24	In line with standard T2S settlement conditions will include: (i) payment date has been reached, (ii) resources (cash and/or securities are available.	**NOT IMPLEMENTED**	Straightforward to Implement	Currently no market claim instructions are generated by the CSD. EFi as the CSD will create market claims. Settlement instructions for market claims will be processed like any other settlement instructions according to T2S standards.	Part of the implementation of the market claim mechanism (standards 1 and 2) which will be implemented as of 2 February 2015 and in Q2/2016.
Market Claims	25	There should be no partial settlement for market claims in cash. Partial settlement should be limited to market claims in securities and take into account the standard T2S rules for partial settlement. Partial settlement indicator of the market claim should replicate the one of the underlying transaction.	**NOT IMPLEMENTED**	Major Technical Change	Currently no market claim instructions are generated by the CSD. EFi as a CSD will create market claims. Settlement instructions for market claims will be processed like any other settlement instructions according to T2S standards. Partial settlement will be taken into account only when market claims for securities are created.	Part of the implementation of the market claim mechanism (standards 1 and 2) which will be implemented on 2 February 2015 and in Q2/2016.
Market Claims	26	The standard T2S rules for the recycling period should apply.	**NOT IMPLEMENTED**	Straightforward to Implement	Currently no market claim instructions are generated by the CSD. EFi as the CSD will create market claims. Settlement instructions for market claims will be processed like any other settlement instructions according to T2S standards including recycling of instructions.	Part of the implementation of the market claim mechanism (standards 1 and 2) which will be implemented as of 2 February 2015 and in Q2/2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments (Gap and further steps)	Implementation Plan
Market Claims	27	Each CSD/CCP generating a market claim will report to its own participant.	**NOT IMPLEMENTED**	Straightforward to Implement	Currently limited reporting available from CSD, e.g. open cum div transactions at the end of record date and queries available from tax reporting system. EFi as the CSD will create market claims and report created market claims to its participants.	Reporting functionalities will be developed at CSD level in connection with the implementation of the new settlement instructions and functionalities as well as the mechanism for detecting and generating the market claims. Part of the implementation of the market claim mechanism (standards 1 and 2) which will be implemented as of 2 February 2015 and in Q2/2016.
Market Claims	28	T2S will provide its standard pending/settled transaction reporting. A CSD/CCP may provide additional reporting to its participant.	**NOT IMPLEMENTED NOT IMPLEMENTED**	Straightforward to Implement	Currently limited reporting available from CSD, e.g. open cum div transactions at the end of record date and queries available from tax reporting system. EFi as the CSD will create market claims based on pending transactions. EFi will offer reporting regarding pending and settled transactions to participants.	Reporting functionalities will be developed at CSD level in connection with the implementation of the new settlement instructions and functionalities as well as the mechanism for detecting and generating the market claims. Part of the implementation of the market claim mechanism (standards 1 and 2) which will be implemented as of 2 February 2015 and in Q2/2016.

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments (Gap and further steps)	Implementation Plan
Transformations	1	**At the CCP level: When agreed with the Instruction Owner CSDs (IOCs) the CCP itself can manage the transformation for CCP transactions via a Power Of Attorney (POA) on the participants' accounts by use of the T2S cancellation and replacement mechanisms.** **At the CSD level (both CSDs of the buyer and the seller are connected to T2S): The IOCs will manage the transformation: (i) When the underlying transaction impacts two accounts in the same IOC. The cancellation and replacement will be managed and instructed in T2S by the IOC itself; (ii) In a cross-CSD transaction, each IOC has to cancel the instruction (bilateral cancellation process in T2S) and to send to T2S the new transformed instruction for matching.** **When the transaction is cross-border (one CSD is in T2S and the other is outside T2S): The T2S connected IOCs/CCP will manage the transformation. CSDs which are not connected to T2S cannot instruct T2S.**	**NOT IMPLEMENTED**	**Major Technical Change**	Currently there are no automated transformations. EFi as the CSD will create transformations and report them to its participants. EFi will create mechanism for processing transformations according to T2S CASG standards consisting of at least following elements: 1) CA database 2) database for pending transactions and a transformation detection mechanism; 3) generating instructions to T2S for replacing the existing instructions with new settlement instruction; 4) necessary reporting to CSD participants.	**Transformations for Money Market instruments will be available as of 2 February 2015 and for other instruments in Q2 2016. Changes to Market Practise will be also required.**
Transformations	2	**The transformation process shall take place by end of record date or market deadline and during the rest of the transformation detection period (i.e. 20 T2S opening days after the record date/market deadline).**	**NOT IMPLEMENTED**	**Straightforward to Implement**	Currently there are no automated transformations. EFi as the CSD will process transformations on the Record Date situation and 20 opening days onwards.	**Part of implementation of standards 1, 3 and 4. Transformations for Money Market instruments will be available as of 2 February 2015 and for other instruments in Q2 2016.**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments (Gap and further steps)	Implementation Plan
Transformations	3	As a general principle, transformations will be applicable to all eligible transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to deviate from the standard transformation procedures.	NOT IMPLEMENTED	Major Technical Change	Currently there are no automated transformations. EFi as the CSD will process transformations for the eligible transactions. Participants will have an opportunity to use opt-out indicator to exclude transactions from transformation process.	Part of implementation of standards 1 and 4. Transformations for Money Market instruments will be available as of 2 February 2015 and for other instruments in Q2 2016.

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments (Gap and further steps)	Implementation Plan
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Transformations	4	IOCs/CCPs managing the transformation will use the ISO20022 format as specified in the T2S URD. IOCs/CCPs will include in the transformation settlement instructions the appropriate references so that their own participants can identify and process the transformation satisfactorily in their own books. The minimum references required include: T2S reference of the underlying transaction, the "TRAN" ISO settlement transaction condition code, and CSD corporate action event reference. From a T2S system specification perspective, these references are only for information purposes (for CSDs/CCPs participants) as these references do not trigger any specific functionality in T2S (other than standard settlement processing).	**NOT IMPLEMENTED**	Major Technical Change	Currently there are no automated transformations. EFi as a CSD will process transformations for the eligible transactions. Transformation settlement instructions will include the reference of the original transaction, TRAN as settlement transaction condition code and CA event reference.	Part of implementation of standards 1 and 3. Transformations for Money Market instruments will be available as of 2 February 2015 and for other instruments in Q2 2016.

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments (Gap and further steps)	Implementation Plan
Transformations	5	CSD/CCP may match locally the new instructions related to the transformation and send them to T2S as already matched for settlement or send them as separate instructions for matching in T2S.	NOT IMPLEMENTED	Straightforward to Implement	Currently there are no automated transformations. EFi as the CSD will process transformations for the eligible transactions. Transformation settlement instructions will be matched locally when counterparties are local and sent for settlement in T2S in case of cross CSD settlement.	Part of implementation of standards 1, 3 and 4. Transformations for Money Market instruments will be available 2 February 2015 and for other instruments in Q2 2016.
Transformations	6	Both IOCs/CCPs should send new instructions to T2S, for matching purposes.	NOT IMPLEMENTED	Straightforward to Implement	Currently there are no automated transformations. EFi as a CSD will process transformations for the eligible transactions and send instructions for settlement in T2S.	Part of implementation of standards 1,3 and 4. Transformations for Money Market instruments will be available as of 2 February 2015 and for other instruments in Q2 2016.
Transformations	7	The earliest settlement date (SD) of the new transaction(s) should be the latest between the payment date (PD) of the entitlement and the SD of the underlying transaction.	NOT IMPLEMENTED	Straightforward to Implement	Currently there are no automated transformations. EFi as the CSD will process transformations for the eligible transactions. Settlement dates of transformation settlement instructions will follow the standard.	Part of implementation of standards 1, 3 and 4. Transformations for Money Market instruments will be available as of 2 February 2015 and for other instruments in Q2 2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments (Gap and further steps)	Implementation Plan
Transformations	8	The transformed instructions should retain the same characteristics (trade date, cash consideration) as those of the underlying instruction with the possible exception of the three following fields in respect with the terms of the reorganisation: (i) The quantity of securities; (ii) The ISIN; (iii) The settlement date (SD).	NOT IMPLEMENTED	Straightforward to Implement	Currently there are no automated transformations. EFi as a CSD will process transformations for the eligible transactions. ISIN code, quantity of securities and settlement date in transformation settlement instructions will be defined based on the CA event. Other details will remain the same as in the underlying settlement instruction.	Part of implementation of standard 1, 3 and 4. Transformations for Money Market instruments will be available as of 2 February 2015 and for other instruments in Q2 2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments (Gap and further steps)	Implementation Plan
Transformations	9	The settlement amount of the transformed (new) instructions should be proportional to the ratio of each outturn securities. In case of multiple outturns (i.e. multiple new ISINs being generated by the transformation process), the new instructions should not be settled as linked settlement in T2S. The transformed instructions should retain the same characteristics (trade date) as those of the underlying transaction with the possible exception of the four following fields in respect with the terms of the reorganisation: • The quantity of securities • The cash consideration should be allocated to the transformed transactions according to the rates provided by the issuer • The ISIN • The settlement date (SD)	NOT IMPLEMENTED	Straightforward to Implement	Currently there are no automated transformations. EFi as the CSD will process transformations for the eligible transactions. ISIN code, quantity of securities and settlement date in transformation settlement instructions will be defined based on the CA event. If there are multiple outturn securities the cash consideration will be split based on the ratio of the CA event. There will not be any linking between settlement instructions. Other details will remain the same as in the underlying settlement instruction.	Part of implementation of standard 1, 3 and 4. Transformations for Money Market instruments will be available as of 2 February 2015 and for other instruments in Q2 2016.

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments (Gap and further steps)	Implementation Plan
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Transformations	10	The cash transfer(s) settlement instructions should retain the same characteristics as those of the underlying transaction. If the instruction of the underlying transaction was against payment, two new instructions, in opposite directions, will be created; one for the settlement amount and one for the cash outturn. The transfers should not be linked. If the instruction of the underlying transaction was free of payment, only one transfer, for the cash outturn, will be created.	NOT IMPLEMENTED	Straightforward to Implement	Currently there are no automated transformations.

EFi as the CSD will process transformations for the eligible transactions. Characteristics of the underlying transactions will be taken into account. There will not be any linking between settlement instructions. | Part of implementation of standard 1, 3 and 4. Transformations for Money Market instruments will be available as of 2 February 2015 and for other instruments in Q2 2016. |

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments (Gap and further steps)	Implementation Plan
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Transformations	11	When the transformation results in outturn securities fractions, the number of securities should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for the remaining securities fractions, then no further action is required by the IOCs b) In case the issuer compensates investors for remaining securities fractions with cash, then an additional PFOD transaction should be generated by the IOCs	**NOT IMPLEMENTED**	Straightforward to Implement	Currently there are no automated transformations. EFi as a CSD will process transformations for the eligible transactions. In case of fractions, the number of securities will be rounded down and fractions will be paid as separate transactions if the issuer compensates them in cash.	Part of implementation of standard 1, 3 and 4. Transformations for Money Market instruments will be available as of 2 February 2015 and for other instruments in Q2 2016.
Transformations	12	The transformed transaction should be instructed with the same status as the underlying transaction.	**NOT IMPLEMENTED**	Straightforward to Implement	Currently there are no automated transformations. EFi as the CSD will process transformations for the eligible transactions. Status of the transformation settlement instructions will be the same as the status of underlying transactions.	Part of implementation of standard 1, 3 and 4. Transformations for Money Market instruments will be available as of 2 February 2015 and for other instruments in Q2 2016.

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments (Gap and further steps)	Implementation Plan
Transformations	13	The new transformed transaction should ensure that the following indicators are correctly replicated: (i) Partialling indicator of the original transaction instruction; (ii) Ex/cum indicator; (iii) Opt-out indicator related to the market claim creation.	NOT IMPLEMENTED	Straightforward to Implement	Currently there are no automated transformations. EFi as a CSD will process transformations for the eligible transactions. The transformation settlement instructions will include the same indicators as the underlying transactions.	Part of implementation of standards 1, 3 and 4. Transformations for Money Market instruments will be available as of 2 February 2015 and for other instruments in Q2 2016.
Buyer Protection	1	For a given transaction and prior to the BP deadline, the BP requirement will be invoked by the buyer (the buyer will issue BP instructions to the seller).	NOT IMPLEMENTED	Market Practice Change	Currently Buyer Protection is based on bilateral agreement between trading parties case by case. The Finnish Market intends to implement manual BP together with other Nordic Markets. Implementation requires Market Practice document.	Manual Buyer Protection process is planned to be implemented in Q2/2016.
Buyer Protection	2	When a BP requirement is not invoked by the buyer, then the market default rules for elections should apply.	NOT IMPLEMENTED	Market Practice Change	Currently Buyer Protection is based on bilateral agreement between trading parties case by case. The Finnish Market intends to implement manual BP together with other Nordic Markets. Implementation requires Market Practice document.	Manual Buyer Protection process is planned to be implemented in Q2/2016.
Buyer Protection	3	The buyer will be tracking open transactions to which he is entitled to elect and will decide whether or not he wants to invoke a BP.	NOT IMPLEMENTED	Market Practice Change	Currently Buyer Protection is based on bilateral agreement between trading parties case by case. The Finnish Market intends to implement manual BP together with other Nordic Markets. Implementation requires Market Practice document.	Manual Buyer Protection process is planned to be implemented in Q2/2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments (Gap and further steps)	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: FINLAND	
Buyer Protection	4	As per scope in the introduction, all transactions still pending on BP deadline in securities which are subject to a corporate action and a BP regime in the CSD of Issuance can be subject to a BP mechanism.	**NOT IMPLEMENTED**	Market Practice Change	Currently Buyer Protection is based on bilateral agreement between trading parties case by case. The Finnish Market intends to implement manual BP together with other Nordic Markets. Implementation requires Market Practice document.	Manual Buyer Protection process is planned to be implemented in Q2/2016.
Buyer Protection	5	No matching is required in the CSDs' systems. However it is recommended that the seller acknowledges to the buyer, the receipt of the BP instruction.	**NOT IMPLEMENTED**	Market Practice Change	Currently Buyer Protection is based on bilateral agreement between trading parties case by case. The Finnish Market intends to implement manual BP together with other Nordic Markets. Implementation requires Market Practice document.	Manual Buyer Protection process is planned to be implemented in Q2/2016.
Buyer Protection	6	The buyer should include in BP instructions, references to the underlying CA and the underlying transaction to which the CA applies (securities trade or other)	**NOT IMPLEMENTED**	Market Practice Change	Currently Buyer Protection is based on bilateral agreement between trading parties case by case. The Finnish Market intends to implement manual BP together with other Nordic Markets. Implementation requires Market Practice document.	Manual Buyer Protection process is planned to be implemented in Q2/2016.
Buyer Protection	7	Whether late BP instructions should be accepted should be established on the basis of bilateral agreement between the buyer and the seller, or the CSD/CCP rules – where and when CSDs/CCPs are offering such BP processing services.	**NOT IMPLEMENTED**	Market Practice Change	Currently Buyer Protection is based on bilateral agreement between trading parties case by case. The Finnish Market intends to implement manual BP together with other Nordic Markets. Implementation requires Market Practice document.	Manual Buyer Protection process is planned to be implemented in Q2/2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments (Gap and further steps)	Implementation Plan
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Buyer Protection	8	It is recommended that the ISO20022 standards are referred to as the basis for such BP instructions.	**NOT IMPLEMENTED**	Market Practice Change	Currently Buyer Protection is based on bilateral agreement between trading parties case by case. The Finnish Market intends to implement manual BP together with other Nordic Markets. Implementation requires Market Practice document.	Manual Buyer Protection process is planned to be implemented in Q2/2016.
Buyer Protection	9	BP deadlines for Automated BP mechanism. For trade date T (which is the guaranteed participation date/last trade date of the underlying CA), the BP deadline should be on T+n (where n = settlement cycle) and the market deadline on T+n+1 day Taking as working assumption a T+3 settlement cycle: • business day 1 = T; • business day 4 = T+3: buyer protection deadline; • business day 5 = T+4 market deadline BP deadlines for Manual BP mechanism For BP instructions from actors other than CCPs, the BP deadline is T+n. For BP instructions from CCPs the BP deadline is T+n+1 hour	**NOT IMPLEMENTED**	Market Practice Change	Currently Buyer Protection is based on bilateral agreement between trading parties case by case. The Finnish Market intends to implement manual BP together with other Nordic Markets. Implementation requires Market Practice document.	Manual Buyer Protection process is planned to be implemented in Q2/2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments (Gap and further steps)	Implementation Plan
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Buyer Protection	**10**	The BP deadline should be identical across all (I) CSDs in T2S for all securities.	**NOT IMPLEMENTED**	Market Practice Change	Currently Buyer Protection is based on bilateral agreement between trading parties case by case. The Finnish Market intends to implement manual BP together with other Nordic Markets. Implementation requires Market Practice document..	Manual Buyer Protection process is planned to be implemented in Q2/2016.
Buyer Protection	**11**	The BP instruction itself can only be amended by the buyer, before the BP deadline.	**NOT IMPLEMENTED**	Market Practice Change	Currently Buyer Protection is based on bilateral agreement between trading parties case by case. The Finnish Market intends to implement manual BP together with other Nordic Markets. Implementation requires Market Practice document.	Manual Buyer Protection process is planned to be implemented in Q2/2016.
Buyer Protection	**12**	Only the BP election (i.e. corporate action option) can be amended in the BP instruction.	**NOT IMPLEMENTED**	Market Practice Change	Currently Buyer Protection is based on bilateral agreement between trading parties case by case. The Finnish Market intends to implement manual BP together with other Nordic Markets. Implementation requires Market Practice document.	Manual Buyer Protection process is planned to be implemented in Q2/2016.
Buyer Protection	**13**	If the underlying transaction can be settled prior to the BP deadline, it should settle and the BP instruction should be cancelled by the Instruction Owner CSD (IOC) if the IOC offers such a BP service. When BP is handled bilaterally, the BP is void.	**NOT IMPLEMENTED**	Market Practice Change	Currently Buyer Protection is based on bilateral agreement between trading parties case by case. The Finnish Market intends to implement manual BP together with other Nordic Markets. Implementation requires Market Practice document.	Manual Buyer Protection process is planned to be implemented in Q2/2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments (Gap and further steps)	Implementation Plan
Buyer Protection	14	**Process for pending transactions on BP deadline:** **In case of Automated BP mechanism** **Transactions attached with a valid BP that are still pending at the BP deadline should be frozen (put on hold) by the IOCs until their transformation on market deadline/record date. The Transformation of the underlying transaction should be carried out by the IOCs, in accordance with the BP instruction, at the Market Deadline / Record Date of the voluntary reorganisation.** **In case of Manual BP mechanism** **If the CSD does not provide an automated BP service, then buyer and seller shall cancel the underlying transaction and re-instruct, in accordance with the BP instruction, at the market deadline / record date of the voluntary reorganisation.**	**NOT IMPLEMENTED**	**Market Practice Change**	Currently Buyer Protection is based on bilateral agreement between trading parties case by case. The Finnish Market intends to implement manual BP together with other Nordic Markets. Implementation requires Market Practice document.	Manual Buyer Protection process is planned to be implemented in Q2/2016.

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments (Gap and further steps)	Implementation Plan
Buyer Protection	**15**	**Conditions for settlement of protected entitlement** **In case of Automated BP mechanism** **The IOC will set on hold (freeze) and transform in T2S the underlying transaction based on BP instruction it receives (from the buyer).** **In case of Manual BP mechanism** **The buyer and seller shall amend the underlying transaction (as per current practice: cancel and re-instruct).**	**NOT IMPLEMENTED**	**Market Practice Change**	Currently Buyer Protection is based on bilateral agreement between trading parties case by case. The Finnish Market intends to implement manual BP together with other Nordic Markets. Implementation requires Market Practice document.	Manual Buyer Protection process is planned to be implemented in Q2/2016.
Buyer Protection	**16**	**If a buyer wants to make a partial election, they would need to split the original transaction into the shapes they require.**	**NOT IMPLEMENTED**	**Market Practice Change**	Currently Buyer Protection is based on bilateral agreement between trading parties case by case. The Finnish Market intends to implement manual BP together with other Nordic Markets. Implementation requires Market Practice document..	Manual Buyer Protection process is planned to be implemented in Q2/2016.
Buyer Protection	**17**	**The Settlement Date (SD) of the protected entitlements should be the payment date of the underlying CA.**	**NOT IMPLEMENTED**	**Market Practice Change**	Currently Buyer Protection is based on bilateral agreement between trading parties case by case. The Finnish Market intends to implement manual BP together with other Nordic Markets. Implementation requires Market Practice document.	Manual Buyer Protection process is planned to be implemented in Q2/2016.

					2015 - T2S Corporate Actions Standards Gap Analysis: **FINLAND**	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments (Gap and further steps)	Implementation Plan
Buyer Protection	**18**	Settlement of BP instructions should take place as specified in the T2S transformations standards.	**NOT IMPLEMENTED**	Market Practice Change	Currently Buyer Protection is based on bilateral agreement between trading parties case by case. The Finnish Market intends to implement manual BP together with other Nordic Markets. Implementation requires Market Practice document..	Manual Buyer Protection process is planned to be implemented in Q2/2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: FRANCE						
Market Claims		For a given transaction, a market claim should be detected by the two Instruction Owners CSDs (IOCs), or the CCP(s) where applicable, of the two counterparties in the transaction.	**IMPLEMENTED**	N/A		
Market Claims	2	The mechanism to detect market claims is at the discretion, and is the responsibility, of the IOCs and the CCPs of the counterparties.	**IMPLEMENTED**	N/A		
Market Claims	3	Maximum time period for claim detection: 20 T2S opening days from record date.	**NOT IMPLEMENTED**	Straightforward to Implement	The current maximum time period for claim detection is 45 BD. This time period will be set to 20 BD in the frame of the T2S project. Rmk: specific case of SRD to be further investigated.	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: FRANCE						
Market Claims	**4**	Market claims should be detected after the close of business on record date and during the rest of the claims detection period.	**IMPLEMENTED**	N/A	A minor technical change (change in detection rule) has been implemented in March 2014 in order to apply this standard to reverse market claims as well. Before this minor change, reverse market claims were suppressed and did not occur materially. This change has been implemented in ESES in March 2014.	This change has been implemented in ESES in March 2014.
Market Claims	**5**	After record date, the market claim detection mechanism should operate at a minimum once a day after the end of standard T2S daytime settlement processing ("End of Day" in T2S URD) and prior to the start of the next settlement day ("Start of Day" in T2S URD).	**IMPLEMENTED**	N/A		

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: FRANCE						
Market Claims	6	As a general principle, market claims should be detected for all transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to indicate that no claim at all should be raised on a given transaction.	**NOT IMPLEMENTED**	Major Technical Change	Opt-out is currently not facilitated by ESES.	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live
Market Claims	7	Counterparties in the underlying transaction may choose to include the ex/cum indicator only if they want to deviate from the standard market claim procedure, as described in the CAJWG standards.	**NOT IMPLEMENTED**	Major Technical Change	Currently, ESES does not provide ex/cum indicator in the ISO message.	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live
Market Claims	8	As per CAJWG standards, market claims should be detected only for matched instructions (i.e. irrevocable transactions).	**IMPLEMENTED**	N/A		

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	9	Market claims should be generated only by the two IOCs (or the CCPs) of the two parties to the transaction. IOCs and CCPs should also generate market claims on behalf of their clients who have access to direct technical connectivity to T2S. Those clients should not generate market claims in T2S.	IMPLEMENTED	N/A		

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: FRANCE			
Market Claims	10	For each outturn (result of CA entitlement), there should be the generation of a separate market claim instruction. Types of market claim instructions: (i) FOP transfer of securities (receipt and delivery) (ii) Payment free of delivery (PFOD) transfer of cash; The payment currency of the (cash) market claim should be the same as the currency of the original corporate action. The currency of the original corporate action is defined by the issuer of the underlying security. In case the currency of the corporate action payment is not a T2S Settlement Currency, then the counterparties in the underlying transaction should decide between them how to settle the cash entitlement outside T2S.	**IMPLEMENTED**	N/A		

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: FRANCE	
Market Claims	**11**	When the generation of a market claim instruction results in outturn securities fractions, the number of outturn securities in the market claim instruction should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for remaining securities fractions, then no further action is required by IOC b) In case the issuer compensates investors for remaining securities fractions with cash, an additional PFOD transaction should be generated by IOC transferring cash to the beneficial owner.	**NOT IMPLEMENTED**	Major Technical Change	The current process in France is based on an bottom up method implying the send back to the issuer of all the fractions for a global sale and compensation in return based on equal treatment of each investors (i.e. no market claims applied using the top down method). This kind of evolution is part of the implementation plan of CA standards in France and will occur with the ESES Custody Evolution stream 5 delivery but will be only offered when T2S will go live. The gap is partly technical and a market practice gap.	The functionality is planned to be delivered in the scope of the "ESES stream 5" (Q1 2015 - January- for testing phase for a Q1 2015 (March) delivery)

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: FRANCE				
Market Claims	**12**	In order to be able identify market claims, a specific ISO transaction type code "CLAI" should be used in the settlement instructions.	**NOT IMPLEMENTED**	Straightforward to Implement	Currently not applicable in ESES (no use of such ISO transaction type codes). The use of ""CLAI"" ISO transaction type code will be implemented in the frame of T2S project.	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live
Market Claims	**13**	For any individual ISIN, or any individual category of securities, all CSDs/CCPs that accept such securities should use the same rules to generate market claims. The rules, or terms, are defined by the issuer for each corporate action event. The issuer should pass them onto the issuer CSD and made available by the issuer CSD to all of its clients, including the Investor CSDs.	**NOT IMPLEMENTED**	Other	Presumption is that same amount should be used by both CSDs in case of Cross CSD market claim. Assuming that this standard will be fulfilled, it would imply having all other standards fulfilled by all the T2S markets… Hence colour of the report would depend not only on a given market willing to implement the standard. We plan to be compliant by the T2S but this compliancy also depends on the other countries compliancy for this standard. Presumption is that same amount should be used by both CSDs in case of cross-CSD market claim.	Functionalities will be part of the T2S adaptation plan : - September 2015: testing - March 2016: go live Dependency with other countries adaptation plan to be noticed

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: FRANCE	
Market Claims	14	For the settlement of market claim itself (as settled in T2S), the tax statuses of the receiving/delivering accounts should have no direct effect on the amount of cash/securities to be transferred. For a specific ISIN and a specific event, the amount of cash/securities to be transferred should be dependent solely on the number of securities in the underlying transaction. This means that for a specific ISIN and a specific event, the rate of the market claim should always be the same, and should be fixed by the issuer CSD. (*The claim could be an indemnity at, for example, 100% of the gross dividend, or could be a gross or net dividend amount). Subsequent, or in parallel, to the market claim, a withholding agent could process tax adjustments.*	**NOT IMPLEMENTED**	Other	Currently not compliant as the rate applied for the market claim are not derived automatically from the Issuer CSD. Solution to be implemented in ESES within T2S scope : tax rate should be derived from the Issuer CSD national practice. Pending issue with regards to securities not primarily issued in T2S (maximum rate of the country of issuance could be applied). The French community raise the point that CASG should define a T2S Market Practices to harmonise the way of applying rates to the Market Claim. The ""simplest"" approach could recommend a Gross rate (define by the issuer) and then act to local administration for being paid back accordingly. At upper level a certain need for harmonisation is needed to correctly interpret what is the tax status of a Market Claim (capital gain? indemnity?...) cause of difference from countries to others. it is suggested that this specific issue should be raised by the CASG to the HSG. Furthermore an harmonisation of delay to have the pay back from national authorities should also be suggested in order	Functionalities will be part of the T2S adaptation plan: - September 2015: testing - March 2016: go live

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: FRANCE				
Market Claims	15	The CSDs/CCPs generating the market claim will identify which T2S dedicated cash accounts should be used.	**IMPLEMENTED**	N/A		
Market Claims	16	Matching is required for all market claims settlement instructions.	**IMPLEMENTED**	N/A		
Market Claims	17	Each CSD/CCP will include in the market claim settlement instruction sent to T2S appropriate references so that its participant can identify and process the claim satisfactorily.	**IMPLEMENTED**	N/A		

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: **FRANCE**	
Market Claims	18	The market claim should be instructed in T2S by using as trade date of the claim, the same date as the trade date of the underlying transaction. The settlement date of the market claim should be the payment date of the transaction. The settlement date of the market claim should be the payment date of the underlying corporate action.	**NOT IMPLEMENTED**	Major Technical Change	Currently the TD is the same as the one of the underlying transaction, while the ISD of the MKC is the current Business Day if detected after the PD. To be implemented in the frame of T2S	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live
Market Claims	19	The market claim transaction should be instructed with the same status (i.e. either 'on hold' or 'released') as the underlying transaction.	**NOT IMPLEMENTED**	Major Technical Change	Considered as not implemented as such (On hold/Released) concepts do not exist in ESES. Standard to be implement in the frame of T2S. Manual procedure for bilateral cancellation currently being rolled out	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
				2015 - T2S Corporate Actions Standards Gap Analysis: FRANCE		
Market Claims	**20**	The standard T2S rules for who can amend settlement instructions should apply.	**NOT IMPLEMENTED**	Straightforward to Implement	Considered as not implemented as such concepts do not exist in ESES. Standard to be implemented in the frame of T2S: either IOCs or parties to amend their instructions. Manual procedure for bilateral cancellation currently being rolled out	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live
Market Claims	**21**	The standard T2S rules for amending settlement instructions should apply.	**NOT IMPLEMENTED**	Straightforward to Implement	Considered as not implemented as such concepts do not exist in ESES. Standard T2S rules for amending to apply in the frame of T2S. Manual procedure for bilateral cancellation currently being rolled out	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live
Market Claims	**22**	The standard T2S rules for cancelling settlement instructions should apply.	**NOT IMPLEMENTED**	Straightforward to Implement	Considered as not implemented as such concepts do not exist in ESES. Standard to be implement in the frame of T2S. Manual procedure for bilateral cancellation currently being rolled out	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: FRANCE			
Market Claims	23	In line with the CAJWG standards, the settlement of a market claim should be independent from the settlement of the respective underlying transaction. However, market infrastructures should provide to their participants a user friendly facility which gives them the option to ensure that the market claim is not settled prior to the settlement of the underlying transaction.	**NOT IMPLEMENTED**	Major Technical Change	ESES comply with the first part of this standard (the settlement of the market claim transaction is independent from settlement of the underlying transaction). Currently, the user friendly facility as required by the standard is not available. The user friendly facility will be this that will be used for any settlement instruction.	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live
Market Claims	24	In line with standard T2S settlement conditions will include: (i) payment date has been reached, (ii) resources (cash and/or securities are available.	**IMPLEMENTED**	N/A		

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: **FRANCE**			
Market Claims	25	There should be no partial settlement for market claims in cash. Partial settlement should be limited to market claims in securities and take into account the standard T2S rules for partial settlement. Partial settlement indicator of the market claim should replicate the one of the underlying transaction.	**NOT IMPLEMENTED**	Major Technical Change	There is currently no partial settlement on market claim in ESES. Standard to be implemented in the frame of T2S, including replication of the partial settlement indicator from the underlying instruction.	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live
Market Claims	26	The standard T2S rules for the recycling period should apply.	**NOT IMPLEMENTED**	Major Technical Change	ESES recycling period for market claims is limited to 45 business days. Standard T2S recycling period to apply in the frame of T2S.	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live
Market Claims	27	Each CSD/CCP generating a market claim will report to its own participant.	**IMPLEMENTED**	N/A		

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: FRANCE	
Market Claims	**28**	T2S will provide its standard pending/settled transaction reporting. A CSD/CCP may provide additional reporting to its participant.	**NOT IMPLEMENTED**	Major Technical Change	Currently considered as not implement in ESES (not applicable due to architectural considerations). T2S to report 20022 settlement format instruction only, while ESES will provide custody reporting. Issue with regards to the choice of the format for reporting of market claims to be investigated further (ISO Custody - or Transaction Management - vs. ISO Settlement). Alignment of all various CSDs to be agreed on the usage of such messaging. See SMPG.	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live

2015 - T2S Corporate Actions Standards Gap Analysis: **FRANCE**					
Type of Events	**Std No.**	**Standard Description**	**CSD/Market Status**	**Type of Implementation Gap**	**Further Comments**	**Implementation Plan**
Transform ations	1	**At the CCP level: When agreed with the Instruction Owner CSDs (IOCs) the CCP itself can manage the transformation for CCP transactions via a Power Of Attorney (POA) on the participants' accounts by use of the T2S cancellation and replacement mechanisms.** **At the CSD level (both CSDs of the buyer and the seller are connected to T2S): The IOCs will manage the transformation: (i) When the underlying transaction impacts two accounts in the same IOC. The cancellation and replacement will be managed and instructed in T2S by the IOC itself; (ii) In a cross-CSD transaction, each IOC has to cancel the instruction (bilateral cancellation process in T2S) and to send to T2S the new transformed instruction for matching.**	**NOT IMPLEMENT ED**	**Major Technical Change**	Currently the 'cancel and replace' principle is applied within ESES, but only related to intraCSD transactions. However some specifics exist in ESES, hence considered as not fully implemented: - far leg of repo is subject to transformation instead of 'cancel and replace', - mandatory reorganisation against cash where a movement in the opposite direction is generated to complement the underlying instruction, - reorganisation with options where no new instruction is created. In the frame of T2S, for intraCSD transactions, cancellation and creation will be instructed by the ESES CSDs, while for XCSD transactions this will require matching (both for cancellation and creation). Rmq: need for a specific cancellation reason code related to "transformation processing". - Follow up: pending issues regarding a list of limited optional events (potentially 2 CAEV). However this list is under fine-tuning process to ensure having embraced all the cases - Follow up: high level of confidence on mandatory reorganisation - Between March and September 2016, CCP ("cash business") will deal with failed trades on Record Date (end of day) for mandatory reorganisations with a cancel and replace process	This is planned to be implemented in the frame of T2S adaptation plan for mandatory reorganisations without options events, and few elective events - Sep 2015: testing - March 2016: go live This is planned to be implemented in the frame of CSE Stream 6 adaptation plan for the other elective events. (for this standard the concern is limited in fact to 2 CAEV potentially). - June 2016 : testing - September 2016: go live

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
				2015 - T2S Corporate Actions Standards Gap Analysis: **FRANCE**		
Transform ations	2	The transformation process shall take place by end of record date or market deadline and during the rest of the transformation detection period (i.e. 20 T2S opening days after the record date/market deadline).	**NOT IMPLEMENT ED**	Straightforward to Implement	ESES period for creating transformations is limited to 45 business days following the record date/market deadline. This will be changed to 20 BD in the frame of T2S. The transformation process itself will be ready as part of the T2S adaptation plan. However it will not be seen as such as far as the first standard is not fulfilled	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live
Transform ations	3	As a general principle, transformations will be applicable to all eligible transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to deviate from the standard transformation procedures.	**NOT IMPLEMENT ED**	Major Technical Change	Opt out is currently not facilitated by ESES.	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: FRANCE	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	4	IOCs/CCPs managing the transformation will use the ISO20022 format as specified in the T2S URD. IOCs/CCPs will include in the transformation settlement instructions the appropriate references so that their own participants can identify and process the transformation satisfactorily in their own books. The minimum references required include: T2S reference of the underlying transaction, the "TRAN" ISO settlement transaction condition code, and CSD corporate action event reference. From a T2S system specification perspective, these references are only for information purposes (for CSDs/CCPs participants) as these references do not trigger any specific functionality in T2S (other than standard settlement	**NOT IMPLEMENTED**	Major Technical Change	As of today, this piece of information is not available In current messages	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	5	CSD/CCP may match locally the new instructions related to the transformation and send them to T2S as already matched for settlement or send them as separate instructions for matching in T2S.	IMPLEMENTED	N/A		
Transformations	6	Both IOCs/CCPs should send new instructions to T2S, for matching purposes.	NOT IMPLEMENTED	Major Technical Change	This is a new T2S functionality	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live
Transformations	7	The earliest settlement date (SD) of the new transaction(s) should be the latest between the payment date (PD) of the entitlement and the SD of the underlying transaction.	IMPLEMENTED	N/A		

2015 - T2S Corporate Actions Standards Gap Analysis: FRANCE

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: FRANCE				
Transformations	8	The transformed instructions should retain the same characteristics (trade date, cash consideration) as those of the underlying instruction with the possible exception of the three following fields in respect with the terms of the reorganisation: (i) The quantity of securities; (ii) The ISIN; (iii) The settlement date (SD).	**IMPLEMENTED**	N/A		

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transform ations	**9**	**The settlement amount of the transformed (new) instructions should be proportional to the ratio of each outturn securities.**	**NOT IMPLEMENTED**	**Major Technical Change**	**Currently ESES process is only to cancel underlying instruction in case of multiple outturns.**	**This is planned to be implemented in the frame of T2S adaptation plan.**
		In case of multiple outturns (i.e. multiple new ISINs being generated by the transformation process), the new instructions should not be settled as linked settlement in T2S.				**- September 2015: testing**
						- March 2016: go live
		The transformed instructions should retain the same characteristics (trade date) as those of the underlying transaction with the possible exception of the four following fields in respect with the terms of the reorganisation:				
		• The quantity of securities				
		• The cash consideration should be allocated to the transformed transactions according to the rates provided by the issuer				
		• The ISIN				
		• The settlement date (SD)				

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: FRANCE			
Transformations	**10**	The cash transfer(s) settlement instructions should retain the same characteristics as those of the underlying transaction. If the instruction of the underlying transaction was against payment, two new instructions, in opposite directions, will be created; one for the settlement amount and one for the cash outturn. The transfers should not be linked. If the instruction of the underlying transaction was free of payment, only one transfer, for the cash outturn, will be created.	**NOT IMPLEMENTED**	Major Technical Change	There is no cancel and replace mechanism for transformation into cash in ESES (related to mandatory reorganisation against cash without option). Standard to be implemented in the frame of T2S	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live

2015 - T2S Corporate Actions Standards Gap Analysis: **FRANCE**					
Type of Events	**Std No.**	**Standard Description**	**CSD/Market Status**	**Type of Implementation Gap**	**Further Comments**	**Implementation Plan**
Transformations	**11**	**When the transformation results in outturn securities fractions, the number of securities should be rounded down to the nearest whole number. Furthermore:** **a) In case the issuer does not compensate investors for the remaining securities fractions, then no further action is required by the IOCs** **b) In case the issuer compensates investors for remaining securities fractions with cash, then an additional PFOD transaction should be generated by the IOCs**	**NOT IMPLEMENTED**	**Major Technical Change**	**Currently, in case of fractions, only the underlying transaction is cancelled and no new instruction is created.** **Standard to be implemented in the frame of the custody evolutions where the functionality will be delivered in the ESES stream 5 evolution but only offered in T2S**	**Planned in the "ESES stream 5" to be delivered Q1 2015 for testing phase for a Q1 2015 functionality delivery in the ESES stream 5 evolution but only offered in T2S** **Same comment as Market claim**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: FRANCE				
Transformations	12	The transformed transaction should be instructed with the same status as the underlying transaction.	**NOT IMPLEMENTED**	Major Technical Change	Currently, in case of fractions, only the underlying transaction is cancelled and no new instruction is created.	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live
Transformations	13	The new transformed transaction should ensure that the following indicators are correctly replicated: (i) Partialling indicator of the original transaction instruction; (ii) Ex/cum indicator; (iii) Opt-out indicator related to the market claim creation.	**NOT IMPLEMENTED**	Major Technical Change	The indicators are currently not available in the relevant messages	This is planned to be implemented in the frame of T2S adaptation plan. - September 2015: testing - March 2016: go live
Buyer Protection	1	For a given transaction and prior to the BP deadline, the BP requirement will be invoked by the buyer (the buyer will issue BP instructions to the seller).	**NOT IMPLEMENTED**	Market Practice Change	Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented Technical gap only, and associated market practice	To be implemented by 09/2016

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
				2015 - T2S Corporate Actions Standards Gap Analysis: FRANCE		
Buyer Protection	2	When a BP requirement is not invoked by the buyer, then the market default rules for elections should apply.	**NOT IMPLEMENTED**	Market Practice Change	Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented Technical gap only, and associated market practice	To be implemented by 09/2016
Buyer Protection	3	The buyer will be tracking open transactions to which he is entitled to elect and will decide whether or not he wants to invoke a BP.	**NOT IMPLEMENTED**	Market Practice Change	Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented Technical gap only, and associated market practice	To be implemented by 09/2016
Buyer Protection	4	As per scope in the introduction, all transactions still pending on BP deadline in securities which are subject to a corporate action and a BP regime in the CSD of Issuance can be subject to a BP mechanism.	**NOT IMPLEMENTED**	Market Practice Change	Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented Technical gap only, and associated market practice	To be implemented by 09/2016

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: FRANCE						
Buyer Protection	5	No matching is required in the CSDs' systems. However it is recommended that the seller acknowledges to the buyer, the receipt of the BP instruction.	**NOT IMPLEMENTED**	Market Practice Change	Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented Technical gap only, and associated market practice	To be implemented by 09/2016
Buyer Protection	6	The buyer should include in BP instructions, references to the underlying CA and the underlying transaction to which the CA applies (securities trade or other)	**NOT IMPLEMENTED**	Market Practice Change	Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented Technical gap only, and associated market practice	To be implemented by 09/2016
Buyer Protection	7	Whether late BP instructions should be accepted should be established on the basis of bilateral agreement between the buyer and the seller, or the CSD/CCP rules – where and when CSDs/CCPs are offering such BP processing services.	**NOT IMPLEMENTED**	Market Practice Change	Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented Technical gap only, and associated market practice	To be implemented by 09/2016

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: FRANCE	
Buyer Protection	**8**	It is recommended that the ISO20022 standards are referred to as the basis for such BP instructions.	**NOT IMPLEMENTED**	Market Practice Change	Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented Technical gap only, and associated market practice	To be implemented by 09/2016
Buyer Protection	**9**	BP deadlines for Automated BP mechanism. For trade date T (which is the guaranteed participation date/last trade date of the underlying CA), the BP deadline should be on T+n (where n = settlement cycle) and the market deadline on T+n+1 day Taking as working assumption a T+3 settlement cycle: • business day 1 = T; • business day 4 = T+3: buyer protection deadline; • business day 5 = T+4 market deadline BP deadlines for Manual BP mechanism For BP instructions from actors other than CCPs, the BP deadline is T+n. For BP instructions from CCPs the BP deadline is T+n+1 hour	**NOT IMPLEMENTED**	Market Practice Change	Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented Technical gap only, and associated market practice	To be implemented by 09/2016

2015 - T2S Corporate Actions Standards Gap Analysis: FRANCE

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	**10**	**The BP deadline should be identical across all (I) CSDs in T2S for all securities.**	**NOT IMPLEMENTED**	**Market Practice Change**	**Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented** **Technical gap only, and associated market practice**	**To be implemented by 09/2016**
Buyer Protection	**11**	**The BP instruction itself can only be amended by the buyer, before the BP deadline.**	**NOT IMPLEMENTED**	**Market Practice Change**	**Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented** **Technical gap only, and associated market practice**	**To be implemented by 09/2016**
Buyer Protection	**12**	**Only the BP election (i.e. corporate action option) can be amended in the BP instruction.**	**NOT IMPLEMENTED**	**Market Practice Change**	**Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented** **Technical gap only, and associated market practice**	**To be implemented by 09/2016**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: FRANCE			
Buyer Protection	**13**	If the underlying transaction can be settled prior to the BP deadline, it should settle and the BP instruction should be cancelled by the Instruction Owner CSD (IOC) if the IOC offers such a BP service. When BP is handled bilaterally, the BP is void.	**NOT IMPLEMENTED**	Market Practice Change	Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented Technical gap only, and associated market practice	To be implemented by 09/2016

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: **FRANCE**	
Buyer Protection	14	Process for pending transactions on BP deadline: In case of Automated BP mechanism Transactions attached with a valid BP that are still pending at the BP deadline should be frozen (put on hold) by the IOCs until their transformation on market deadline/record date. The Transformation of the underlying transaction should be carried out by the IOCs, in accordance with the BP instruction, at the Market Deadline / Record Date of the voluntary reorganisation. In case of Manual BP mechanism If the CSD does not provide an automated BP service, then buyer and seller shall cancel the underlying transaction and re-instruct, in accordance with the BP	**NOT IMPLEMENTED**	Market Practice Change	Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented Technical gap only, and associated market practice	To be implemented by 09/2016

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	15	Conditions for settlement of protected entitlement In case of Automated BP mechanism The IOC will set on hold (freeze) and transform in T2S the underlying transaction based on BP instruction it receives (from the buyer). In case of Manual BP mechanism The buyer and seller shall amend the underlying transaction (as per current practice: cancel and re-instruct).	NOT IMPLEMENTED	Market Practice Change	Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented Technical gap only, and associated market practice	To be implemented by 09/2016

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: FRANCE						
Buyer Protection	**16**	If a buyer wants to make a partial election, they would need to split the original transaction into the shapes they require.	**NOT IMPLEMENTED**	Market Practice Change	Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented Technical gap only, and associated market practice	To be implemented by 09/2016
Buyer Protection	**17**	The Settlement Date (SD) of the protected entitlements should be the payment date of the underlying CA.	**NOT IMPLEMENTED**	Market Practice Change	Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented Technical gap only, and associated market practice	To be implemented by 09/2016
Buyer Protection	**18**	Settlement of BP instructions should take place as specified in the T2S transformations standards.	**NOT IMPLEMENTED**	Market Practice Change	Due to delay in the implementation of stream 6 (key dates shall be available to fulfil the Buyer Protection requirements), buyer protection cannot be fully implemented Technical gap only, and associated market practice	To be implemented by 09/2016
Additional Comments			**Additionally French market has provided the analysis on the non-compliance with certain transformation standards until September 2016, i.e. post migration of EoC France to T2S.**			

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: BOGS GREECE			
Market Claims	1	For a given transaction, a market claim should be detected by the two Instruction Owners CSDs (IOCs), or the CCP(s) where applicable, of the two counterparties in the transaction.	**NOT IMPLEMENTED**	Straightforward to Implement	BOGS currently does not support CAs on flow. However, BOGS has already adapted its system to manage CAs on flow based on these standards and their management will start upon migration to T2S in wave 1.	The required adaptations are already implemented and are tested as part of BOGS' testing activities with T2S.
Market Claims	2	The mechanism to detect market claims is at the discretion, and is the responsibility, of the IOCs and the CCPs of the counterparties.	**NOT IMPLEMENTED**	Straightforward to Implement	BOGS currently does not support CAs on flow. However, BOGS has already adapted its system to manage CAs on flow based on these standards and their management will start upon migration to T2S in wave 1.	The required adaptations are already implemented and are tested as part of BOGS' testing activities with T2S.
Market Claims	3	Maximum time period for claim detection: 20 T2S opening days from record date.	**NOT IMPLEMENTED**	Straightforward to Implement	BOGS currently does not support CAs on flow. However, BOGS has already adapted its system to manage CAs on flow based on these standards and their management will start upon migration to T2S in wave 1.	The required adaptations are already implemented and are tested as part of BOGS' testing activities with T2S.
Market Claims	4	Market claims should be detected after the close of business on record date and during the rest of the claims detection period.	**NOT IMPLEMENTED**	Straightforward to Implement	BOGS will implement this standard. The detection process for market claims will run once a day, after the EOD period.	The required adaptations are already implemented and are tested as part of BOGS' testing activities with T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: BOGS GREECE				
Market Claims	5	After record date, the market claim detection mechanism should operate at a minimum once a day after the end of standard T2S daytime settlement processing ("End of Day" in T2S URD) and prior to the start of the next settlement day ("Start of Day" in T2S URD).	NOT IMPLEMENTED	Straightforward to Implement	BOGS will implement this standard. The detection process for market claims will run once a day, after the EOD period.	The required adaptations are already implemented and are tested as part of BOGS' testing activities with T2S.
Market Claims	6	As a general principle, market claims should be detected for all transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to indicate that no claim at all should be raised on a given transaction.	NOT IMPLEMENTED	Straightforward to Implement	Opt-Out indicator will be managed by both the BOGS and the market participants	The required adaptations are already implemented and are tested as part of BOGS' testing activities with T2S.
Market Claims	7	Counterparties in the underlying transaction may choose to include the ex/cum indicator only if they want to deviate from the standard market claim procedure, as described in the CAJWG standards.	IMPLEMENTED		BOGS manages securities in FAMT only	
Market Claims	8	As per CAJWG standards, market claims should be detected only for matched instructions (i.e. irrevocable transactions).	NOT IMPLEMENTED	Straightforward to Implement	BOGS currently does not support CAs on flow. However, BOGS has already adapted its system to manage CAs on flow based on these standards and their management will start upon migration to T2S in wave 1.	The required adaptations are already implemented and are tested as part of BOGS' testing activities with T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	9	Market claims should be generated only by the two IOCs (or the CCPs) of the two parties to the transaction. IOCs and CCPs should also generate market claims on behalf of their clients who have access to direct technical connectivity to T2S. Those clients should not generate market claims in T2S.	**NOT IMPLEMENTED**	Straightforward to Implement	BOGS currently does not support CAs on flow. However, BOGS has already adapted its system to manage CAs on flow based on these standards and their management will start upon migration to T2S in wave 1.	The required adaptations are already implemented and are tested as part of BOGS' testing activities with T2S.

2015 - T2S Corporate Actions Standards Gap Analysis: **BOGS GREECE**

			2015 - T2S Corporate Actions Standards Gap Analysis: **BOGS GREECE**			
Type of Events	**Std No.**	**Standard Description**	**CSD/Market Status**	**Type of Implementation Gap**	**Further Comments**	**Implementation Plan**
Market Claims	10	For each outturn (result of CA entitlement), there should be the generation of a separate market claim instruction. Types of market claim instructions: **(i) FOP transfer of securities (receipt and delivery)** **(ii) Payment free of delivery (PFOD) transfer of cash;** The payment currency of the (cash) market claim should be the same as the currency of the original corporate action. The currency of the original corporate action is defined by the issuer of the underlying security. In case the currency of the corporate action payment is not a T2S Settlement Currency, then the counterparties in the underlying transaction should decide between them how to settle the cash entitlement outside T2S.	**IMPLEMENTED**		BOGS manages securities in EUR only. In addition, the generation of separate instructions for each payment is the case today and this behaviour is implemented for the generation of the market claims instructions. Therefore, we consider this standard as being 'Implemented'.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: BOGS GREECE				
Market Claims	11	**When the generation of a market claim instruction results in outturn securities fractions, the number of outturn securities in the market claim instruction should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for remaining securities fractions, then no further action is required by IOC** **b) In case the issuer compensates investors for remaining securities fractions with cash, an additional PFOD transaction should be generated by IOC transferring cash to the beneficial owner.**	IMPLEMENTED		Currently, BOGS manages Greek Government Securities, for which the only applicable to MCs CAs are coupon payments, which refer to cash distributions.	
Market Claims	12	**In order to be able identify market claims, a specific ISO transaction type code "CLAI" should be used in the settlement instructions.**	NOT IMPLEMENTED	Straightforward to Implement	BOGS currently does not support CAs on flow. However, BOGS has already adapted its system to manage CAs on flow based on these standards and their management will start upon migration to T2S in wave 1.	The required adaptations are already implemented and are tested as part of BOGS' testing activities with T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	13	For any individual ISIN, or any individual category of securities, all CSDs/CCPs that accept such securities should use the same rules to generate market claims. The rules, or terms, are defined by the issuer for each corporate action event. The issuer should pass them onto the issuer CSD and made available by the issuer CSD to all of its clients, including the Investor CSDs.	IMPLEMENTED		Any calculations executed by BOGS are based on the Issuer's rules.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: BOGS GREECE				
Market Claims	14	For the settlement of market claim itself (as settled in T2S), the tax statuses of the receiving/delivering accounts should have no direct effect on the amount of cash/securities to be transferred. For a specific ISIN and a specific event, the amount of cash/securities to be transferred should be dependent solely on the number of securities in the underlying transaction. This means that for a specific ISIN and a specific event, the rate of the market claim should always be the same, and should be fixed by the issuer CSD. (*The claim could be an indemnity at, for example, 100% of the gross dividend, or could be a gross or net dividend amount). Subsequent, or in parallel, to the market claim, a withholding agent could process tax adjustments.*	**IMPLEMENTED**		BOGS currently is not involved in the tax withholding process and all the amounts calculated for CAs are based on existing balances only, i.e. gross amounts. The same logic will apply for CAs on flows	
Market Claims	15	The CSDs/CCPs generating the market claim will identify which T2S dedicated cash accounts should be used.	**IMPLEMENTED**		Minor technical changes already implemented. Testing is still pending	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
				2015 - T2S Corporate Actions Standards Gap Analysis: **BOGS GREECE**		
Market Claims	16	Matching is required for all market claims settlement instructions.	**NOT IMPLEMENTED**	Straightforward to Implement	BOGS currently does not support CAs on flow. However, BOGS has already adapted its system to manage CAs on flow based on these standards and their management will start upon migration to T2S in wave 1.	The required adaptations are already implemented and are tested as part of BOGS' testing activities with T2S.
Market Claims	17	Each CSD/CCP will include in the market claim settlement instruction sent to T2S appropriate references so that its participant can identify and process the claim satisfactorily.	**NOT IMPLEMENTED**	Straightforward to Implement	BOGS currently does not support CAs on flow. However, BOGS has already adapted its system to manage CAs on flow based on these standards and their management will start upon migration to T2S in wave 1.	The required adaptations are already implemented and are tested as part of BOGS' testing activities with T2S.
Market Claims	18	The market claim should be instructed in T2S by using as trade date of the claim, the same date as the trade date of the underlying transaction. The settlement date of the market claim should be the payment date of the transaction. The settlement date of the market claim should be the payment date of the underlying corporate action.	**NOT IMPLEMENTED**	Straightforward to Implement	BOGS currently does not support CAs on flow. However, BOGS has already adapted its system to manage CAs on flow based on these standards and their management will start upon migration to T2S in wave 1.	The required adaptations are already implemented and are tested as part of BOGS' testing activities with T2S.
Market Claims	19	The market claim transaction should be instructed with the same status (i.e. either 'on hold' or 'released') as the underlying transaction.	**NOT IMPLEMENTED**	Straightforward to Implement	BOGS currently does not support CAs on flow. However, BOGS has already adapted its system to manage CAs on flow based on these standards and their management will start upon migration to T2S in wave 1.	The required adaptations are already implemented and are tested as part of BOGS' testing activities with T2S.
Market Claims	20	The standard T2S rules for who can amend settlement instructions should apply.	**IMPLEMENTED**		BOGS processes will be fully aligned with the ones of T2S.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: BOGS GREECE				
Market Claims	21	The standard T2S rules for amending settlement instructions should apply.	IMPLEMENTED		BOGS processes will be fully aligned with the ones of T2S	
Market Claims	22	The standard T2S rules for cancelling settlement instructions should apply.	IMPLEMENTED		BOGS processes will be fully aligned with the ones of T2S	
Market Claims	23	In line with the CAJWG standards, the settlement of a market claim should be independent from the settlement of the respective underlying transaction. However, market infrastructures should provide to their participants a user friendly facility which gives them the option to ensure that the market claim is not settled prior to the settlement of the underlying transaction.	NOT IMPLEMENTED	Straightforward to Implement	BOGS currently does not support CAs on flow. However, BOGS has already adapted its system to manage CAs on flow based on these standards and their management will start upon migration to T2S in wave 1.	The required adaptations are already implemented and are tested as part of BOGS' testing activities with T2S.
Market Claims	24	In line with standard T2S settlement conditions will include: (i) payment date has been reached, (ii) resources (cash and/or securities are available.	IMPLEMENTED		These are the T2S rules and since settlement will be outsourced to the T2S platform, each migrated CSD will be compliant with this standard	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: BOGS GREECE			
Market Claims	25	There should be no partial settlement for market claims in cash. Partial settlement should be limited to market claims in securities and take into account the standard T2S rules for partial settlement. Partial settlement indicator of the market claim should replicate the one of the underlying transaction.	**IMPLEMENTED**		Since MC's instructions for BOGS refer to PFOD instructions only and the latter, based on T2S rules, are not applicable for partial settlement, a deviation from this standard will not be possible for CSDs migrated to T2S.	
Market Claims	26	The standard T2S rules for the recycling period should apply.	**IMPLEMENTED**		Recycling rules for MCs will be aligned with the ones of the other transactions.	
Market Claims	27	Each CSD/CCP generating a market claim will report to its own participant.	**NOT IMPLEMENTED**	Straightforward to Implement	BOGS currently does not support CAs on flow. However, BOGS has already adapted its system to manage CAs on flow based on these standards and their management will start upon migration to T2S in wave 1.	The required adaptations are already implemented and are tested as part of BOGS' testing activities with T2S.
Market Claims	28	T2S will provide its standard pending/settled transaction reporting. A CSD/CCP may provide additional reporting to its participant.	**NOT IMPLEMENTED**	Straightforward to Implement	Additional reporting, besides the one provided by T2S will be provided to BOGS' participants.	The required adaptations are already implemented and are being tested as part of BOGS; testing process for T2S..

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: BOGS GREECE						
Transformations	1	**At the CCP level:** When agreed with the Instruction Owner CSDs (IOCs) the CCP itself can manage the transformation for CCP transactions via a Power Of Attorney (POA) on the participants' accounts by use of the T2S cancellation and replacement mechanisms. **At the CSD level (both CSDs of the buyer and the seller are connected to T2S):** The IOCs will manage the transformation: (i) When the underlying transaction impacts two accounts in the same IOC. The cancellation and replacement will be managed and instructed in T2S by the IOC itself; (ii) In a cross-CSD transaction, each IOC has to cancel the instruction (bilateral cancellation process in T2S) and to send to T2S the new transformed instruction for matching. **When the transaction is cross-border (one CSD is in T2S and the other is outside T2S):** The T2S connected IOCs/CCP will manage the transformation. CSDs which are not connected to T2S cannot instruct T2S.	**NOT IMPLEMENTED**	Straightforward to Implement	The processes that will be implemented for T2S will be fully aligned with the requirements of the IOC model. It is to be noted that currently there are not any CCPs providing services in the GR market.	The required adaptations are part of the delivery of the updated BOGS' system software for T2S.
Transformations	2	The transformation process shall take place by end of record date or market deadline and during the rest of the transformation detection period (i.e. 20 T2S opening days after the record date/market deadline).	**NOT IMPLEMENTED**	Straightforward to Implement	The processes implemented for T2S are fully aligned with these requirements. The transformation detection period, where applicable, will follow the 20 days rule. However, it has to be noted that currently CAs events for securities traded in BOGS refer mainly to redemptions, in which the detection period cannot be applied.	The required adaptations are part of the delivery of the updated BOGS' system software for T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: BOGS GREECE						
Transformations	**3**	As a general principle, transformations will be applicable to all eligible transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to deviate from the standard transformation procedures.	**NOT IMPLEMENTED**	Straightforward to Implement	Opt-Out indicator will be managed by both the BOGS and the market participants.	The required adaptations are part of the implementations for T2S
Transformations	**4**	IOCs/CCPs managing the transformation will use the ISO20022 format as specified in the T2S URD. IOCs/CCPs will include in the transformation settlement instructions the appropriate references so that their own participants can identify and process the transformation satisfactorily in their own books. The minimum references required include: T2S reference of the underlying transaction, the "TRAN" ISO settlement transaction condition code, and CSD corporate action event reference. From a T2S system specification perspective, these references are only for information purposes (for CSDs/CCPs participants) as these references do not trigger any specific functionality in T2S (other than standard settlement processing).	**NOT IMPLEMENTED**	Straightforward to Implement	The processes implemented for T2S are fully aligned with the requirements of this standard and any transformation instructions generated by BOGS, where applicable, will include the required references.	The required adaptations are part of the delivery of the updated BOGS' system software for T2S

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: BOGS GREECE						
Transformations	5	CSD/CCP may match locally the new instructions related to the transformation and send them to T2S as already matched for settlement or send them as separate instructions for matching in T2S.	**NOT IMPLEMENTED**	Straightforward to Implement	Any transformation instructions generated by BOGS will be sent to T2S as already matched, unless they refer to cross-CSD pending instructions.	The required adaptations are part of the delivery of the updated BOGS' system software for T2S.
Transformations	6	Both IOCs/CCPs should send new instructions to T2S, for matching purposes.	**NOT IMPLEMENTED**	Straightforward to Implement	The processes implemented for T2S are fully aligned with the requirements of this standard and any transformation instructions generated by BOGS, where applicable, will include the required references.	The required adaptations are part of the delivery of the updated BOGS' system software for T2S.
Transformations	7	The earliest settlement date (SD) of the new transaction(s) should be the latest between the payment date (PD) of the entitlement and the SD of the underlying transaction.	**NOT IMPLEMENTED**	Other	The processes implemented for T2S are aligned with this standard's requirements. In addition, market participants will follow this standard, when they process transformation instructions in the case of CAs events, where BP is applicable[1]	The required adaptations are part of the implementations for T2S
Transformations	8	The transformed instructions should retain the same characteristics (trade date, cash consideration) as those of the underlying instruction with the possible exception of the three following fields in respect with the terms of the reorganisation: (i) The quantity of securities; (ii) The ISIN; (iii) The settlement date (SD).	**NOT IMPLEMENTED**	Other	The processes implemented for T2S are aligned with this standard's requirements. In addition, market participants will follow this standard, when they process transformation instructions in the case of CAs events, where BP is applicable[1]	The required adaptations are part of the implementations for T2S

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan

[1]Since BP will be handled manually by the market participants, for specific CA events, such as voluntary reorganizations, BOGS will not generate any transformation instructions and the market participants will have to send the relevant instructions, based on the BP. However, BOGS will cancel the relevant pending transactions, wherever applicable on the key date.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: BOGS GREECE				
Transformations	**9**	**The settlement amount of the transformed (new) instructions should be proportional to the ratio of each outturn securities.** **In case of multiple outturns (i.e. multiple new ISINs being generated by the transformation process), the new instructions should not be settled as linked settlement in T2S.** **The transformed instructions should retain the same characteristics (trade date) as those of the underlying transaction with the possible exception of the four following fields in respect with the terms of the reorganisation:** **• The quantity of securities** **• The cash consideration should be allocated to the transformed transactions according to the rates provided by the issuer** **• The ISIN** **• The settlement date (SD)**	**NOT IMPLEMENTED**	Other	The processes implemented for T2S are aligned with this standard's requirements. In addition, market participants will follow this standard, when they process transformation instructions in the case of CAs events, where BP is applicable[1]	The required adaptations are part of the implementations for T2S

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan

2015 - T2S Corporate Actions Standards Gap Analysis: BOGS GREECE

[1]Since BP will be handled manually by the market participants, for specific CA events, such as voluntary reorganizations, BOGS will not generate any transformation instructions and the market participants will have to send the relevant instructions, based on the BP. However, BOGS will cancel the relevant pending transactions, wherever applicable on the key date.

| Transformations | 10 | The cash transfer(s) settlement instructions should retain the same characteristics as those of the underlying transaction. If the instruction of the underlying transaction was against payment, two new instructions, in opposite directions, will be created; one for the settlement amount and one for the cash outturn. The transfers should not be linked. If the instruction of the underlying transaction was free of payment, only one transfer, for the cash outturn, will be created. | NOT IMPLEMENTED | Other | The processes implemented for T2S are aligned with this standard's requirements. In addition, market participants will follow this standard, when they process transformation instructions in the case of CAs events, where BP is applicable[1] | The required adaptations are part of the implementations for T2S |

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: BOGS GREECE				
Transformations	**11**	**When the transformation results in outturn securities fractions, the number of securities should be rounded down to the nearest whole number. Furthermore:** **a) In case the issuer does not compensate investors for the remaining securities fractions, then no further action is required by the IOCs** **b) In case the issuer compensates investors for remaining securities fractions with cash, then an additional PFOD transaction should be generated by the IOCs**	**NOT IMPLEMENTED**	Other	The processes implemented for T2S are aligned with this standard's requirements. In addition, market participants will follow this standard, when they process transformation instructions in the case of CAs events, where BP is applicable[1]	The required adaptations are part of the implementations for T2S
Transformations	**12**	**The transformed transaction should be instructed with the same status as the underlying transaction.**	**NOT IMPLEMENTED**	Other	The processes implemented for T2S are aligned with this standard's requirements. In addition, market participants will follow this standard, when they process transformation instructions in the case of CAs events, where BP is applicable[1]	The required adaptations are part of the implementations for T2S

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: BOGS GREECE	
Transformations	13	The new transformed transaction should ensure that the following indicators are correctly replicated: (i) Partialling indicator of the original transaction instruction; (ii) Ex/cum indicator; (iii) Opt-out indicator related to the market claim creation.	NOT IMPLEMENTED	Other	The processes implemented for T2S are aligned with this standard's requirements. In addition, market participants will follow this standard, when they process transformation instructions in the case of CAs events, where BP is applicable[1]	The required adaptations are part of the implementations for T2S
Buyer Protection	1	For a given transaction and prior to the BP deadline, the BP requirement will be invoked by the buyer (the buyer will issue BP instructions to the seller).	NOT IMPLEMENTED	Market Practice Change	As agreed with the market, BP standards will not be automated by the CSD but will be bilaterally handled by the market participants. However, it has to be noted that the possibility of having CA events eligible for BP standards for securities handled in BOGS is limited.	Part of market's adaptation to T2S
Buyer Protection	2	When a BP requirement is not invoked by the buyer, then the market default rules for elections should apply.	NOT IMPLEMENTED	Market Practice Change		
Buyer Protection	3	The buyer will be tracking open transactions to which he is entitled to elect and will decide whether or not he wants to invoke a BP.	NOT IMPLEMENTED	Market Practice Change		
Buyer Protection	4	As per scope in the introduction, all transactions still pending on BP deadline in securities which are subject to a corporate action and a BP regime in the CSD of Issuance can be subject to a BP mechanism.	NOT IMPLEMENTED	Market Practice Change		

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: BOGS GREECE						
Buyer Protection	5	No matching is required in the CSDs' systems. However it is recommended that the seller acknowledges to the buyer, the receipt of the BP instruction.	**NOT IMPLEMENTED**	Market Practice Change		
Buyer Protection	6	The buyer should include in BP instructions, references to the underlying CA and the underlying transaction to which the CA applies (securities trade or other)	**NOT IMPLEMENTED**	Market Practice Change		
Buyer Protection	7	Whether late BP instructions should be accepted should be established on the basis of bilateral agreement between the buyer and the seller, or the CSD/CCP rules – where and when CSDs/CCPs are offering such BP processing services.	**NOT IMPLEMENTED**	Market Practice Change		
Buyer Protection	8	It is recommended that the ISO20022 standards are referred to as the basis for such BP instructions.	**NOT IMPLEMENTED**	Market Practice Change		

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	9	BP deadlines for Automated BP mechanism. For trade date T (which is the guaranteed participation date/last trade date of the underlying CA), the BP deadline should be on T+n (where n = settlement cycle) and the market deadline on T+n+1 day Taking as working assumption a T+3 settlement cycle: • business day 1 = T; • business day 4 = T+3: buyer protection deadline; • business day 5 = T+4 market deadline BP deadlines for Manual BP mechanism For BP instructions from actors other than CCPs, the BP deadline is T+n. For BP instructions from CCPs the BP deadline is T+n+1 hour	NOT IMPLEMENTED	Market Practice Change		
Buyer Protection	10	The BP deadline should be identical across all (I) CSDs in T2S for all securities.	NOT IMPLEMENTED	Market Practice Change		
Buyer Protection	11	The BP instruction itself can only be amended by the buyer, before the BP deadline.	NOT IMPLEMENTED	Market Practice Change		

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: BOGS GREECE						
Buyer Protection	12	Only the BP election (i.e. corporate action option) can be amended in the BP instruction.	**NOT IMPLEMENTED**	Market Practice Change		
Buyer Protection	13	If the underlying transaction can be settled prior to the BP deadline, it should settle and the BP instruction should be cancelled by the Instruction Owner CSD (IOC) if the IOC offers such a BP service. When BP is handled bilaterally, the BP is void.	**NOT IMPLEMENTED**	Market Practice Change		

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: BOGS GREECE				
Buyer Protection	14	**Process for pending transactions on BP deadline:** **In case of Automated BP mechanism** **Transactions attached with a valid BP that are still pending at the BP deadline should be frozen (put on hold) by the IOCs until their transformation on market deadline/record date. The Transformation of the underlying transaction should be carried out by the IOCs, in accordance with the BP instruction, at the Market Deadline / Record Date of the voluntary reorganisation.** **In case of Manual BP mechanism** **If the CSD does not provide an automated BP service, then buyer and seller shall cancel the underlying transaction and re-instruct, in accordance with the BP instruction, at the market deadline / record date of the voluntary reorganisation.**	**NOT IMPLEMENTED**	Market Practice Change		

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: BOGS GREECE				
Buyer Protection	15	**Conditions for settlement of protected entitlement** **In case of Automated BP mechanism** **The IOC will set on hold (freeze) and transform in T2S the underlying transaction based on BP instruction it receives (from the buyer).** **In case of Manual BP mechanism** **The buyer and seller shall amend the underlying transaction (as per current practice: cancel and re-instruct).**	**NOT IMPLEMENTED**	Market Practice Change		
Buyer Protection	16	**If a buyer wants to make a partial election, they would need to split the original transaction into the shapes they require.**	**NOT IMPLEMENTED**	Market Practice Change		
Buyer Protection	17	**The Settlement Date (SD) of the protected entitlements should be the payment date of the underlying CA.**	**NOT IMPLEMENTED**	Market Practice Change		
Buyer Protection	18	**Settlement of BP instructions should take place as specified in the T2S transformations standards.**	**NOT IMPLEMENTED**	Market Practice Change		

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	1	**For a given transaction, a market claim should be detected by the two Instruction Owners CSDs (IOCs), or the CCP(s) where applicable, of the two counterparties in the transaction.**	**NOT IMPLEMENTED**	Straight forward to implement	Lack of market practice of central MC management though currently custodians of the buyer and seller having pending transactions between each other monitor trades being subject of market claim and make necessary compensations based on bilateral agreements (typically SLAs).	The market participants have been prepared for the introduction of the centralized market claim. Upon agreement of all stakeholders the new process will be launched in the market in 2016.

KELER's new CSD software will contains the MC as a process already from the go-live of the system (Q1 2015), however it will be introduced in the market in 2016 based on agreement with the market. |
| **Market Claims** | 2 | **The mechanism to detect market claims is at the discretion, and is the responsibility, of the IOCs and the CCPs of the counterparties.** | **NOT IMPLEMENTED** | Straight forward to implement | Based on the Arcticle 4 under 34§ in the Capital Market Act KELER is not an official announcement source therefore listed companies are not legally forced to announce corporate events through KELER. | KELER submitted its proposal to the Ministry of Economics to change the law, discussion have been ongoing. |
| **Market Claims** | 3 | **Maximum time period for claim detection: 20 T2S opening days from record date.** | **NOT IMPLEMENTED** | Straight forward to implement | The claim detection period and the recycling period is currently unlimited but will be adjusted in line with the standard | The new CSD software was specified to fulfil this standard. |

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	4	Market claims should be detected after the close of business on record date and during the rest of the claims detection period.	**NOT IMPLEMENTED**	Straight forward to implement	For the time being market claim management is provided non-centrally and rather on a bilateral basis in the market. With introducing centralized MC KELER will provide claim detection minimum once a day during the claim detection period.	The new CSD software was specified to be able to detect market claims min. once a day. Based on market volatility this parameter might be subject to change.
Market Claims	5	After record date, the market claim detection mechanism should operate at a minimum once a day after the end of standard T2S daytime settlement processing ("End of Day" in T2S URD) and prior to the start of the next settlement day ("Start of Day" in T2S URD).	**NOT IMPLEMENTED**	Straight forward to implement	Currently custodians of the buyer and seller having pending transactions between each other monitor trades being subject of market claim. The frequency is normally regulated by SLAs and the process is rather manual. With T2S KELER will provide claim detection min. once a day during the claim detection period.	The new CSD software was specified to be able to detect market claims min. once a day. Based on market volatility this parameter might be subject to change.
Market Claims	6	As a general principle, market claims should be detected for all transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to indicate that no claim at all should be raised on a given transaction.	**NOT IMPLEMENTED**	Straight forward to implement	There might be transactions being opt-out of the claim management even today, however due to the fact that the claim process is separated from the settlement process this information is not part of the settlement instruction details for the time being.	The "opt-out" indicator will be a new element in the instruction that will be subject of matching and will be considered in the claim detection as well. The new software was specified accordingly.

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	7	**Counterparties in the underlying transaction may choose to include the ex/cum indicator only if they want to deviate from the standard market claim procedure, as described in the CAJWG standards.**	**NOT IMPLEMENTED**	Straight forward to implement	There might be transactions traded ex-cum in the market even today, however due to the fact that the claim process is separated from the settlement process this information is not part of the settlement instruction details for the time being.	The "ex-cum" indicator will be a new element in the instruction that will be subject of matching and will be considered in the claim detection as well. The new software was specified accordingly.
Market Claims	8	**As per CAJWG standards, market claims should be detected only for matched instructions (i.e. irrevocable transactions).**	**NOT IMPLEMENTED**	Straight forward to implement	Market claim detection for only matched transactions is an existed market practise but handled outside KELER. With T2S it will be centralized.	The new software has been specified in accordance with the standard.
Market Claims	9	**Market claims should be generated only by the two IOCs (or the CCPs) of the two parties to the transaction. IOCs and CCPs should also generate market claims on behalf of their clients who have access to direct technical connectivity to T2S. Those clients should not generate market claims in T2S.**	**NOT IMPLEMENTED**	Straight forward to implement	With T2S KELER will provide centralized MC management to the extent of parties with both direct and indirect connectivity to T2S.	The new software has been specified in accordance with the standard and with no respect of the type of connectivity market claim will be detected and processed.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	**10**	**For each outturn (result of CA entitlement), there should be the generation of a separate market claim instruction. Types of market claim instructions:** **(i) FOP transfer of securities (receipt and delivery)** **(ii) Payment free of delivery (PFOD) transfer of cash;** **The payment currency of the (cash) market claim should be the same as the currency of the original corporate action. The currency of the original corporate action is defined by the issuer of the underlying security.** **In case the currency of the corporate action payment is not a T2S Settlement Currency, then the counterparties in the underlying transaction should decide between them how to settle the cash entitlement outside T2S.**	**NOT IMPLEMENTED**	Straight forward to implement	Currently there is no instruction based process existed throughout the whole MC procedure in the market (mainly manual - no central - treatment of MC's is in place). With T2S KELER will implement MC instructions and provide claim management in the same currency as the currency of the CA announcement.	The mapping between CA events and T2S settlement instruction was done during specification of the new software. Routing table will be built in the product that will route MC instructions to T2S for T2S currencies, and claims in non-T2S currencies will be settled in the RTGS system.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: HUNGARY						
Market Claims	11	**When the generation of a market claim instruction results in outturn securities fractions, the number of outturn securities in the market claim instruction should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for remaining securities fractions, then no further action is required by IOC** **b) In case the issuer compensates investors for remaining securities fractions with cash, an additional PFOD transaction should be generated by IOC transferring cash to the beneficial owner.**	IMPLEMENTED	N/A	The rounding is performed according to the standard already.	The rounding method is already in line with the standard and the new software was parameterized accordingly.
Market Claims	12	**In order to be able identify market claims, a specific ISO transaction type code "CLAI" should be used in the settlement instructions.**	NOT IMPLEMENTED	Straight forward to implement	Currently there is no instruction based process existed throughout the whole MC procedure in the market (mainly manual - no central - treatment of MC's is in place), however some of the market participants already use the ISO code "CLAI" in their operation which will have to be made a market practice in the communication between KELER and its participants.	The "CLAI" transaction type code will be built in the new product and used in the message communication.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: HUNGARY	
Market Claims	13	For any individual ISIN, or any individual category of securities, all CSDs/CCPs that accept such securities should use the same rules to generate market claims. The rules, or terms, are defined by the issuer for each corporate action event. The issuer should pass them onto the issuer CSD and made available by the issuer CSD to all of its clients, including the Investor CSDs.	**NOT IMPLEMENTED**	Straight forward to implement	Here we see mainly a legislative gap, because based on the current legislation (Article (1) under 3:262.§ in the Act V. of 2013 on the Civil Code) pre-condition of being entitled to dividend is to get registered to the extent of the record date position. Positions being subject of a MC are registered in the name of the party who has it on its account on record date. Based on the current regulation precondition for the contractually entitled party being compensated is to get entered in the share book for the unsettled position on record date. KELER is about to have the legislation changed to enable registration is not a pre-condition of a dividend payment and compensation originating from the unsettled transactions at record date.	KELER submitted its proposal to the Ministry of Economics to change the law, discussion have been ongoing.

2015 - T2S Corporate Actions Standards Gap Analysis: HUNGARY						
Type of Events	**Std No.**	**Standard Description**	**CSD/Market Status**	**Type of Implementation Gap**	**Further Comments**	**Implementation Plan**
Market Claims	14	**For the settlement of market claim itself (as settled in T2S), the tax statuses of the receiving/delivering accounts should have no direct effect on the amount of cash/securities to be transferred. For a specific ISIN and a specific event, the amount of cash/securities to be transferred should be dependent solely on the number of securities in the underlying transaction. This means that for a specific ISIN and a specific event, the rate of the market claim should always be the same, and should be fixed by the issuer CSD. (*The claim could be an indemnity at, for example, 100% of the gross dividend, or could be a gross or net dividend amount). Subsequent, or in parallel, to the market claim, a withholding agent could process tax adjustments.***	**NOT IMPLEMENTED**	Market practice change	As per current market practice the tax status of the beneficial owners does have a direct effect on the amounts to be transferred, i.e. proper tax rates can be applied as part of the relief at source process to avoid a tax refund procedure.	There have been different views in the NUG how to consider and process tax applicability on market claims. Discussions related the tax topic are ongoing in the NUG and talks are planned with the Taxation Office this year as well.
Market Claims	15	**The CSDs/CCPs generating the market claim will identify which T2S dedicated cash accounts should be used.**	**NOT IMPLEMENTED**	Straight forward to implement	The process in which KELER will identify corresponding T2S DCA's to use for claim generations, the supporting infrastructure, communication methods, message types and client documentations have been elaborated with the solution provider.	There will be a mapping table in the product with which we will route instructions impacting T2S DCA's based on a routing logic.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
**2015 - T2S Corporate Actions Standards Gap Analysis: HUNGARY**
Market Claims	16	Matching is required for all market claims settlement instructions.	NOT IMPLEMENTED	Straight forward to implement	No instruction and matching obligation of MCs is existed at present.	The market agreed on implementing the T2S matching concept in the domestic context from 2016.
Market Claims	17	Each CSD/CCP will include in the market claim settlement instruction sent to T2S appropriate references so that its participant can identify and process the claim satisfactorily.	NOT IMPLEMENTED	Straight forward to implement	No instruction obligation is existed to manage market claims currently, in addition there is no central event database is existed, either, and no central reference (market reference) is assigned to the settlement instructions.	The new software will provide the CA and trade reference in the claim instruction.
Market Claims	18	The market claim should be instructed in T2S by using as trade date of the claim, the same date as the trade date of the underlying transaction. The settlement date of the market claim should be the payment date of the transaction. The settlement date of the market claim should be the payment date of the underlying corporate action.	NOT IMPLEMENTED	Straight forward to implement	1) Currently there is no settlement cycle of market claims defined 2) Back valuation is not performed by KELER 3) MC compensation is carried out with actual value date at present	These are parameters that were factored in the new product during specification.
Market Claims	19	The market claim transaction should be instructed with the same status (i.e. either 'on hold' or 'released') as the underlying transaction.	NOT IMPLEMENTED	Straight forward to implement	No instruction obligation is existed to manage market claims currently, however the hold/release mechanism is already existed in KELER.	This has been factored in the new product to be in line with the standard.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: HUNGARY						
Market Claims	**20**	**The standard T2S rules for who can amend settlement instructions should apply.**	**NOT IMPLEMENTED**	Straight forward to implement	There is no market practise to amend instructions (at present cancellation and re-instruction is necessary).	The instruction maintenance concept used in T2S was factored in during specification of the new system, and will be launched in the domestic context in 2016.
Market Claims	**21**	**The standard T2S rules for amending settlement instructions should apply.**	**NOT IMPLEMENTED**	Straight forward to implement	There is no market practise to amend instructions (at present cancellation and re-instruction is necessary).	The instruction maintenance concept used in T2S was factored in during specification of the new system, and will be launched in the domestic context in 2016.
Market Claims	**22**	**The standard T2S rules for cancelling settlement instructions should apply.**	**NOT IMPLEMENTED**	Straight forward to implement	KELER participants are allowed to cancel instructions depending the type and status of the instructions at present. In addition, unilateral cancellations are allowed prior and post matching as well.	The instruction cancellation concept used in T2S was factored in during specification of the new system, and will be launched in the domestic context in 2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: HUNGARY				
Market Claims	23	In line with the CAJWG standards, the settlement of a market claim should be independent from the settlement of the respective underlying transaction. However, market infrastructures should provide to their participants a user friendly facility which gives them the option to ensure that the market claim is not settled prior to the settlement of the underlying transaction.	NOT IMPLEMENTED	Straight forward to implement	Currently market claims are dependent from the settlement of the underlying transaction. With T2S a new market practice and corresponding technical functionalities should be implemented.	This was specified according to the standard and the new product will comply with it.
Market Claims	24	In line with standard T2S settlement conditions will include: (i) payment date has been reached, (ii) resources (cash and/or securities are available.	NOT IMPLEMENTED	Straight forward to implement	Monitoring of payment date being reached and cash resources are available is currently the duty of the two custodians being in charge of claim management.	This requirement was considered during specification and the system will have the feature to comply with this standard.
Market Claims	25	There should be no partial settlement for market claims in cash. Partial settlement should be limited to market claims in securities and take into account the standard T2S rules for partial settlement. Partial settlement indicator of the market claim should replicate the one of the underlying transaction.	NOT IMPLEMENTED	Straight forward to implement	Partial settlement is not a market practice in Hungary (neither for settlement instruction nor for market claims).	Partial settlement for claims was not in the scope during specification of the new system.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: HUNGARY				
Market Claims	26	**The standard T2S rules for the recycling period should apply.**	**NOT IMPLEMENTED**	Straight forward to implement	Recycling rules (20 days) at KELER are T2S compliant yet. Same rules will apply for MCs in future.	The T2S recycling rules will be harmonized by KELER and it was factored in the new system.
Market Claims	27	**Each CSD/CCP generating a market claim will report to its own participant.**	**NOT IMPLEMENTED**	Straight forward to implement	Currently the custodians of the counterparts report towards the clients and between each other, KELER is not involved in the process	Internal and external reports on market claims will be provided by our new software.
Market Claims	28	**T2S will provide its standard pending/settled transaction reporting. A CSD/CCP may provide additional reporting to its participant.**	**NOT IMPLEMENTED**	Straight forward to implement	Reports on pending/settled transactions are already sent to participants	There will be a number of reports provided to the participants.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	1	At the CCP level: When agreed with the Instruction Owner CSDs (IOCs) the CCP itself can manage the transformation for CCP transactions via a Power Of Attorney (POA) on the participants' accounts by use of the T2S cancellation and replacement mechanisms. At the CSD level (both CSDs of the buyer and the seller are connected to T2S): The IOCs will manage the transformation: (i) When the underlying transaction impacts two accounts in the same IOC. The cancellation and replacement will be managed and instructed in T2S by the IOC itself; (ii) In a cross-CSD transaction, each IOC has to cancel the instruction (bilateral cancellation process in T2S) and to send to T2S the new transformed instruction for matching. When the transaction is cross-border (one CSD is in T2S and the other is outside T2S): The T2S connected IOCs/CCP will manage the transformation. CSDs which are not connected to T2S cannot instruct T2S.	**NOT IMPLEMENTED**	Straight forward to implement	Transformation process is currently not recognized in the market but will be launched in 2016.	The market participants have been prepared for the introduction of the transformation process. Upon agreement of all stakeholders the new process will be launched in the market in 2016. KELER's new CSD software will contain transformation as a process already from the go-live of the system (Q1 2015) however it will be activated only in 2016 based on agreement with the market.

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: HUNGARY				
Transformations	2	The transformation process shall take place by end of record date or market deadline and during the rest of the transformation detection period (i.e. 20 T2S opening days after the record date/market deadline).	**NOT IMPLEMENTED**	Straight forward to implement	Currently not an existed process in the market.	The new CSD software was specified to be able to detect transformations min. once a day. Based on market volatility this parameter might be subject to change.
Transformations	3	As a general principle, transformations will be applicable to all eligible transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to deviate from the standard transformation procedures.	**NOT IMPLEMENTED**	Straight forward to implement	Since transformation is not existed in the market currently, opt-out of instructions from the standard transformation is not applied for the time being.	The opt-out indicator was declared as mandatory settlement instruction element during the design of the new solution. It will be taken into consideration during matching and detection of transactions subject of transformation.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: HUNGARY	
Transformations	4	IOCs/CCPs managing the transformation will use the ISO20022 format as specified in the T2S URD. IOCs/CCPs will include in the transformation settlement instructions the appropriate references so that their own participants can identify and process the transformation satisfactorily in their own books. The minimum references required include: T2S reference of the underlying transaction, the "TRAN" ISO settlement transaction condition code, and CSD corporate action event reference. From a T2S system specification perspective, these references are only for information purposes (for CSDs/CCPs participants) as these references do not trigger any specific functionality in T2S (other than standard settlement processing).	NOT IMPLEMENTED	Straight forward to implement	This is identified as a technical gap since KELER currently use ISO15022 standards (the ISO code "TRAN" is not used either).	The adaptation of the ISO20022 standards has been on track and expected to be implemented by end of 2014.
Transformations	5	CSD/CCP may match locally the new instructions related to the transformation and send them to T2S as already matched for settlement or send them as separate instructions for matching in T2S.	NOT IMPLEMENTED	Straight forward to implement	As per current market practice transactions are not transformed consequently no matching is existed in this respect.	The T2S matching concept will be implemented in the market from 2016 as agreed with the market participants. .

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	**6**	**Both IOCs/CCPs should send new instructions to T2S, for matching purposes.**	**NOT IMPLEMENTED**	Straight forward to implement	As per current market practice transactions are not transformed consequently no matching is existed in this respect.	Routing table will be built in the product that will route transformation instructions to T2S for matching.
Transformations	**7**	**The earliest settlement date (SD) of the new transaction(s) should be the latest between the payment date (PD) of the entitlement and the SD of the underlying transaction.**	**NOT IMPLEMENTED**	Straight forward to implement	Currently no functionalities at CSD level existed in this context	This is a parameter setup that was factored in in the new product during specification.
Transformations	**8**	**The transformed instructions should retain the same characteristics (trade date, cash consideration) as those of the underlying instruction with the possible exception of the three following fields in respect with the terms of the reorganisation: (i) The quantity of securities; (ii) The ISIN; (iii) The settlement date (SD).**	**NOT IMPLEMENTED**	Straight forward to implement	Currently no functionalities at CSD level existed in this context	This was factored in in the new product during specification.

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	9	The settlement amount of the transformed (new) instructions should be proportional to the ratio of each outturn securities. In case of multiple outturns (i.e. multiple new ISINs being generated by the transformation process), the new instructions should not be settled as linked settlement in T2S. The transformed instructions should retain the same characteristics (trade date) as those of the underlying transaction with the possible exception of the four following fields in respect with the terms of the reorganisation: • The quantity of securities • The cash consideration should be allocated to the transformed transactions according to the rates provided by the issuer • The ISIN • The settlement date (SD)	**NOT IMPLEMENTED**	Straight forward to implement	Currently no functionalities at CSD level existed in this context	All this was factored in in the new product during specification.

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	10	The cash transfer(s) settlement instructions should retain the same characteristics as those of the underlying transaction. If the instruction of the underlying transaction was against payment, two new instructions, in opposite directions, will be created; one for the settlement amount and one for the cash outturn. The transfers should not be linked. If the instruction of the underlying transaction was free of payment, only one transfer, for the cash outturn, will be created.	NOT IMPLEMENTED	Straight forward to implement	Currently no functionalities at CSD level existed in this context	All this was factored in in the new product during specification.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	11	When the transformation results in outturn securities fractions, the number of securities should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for the remaining securities fractions, then no further action is required by the IOCs b) In case the issuer compensates investors for remaining securities fractions with cash, then an additional PFOD transaction should be generated by the IOCs	IMPLEMENTED	N/A	The rounding is performed according to the standard already.	The rounding method is already in line with the standard.
Transformations	12	The transformed transaction should be instructed with the same status as the underlying transaction.	NOT IMPLEMENTED	Straight forward to implement	Unknown business process with lack of functionalities at system level currently.	This was factored in in the new product during specification.
Transformations	13	The new transformed transaction should ensure that the following indicators are correctly replicated: (i) Partialling indicator of the original transaction instruction; (ii) Ex/cum indicator; (iii) Opt-out indicator related to the market claim creation.	NOT IMPLEMENTED	Straight forward to implement	These indicators are currently not part of the settlement instructions.	These indicators will be new elements in the instruction that will be subject of matching and will be considered in the detection of instructions subject of transformation.

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: HUNGARY			
Buyer Protection	1	For a given transaction and prior to the BP deadline, the BP requirement will be invoked by the buyer (the buyer will issue BP instructions to the seller).	NOT IMPLEMENTED	Straight forward to implement	Transformation process is currently not recognized in the market but will be launched in 2016.	The market participants have been prepared for the introduction of the buyer protection process. Upon agreement of all stakeholders the new process will be launched in the market in 2016. KELER has decided for the manual BP to launch in 2016. Its new CSD software will contain buyer protection that will be activated in 2016 based on agreement with the market.
Buyer Protection	2	When a BP requirement is not invoked by the buyer, then the market default rules for elections should apply.	IMPLEMENTED	N/A	In case of elective events no BP can be invoked currently but in case of non-participation default election rules are applied.	The applicability of the default rules in the market is already in line with the standard.
Buyer Protection	3	The buyer will be tracking open transactions to which he is entitled to elect and will decide whether or not he wants to invoke a BP.	NOT IMPLEMENTED	Other	No market practice is existed in this context. Please note that mandatory corporate actions with choice or voluntary events are not common in the market.	The market participants have been aware of the requirements of monitoring open transactions (this is already met) and establishing the framework of the manual BP as a new service offering.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	4	As per scope in the introduction, all transactions still pending on BP deadline in securities which are subject to a corporate action and a BP regime in the CSD of Issuance can be subject to a BP mechanism.	**NOT IMPLEMENTED**	Straight forward to implement	Partially met since KELER and market participants have their own records already to monitor pending transactions. KELER is working on establishing the central event database that consults with the pending transaction database in order to identify transactions being subject of BP.	The CSD software will have a CA database that fulfils the requirements of being able to consult with the pending transactions database.
Buyer Protection	5	No matching is required in the CSDs' systems. However it is recommended that the seller acknowledges to the buyer, the receipt of the BP instruction.	**NOT IMPLEMENTED**	Market practice change	Lack of market practice existed for confirmation of receipt BP instructions (since such instruction types are not existed in the market at all).	Market participants to work out the way of acknowledging receipt of BP instruction
Buyer Protection	6	The buyer should include in BP instructions, references to the underlying CA and the underlying transaction to which the CA applies (securities trade or other)	**NOT IMPLEMENTED**	Market practice change	Because of lack of a central event database there is no central event reference is available at present.	The whole instruction process and communication method of the BP flow to work out in the market.
Buyer Protection	7	Whether late BP instructions should be accepted should be established on the basis of bilateral agreement between the buyer and the seller, or the CSD/CCP rules – where and when CSDs/CCPs are offering such BP processing services.	**NOT IMPLEMENTED**	Market practice change	No regulatory (SLA/KELRs GTC) guidelines exist in this respect and lack of bilateral agreements between market participants, too. The market practice of bilateral BP is also missing at present in the market.	Market participants to elaborate their service level related BP.

2015 - T2S Corporate Actions Standards Gap Analysis: HUNGARY

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	8	It is recommended that the ISO20022 standards are referred to as the basis for such BP instructions.	**NOT IMPLEMENTED**	Other	Lack of instruction types and functionality for BP currently. Moreover, only banks are SWIFT capable in the market, other participants (e.g. broker dealers) are not.	To implement the new ISO20022 standards and the new BP instruction type.
Buyer Protection	9	BP deadlines for Automated BP mechanism. For trade date T (which is the guaranteed participation date/last trade date of the underlying CA), the BP deadline should be on T+n (where n = settlement cycle) and the market deadline on T+n+1 day Taking as working assumption a T+3 settlement cycle: • business day 1 = T; • business day 4 = T+3: buyer protection deadline; • business day 5 = T+4 market deadline BP deadlines for Manual BP mechanism For BP instructions from actors other than CCPs, the BP deadline is T+n. For BP instructions from CCPs the BP deadline is T+n+1 hour	**NOT IMPLEMENTED**	Other	No market practice existed and lack of guidelines on regulatory level (SLA/KELERs GTC).	The market participants to work out the framework of the manual BP . Automated BP mechanism will not be offered in the market.

Table title: **2015 - T2S Corporate Actions Standards Gap Analysis: HUNGARY**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: HUNGARY	
Buyer Protection	10	The BP deadline should be identical across all (I) CSDs in T2S for all securities.	NOT IMPLEMENTED	Straight forward to implement	No market practice and lack of guidelines on regulatory level (SLA/KELERs GTC).	Deadlines to harmonize in the T2S environment.
Buyer Protection	11	The BP instruction itself can only be amended by the buyer, before the BP deadline.	NOT IMPLEMENTED	Other	No market practice existed and lack of guidelines on regulatory level (SLA/KELERs GTC).	Market participants to include the conditions of BP instruction modification in the framework of BP.
Buyer Protection	12	Only the BP election (i.e. corporate action option) can be amended in the BP instruction.	NOT IMPLEMENTED	Other	No market practice existed and lack of guidelines on regulatory level (SLA/KELERs GTC).	Market participants to include the conditions of BP instruction modification in the framework of BP.
Buyer Protection	13	If the underlying transaction can be settled prior to the BP deadline, it should settle and the BP instruction should be cancelled by the Instruction Owner CSD (IOC) if the IOC offers such a BP service. When BP is handled bilaterally, the BP is void.	NOT IMPLEMENTED	Other	Lack of functionalities in the current system and no business process exists at present currently.	Market participants to adopt the standards in the operation between each other.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: HUNGARY				
Buyer Protection	**14**	**Process for pending transactions on BP deadline:** **In case of Automated BP mechanism** **Transactions attached with a valid BP that are still pending at the BP deadline should be frozen (put on hold) by the IOCs until their transformation on market deadline/record date. The Transformation of the underlying transaction should be carried out by the IOCs, in accordance with the BP instruction, at the Market Deadline / Record Date of the voluntary reorganisation.** **In case of Manual BP mechanism** **If the CSD does not provide an automated BP service, then buyer and seller shall cancel the underlying transaction and re-instruct, in accordance with the BP instruction, at the market deadline / record date of the voluntary reorganisation.**	**NOT IMPLEMENTED**	Other	Lack of market practice and functionalities at present.	The framework of the manual BP to establish in the market.

2015 - T2S Corporate Actions Standards Gap Analysis: HUNGARY

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	15	Conditions for settlement of protected entitlement In case of Automated BP mechanism The IOC will set on hold (freeze) and transform in T2S the underlying transaction based on BP instruction it receives (from the buyer). In case of Manual BP mechanism The buyer and seller shall amend the underlying transaction (as per current practice: cancel and re-instruct).	NOT IMPLEMENTED	Other	Lack of market practice and functionalities at present.	The framework of the manual BP to establish in the market.
Buyer Protection	16	If a buyer wants to make a partial election, they would need to split the original transaction into the shapes they require.	NOT IMPLEMENTED	Other	Lack of market practice and functionalities at present	The framework of the manual BP to establish in the market.
Buyer Protection	17	The Settlement Date (SD) of the protected entitlements should be the payment date of the underlying CA.	NOT IMPLEMENTED	Market practice change	Lack of market practice and functionalities at present.	The framework of the manual BP to establish in the market.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	18	Settlement of BP instructions should take place as specified in the T2S transformations standards.	NOT IMPLEMENTED	Straight forward to implement	Currently no functionalities existed at CSD level in this context.	The process of manual BP to introduce in the market with the supporting regulatory and technical background.

2015 - T2S Corporate Actions Standards Gap Analysis: HUNGARY

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: Italy			
Market Claims	1	For a given transaction, a market claim should be detected by the two Instruction Owners CSDs (IOCs), or the CCP(s) where applicable, of the two counterparties in the transaction.	**IMP LEMENTED**	N/A	MT is, and will continue to be, the party in charge for detecting Market Claims	Business as usual
Market Claims	2	The mechanism to detect market claims is at the discretion, and is the responsibility, of the IOCs and the CCPs of the counterparties.	**IMP LEMENTED**	N/A	MT is, and will continue to be, the entity deputed to detect Market Claims	Business as usual
Market Claims	3	Maximum time period for claim detection: 20 T2S opening days from record date.	NOT IMPLEMENTED	Minor IT changes. Nowadays MT detects MC on Record Date only	The software has been implemented for repeating Market Claims detection in the 20 days following Record Date	Ready for community testing in March 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: Italy				
Market Claims	4	Market claims should be detected after the close of business on record date and during the rest of the claims detection period.	NOT IMPLEMENTED	Minor IT changes. Nowadays MT detects MC on Record Date only	The software has been implemented for repeating Market Claims detection in the 20 days following Record Date, starting at close of business on Record Date	Ready for community testing in March 2015
Market Claims	5	After record date, the market claim detection mechanism should operate at a minimum once a day after the end of standard T2S daytime settlement processing ("End of Day" in T2S URD) and prior to the start of the next settlement day ("Start of Day" in T2S URD).	NOT IMPLEMENTED	Minor IT changes.	Monte Titoli will detect Market Claims once a day, after close of business and prior to the start of the next settlement day	Ready for community testing in March 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: Italy				
Market Claims	6	As a general principle, market claims should be detected for all transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to indicate that no claim at all should be raised on a given transaction.	NOT IMPLEMENTED	Minor IT changes.	The new software dealing with the OPT-OUT indicator is being released	Ready for community testing in March 2015
Market Claims	7	Counterparties in the underlying transaction may choose to include the ex/cum indicator only if they want to deviate from the standard market claim procedure, as described in the CAJWG standards.	NOT IMPLEMENTED	Minor IT changes.	The new software dealing with the EX/CUM indicators is being released	Ready for community testing in March 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: Italy				
Market Claims	8	As per CAJWG standards, market claims should be detected only for matched instructions (i.e. irrevocable transactions).	IMPLEMENTED	N/A	Only matched trades are, and will continue to be, eligible for Market Claims	Business as usual
Market Claims	9	Market claims should be generated only by the two IOCs (or the CCPs) of the two parties to the transaction. IOCs and CCPs should also generate market claims on behalf of their clients who have access to direct technical connectivity to T2S. Those clients should not generate market claims in T2S.	NOT IMPLEMENTED	Minor IT change. As a matter of facts, MT currently detects MC for all of its clients	Monte Titoli will generate Market Claims on behalf of its participants, regardless the way they connect to T2S	Ready for community testing in March 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	10	For each outturn (result of CA entitlement), there should be the generation of a separate market claim instruction. Types of market claim instructions: (i) FOP transfer of securities (receipt and delivery) (ii) Payment free of delivery (PFOD) transfer of cash; The payment currency of the (cash) market claim should be the same as the currency of the original corporate action. The currency of the original corporate action is defined by the issuer of the underlying security.	NOT IMPLEMENTED	Minor IT change	The new software managing a new settlement instruction (the Market Claim) alongside with the underlying failed trades is being deployed. Before T2S, Market Claims management at Monte Titoli included the cancellation of the underlying failed trade and the creation of a new settlement instruction with adjusted counter-value. Cash Market Claims when denominated in non T2S currency will be managed by the counterparties to the failed underlying trades	Ready for community testing in March 2015

2015 - T2S Corporate Actions Standards Gap Analysis: **Italy**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		In case the currency of the corporate action payment is not a T2S Settlement Currency, then the counterparties in the underlying transaction should decide between them how to settle the cash entitlement outside T2S.				

2015 - T2S Corporate Actions Standards Gap Analysis: Italy

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: Italy			
Market Claims	11	When the generation of a market claim instruction results in outturn securities fractions, the number of outturn securities in the market claim instruction should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for remaining securities fractions, then no further action is required by IOC

b) In case the issuer compensates investors for remaining securities fractions with cash, an additional PFOD transaction should be generated by IOC transferring cash to the beneficial owner. | IMPLEMENTED | N/A | If the issuer compensates fractions, MT creates, and will continue to create, payment instructions | Business as usual |

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: **Italy**			
Market Claims	12	In order to be able identify market claims, a specific ISO transaction type code "CLAI" should be used in the settlement instructions.	NOT IMPLEMENTED	Minor IT change	The new software dealing with the CLAI transaction type code is being released	Ready for community testing in March 2015
Market Claims	13	For any individual ISIN, or any individual category of securities, all CSDs/CCPs that accept such securities should use the same rules to generate market claims. The rules, or terms, are defined by the issuer for each corporate action event. The issuer should pass them onto the issuer CSD and made available by the issuer CSD to all of its clients, including the Investor CSDs.	IMPLEMENTED	N/A	MT receives information directly from issuers, or from issuer-CSDs. This will continue to be the same after migration to T2S	Business as usual

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: Italy			
Market Claims	14	For the settlement of market claim itself (as settled in T2S), the tax statuses of the receiving/delivering accounts should have no direct effect on the amount of cash/securities to be transferred. For a specific ISIN and a specific event, the amount of cash/securities to be transferred should be dependent solely on the number of securities in the underlying transaction. This means that for a specific ISIN and a specific event, the rate of the market claim should always be the same, and should be fixed by the issuer CSD. (The claim could be an indemnity at, for example, 100% of the gross dividend, or could	IMPLEMENTED	N/A	Market Claims are considered cash compensations and not CA income. The gross amount will be distributed, regardless the fiscal status of recipients. For securities admitted at Monte Titoli as a Issuer-CSD, it might be the market decides to add a penalty to be added to the Market Claim cash amount. The decision will be taken in due course	Business as usual

2015 - T2S Corporate Actions Standards Gap Analysis: Italy

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		be a gross or net dividend amount). Subsequent, or in parallel, to the market claim, a withholding agent could process tax adjustments.				
Market Claims	15	The CSDs/CCPs generating the market claim will identify which T2S dedicated cash accounts should be used.	IMPLEMENTED	N/A	In line with the standards Market Claims in cash will settle in the participants DCAs in T2S	Business as usual, since we are used to settle in Central Bank money (currently in T2)
Market Claims	16	Matching is required for all market claims settlement instructions.	IMPLEMENTED	N/A	In line with the standards, intra-CSD settlement instructions will be sent to T2S as already matched; in cross-CSD settlement, matching will occur In T2S	Business as usual
Market Claims	17	Each CSD/CCP will include in the market claim settlement instruction sent to T2S appropriate references so that its participant can identify and process the claim satisfactorily.	NOT IMPLEMENTED	Minor IT change	The new software that is being deployed will include at least the minimum details as suggested by the standards.	Ready for community testing in March 2015
Market Claims	18	The market claim should be instructed in T2S by using as trade date of the claim, the same date as the trade date of the underlying transaction. The settlement date of the market claim should be the payment date of the transaction.	NOT IMPLEMENTED	Minor IT change	We are prepared to generate market claims according to the standards.	Ready for community testing in March 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: Italy			
Market Claims	19	The market claim transaction should be instructed with the same status (i.e. either 'on hold' or 'released') as the underlying transaction.	NOT IMPLEMENTED	Minor IT change	Market Claims will have the same on-hold/released status as per the underlying fail trade, independently on the nature of the trade.

This represents a change in the current practice, where hold/released statuses are only used for OTC trades and where the default option is released. | Ready for community testing in March 2015 |
Market Claims	20	The standard T2S rules for who can amend settlement instructions should apply.	NOT IMPLEMENTED	Minor IT change	Permissions will be granted to CSD participants	Ready for community testing in March 2015
Market Claims	21	The standard T2S rules for amending settlement instructions should apply.	NOT IMPLEMENTED	Minor IT change	Permissions will be granted to CSD participants within the limits imposed by T2S rules	Ready for community testing in March 2015
Market Claims	22	The standard T2S rules for cancelling settlement instructions should apply.	NOT IMPLEMENTED	Minor IT change	Permissions will be granted to CSD participants within the limits imposed by T2S rules	Ready for community testing in March 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: Italy				
Market Claims	23	In line with the CAJWG standards, the settlement of a market claim should be independent from the settlement of the respective underlying transaction. However, market infrastructures should provide to their participants a user friendly facility which gives them the option to ensure that the market claim is not settled prior to the settlement of the underlying transaction.	NOT IMPLEMENTED	IT change	Monte Titoli will make available the user friendly facility to participants as suggested by CAJWG during their meeting on 26 June 2014 after Wave 1 go live date, after reassessing its feasibility.	Not available before Wave 1 go live date
Market Claims	24	In line with standard T2S settlement conditions will include: (i) payment date has been reached, (ii) resources (cash and/or securities are available).	IMPLEMENTED	N/A	T2S is not changing conditions under which settlement can be achieved	Business as usual

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: Italy			
Market Claims	25	There should be no partial settlement for market claims in cash. Partial settlement should be limited to market claims in securities and take into account the standard T2S rules for partial settlement. Partial settlement indicator of the market claim should replicate the one of the underlying transaction.	NOT IMPLEMENTED	Minor IT change	The software that is going to be deployed will manage partial settlement as per the standards	Ready for community testing in March 2015
Market Claims	26	The standard T2S rules for the recycling period should apply.	NOT IMPLEMENTED	Minor IT change	The software that is going to be deployed will manage recycling of failed trades according to T2S rules	Ready for community testing in March 2015
Market Claims	27	Each CSD/CCP generating a market claim will report to its own participant.	NOT IMPLEMENTED	Minor IT change	Additional messages have been built to meet CSD participants requirements	Ready for community testing in March 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: Italy			
Market Claims	28	T2S will provide its standard pending/settled transaction reporting. A CSD/CCP may provide additional reporting to its participant.	NOT IMPLEMENTED	Minor IT change	We are prepared to provide additional information to both D/ICPs	Ready for community testing in March 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: Italy			
Transformations	1	At the CCP level: When agreed with the Instruction Owner CSDs (IOCs) the CCP itself can manage the transformation for CCP transactions via a Power Of Attorney (POA) on the participants' accounts by use of the T2S cancellation and replacement mechanisms. At the CSD level (both CSDs of the buyer and the seller are connected to T2S): The IOCs will manage the transformation: (i) When the underlying transaction impacts two accounts in the same IOC. The cancellation and replacement will be managed and instructed in T2S by the IOC itself; When the transaction is cross-border (one CSD is in T2S and the other is outside T2S): The T2S connected	IMPLEMENTED	N/A	Both the CCPs and MT are in line with the standards, with no exceptions	Business as usual

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		(ii) In a cross-CSD transaction, each IOC has to cancel the instruction (bilateral cancellation process in T2S) and to send to T2S the new transformed instruction for matching.				
Transformations	2	The transformation process shall take place by end of record date or market deadline and during the rest of the transformation detection period (i.e. 20 T2S opening days after the record date/market deadline).	IMPLEMENTED	N/A	Upon the decision taken by the CASG Group to limit detection at Market Deadline, there is no need for Monte Titoli to expand detection to the 20 days after (this was the gap in respect of the previous wording of the standards)	Business as usual

				2015 - T2S Corporate Actions Standards Gap Analysis: **Italy**		
Type of Events	**Std No.**	**Standard Description**	**CSD/Market Status**	**Type of Implementation Gap**	**Further Comments**	**Implementation Plan**
Transformations	3	As a general principle, transformations will be applicable to all eligible transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to deviate from the standard transformation procedures.	NOT IMPLEMENTED	Minor IT change	The system we have deployed in the test environment has been equipped to manage the OPT-OUT indicator	Ready for community testing in March 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: Italy			
Transformations	4	IOCs/CCPs managing the transformation will use the ISO20022 format as specified in the T2S URD. IOCs/CCPs will include in the transformation settlement instructions the appropriate references so that their own participants can identify and process the transformation satisfactorily in their own books. The minimum references required include: T2S reference of the underlying transaction, the "TRAN" ISO settlement transaction condition code, and CSD corporate action event reference. From a T2S system specification perspective, these references are only for information purposes (for CSDs/CCPs participants)	NOT IMPLEMENTED	Minor IT change	The new software that is being deployed will include at least the minimum details as suggested by the standards.	Ready for community testing in March 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: Italy				
		as these references do not trigger any specific functionality in T2S (other than standard settlement processing).				
Transformations	5	CSD/CCP may match locally the new instructions related to the transformation and send them to T2S as already matched for settlement or send them as separate instructions for matching in T2S.	IMPLEMENTED	N/A		Business as usual
Transformations	6	Both IOCs/CCPs should send new instructions to T2S, for matching purposes.	NOT IMPLEMENTED	Minor IT change	The new software that has been deployed in the test environment is ready to send settlement instructions to T2S	Ready for community testing in March 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: Italy				
Transformations	7	The earliest settlement date (SD) of the new transaction(s) should be the latest between the payment date (PD) of the entitlement and the SD of the underlying transaction.	NOT IMPLEMENTED	Minor IT change	The new software that has been deployed in the test environment is ready to manage all of these dates	Ready for community testing in March 2015
Transformations	8	The transformed instructions should retain the same characteristics (trade date, cash consideration) as those of the underlying instruction with the possible exception of the three following fields in respect with the terms of the reorganisation: (i) The quantity of securities; (ii) The ISIN; (iii) The settlement date (SD).	IMPLEMENTED	N/A		Business as usual

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: Italy				
Transforma tions	9	The settlement amount of the transformed (new) instructions should be proportional to the ratio of each outturn securities.

In case of multiple outturns (i.e. multiple new ISINs being generated by the transformation process), the new instructions should not be settled as linked settlement in T2S.

The transformed instructions should retain the same characteristics (trade date) as those of the underlying transaction with the possible exception of the four following fields in respect with the terms of the reorganisation:
• The quantity of securities | NOT IMPLEMENTED | Minor IT change | The new software that has been deployed in the test environment is ready to create transformed instructions fully in line with the criteria specified in the standard | Ready for community testing in March 2015 |

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		• The cash consideration should be allocated to the transformed transactions according to the rates provided by the issuer • The ISIN • The settlement date (SD)				

2015 - T2S Corporate Actions Standards Gap Analysis: Italy

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	**10**	The cash transfer(s) settlement instructions should retain the same characteristics as those of the underlying transaction. If the instruction of the underlying transaction was against payment, two new instructions, in opposite directions, will be created; one for the settlement amount and one for the cash outturn. The transfers should not be linked. If the instruction of the underlying transaction was free of payment, only one transfer, for the cash outturn, will be created.	NOT IMPLEMENTED	Minor IT change	The new software that has been deployed in the test environment is ready to create transformed instructions fully in line with the criteria specified in the standard	Ready for community testing in March 2015

2015 - T2S Corporate Actions Standards Gap Analysis: Italy

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	11	When the transformation results in outturn securities fractions, the number of securities should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for the remaining securities fractions, then no further action is required by the IOCs b) In case the issuer compensates investors for remaining securities fractions with cash, then an additional PFOD transaction should be generated by the IOCs	IMPLEMENTED	N/A	If the issuer compensates fractions, MT creates, and will continue to create, payment instructions	Business as usual

2015 - T2S Corporate Actions Standards Gap Analysis: Italy

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: Italy			
Transformations	12	The transformed transaction should be instructed with the same status as the underlying transaction.	NOT IMPLEMENTED	Minor IT change	The new software that has been deployed in the test environment is ready to create transformed instructions with the same status as the one of underlying transactions	Ready for community testing in March 2015
Transformations	13	The new transformed transaction should ensure that the following indicators are correctly replicated: (i) Partialling indicator of the original transaction instruction; (ii) Ex/cum indicator; (iii) Opt-out indicator related to the market claim creation.	NOT IMPLEMENTED	Minor IT change	The new software that has been deployed in the test environment is ready to manage all of these indicators	Ready for community testing in March 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: Italy	
Buyer Protection	1	For a given transaction and prior to the BP deadline, the BP requirement will be invoked by the buyer (the buyer will issue BP instructions to the seller).	NOT IMPLEMENTED	Enactment of the market practice	The Italian community has opted for a manual processing. Both the CSD and the CCPs are actively co-operating for drafting the market practice document that will be part of the CSD documentation. A sub-group composed of the CCP, the CSD and the CSD's participants are actively co-operating for managing BP on guaranteed trades	The market practice will be enacted and become effective at the time Italy enters T2S. Bilateral testing among CSD's participants have been planned
Buyer Protection	2	When a BP requirement is not invoked by the buyer, then the market default rules for elections should apply.	NOT IMPLEMENTED		The new software that has been deployed in the test environment is ready to manage the default option as defined by the Issuer is fails are still pending at COB on market deadline	Ready for community testing in March 2015
Buyer Protection	3	The buyer will be tracking open transactions to which he is entitled to elect and will decide whether or not he wants to invoke a BP.	NOT IMPLEMENTED		MT will supply of the pieces of information needed to ICP for monitoring their pending trades, both on the seller and on the buyer side	Ready for community testing in March 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: Italy				
Buyer Protection	4	As per scope in the introduction, all transactions still pending on BP deadline in securities which are subject to a corporate action and a BP regime in the CSD of Issuance can be subject to a BP mechanism.	NOT IMPLEMENTED		The CSD is not active in this regard. The market practice, of course, will base on this principle	The market practice will be enacted and become effective at the time Italy enters T2S
Buyer Protection	5	No matching is required in the CSDs' systems. However it is recommended that the seller acknowledges to the buyer, the receipt of the BP instruction.	NOT IMPLEMENTED		The CSD is not active in this regard. The market practice, of course, will base on this principle	The market practice will be enacted and become effective at the time Italy enters T2S

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
				2015 - T2S Corporate Actions Standards Gap Analysis: **Italy**		
Buyer Protection	6	The buyer should include in BP instructions, references to the underlying CA and the underlying transaction to which the CA applies (securities trade or other)	NOT IMPLEMENTED		Those details have been included in the spread-sheet sample that is to be used between buyer and settler at the time a BP is instructed	The market practice will be enacted and become effective at the time Italy enters T2S
Buyer Protection	7	Whether late BP instructions should be accepted should be established on the basis of bilateral agreement between the buyer and the seller, or the CSD/CCP rules – where and when CSDs/CCPs are offering such BP processing services.	NOT IMPLEMENTED		This is part of the content of the market practice	The market practice will be enacted and become effective at the time Italy enters T2S
Buyer Protection	8	It is recommended that the ISO20022 standards are referred to as the basis for such BP instructions.	NOT IMPLEMENTED		When the Italian community automates the communication flow between buyer and seller ISO 20022 protocols will be used	

			2015 - T2S Corporate Actions Standards Gap Analysis: **Italy**			
Type of Events	**Std No.**	**Standard Description**	**CSD/Market Status**	**Type of Implementation Gap**	**Further Comments**	**Implementation Plan**
Buyer Protection	9	BP deadlines for Automated BP mechanism. For trade date T (which is the guaranteed participation date/last trade date of the underlying CA), the BP deadline should be on T+n (where n = settlement cycle) and the market deadline on T+n+1 day Taking as working assumption a T+3 settlement cycle: • business day 1 = T; • business day 4 = T+3: buyer protection deadline; • business day 5 = T+4 market deadline BP deadlines for Manual BP mechanism For BP instructions from actors other than CCPs, the BP deadline is T+n. For BP instructions from CCPs the BP deadline is T+n+1 hour	IMPLEMENTED		The new field dedicated to the Buyer Protection instruction deadline has been made available in the CA announcements already	Business as usual

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: Italy			
Buyer Protection	10	The BP deadline should be identical across all (I) CSDs in T2S for all securities.	NOT IMPLEMENTED		Monte Titoli, and the financial community, including issuers, will endorse the standard without deviations	The market practice will be enacted and become effective at the time Italy enters T2S
Buyer Protection	11	The BP instruction itself can only be amended by the buyer, before the BP deadline.	NOT IMPLEMENTED		This will be part of the market practice	The market practice will be enacted and become effective at the time Italy enters T2S
Buyer Protection	12	Only the BP election (i.e. corporate action option) can be amended in the BP instruction.	NOT IMPLEMENTED		This will be part of the market practice	The market practice will be enacted and become effective at the time Italy enters T2S

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: Italy				
Buyer Protection	13	If the underlying transaction can be settled prior to the BP deadline, it should settle and the BP instruction should be cancelled by the Instruction Owner CSD (IOC) if the IOC offers such a BP service. When BP is handled bilaterally, the BP is void.	NOT IMPLEMENTED		This will be part of the market practice	The market practice will be enacted and become effective at the time Italy enters T2S

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: Italy				
Buyer Protection	14	Process for pending transactions on BP deadline: In case of Automated BP mechanism Transactions attached with a valid BP that are still pending at the BP deadline should be frozen (put on hold) by the IOCs until their transformation on market deadline/record date. The Transformation of the underlying transaction should be carried out by the IOCs, in accordance with the BP instruction, at the Market Deadline / Record Date of the voluntary reorganisation. In case of Manual BP mechanism	NOT IMPLEMENTED		This will be part of the market practice	The market practice will be enacted and become effective at the time Italy enters T2S

			2015 - T2S Corporate Actions Standards Gap Analysis: **Italy**			
Type of Events	**Std No.**	**Standard Description**	**CSD/Market Status**	**Type of Implementation Gap**	**Further Comments**	**Implementation Plan**
		If the CSD does not provide an automated BP service, then buyer and seller shall cancel the underlying transaction and re-instruct, in accordance with the BP instruction, at the market deadline / record date of the voluntary reorganisation				

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: Italy			
Buyer Protection	15	Conditions for settlement of protected entitlement In case of Automated BP mechanism The IOC will set on hold (freeze) and transform in T2S the underlying transaction based on BP instruction it receives (from the buyer). In case of Manual BP mechanism The buyer and seller shall amend the underlying transaction (as per current practice: cancel and re-instruct).	NOT IMPLEMENTED		Pending clarification from CASG. The right interpretation of the standard will be included in the market practice	The market practice will be enacted and become effective at the time Italy enters T2S
Buyer Protection	16	If a buyer wants to make a partial election, they would need to split the original transaction into the shapes they require.	NOT IMPLEMENTED		This will be part of the market practice	The market practice will be enacted and become effective at the time Italy enters T2S

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: Italy			
Buyer Protection	17	The Settlement Date (SD) of the protected entitlements should be the payment date of the underlying CA.	NOT IMPLEMENTED		This will be part of the market practice	The market practice will be enacted and become effective at the time Italy enters T2S
Buyer Protection	18	Settlement of BP instructions should take place as specified in the T2S transformations standards.	NOT IMPLEMENTED		This will be part of the market practice	The market practice will be enacted and become effective at the time Italy enters T2S

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					2015 - T2S Corporate Actions Standards Gap Analysis: LITHUANIA	
Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implement ation Gap	Further Comments	Implementation Plan
Market Claims	1	For a given transaction, a market claim should be detected by the two Instruction Owners CSDs (IOCs), or the CCP(s) where applicable, of the two counterparties in the transaction.	Not implemented	N/A	Detection of a market claim requires: additional information (ex-cum, opt put indicators) in the settlement instructions passed from the CSD participant to the CSD; market claims detection functionality in the CSD system; CSD operational rules for detecting of market claims; market participants' internal adaptations. Planned technological changes on CSD level will cover the required functionality.	Full standard technical implementation time: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S. CSD rules will take effect as of migration to the new system and as of migration date to the T2S (Feb 2017).
Market Claims	2	The mechanism to detect market claims is at the discretion, and is the responsibility, of the IOCs and the CCPs of the counterparties.	Not implemented	Other	In order Lithuanian CSD can detect market claims it requires: additional information (ex-cum, opt put indicators) in the settlement instructions passed from the CSD participant to the CSD; market claims detection functionality in the CSD system. Planned technological changes on CSD level will cover the required functionality.	The mechanism of detecting market claims will be implemented when new CSD system is launched in Feb 2017.
Market Claims	3	Maximum time period for claim detection: 20 T2S opening days from record date.	Not implemented	Other	In order to meet the standard the Lithuanian CSD must foresee maximum time period for claim detection in the CSD operational rules and technically implement it in the CSD system. Planned technological changes on CSD level will cover the required functionality.	Lithuanian CSD will comply with the standard in the Feb 2017 when the new CSD system is launched.
Market	4	Market claims should be detected	Not	Other	In order to meet the standard the Lithuanian	Lithuanian CSD will comply with the

2015 - T2S Corporate Actions Standards Gap Analysis: **LITHUANIA**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Claims		after the close of business on record date and during the rest of the claims detection period.	implemented		CSD must foresee maximum time period for claim detection in the CSD operational rules and technically implement it in the CSD system. Planned technological changes on CSD level will cover the required functionality.	standard in Feb 2017 when the new CSD system is launched.
Market Claims	5	After record date, the market claim detection mechanism should operate at a minimum once a day after the end of standard T2S daytime settlement processing ("End of Day" in T2S URD) and prior to the start of the next settlement day ("Start of Day" in T2S URD).	Not implemented	Other	In order to meet the standard the Lithuanian CSD must foresee maximum time period for claim detection in the CSD operational rules and technically implement it in the CSD system. Planned technological changes on CSD level will cover the required functionality.	Lithuanian CSD will adjust the schedule of detecting market claim according to the T2S schedule when migrating to T2S.
Market Claims	6	As a general principle, market claims should be detected for all transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to indicate that no claim at all should be raised on a given transaction.	Not implemented	Other	Market claims are detected for all transactions. The implementation of the opt-out indicator requires technical changes in the system, as well as change of market practice and change of the CSD rules.	Opt-out indicator will be implemented in the new CSD system together with the settlement functionality of claims. Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.
Market Claims	7	Counterparties in the underlying transaction may choose to include the ex/cum indicator only if they want to deviate from the standard market claim procedure, as described in the CAJWG standards.	Not implemented	Other	The implementation of the ex/cum indicator requires technical changes in the system, as well as change of market practice and change of the CSD rules.	Ex/cum indicator will be implemented in the new CSD system together with the settlement functionality of claims. Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
						migration to T2S. Amendments to the CSD rules to take effect by the migration to T2S.
Market Claims	8	As per CAJWG standards, market claims should be detected only for matched instructions (i.e. irrevocable transactions).	Not implemented	Other	In order to meet the standard the Lithuanian CSD must foresee maximum time period for claim detection in the CSD operational rules and technically implement it in the CSD system. Planned technological changes on CSD level will cover the required functionality.	Lithuanian CSD will comply with the standard in the Feb 2017 when the new CSD system is launched.
Market Claims	9	Market claims should be generated only by the two IOCs (or the CCPs) of the two parties to the transaction. IOCs and CCPs should also generate market claims on behalf of their clients who have access to direct technical connectivity to T2S. Those clients should not generate market claims in T2S.	Not implemented	Other	Market claims generation by the CSD to be implemented, requiring a technical and market practice change. Change of the CSD rules is also required.	Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S. Amendments to the CSD rules to take effect by the migration to T2S.

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: LITHUANIA	
Market Claims	10	For each outturn (result of CA entitlement), there should be the generation of a separate market claim instruction. Types of market claim instructions: (i) FOP transfer of securities (receipt and delivery) (ii) Payment free of delivery (PFOD) transfer of cash; The payment currency of the (cash) market claim should be the same as the currency of the original corporate action. The currency of the original corporate action is defined by the issuer of the underlying security. In case the currency of the corporate action payment is not a T2S Settlement Currency, then the counterparties in the underlying transaction should decide between them how to settle the cash entitlement outside T2S.	Not implemented	Other	The prescribed types of market claim instructions to be implemented. Change of CSD rules is necessary.	Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S. Amendments to the CSD rules to take effect by the migration to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: LITHUANIA	
Market Claims	11	When the generation of a market claim instruction results in outturn securities fractions, the number of outturn securities in the market claim instruction should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for remaining securities fractions, then no further action is required by IOC b) In case the issuer compensates investors for remaining securities fractions with cash, an additional PFOD transaction should be generated by IOC transferring cash to the beneficial owner.	Not implemented	Other	A requirement to apply the rounding down principle to the number of outturn securities fractions will be added to the new rules of the CSD effective after migration to T2S. The compensation handling mechanism is straightforward to implement.	Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S. Amendments to the CSD rules to take effect by the migration to T2S.
Market Claims	12	In order to be able identify market claims, a specific ISO transaction type code "CLAI" should be used in the settlement instructions.	Not implemented	Other	A specific ISO transaction type code "CLAI" to be used in the settlement instructions in order to identify market claims, requiring technical change.	Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.
Market Claims	13	For any individual ISIN, or any individual category of securities, all CSDs/CCPs that accept such securities should use the same rules to generate market claims. The rules, or terms, are defined by the issuer for each corporate	Not implemented	Legislative Change	Current legislation does not impose a direct requirement for local issuers to specify the market claim rules to the level required by the standard. Also, current legislation does not impose a clear obligation to local issuers to inform local CSD about all corporate actions in a proper and	Lithuanian CSD will comply with the standard in the Feb 2017 when the new CSD system is launched.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		action event. The issuer should pass them onto the issuer CSD and made available by the issuer CSD to all of its clients, including the Investor CSDs.			standardized form.	
Market Claims	14	For the settlement of market claim itself (as settled in T2S), the tax statuses of the receiving/delivering accounts should have no direct effect on the amount of cash/securities to be transferred. For a specific ISIN and a specific event, the amount of cash/securities to be transferred should be dependent solely on the number of securities in the underlying transaction. This means that for a specific ISIN and a specific event, the rate of the market claim should always be the same, and should be fixed by the issuer CSD. (*The claim could be an indemnity at, for example, 100% of the gross dividend, or could be a gross or net dividend amount). Subsequent, or in parallel, to the market claim, a withholding agent could process tax adjustments.*	Not implemented	Taxation Change	Technical and operational compliance with this standard Lithuanian CSD will achieve in Feb 2017 when it will offer full processing of the market claims. There is identified income tax issue from the capital gain which must be addressed by the Lithuanian market participants to the authorities. Current taxation regulation imposes a requirement for the issuer to withhold the taxes on the moment of cash distribution based on recipient's legal status and country of residence, or in accordance with appropriate tax reclaim forms submitted.	Lithuanian CSD will comply with the standard in the Feb 2017 when the new CSD system is launched.
Market Claims	15	The CSDs/CCPs generating the market claim will identify which T2S dedicated cash accounts	Not implemented	Market Practice Change	Technical compliance with this standard Lithuanian CSD will achieve in Feb 2017 when it will offer full processing of the	Lithuanian CSD will comply with the standard in the Feb 2017 when the new CSD system is launched.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		should be used.			market claims. Market claim processing currently is handled directly between involved parties without CSD involvement.	
Market Claims	16	Matching is required for all market claims settlement instructions.	Not implemented	Market Practice Change	The matching functionality of market claims to be implemented.	Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.
Market Claims	17	Each CSD/CCP will include in the market claim settlement instruction sent to T2S appropriate references so that its participant can identify and process the claim satisfactorily.	Not implemented	Other	Appropriate references for the market claim instruction to be negotiated with the Participants of the CSD.	Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.
Market Claims	18	The market claim should be instructed in T2S by using as trade date of the claim, the same date as the trade date of the underlying transaction. The settlement date of the market claim should be the payment date of the transaction. The settlement date of the market claim should be the payment date of the underlying corporate action.	Not implemented	Other	The trade date of the claim to be set the same as the trade date of the underlying transaction. The settlement date of the claim to be set the same as the payment date of the underlying corporate action.	Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.
Market Claims	19	The market claim transaction should be instructed with the same status (i.e. either 'on hold' or 'released') as the underlying transaction.	Not implemented	Other	Market claim processing currently is handled directly between involved parties and does not have proper regulation implemented in local market neither on technological level, nor on legal level.	Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					Planned technological changes on CSD level will cover the required functionality.	migration to T2S.
Market Claims	20	The standard T2S rules for who can amend settlement instructions should apply.	Not implemented	Other	Standard T2S rules for amending settlement instructions to be applied in the context of market claims amending rules.	Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.
Market Claims	21	The standard T2S rules for amending settlement instructions should apply.	Not implemented	Other	Standard T2S rules for amending settlement instructions to be applied in the context of market claims amending rules.	Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.
Market Claims	22	The standard T2S rules for cancelling settlement instructions should apply.	Not implemented	Other	Standard T2S rules for cancelling settlement instructions to be applied in the context of market claims cancellation.	Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.
Market Claims	23	In line with the CAJWG standards, the settlement of a market claim should be independent from the settlement of the respective underlying transaction. However, market infrastructures should provide to their participants a user friendly facility which gives them the option to ensure that the market claim is not settled prior to the settlement of the underlying	Not implemented	Other	A market claim to be treated independently from the settlement of the respective underlying transaction. The CSD system provides a user friendly facility for management of transfers.	Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		transaction.				
Market Claims	24	In line with standard T2S settlement conditions will include: (i) payment date has been reached, (ii) resources (cash and/or securities are available.	Not implemented	Other	The T2S settlement conditions to be applied.	Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.
Market Claims	25	There should be no partial settlement for market claims in cash. Partial settlement should be limited to market claims in securities and take into account the standard T2S rules for partial settlement. Partial settlement indicator of the market claim should replicate the one of the underlying transaction.	Not implemented	Other	Currently no partial settlement is practiced in the market, thus requiring market practice change and technical changes in the system, as well as change of the CSD rules.	Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S. Amendments to the CSD rules to take effect by the migration to T2S.
Market Claims	26	The standard T2S rules for the recycling period should apply.	Not implemented	Market Practice Change	Technical compliance with this standard Lithuanian CSD will achieve in Feb 2017 when it will offer full processing of the market claims.	Lithuanian CSD will comply with the standard in Feb 2017 when migrating to the T2S.
Market Claims	27	Each CSD/CCP generating a market claim will report to its own participant.	Not implemented	N/A	ISO15022 based proprietary XML messages are currently used for providing all settlement related information to participants. Messaging system will be changed to ISO20022 standard. Technical compliance with this standard Lithuanian CSD will achieve in Feb 2017 when it will offer full processing of the market claims. In addition, the link agreements will be	Lithuanian CSD will comply with the standard in Feb 2017 when migrating to the T2S.

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					amended foreseeing the processing of the market claims.	
Market Claims	28	T2S will provide its standard pending/settled transaction reporting. A CSD/CCP may provide additional reporting to its participant.	Not implemented	Other	ISO15022 based proprietary XML messages are currently used for providing all settlement related information to participants. Messaging system will be changed to ISO20022 standard. Technical compliance with this standard Lithuanian CSD will achieve in Feb 2017 when it will offer full processing of the market claims. In addition, the link agreements will be amended foreseeing the processing of the market claims.	Lithuanian CSD will comply with the standard in Feb 2017 when migrating to the T2S.
Transformations	1	At the CCP level: When agreed with the Instruction Owner CSDs (IOCs) the CCP itself can manage the transformation for CCP transactions via a Power Of Attorney (POA) on the participants' accounts by use of the T2S cancellation and replacement mechanisms. At the CSD level (both CSDs of the buyer and the seller are connected to T2S): The IOCs will manage the transformation: (i) When the underlying transaction impacts two accounts in the same IOC. The cancellation and replacement will be managed and	Not implemented	Straightforward to Implement	Technical compliance with this standard Lithuanian CSD will achieve in Feb 2017 when it will offer full processing of transformations. In addition: CSD operational rules must foresee the process of the transformations; the link agreements will be amended foreseeing the processing of the transformations. Planned technological changes on CSD level will cover the required functionality.	Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S. Amendments to the CSD rules to take effect by the migration to T2S.

		2015 - T2S Corporate Actions Standards Gap Analysis: **LITHUANIA**				
Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		instructed in T2S by the IOC itself; (ii) In a cross-CSD transaction, each IOC has to cancel the instruction (bilateral cancellation process in T2S) and to send to T2S the new transformed instruction for matching. <u>When the transaction is cross-border (one CSD is in T2S and the other is outside T2S):</u> The T2S connected IOCs/CCP will manage the transformation. CSDs which are not connected to T2S cannot instruct T2S.	**Not implemented**			
Transformations	2	The transformation process shall take place by end of record date or market deadline and during the rest of the transformation detection period (i.e. 20 T2S opening days after the record date/market deadline).	Not implemented	Straightforward to Implement	In order to meet the standard the Lithuanian CSD must foresee maximum time period for transformation detection in the CSD operational rules and technically implement it in the CSD system. Planned technological changes on CSD level will cover the required functionality.	Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S. Amendments to the CSD rules to take effect by the migration to T2S.
Transformations	3	As a general principle, transformations will be applicable to all eligible transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to deviate from the standard transformation procedures.	Not implemented	Straightforward to Implement	In order to meet the standard the Transformations are applicable for all transactions. The implementation of the opt-out indicator requires technical changes in the system, as well as change of market practice and change of the CSD rules.	Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S. Amendments to the CSD rules to take effect by the migration to T2S.
Transfor	4	IOCs/CCPs managing the	Not	Straightfor	Relevant ISO20022 format for managing	Implementation time in the test system:

					2015 - T2S Corporate Actions Standards Gap Analysis: **LITHUANIA**	
Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implement ation Gap	Further Comments	Implementation Plan
mations		transformation will use the ISO20022 format as specified in the T2S URD. IOCs/CCPs will include in the transformation settlement instructions the appropriate references so that their own participants can identify and process the transformation satisfactorily in their own books. The minimum references required include: T2S reference of the underlying transaction, the "TRAN" ISO settlement transaction condition code, and CSD corporate action event reference. From a T2S system specification perspective, these references are only for information purposes (for CSDs/CCPs participants) as these references do not trigger any specific functionality in T2S (other than standard settlement processing).	implemented	ward to Implement	the transformation, the ISO transaction type code "TRAN" and appropriate references to be implemented. Planned technological changes on CSD level will cover the required functionality.	Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.
Transfor mations	5	CSD/CCP may match locally the new instructions related to the transformation and send them to T2S as already matched for settlement or send them as separate instructions for matching in T2S.	Not implemented	Straightfor ward to Implement	T2S matching rules to be followed for handling transformation instructions matching.	Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.
Transfor	6	Both IOCs/CCPs should send	Not	Straightfor	T2S matching rules to be followed for	Implementation time in the test system:

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
mations		new instructions to T2S, for matching purposes.	implemented	ward to Implement	handling transformation instructions matching.	Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.
Transfor mations	7	The earliest settlement date (SD) of the new transaction(s) should be the latest between the payment date (PD) of the entitlement and the SD of the underlying transaction.	Not implemented	Straightfor ward to Implement	The settlement date of the new transformed instructions to be defined according to the proposed T2S principles.	Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.
Transfor mations	8	The transformed instructions should retain the same characteristics (trade date, cash consideration) as those of the underlying instruction with the possible exception of the three following fields in respect with the terms of the reorganisation: (i) The quantity of securities; (ii) The ISIN; (iii) The settlement date (SD).	Not implemented	Other	Transformation into new security with a single outturn to be implemented according to the proposed T2S rules.	Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.
Transfor mations	9	The settlement amount of the transformed (new) instructions should be proportional to the ratio of each outturn securities. In case of multiple outturns (i.e. multiple new ISINs being generated by the transformation process), the new instructions should not be settled as linked settlement in T2S.	Not implemented	Straightfor ward to Implement	Transformation into two or more new securities to be implemented according to the proposed T2S rules.	Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		The transformed instructions should retain the same characteristics (trade date) as those of the underlying transaction with the possible exception of the four following fields in respect with the terms of the reorganisation: • The quantity of securities • The cash consideration should be allocated to the transformed transactions according to the rates provided by the issuer • The ISIN • The settlement date (SD)				
Transformations	10	The cash transfer(s) settlement instructions should retain the same characteristics as those of the underlying transaction. If the instruction of the underlying transaction was against payment, two new instructions, in opposite directions, will be created; one for the settlement amount and one for the cash outturn. The transfers should not be linked. If the instruction of the underlying transaction was free of payment, only one transfer, for the cash outturn, will be created.	Not implemented	Straightforward to Implement	Transformation into cash to be implemented according to the proposed T2S rules.	Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.
Transformations	11	When the transformation results in outturn securities fractions, the	Not implemented	Other	A requirement to apply the rounding down principle to the number of outturn securities	Implementation time in the test system: Q3 2015 start of internal testing, to be

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		number of securities should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for the remaining securities fractions, then no further action is required by the IOCs b) In case the issuer compensates investors for remaining securities fractions with cash, then an additional PFOD transaction should be generated by the IOCs	Not implemented		fractions will be added to the new rules of the CSD effective from the migration to T2S. The compensation handling mechanism is straightforward to implement.	followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S. Amendments to the CSD rules to take effect by the migration to T2S.
Transformations	12	The transformed transaction should be instructed with the same status as the underlying transaction.	Not implemented	Straightforward to Implement	The instructing of the transformed transaction with the same status as the underlying transaction to be implemented.	Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.
Transformations	13	The new transformed transaction should ensure that the following indicators are correctly replicated: (i) Partialling indicator of the original transaction instruction; (ii) Ex/cum indicator; (iii) Opt-out indicator related to the market claim creation.	Not implemented	Straightforward to Implement	In order to replicate the indicators (partialling, ex/cum, opt-out) of the underlying transaction in the new outturn transaction(s), the relevant fields need to be implemented in the system thus requiring technical changes to the system.	Implementation time in the test system: Q3 2015 start of internal testing, to be followed by the T2S testing according to the T2S project plan. The functionality will be launched together with the migration to T2S.
Buyer Protection	1	For a given transaction and prior to the BP deadline, the BP requirement will be invoked by the buyer (the buyer will issue BP	Not implemented	Other	Market practice must be implemented for passing buyer election to the CSD. The CSD will via manual procedures mediate the instructions in cases involving	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		instructions to the seller).	(Not implemented)		cross-CSD settlement requiring the amendments to the link agreements. BP deadline must be set by CSD in the CSD operation rules. Legal requirements will have to be changed to accommodate a new market practice.	Implementation time: The practice will be launched together with the migration to T2S. Implementation time: The practice will be launched together with the migration to T2S.
Buyer Protection	2	When a BP requirement is not invoked by the buyer, then the market default rules for elections should apply.	Not implemented	Other	CSD as CA processing entity will ensure that the standard is met. Legal requirements will have to be changed to accommodate a new market practice. Manual procedures to be implemented requiring market practice change.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures. Implementation time: The practice will be launched together with the migration to T2S. Implementation time: The practice will be launched together with the migration to T2S.
Buyer Protection	3	The buyer will be tracking open transactions to which he is entitled to elect and will decide whether or not he wants to invoke a BP.	Not implemented	Other	Market practice must be implemented for passing buyer election to the CSD. Legal requirements will have to be changed to accommodate a new market practice. Manual procedures to be implemented requiring market practice change.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures. Implementation time: The practice will be launched together with the migration to T2S. Implementation time: The practice will be launched together with the migration to T2S.
Buyer Protection	4	As per scope in the introduction, all transactions still pending on BP deadline in securities which are subject to a corporate action and a BP regime in the CSD of Issuance can be subject to a BP	Not implemented	Other	Manual procedures to be implemented. Legal requirements will have to be changed to accommodate a new market practice.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures. Implementation time: The practice will be launched together with the migration

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: **LITHUANIA**				
		mechanism.	Not implemented			to T2S. Implementation time: The practice will be launched together with the migration to T2S.
Buyer Protection	5	No matching is required in the CSDs' systems. However it is recommended that the seller acknowledges to the buyer, the receipt of the BP instruction.	Not implemented	Other	Manual procedures to be implemented. Legal requirements will have to be changed to accommodate a new market practice.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures. Implementation time: The practice will be launched together with the migration to T2S. Implementation time: The practice will be launched together with the migration to T2S.
Buyer Protection	6	The buyer should include in BP instructions, references to the underlying CA and the underlying transaction to which the CA applies (securities trade or other)	Not implemented	Other	Manual procedures to be implemented. Legal requirements will have to be changed to accommodate a new market practice.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures. Implementation time: The practice will be launched together with the migration to T2S. Implementation time: The practice will be launched together with the migration to T2S.
Buyer Protection	7	Whether late BP instructions should be accepted should be established on the basis of bilateral agreement between the buyer and the seller, or the CSD/CCP rules – where and when CSDs/CCPs are offering such BP processing services.	Not implemented	Other	Whether later BP instructions should be accepted is to be established on the basis of bilateral agreement between the buyer and the seller. Legal requirements will have to be changed to accommodate a new market practice.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures. Implementation time: The practice will be launched together with the migration to T2S. Implementation time: The practice will

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
						be launched together with the migration to T2S.
Buyer Protection	8	It is recommended that the ISO20022 standards are referred to as the basis for such BP instructions.	Not implemented	Other	Manual procedures to be implemented. Legal requirements will have to be changed to accommodate a new market practice.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures. Implementation time: The practice will be launched together with the migration to T2S. Implementation time: The practice will be launched together with the migration to T2S.
Buyer Protection	9	BP deadlines for Automated BP mechanism. For trade date T (which is the guaranteed participation date/last trade date of the underlying CA), the BP deadline should be on T+n (where n = settlement cycle) and the market deadline on T+n+1 day Taking as working assumption a T+3 settlement cycle: • business day 1 = T; • business day 4 = T+3: buyer protection deadline; • business day 5 = T+4 market deadline BP deadlines for Manual BP mechanism For BP instructions from actors other than CCPs, the BP deadline	Not implemented	Other	Manual procedures to be implemented. Legal requirements will have to be changed to accommodate a new market practice.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures. Implementation time: The practice will be launched together with the migration to T2S. Implementation time: The practice will be launched together with the migration to T2S.

2015 - T2S Corporate Actions Standards Gap Analysis: LITHUANIA

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		is T+n. For BP instructions from CCPs the BP deadline is T+n+1 hour	Not implemented			
Buyer Protection	10	The BP deadline should be identical across all (I) CSDs in T2S for all securities.	Not implemented	Other	Manual procedures to be implemented. Legal requirements will have to be changed to accommodate a new market practice.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures. Implementation time: The practice will be launched together with the migration to T2S. Implementation time: The practice will be launched together with the migration to T2S.
Buyer Protection	11	The BP instruction itself can only be amended by the buyer, before the BP deadline.	Not implemented	Other	Manual procedures to be implemented. Legal requirements will have to be changed to accommodate a new market practice.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures. Implementation time: The practice will be launched together with the migration to T2S. Implementation time: The practice will be launched together with the migration to T2S.
Buyer Protection	12	Only the BP election (i.e. corporate action option) can be amended in the BP instruction.	Not implemented	Other	Manual procedures to be implemented. Legal requirements will have to be changed to accommodate a new market practice.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures. Implementation time: The practice will be launched together with the migration to T2S. Implementation time: The practice will be launched together with the migration

2015 - T2S Corporate Actions Standards Gap Analysis: LITHUANIA

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implement ation Gap	Further Comments	Implementation Plan
						to T2S.
Buyer Protection	13	If the underlying transaction can be settled prior to the BP deadline, it should settle and the BP instruction should be cancelled by the Instruction Owner CSD (IOC) if the IOC offers such a BP service. When BP is handled bilaterally, the BP is void.	Not implemented	Other	Manual procedures to be implemented. Legal requirements will have to be changed to accommodate a new market practice.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures. Implementation time: The practice will be launched together with the migration to T2S. Implementation time: The practice will be launched together with the migration to T2S.
Buyer Protection	14	Process for pending transactions on BP deadline: In case of Automated BP mechanism Transactions attached with a valid BP that are still pending at the BP deadline should be frozen (put on hold) by the IOCs until their transformation on market deadline/record date. The Transformation of the underlying transaction should be carried out by the IOCs, in accordance with the BP instruction, at the Market Deadline / Record Date of the voluntary reorganisation. In case of Manual BP mechanism If the CSD does not provide an automated BP service, then buyer and seller shall cancel the underlying transaction and re-	Not implemented	Other	Manual procedures to be implemented. Legal requirements will have to be changed to accommodate a new market practice.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures. Implementation time: The practice will be launched together with the migration to T2S. Implementation time: The practice will be launched together with the migration to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implement ation Gap	Further Comments	Implementation Plan
		instruct, in accordance with the BP instruction, at the market deadline / record date of the voluntary reorganisation.	**Not implemented**			
Buyer Protectio n	15	Conditions for settlement of protected entitlement In case of Automated BP mechanism The IOC will set on hold (freeze) and transform in T2S the underlying transaction based on BP instruction it receives (from the buyer). In case of Manual BP mechanism The buyer and seller shall amend the underlying transaction (as per current practice: cancel and re-instruct).	**Not implemented**	Other	Manual procedures to be implemented. Legal requirements will have to be changed to accommodate a new market practice.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures. Implementation time: The practice will be launched together with the migration to T2S. Implementation time: The practice will be launched together with the migration to T2S.
Buyer Protectio n	16	If a buyer wants to make a partial election, they would need to split the original transaction into the shapes they require.	**Not implemented**	Other	Manual procedures to be implemented. Legal requirements will have to be changed to accommodate a new market practice.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures. Implementation time: The practice will be launched together with the migration to T2S. Implementation time: The practice will be launched together with the migration to T2S.
Buyer Protectio n	17	The Settlement Date (SD) of the protected entitlements should be the payment date of the underlying CA.	**Not implemented**	Other	Manual procedures to be implemented. Legal requirements will have to be changed to accommodate a new market practice.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
						Implementation time: The practice will be launched together with the migration to T2S. Implementation time: The practice will be launched together with the migration to T2S.
Buyer Protection	18	Settlement of BP instructions should take place as specified in the T2S transformations standards.	Not implemented	Other	Manual procedures to be implemented. Legal requirements will have to be changed to accommodate a new market practice.	The management of buyer protection instructions by market participants or the CSD in cross-CSD cases will be offered via manual procedures. Implementation time: The practice will be launched together with the migration to T2S. Implementation time: The practice will be launched together with the migration to T2S.

2015 - T2S Corporate Actions Standards Gap Analysis: LITHUANIA

LUX CSD:

			2015 - T2S Corporate Actions Standards Gap Analysis: LUX CSD				
Type of Events	**Std No.**	**Standard Description**	**CSD/Market Status**	**Type of Implementation Gap**	**Further Comments**		**Implementation Plan**
Market Claims	1	For a given transaction, a market claim should be detected by the two Instruction Owners CSDs (IOCs), or the CCP(s) where applicable, of the two counterparties in the transaction.	IMPLEMENTED	N/A	LuxCSD already detects Market Claims for majority of transaction typies for both counterparties.		Functionality is already implemented, the standard will only be migrated for all kind of transactions in September 2016 with the participation of LuxCSD on T2S.
Market Claims	2	The mechanism to detect market claims is at the discretion, and is the responsibility, of the IOCs and the CCPs of the counterparties.	IMPLEMENTED	N/A	By following the CAJWG standards regarding the definition of Market Claims, LuxCSD already follows this standard regarding the detection solely.		As already implemented, the standard will only be migrated in September 2016 with the participation of LuxCSD on T2S.
Market Claims	3	Maximum time period for claim detection: 20 T2S opening days from record date.	IMPLEMENTED	N/A	The current recovery period is fixed at 30 days after the payment date. Luxembourg CSDs rules and operational procedures will be adapted to the CAJWG best practice and the T2S standard		As already implemented, the standard will only be migrated in September 2016 with the participation of LuxCSD on T2S. Period of 20 BD will be reduced with wave 3.
Market Claims	4	Market claims should be detected after the close of business on record date and during the rest of the claims detection period.	IMPLEMENTED	Legislative Change	Already today LuxCSD detects Market Claims at Recod Date and for the following period.		Detection of market claims and automated processing already implemented

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: **LUX CSD**			
Market Claims	5	After record date, the market claim detection mechanism should operate at a minimum once a day after the end of standard T2S daytime settlement processing ("End of Day" in T2S URD) and prior to the start of the next settlement day ("Start of Day" in T2S URD).	IMPLEMENTED	N/A	Currently LuxCSD detects market claim relevant transactions for Income events once a day. For Non-Income events the detection takes place during the LuxCSD settlement cycles several times a day.	As already implemented, the standard will only be migrated in September 2016 with the participation of LuxCSD on T2S.
Market Claims	6	As a general principle, market claims should be detected for all transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to indicate that no claim at all should be raised on a given transaction.	NOT IMPLEMENTED	Market Practice Change	At present LuxCSD don't support opt-out flag to exclude the respective transaction from the Market Claiming process.	The standard (OPT-OUT) will be implemented by September 2016 with the participation of LuxCSD on T2S.
Market Claims	7	Counterparties in the underlying transaction may choose to include the ex/cum indicator only if they want to deviate from the standard market claim procedure, as described in the CAJWG standards.	NOT IMPLEMENTED	Market Practice Change	At present LuxCSD don't provide Ex-CUM flag processing	The standard (Ex-Cum Flag) will be implemented by September 2016 with the participation of LuxCSD on T2S.
Market Claims	8	As per CAJWG standards, market claims should be detected only for matched instructions (i.e. irrevocable transactions).	IMPLEMENTED	N/A	At present LuxCSD detect MC for mached instructions	Functionality is already implemented, the standard will only be migrated in September 2016 with the participation of LuxCSD on T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: LUX CSD						
Market Claims	9	Market claims should be generated only by the two IOCs (or the CCPs) of the two parties to the transaction. IOCs and CCPs should also generate market claims on behalf of their clients who have access to direct technical connectivity to T2S. Those clients should not generate market claims in T2S.	**NOT IMPLEMENTED**	OTHER	Straightforward to implement	To be implemented in September 2016 with the participation of LuxCSD on T2S

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: LUX CSD				
Market Claims	**10**	For each outturn (result of CA entitlement), there should be the generation of a separate market claim instruction. Types of market claim instructions: (i) FOP transfer of securities (receipt and delivery) (ii) Payment free of delivery (PFOD) transfer of cash; The payment currency of the (cash) market claim should be the same as the currency of the original corporate action. The currency of the original corporate action is defined by the issuer of the underlying security. In case the currency of the corporate action payment is not a T2S Settlement Currency, then the counterparties in the underlying transaction should decide between them how to settle the cash entitlement outside T2S.	**NOT IMPLEMENTED**	OTHER	Straightforward to implement	To be implemented in September 2016 with the participation of LuxCSD on T2S

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: LUX CSD				
Market Claims	11	When the generation of a market claim instruction results in outturn securities fractions, the number of outturn securities in the market claim instruction should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for remaining securities fractions, then no further action is required by IOC b) In case the issuer compensates investors for remaining securities fractions with cash, an additional PFOD transaction should be generated by IOC transferring cash to the beneficial owner.	Not IMPLEMENTED	Market Practice Change	Straightforward to implement No exsiting market practise	To be implemented in September 2016 with the participation of LuxCSD on T2S
Market Claims	12	In order to be able identify market claims, a specific ISO transaction type code "CLAI" should be used in the settlement instructions.	IMPLEMENTED	N/A	At present LuxCSD provides the CLAI-Flag in ISO15022 to customers in order to identify Market Claims.	As already implemented, the standard will only be migrated in September 2016 with the participation of LuxCSD on T2S.

2015 - T2S Corporate Actions Standards Gap Analysis: **LUX CSD**						
Type of Events	**Std No.**	**Standard Description**	**CSD/Market Status**	**Type of Implementation Gap**	**Further Comments**	**Implementation Plan**
Market Claims	13	For any individual ISIN, or any individual category of securities, all CSDs/CCPs that accept such securities should use the same rules to generate market claims. The rules, or terms, are defined by the issuer for each corporate action event. The issuer should pass them onto the issuer CSD and made available by the issuer CSD to all of its clients, including the Investor CSDs.	IMPLEMENTED	N/A.	Detailed information e.g. exchange ratios or dividends are received by the CSD from the issuer.	As already implemented, the standard will only be migrated in September 2016 with the participation of LuxCSD on T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: LUX CSD			
Market Claims	14	For the settlement of market claim itself (as settled in T2S), the tax statuses of the receiving/delivering accounts should have no direct effect on the amount of cash/securities to be transferred. For a specific ISIN and a specific event, the amount of cash/securities to be transferred should be dependent solely on the number of securities in the underlying transaction. This means that for a specific ISIN and a specific event, the rate of the market claim should always be the same, and should be fixed by the issuer CSD. (*The claim could be an indemnity at, for example, 100% of the gross dividend, or could be a gross or net dividend amount). Subsequent, or in parallel, to the market claim, a withholding agent could process tax adjustments.*	**IMPLEMENTED**	Other	LuxCSD already process with fixed rates etc.	As already implemented, the standard will only be migrated in September 2016 with the participation of LuxCSD on T2S.
Market Claims	15	The CSDs/CCPs generating the market claim will identify which T2S dedicated cash accounts should be used.	**NOT IMPLEMENTED**	Other	Straightforward to implement	To be implemented in September 2016 with the participation of LuxCSD on T2S

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	16	Matching is required for all market claims settlement instructions.	IMPLEMENTED	N/A.	already implemented	As already implemented, the standard will only be migrated in September 2016 with the participation of LuxCSD on T2S.
Market Claims	17	Each CSD/CCP will include in the market claim settlement instruction sent to T2S appropriate references so that its participant can identify and process the claim satisfactorily.	Not IMPLEMENTED	N/A.	Straightforward to implement	The standard will be implemented by September 2016 with the participation of LuxCSD on T2S.
Market Claims	18	The market claim should be instructed in T2S by using as trade date of the claim, the same date as the trade date of the underlying transaction. The settlement date of the market claim should be the payment date of the transaction. The settlement date of the market claim should be the payment date of the underlying corporate action.	IMPLEMENTED	N/A.	already implemented	As already implemented, the standard will only be migrated in September 2016 with the participation of LuxCSD on T2S.
Market Claims	19	The market claim transaction should be instructed with the same status (i.e. either 'on hold' or 'released') as the underlying transaction.	NOT IMPLEMENTED	Market Practice Change	Straightforward to implement	The standard will be implemented by September 2016 with the participation of LuxCSD on T2S.
Market Claims	20	The standard T2S rules for who can amend settlement instructions should apply.	NOT IMPLEMENTED	Straightforward to Implement	Straightforward to Implement	The standard will be implemented by September 2016 with the participation of LuxCSD on T2S.

2015 - T2S Corporate Actions Standards Gap Analysis: LUX CSD

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
				2015 - T2S Corporate Actions Standards Gap Analysis: LUX CSD		
Market Claims	21	The standard T2S rules for amending settlement instructions should apply.	**Not IMPLEMENTED**	Straightforward to Implement	Straightforward to Implement	The standard will be implemented by September 2016 with the participation of LuxCSD on T2S.
Market Claims	22	The standard T2S rules for cancelling settlement instructions should apply.	**Not IMPLEMENTED**	Straightforward to Implement	Straightforward to Implement	The standard will be implemented by September 2016 with the participation of LuxCSD on T2S.
Market Claims	23	In line with the CAJWG standards, the settlement of a market claim should be independent from the settlement of the respective underlying transaction. However, market infrastructures should provide to their participants a user friendly facility which gives them the option to ensure that the market claim is not settled prior to the settlement of the underlying transaction.	**Not IMPLEMENTED**	N/A.	Straightforward to Implement	The standard will be implemented by September 2016 with the participation of LuxCSD on T2S.
Market Claims	24	In line with standard T2S settlement conditions will include: (i) payment date has been reached, (ii) resources (cash and/or securities are available.	**IMPLEMENTED**	N/A.	The current processing considers these rules to the payment date and any kind of required resources (cash or securities).	As already implemented, the standard will only be migrated in September 2016 with the participation of LuxCSD on T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: LUX CSD				
Market Claims	25	There should be no partial settlement for market claims in cash. Partial settlement should be limited to market claims in securities and take into account the standard T2S rules for partial settlement. Partial settlement indicator of the market claim should replicate the one of the underlying transaction.	**Not IMPLEMENTED**	Market Practice Change	Straightforward to implement	The standard will be implemented by September 2016 with the participation of LuxCSD on T2S.
Market Claims	26	The standard T2S rules for the recycling period should apply.	**IMPLEMENTED**	N/A.	Today LuxCSD recycles open transactions. This rule will be migrated to T2S.	As already implemented, the standard will only be migrated in September 2016 with the participation of LuxCSD on T2S.
Market Claims	27	Each CSD/CCP generating a market claim will report to its own participant.	**IMPLEMENTED**	N/A.	LuxCSD provides comprehensive reporting regarding market claims.	As already implemented, the standard will only be migrated in September 2016 with the participation of LuxCSD on T2S.
Market Claims	28	T2S will provide its standard pending/settled transaction reporting. A CSD/CCP may provide additional reporting to its participant.	**IMPLEMENTED**	N/A.	already implemented	As already implemented, the standard will only be migrated in September 2016 with the participation of LuxCSD on T2S.

2015 - T2S Corporate Actions Standards Gap Analysis: LUX CSD

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	1	**At the CCP level:** When agreed with the Instruction Owner CSDs (IOCs) the CCP itself can manage the transformation for CCP transactions via a Power Of Attorney (POA) on the participants' accounts by use of the T2S cancellation and replacement mechanisms. **At the CSD level (both CSDs of the buyer and the seller are connected to T2S):** The IOCs will manage the transformation: (i) When the underlying transaction impacts two accounts in the same IOC. The cancellation and replacement will be managed and instructed in T2S by the IOC itself; (ii) In a cross-CSD transaction, each IOC has to cancel the instruction (bilateral cancellation process in T2S) and to send to T2S the new transformed instruction for matching. **When the transaction is cross-border (one CSD is in T2S and the other is outside T2S):** The T2S connected IOCs/CCP will manage the transformation. CSDs which are not connected to T2S cannot instruct T2S.	NOT IMPLEMENTED	Straightforward to Implement	Straightforward to Implement	The standard will be implemented by September 2016 with the participation of LuxCSD on T2S.
Transformations	2	The transformation process shall take place by end of record date or market deadline and during the rest of the transformation detection period (i.e. 20 T2S opening days after the record date/market deadline).	Not IMPLEMENTED	Straightforward to Implement	Straightforward to Implement	The standard will be implemented by September 2016 with the participation of LuxCSD on T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: LUX CSD				
Transformations	**3**	As a general principle, transformations will be applicable to all eligible transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to deviate from the standard transformation procedures.	**NOT IMPLEMENTED**	Straightforward to Implement	**Straightforward to Implement**	**The standard will be implemented by September 2016 with the participation of LuxCSD on T2S.**
Transformations	**4**	IOCs/CCPs managing the transformation will use the ISO20022 format as specified in the T2S URD. IOCs/CCPs will include in the transformation settlement instructions the appropriate references so that their own participants can identify and process the transformation satisfactorily in their own books. The minimum references required include: T2S reference of the underlying transaction, the "TRAN" ISO settlement transaction condition code, and CSD corporate action event reference. From a T2S system specification perspective, these references are only for information purposes (for CSDs/CCPs participants) as these references do not trigger any specific functionality in T2S (other than standard settlement processing).	**NOT IMPLEMENTED**	Straightforward to Implement	**Straightforward to Implement**	**The standard will be implemented by September 2016 with the participation of LuxCSD on T2S.**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: LUX CSD						
Transformations	5	CSD/CCP may match locally the new instructions related to the transformation and send them to T2S as already matched for settlement or send them as separate instructions for matching in T2S.	**Not IMPLEMENTED**	Straightforward to Implement	Straightforward to Implement	The standard will be implemented by September 2016 with the participation of LuxCSD on T2S.
Transformations	6	Both IOCs/CCPs should send new instructions to T2S, for matching purposes.	**NOT IMPLEMENTED**	Straightforward to Implement	Straightforward to Implement	The standard will be implemented by September 2016 with the participation of LuxCSD on T2S.
Transformations	7	The earliest settlement date (SD) of the new transaction(s) should be the latest between the payment date (PD) of the entitlement and the SD of the underlying transaction.	**Not IMPLEMENTED**	Straightforward to Implement	Straightforward to Implement	The standard will be implemented by September 2016 with the participation of LuxCSD on T2S.
Transformations	8	The transformed instructions should retain the same characteristics (trade date, cash consideration) as those of the underlying instruction with the possible exception of the three following fields in respect with the terms of the reorganisation: (i) The quantity of securities; (ii) The ISIN; (iii) The settlement date (SD).	**Not IMPLEMENTED**	Straightforward to Implement	Straightforward to Implement	The standard will be implemented by September 2016 with the participation of LuxCSD on T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan

2015 - T2S Corporate Actions Standards Gap Analysis: LUX CSD

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	9	The settlement amount of the transformed (new) instructions should be proportional to the ratio of each outturn securities. In case of multiple outturns (i.e. multiple new ISINs being generated by the transformation process), the new instructions should not be settled as linked settlement in T2S. The transformed instructions should retain the same characteristics (trade date) as those of the underlying transaction with the possible exception of the four following fields in respect with the terms of the reorganisation: • The quantity of securities • The cash consideration should be allocated to the transformed transactions according to the rates provided by the issuer • The ISIN • The settlement date (SD)	Not IMPLEMENTED	Straightforward to Implement	Straightforward to Implement	The standard will be implemented by September 2016 with the participation of LuxCSD on T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	10	The cash transfer(s) settlement instructions should retain the same characteristics as those of the underlying transaction. If the instruction of the underlying transaction was against payment, two new instructions, in opposite directions, will be created; one for the settlement amount and one for the cash outturn. The transfers should not be linked. If the instruction of the underlying transaction was free of payment, only one transfer, for the cash outturn, will be created.	**Not IMPLEMENTED**	Straightforward to Implement	Straightforward to Implement	The standard will be implemented by September 2016 with the participation of LuxCSD on T2S.

2015 - T2S Corporate Actions Standards Gap Analysis: LUX CSD

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	11	When the transformation results in outturn securities fractions, the number of securities should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for the remaining securities fractions, then no further action is required by the IOCs b) In case the issuer compensates investors for remaining securities fractions with cash, then an additional PFOD transaction should be generated by the IOCs	**Not IMPLEMENTED**	Straightforward to Implement	Straightforward to Implement	The standard will be implemented by September 2016 with the participation of LuxCSD on T2S.
Transformations	12	The transformed transaction should be instructed with the same status as the underlying transaction.	**Not IMPLEMENTED**	Straightforward to Implement	Straightforward to Implement	The standard will be implemented by September 2016 with the participation of LuxCSD on T2S.
Transformations	13	The new transformed transaction should ensure that the following indicators are correctly replicated: (i) Partialling indicator of the original transaction instruction; (ii) Ex/cum indicator; (iii) Opt-out indicator related to the market claim creation.	**NOT IMPLEMENTED**	Straightforward to Implement	Straightforward to Implement	The standard will be implemented by September 2016 with the participation of LuxCSD on T2S.

<div align="center">2015 - T2S Corporate Actions Standards Gap Analysis: LUX CSD</div>

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: LUX CSD						
Buyer Protection	1	For a given transaction and prior to the BP deadline, the BP requirement will be invoked by the buyer (the buyer will issue BP instructions to the seller).	IMPLEMENTED	N/A	Buyer protection is handled bilaterally in Luxemburg: In this case, only the market participants need to comply with the T2S CA standards on manual buyer protection. The CSD would not need to make any system changes in relation to buyer protection since the exchange of BP instructions takes place bilaterally between the counterparts, outside the LuxCSD environment. Lux NUG must decide and agree who will be the body to publish BP Key data e.g. BPD	Luxemburg market decided to do not introduced an automated BP infrastructure. Manual BP requirements on counterparty level will be implemented before participating on T2S. LuxCSD will publish on its website the final version of the Buyer Protection Instruction (BPI) template agreed by CAJWG and T2S CASG Lux NUG must fpund central body to publish BP Key data e.g. BPD
Buyer Protection	2	When a BP requirement is not invoked by the buyer, then the market default rules for elections should apply.	IMPLEMENTED	N/A	See comment on BP standard 01	See comment on BP standard 01
Buyer Protection	3	The buyer will be tracking open transactions to which he is entitled to elect and will decide whether or not he wants to invoke a BP.	IMPLEMENTED	N/A	See comment on BP standard 01	See comment on BP standard 01

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: LUX CSD				
Buyer Protection	4	As per scope in the introduction, all transactions still pending on BP deadline in securities which are subject to a corporate action and a BP regime in the CSD of Issuance can be subject to a BP mechanism.	**IMPLEMENTED**	N/A	See comment on BP standard 01	See comment on BP standard 01
Buyer Protection	5	No matching is required in the CSDs' systems. However it is recommended that the seller acknowledges to the buyer, the receipt of the BP instruction.	**IMPLEMENTED**	N/A	See comment on BP standard 01	See comment on BP standard 01
Buyer Protection	6	The buyer should include in BP instructions, references to the underlying CA and the underlying transaction to which the CA applies (securities trade or other)	**IMPLEMENTED**	N/A	See comment on BP standard 01	See comment on BP standard 01
Buyer Protection	7	Whether late BP instructions should be accepted should be established on the basis of bilateral agreement between the buyer and the seller, or the CSD/CCP rules – where and when CSDs/CCPs are offering such BP processing services.	**IMPLEMENTED**	N/A	See comment on BP standard 01	See comment on BP standard 01
Buyer Protection	8	It is recommended that the ISO20022 standards are referred to as the basis for such BP instructions.	**IMPLEMENTED**	N/A	See comment on BP standard 01	See comment on BP standard 01

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: LUX CSD						
Buyer Protection	9	BP deadlines for Automated BP mechanism. For trade date T (which is the guaranteed participation date/last trade date of the underlying CA), the BP deadline should be on T+n (where n = settlement cycle) and the market deadline on T+n+1 day Taking as working assumption a T+3 settlement cycle: • business day 1 = T; • business day 4 = T+3: buyer protection deadline; • business day 5 = T+4 market deadline BP deadlines for Manual BP mechanism For BP instructions from actors other than CCPs, the BP deadline is T+n. For BP instructions from CCPs the BP deadline is T+n+1 hour	**IMPLEMENTED**	N/A	See comment on BP standard 01	See comment on BP standard 01
Buyer Protection	10	The BP deadline should be identical across all (I) CSDs in T2S for all securities.	**NOT IMPLEMENTED**	N/A	See comment on BP standard 01	See comment on BP standard 01
Buyer Protection	11	The BP instruction itself can only be amended by the buyer, before the BP deadline.	**IMPLEMENTED**	N/A	See comment on BP standard 01	See comment on BP standard 01

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	12	Only the BP election (i.e. corporate action option) can be amended in the BP instruction.	**IMPLEMENTED**	N/A	See comment on BP standard 01	See comment on BP standard 01
Buyer Protection	13	If the underlying transaction can be settled prior to the BP deadline, it should settle and the BP instruction should be cancelled by the Instruction Owner CSD (IOC) if the IOC offers such a BP service. When BP is handled bilaterally, the BP is void.	**IMPLEMENTED**	N/A	market participants will have to adapt to the CAJWG standard	adjustment and timetable tbd with CSDs

2015 - T2S Corporate Actions Standards Gap Analysis: **LUX CSD**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	**14**	**Process for pending transactions on BP deadline:** **In case of Automated BP mechanism** **Transactions attached with a valid BP that are still pending at the BP deadline should be frozen (put on hold) by the IOCs until their transformation on market deadline/record date. The Transformation of the underlying transaction should be carried out by the IOCs, in accordance with the BP instruction, at the Market Deadline / Record Date of the voluntary reorganisation.** **In case of Manual BP mechanism** **If the CSD does not provide an automated BP service, then buyer and seller shall cancel the underlying transaction and re-instruct, in accordance with the BP instruction, at the market deadline / record date of the voluntary reorganisation.**	**IMPLEMENTED**	N/A	See comment on BP standard 01	See comment on BP standard 01

2015 - T2S Corporate Actions Standards Gap Analysis: **LUX CSD**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	15	**Conditions for settlement of protected entitlement** **In case of Automated BP mechanism** **The IOC will set on hold (freeze) and transform in T2S the underlying transaction based on BP instruction it receives (from the buyer).** **In case of Manual BP mechanism** **The buyer and seller shall amend the underlying transaction (as per current practice: cancel and re-instruct).**	**IMPLEMENTED**	N/A	See comment on BP standard 01	See comment on BP standard 01
Buyer Protection	16	**If a buyer wants to make a partial election, they would need to split the original transaction into the shapes they require.**	**IMPLEMENTED**	N/A	See comment on BP standard 01	See comment on BP standard 01
Buyer Protection	17	**The Settlement Date (SD) of the protected entitlements should be the payment date of the underlying CA.**	**IMPLEMENTED**	N/A	See comment on BP standard 01	See comment on BP standard 01
Buyer Protection	18	**Settlement of BP instructions should take place as specified in the T2S transformations standards.**	**IMPLEMENTED**	N/A	See comment on BP standard 01	See comment on BP standard 01

2015 - T2S Corporate Actions Standards Gap Analysis: LUX CSD

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	1	For a given transaction, a market claim should be detected by the two Instruction Owners CSDs (IOCs), or the CCP(s) where applicable, of the two counterparties in the transaction.	NOT IMPLEMENTED	Straightforward to implement.	Data is available.	Part of the VP LUX adaptation to T2S. VP LUX will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP LUX.
Market Claims	2	The mechanism to detect market claims is at the discretion, and is the responsibility, of the IOCs and the CCPs of the counterparties.	NOT IMPLEMENTED	Straightforward to implement.	Data is available.	Part of the VP LUX adaptation to T2S. VP LUX will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP LUX.
Market Claims	3	Maximum time period for claim detection: 20 T2S opening days from record date.	NOT IMPLEMENTED	Straightforward to implement.	Data is available.	Part of the VP LUX adaptation to T2S. VP LUX will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP LUX.

2015 - T2S Corporate Actions Standards Gap Analysis: VP LUX

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: VP LUX				
Market Claims	4	Market claims should be detected after the close of business on record date and during the rest of the claims detection period.	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP LUX adaptation to T2S. VP LUX will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP LUX.
Market Claims	5	After record date, the market claim detection mechanism should operate at a minimum once a day after the end of standard T2S daytime settlement processing ("End of Day" in T2S URD) and prior to the start of the next settlement day ("Start of Day" in T2S URD).	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP LUX adaptation to T2S. VP LUX will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP LUX.
Market Claims	6	As a general principle, market claims should be detected for all transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to indicate that no claim at all should be raised on a given transaction.	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP LUX adaptation to T2S. VP LUX will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP LUX.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: VP LUX			
Market Claims	7	Counterparties in the underlying transaction may choose to include the ex/cum indicator only if they want to deviate from the standard market claim procedure, as described in the CAJWG standards.	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP LUX adaptation to T2S. VP LUX will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP LUX.
Market Claims	8	As per CAJWG standards, market claims should be detected only for matched instructions (i.e. irrevocable transactions).	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP LUX adaptation to T2S. VP LUX will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP LUX.
Market Claims	9	Market claims should be generated only by the two IOCs (or the CCPs) of the two parties to the transaction. IOCs and CCPs should also generate market claims on behalf of their clients who have access to direct technical connectivity to T2S. Those clients should not generate market claims in T2S.	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP LUX adaptation to T2S. VP LUX will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP LUX.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: **VP LUX**			
Market Claims	10	For each outturn (result of CA entitlement), there should be the generation of a separate market claim instruction. Types of market claim instructions: (i) FOP transfer of securities (receipt and delivery) (ii) Payment free of delivery (PFOD) transfer of cash; The payment currency of the (cash) market claim should be the same as the currency of the original corporate action. The currency of the original corporate action is defined by the issuer of the underlying security. In case the currency of the corporate action payment is not a T2S Settlement Currency, then the counterparties in the underlying transaction should decide between them how to settle the cash entitlement outside T2S.	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP LUX adaptation to T2S. VP LUX will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP LUX.

2015 - T2S Corporate Actions Standards Gap Analysis: VP LUX

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	11	When the generation of a market claim instruction results in outturn securities fractions, the number of outturn securities in the market claim instruction should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for remaining securities fractions, then no further action is required by IOC b) In case the issuer compensates investors for remaining securities fractions with cash, an additional PFOD transaction should be generated by IOC transferring cash to the beneficial owner.	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP LUX adaptation to T2S. VP LUX will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP LUX.
Market Claims	12	In order to be able identify market claims, a specific ISO transaction type code "CLAI" should be used in the settlement instructions.	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP LUX adaptation to T2S. VP LUX will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP LUX.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: VP LUX			
Market Claims	13	For any individual ISIN, or any individual category of securities, all CSDs/CCPs that accept such securities should use the same rules to generate market claims. The rules, or terms, are defined by the issuer for each corporate action event. The issuer should pass them onto the issuer CSD and made available by the issuer CSD to all of its clients, including the Investor CSDs.	**NOT IMPLEMENTED**	Straightforward to implement.	Straightforward to implement in case the issuer CSD complies to the harmonised standards, if not it may potentially involve major technical changes.	Part of the VP LUX adaptation to T2S. VP LUX will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP LUX.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: VP LUX			
Market Claims	14	For the settlement of market claim itself (as settled in T2S), the tax statuses of the receiving/delivering accounts should have no direct effect on the amount of cash/securities to be transferred. For a specific ISIN and a specific event, the amount of cash/securities to be transferred should be dependent solely on the number of securities in the underlying transaction. This means that for a specific ISIN and a specific event, the rate of the market claim should always be the same, and should be fixed by the issuer CSD. (*The claim could be an indemnity at, for example, 100% of the gross dividend, or could be a gross or net dividend amount). Subsequent, or in parallel, to the market claim, a withholding agent could process tax adjustments.*	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP LUX adaptation to T2S. VP LUX will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP LUX.
Market Claims	15	The CSDs/CCPs generating the market claim will identify which T2S dedicated cash accounts should be used.	**IMPLEMENTED**	N/A.		Implemented as part of the ongoing VP LUX adaptation to T2S.
Market Claims	16	Matching is required for all market claims settlement instructions.	**IMPLEMENTED**	N/A.		Implemented as part of the ongoing VP LUX adaptation to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: VP LUX				
Market Claims	17	Each CSD/CCP will include in the market claim settlement instruction sent to T2S appropriate references so that its participant can identify and process the claim satisfactorily.	NOT IMPLEMENTED	Straightforward to implement.		Part of the VP LUX adaptation to T2S. VP LUX will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP LUX.
Market Claims	18	The market claim should be instructed in T2S by using as trade date of the claim, the same date as the trade date of the underlying transaction. The settlement date of the market claim should be the payment date of the transaction. The settlement date of the market claim should be the payment date of the underlying corporate action.	NOT IMPLEMENTED	Straightforward to implement.		Part of the VP LUX adaptation to T2S. VP LUX will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP LUX.
Market Claims	19	The market claim transaction should be instructed with the same status (i.e. either 'on hold' or 'released') as the underlying transaction.	NOT IMPLEMENTED	Straightforward to implement.		Part of the VP LUX adaptation to T2S. VP LUX will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP LUX.
Market Claims	20	The standard T2S rules for who can amend settlement instructions should apply.	IMPLEMENTED	N/A.		Implemented as part of the ongoing VP LUX adaptation to T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: VP LUX				
Market Claims	21	The standard T2S rules for amending settlement instructions should apply.	**IMPLEMENTED**	N/A.		Implemented as part of the ongoing VP LUX adaptation to T2S.
Market Claims	22	The standard T2S rules for cancelling settlement instructions should apply.	**IMPLEMENTED**	N/A.		Implemented as part of the ongoing VP LUX adaptation to T2S.
Market Claims	23	In line with the CAJWG standards, the settlement of a market claim should be independent from the settlement of the respective underlying transaction. However, market infrastructures should provide to their participants a user friendly facility which gives them the option to ensure that the market claim is not settled prior to the settlement of the underlying transaction.	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP LUX adaptation to T2S. VP LUX will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP LUX.
Market Claims	24	In line with standard T2S settlement conditions will include: (i) payment date has been reached, (ii) resources (cash and/or securities are available.	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP LUX adaptation to T2S. VP LUX will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP LUX.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
				2015 - T2S Corporate Actions Standards Gap Analysis: VP LUX		
Market Claims	25	There should be no partial settlement for market claims in cash. Partial settlement should be limited to market claims in securities and take into account the standard T2S rules for partial settlement. Partial settlement indicator of the market claim should replicate the one of the underlying transaction.	NOT IMPLEMENTED	Straightforward to implement.		Part of the VP LUX adaptation to T2S. VP LUX will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP LUX.
Market Claims	26	The standard T2S rules for the recycling period should apply.	IMPLEMENTED	N/A.		Implemented as part of the ongoing VP LUX adaptation to T2S.
Market Claims	27	Each CSD/CCP generating a market claim will report to its own participant.	NOT IMPLEMENTED	Straightforward to implement.		Part of the VP LUX adaptation to T2S. VP LUX will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP LUX.
Market Claims	28	T2S will provide its standard pending/settled transaction reporting. A CSD/CCP may provide additional reporting to its participant.	NOT IMPLEMENTED	Straightforward to implement.		Part of the VP LUX adaptation to T2S. VP LUX will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP LUX.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: VP LUX				
Transformations	1	**At the CCP level:** When agreed with the Instruction Owner CSDs (IOCs) the CCP itself can manage the transformation for CCP transactions via a Power Of Attorney (POA) on the participants' accounts by use of the T2S cancellation and replacement mechanisms. **At the CSD level (both CSDs of the buyer and the seller are connected to T2S):** The IOCs will manage the transformation: (i) When the underlying transaction impacts two accounts in the same IOC. The cancellation and replacement will be managed and instructed in T2S by the IOC itself; (ii) In a cross-CSD transaction, each IOC has to cancel the instruction (bilateral cancellation process in T2S) and to send to T2S the new transformed instruction for matching. **When the transaction is cross-border (one CSD is in T2S and the other is outside T2S):** The T2S connected IOCs/CCP will manage the transformation. CSDs which are not connected to T2S cannot instruct T2S.	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP LUX adaptation to T2S. VP LUX will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP LUX.
Transformations	2	The transformation process shall take place by end of record date or market deadline and during the rest of the transformation detection period (i.e. 20 T2S opening days after the record date/market deadline).	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP LUX adaptation to T2S. VP LUX will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP LUX.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: VP LUX				
Transformations	3	As a general principle, transformations will be applicable to all eligible transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to deviate from the standard transformation procedures.	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP LUX adaptation to T2S. VP LUX will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP LUX.
Transformations	4	IOCs/CCPs managing the transformation will use the ISO20022 format as specified in the T2S URD. IOCs/CCPs will include in the transformation settlement instructions the appropriate references so that their own participants can identify and process the transformation satisfactorily in their own books. The minimum references required include: T2S reference of the underlying transaction, the "TRAN" ISO settlement transaction condition code, and CSD corporate action event reference. From a T2S system specification perspective, these references are only for information purposes (for CSDs/CCPs participants) as these references do not trigger any specific functionality in T2S (other than standard settlement processing).	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP LUX adaptation to T2S. VP LUX will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP LUX.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: VP LUX				
Transformations	5	CSD/CCP may match locally the new instructions related to the transformation and send them to T2S as already matched for settlement or send them as separate instructions for matching in T2S.	IMPLEMENTED	N/A.		Implemented as part of the ongoing VP LUX adaptation to T2S.
Transformations	6	Both IOCs/CCPs should send new instructions to T2S, for matching purposes.	IMPLEMENTED	N/A.		Implemented as part of the ongoing VP LUX adaptation to T2S.
Transformations	7	The earliest settlement date (SD) of the new transaction(s) should be the latest between the payment date (PD) of the entitlement and the SD of the underlying transaction.	NOT IMPLEMENTED	Straightforward to implement.		Part of the VP LUX adaptation to T2S. VP LUX will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP LUX.
Transformations	8	The transformed instructions should retain the same characteristics (trade date, cash consideration) as those of the underlying instruction with the possible exception of the three following fields in respect with the terms of the reorganisation: (i) The quantity of securities; (ii) The ISIN; (iii) The settlement date (SD).	NOT IMPLEMENTED	Straightforward to implement.		Part of the VP LUX adaptation to T2S. VP LUX will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP LUX.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: VP LUX				
Transformations	**9**	The settlement amount of the transformed (new) instructions should be proportional to the ratio of each outturn securities. In case of multiple outturns (i.e. multiple new ISINs being generated by the transformation process), the new instructions should not be settled as linked settlement in T2S. The transformed instructions should retain the same characteristics (trade date) as those of the underlying transaction with the possible exception of the four following fields in respect with the terms of the reorganisation: • The quantity of securities • The cash consideration should be allocated to the transformed transactions according to the rates provided by the issuer • The ISIN • The settlement date (SD)	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP LUX adaptation to T2S. VP LUX will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP LUX.

2015 - T2S Corporate Actions Standards Gap Analysis: VP LUX

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	10	The cash transfer(s) settlement instructions should retain the same characteristics as those of the underlying transaction. If the instruction of the underlying transaction was against payment, two new instructions, in opposite directions, will be created; one for the settlement amount and one for the cash outturn. The transfers should not be linked. If the instruction of the underlying transaction was free of payment, only one transfer, for the cash outturn, will be created.	NOT IMPLEMENTED	Straightforward to implement.		Part of the VP LUX adaptation to T2S. VP LUX will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP LUX.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: VP LUX				
Transformations	11	When the transformation results in outturn securities fractions, the number of securities should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for the remaining securities fractions, then no further action is required by the IOCs b) In case the issuer compensates investors for remaining securities fractions with cash, then an additional PFOD transaction should be generated by the IOCs	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP LUX adaptation to T2S. VP LUX will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP LUX.
Transformations	12	The transformed transaction should be instructed with the same status as the underlying transaction.	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP LUX adaptation to T2S. VP LUX will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP LUX.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: VP LUX			
Transformations	**13**	The new transformed transaction should ensure that the following indicators are correctly replicated: (i) Partialling indicator of the original transaction instruction; (ii) Ex/cum indicator; (iii) Opt-out indicator related to the market claim creation.	**NOT IMPLEMENTED**	Straightforward to implement.		Part of the VP LUX adaptation to T2S. VP LUX will offer an automated CA on flow solution ready for community testing prior to the migration in September 2016, thereby ensuring a compliant solution by the migration of VP LUX.
Buyer Protection	**1**	For a given transaction and prior to the BP deadline, the BP requirement will be invoked by the buyer (the buyer will issue BP instructions to the seller).	**NOT IMPLEMENTED**	Market practice change.		Based on a common decision by the market participants, a compliant manual BP handling will be implemented at the same time as the VP LUX automated CA on flow solution, i.e. by the migration in September 2016.
Buyer Protection	**2**	When a BP requirement is not invoked by the buyer, then the market default rules for elections should apply.	**NOT IMPLEMENTED**	Straightforward to implement.		Based on a common decision by the market participants, a compliant manual BP handling will be implemented at the same time as the VP LUX automated CA on flow solution, i.e. by the migration in September 2016.
Buyer Protection	**3**	The buyer will be tracking open transactions to which he is entitled to elect and will decide whether or not he wants to invoke a BP.	**NOT IMPLEMENTED**	Market practice change.		Based on a common decision by the market participants, a compliant manual BP handling will be implemented at the same time as the VP LUX automated CA on flow solution, i.e. by the migration in September 2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: VP LUX				
Buyer Protection	4	As per scope in the introduction, all transactions still pending on BP deadline in securities which are subject to a corporate action and a BP regime in the CSD of Issuance can be subject to a BP mechanism.	**NOT IMPLEMENTED**	Market practice change.		Based on a common decision by the market participants, a compliant manual BP handling will be implemented at the same time as the VP LUX automated CA on flow solution, i.e. by the migration in September 2016.
Buyer Protection	5	No matching is required in the CSDs' systems. However it is recommended that the seller acknowledges to the buyer, the receipt of the BP instruction.	**NOT IMPLEMENTED**	Market practice change.		Based on a common decision by the market participants, a compliant manual BP handling will be implemented at the same time as the VP LUX automated CA on flow solution, i.e. by the migration in September 2016.
Buyer Protection	6	The buyer should include in BP instructions, references to the underlying CA and the underlying transaction to which the CA applies (securities trade or other)	**NOT IMPLEMENTED**	Market practice change.		Based on a common decision by the market participants, a compliant manual BP handling will be implemented at the same time as the VP LUX automated CA on flow solution, i.e. by the migration in September 2016.
Buyer Protection	7	Whether late BP instructions should be accepted should be established on the basis of bilateral agreement between the buyer and the seller, or the CSD/CCP rules – where and when CSDs/CCPs are offering such BP processing services.	**NOT IMPLEMENTED**	Market practice change.		Based on a common decision by the market participants, a compliant manual BP handling will be implemented at the same time as the VP LUX automated CA on flow solution, i.e. by the migration in September 2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: VP LUX				
Buyer Protection	**8**	It is recommended that the ISO20022 standards are referred to as the basis for such BP instructions.	**NOT IMPLEMENTED**	Market practice change.		Based on a common decision by the market participants, a compliant manual BP handling will be implemented at the same time as the VP LUX automated CA on flow solution, i.e. by the migration in September 2016.
Buyer Protection	**9**	BP deadlines for Automated BP mechanism. For trade date T (which is the guaranteed participation date/last trade date of the underlying CA), the BP deadline should be on T+n (where n = settlement cycle) and the market deadline on T+n+1 day Taking as working assumption a T+3 settlement cycle: • business day 1 = T; • business day 4 = T+3: buyer protection deadline; • business day 5 = T+4 market deadline BP deadlines for Manual BP mechanism For BP instructions from actors other than CCPs, the BP deadline is T+n. For BP instructions from CCPs the BP deadline is T+n+1 hour	**NOT IMPLEMENTED**	Market practice change.		Based on a common decision by the market participants, a compliant manual BP handling will be implemented at the same time as the VP LUX automated CA on flow solution, i.e. by the migration in September 2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: VP LUX			
Buyer Protection	10	The BP deadline should be identical across all (I) CSDs in T2S for all securities.	**NOT IMPLEMENTED**	Market practice change.		Based on a common decision by the market participants, a compliant manual BP handling will be implemented at the same time as the VP LUX automated CA on flow solution, i.e. by the migration in September 2016.
Buyer Protection	11	The BP instruction itself can only be amended by the buyer, before the BP deadline.	**NOT IMPLEMENTED**	Market practice change.		Based on a common decision by the market participants, a compliant manual BP handling will be implemented at the same time as the VP LUX automated CA on flow solution, i.e. by the migration in September 2016.
Buyer Protection	12	Only the BP election (i.e. corporate action option) can be amended in the BP instruction.	**NOT IMPLEMENTED**	Market practice change.		Based on a common decision by the market participants, a compliant manual BP handling will be implemented at the same time as the VP LUX automated CA on flow solution, i.e. by the migration in September 2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: VP LUX						
Buyer Protection	**13**	If the underlying transaction can be settled prior to the BP deadline, it should settle and the BP instruction should be cancelled by the Instruction Owner CSD (IOC) if the IOC offers such a BP service. When BP is handled bilaterally, the BP is void.	**NOT IMPLEMENTED**	Market practice change.		Based on a common decision by the market participants, a compliant manual BP handling will be implemented at the same time as the VP LUX automated CA on flow solution, i.e. by the migration in September 2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: VP LUX						
Buyer Protection	14	Process for pending transactions on BP deadline: In case of Automated BP mechanism Transactions attached with a valid BP that are still pending at the BP deadline should be frozen (put on hold) by the IOCs until their transformation on market deadline/record date. The Transformation of the underlying transaction should be carried out by the IOCs, in accordance with the BP instruction, at the Market Deadline / Record Date of the voluntary reorganisation. In case of Manual BP mechanism If the CSD does not provide an automated BP service, then buyer and seller shall cancel the underlying transaction and re-instruct, in accordance with the BP instruction, at the market deadline / record date of the voluntary reorganisation.	**NOT IMPLEMENTED**	Market practice change.		Based on a common decision by the market participants, a compliant manual BP handling will be implemented at the same time as the VP LUX automated CA on flow solution, i.e. by the migration in September 2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: VP LUX				
Buyer Protection	**15**	**Conditions for settlement of protected entitlement** **In case of Automated BP mechanism** **The IOC will set on hold (freeze) and transform in T2S the underlying transaction based on BP instruction it receives (from the buyer).** **In case of Manual BP mechanism** **The buyer and seller shall amend the underlying transaction (as per current practice: cancel and re-instruct).**	**NOT IMPLEMENTED**	**Market practice change.**		**Based on a common decision by the market participants, a compliant manual BP handling will be implemented at the same time as the VP LUX automated CA on flow solution, i.e. by the migration in September 2016.**
Buyer Protection	**16**	**If a buyer wants to make a partial election, they would need to split the original transaction into the shapes they require.**	**NOT IMPLEMENTED**	**Market practice change.**		**Based on a common decision by the market participants, a compliant manual BP handling will be implemented at the same time as the VP LUX automated CA on flow solution, i.e. by the migration in September 2016.**
Buyer Protection	**17**	**The Settlement Date (SD) of the protected entitlements should be the payment date of the underlying CA.**	**NOT IMPLEMENTED**	**Market practice change.**		**Based on a common decision by the market participants, a compliant manual BP handling will be implemented at the same time as the VP LUX automated CA on flow solution, i.e. by the migration in September 2016.**

2015 - T2S Corporate Actions Standards Gap Analysis: VP LUX

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	18	Settlement of BP instructions should take place as specified in the T2S transformations standards.	**NOT IMPLEMENTED**	Market practice change.		Based on a common decision by the market participants, a compliant manual BP handling will be implemented at the same time as the VP LUX automated CA on flow solution, i.e. by the migration in September 2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	1	**For a given transaction, a market claim should be detected by the two Instruction Owners CSDs (IOCs), or the CCP(s) where applicable, of the two counterparties in the transaction.**	**NOT IMPLEMENTED**	Other	General comment on all T2S CA standards: there are no pending transactions in Latvia, therefore market claims, transformations and buyer protection will be introduced as of Latvian market migration to T2S. Detection of a market claim requires: 1) technical changes (additional information in the settlement instructions), affected parties - CSD, stock exchange, linked CSDs, CSD participants; 2) drafting of respective CSD rules; 3) market practice change.	The detection of the market claims will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016. Technically the standard will be implemented prior to the start of T2S user testing.
Market Claims	2	**The mechanism to detect market claims is at the discretion, and is the responsibility, of the IOCs and the CCPs of the counterparties.**	**NOT IMPLEMENTED**	Other	CSD market claims detection solution and CSD rules should be developed to support the standard.	The detection of the market claims will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.
Market Claims	3	**Maximum time period for claim detection: 20 T2S opening days from record date.**	**NOT IMPLEMENTED**	Other	CSD market claims detection solution and CSD rules should be developed to support the standard.	The detection of the market claims will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: LATVIA				
Market Claims	4	**Market claims should be detected after the close of business on record date and during the rest of the claims detection period.**	**NOT IMPLEMENTED**	Other	CSD market claims detection solution and CSD rules should be developed to support the standard.	The detection of the market claims will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.
Market Claims	5	**After record date, the market claim detection mechanism should operate at a minimum once a day after the end of standard T2S daytime settlement processing ("End of Day" in T2S URD) and prior to the start of the next settlement day ("Start of Day" in T2S URD).**	**NOT IMPLEMENTED**	Other	CSD market claims detection solution and CSD rules should be developed to support the standard.	The detection of the market claims will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.
Market Claims	6	**As a general principle, market claims should be detected for all transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to indicate that no claim at all should be raised on a given transaction.**	**NOT IMPLEMENTED**	Other	CSD market claims detection solution and CSD rules should be developed to support the standard. Market practice change, since there are no market claims used as common transactions at national market level.	The detection of the market claims will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.

2015 - T2S Corporate Actions Standards Gap Analysis: LATVIA

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	7	**Counterparties in the underlying transaction may choose to include the ex/cum indicator only if they want to deviate from the standard market claim procedure, as described in the CAJWG standards.**	**NOT IMPLEMENTED**	Other	CSD market claims processing solution and CSD rules should be developed to support the standard. Market practice change, since there are no market claims used as common transactions at national market level.	The respective functionality will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.
Market Claims	8	**As per CAJWG standards, market claims should be detected only for matched instructions (i.e. irrevocable transactions).**	**NOT IMPLEMENTED**	Other	CSD market claims detection solution and CSD rules should be developed to support the standard.	The respective functionality will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.
Market Claims	9	**Market claims should be generated only by the two IOCs (or the CCPs) of the two parties to the transaction. IOCs and CCPs should also generate market claims on behalf of their clients who have access to direct technical connectivity to T2S. Those clients should not generate market claims in T2S.**	**NOT IMPLEMENTED**	Other	CSD market claims processing solution and CSD rules should be developed to support the standard.	The respective functionality will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.

<td colspan="7" style="text-align:center">**2015 - T2S Corporate Actions Standards Gap Analysis: LATVIA**</td>
Type of Events	**Std No.**	**Standard Description**	**CSD/Market Status**	**Type of Implementation Gap**	**Further Comments**	**Implementation Plan**
Market Claims	10	**For each outturn (result of CA entitlement), there should be the generation of a separate market claim instruction. Types of market claim instructions:** **(i) FOP transfer of securities (receipt and delivery)** **(ii) Payment free of delivery (PFOD) transfer of cash;** **The payment currency of the (cash) market claim should be the same as the currency of the original corporate action. The currency of the original corporate action is defined by the issuer of the underlying security.** **In case the currency of the corporate action payment is not a T2S Settlement Currency, then the counterparties in the underlying transaction should decide between them how to settle the cash entitlement outside T2S.**	**NOT IMPLEMENTED**	Other	CSD market claims processing solution and CSD rules should be developed to support the standard. Market practice change, since there are no market claims used as common transactions at national market level.	The respective functionality will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: LATVIA			
Market Claims	11	**When the generation of a market claim instruction results in outturn securities fractions, the number of outturn securities in the market claim instruction should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for remaining securities fractions, then no further action is required by IOC** **b) In case the issuer compensates investors for remaining securities fractions with cash, an additional PFOD transaction should be generated by IOC transferring cash to the beneficial owner.**	**NOT IMPLEMENTED**	Other	CSD market claims processing solution and CSD rules should be developed to support the standard.	The respective functionality will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.
Market Claims	12	**In order to be able identify market claims, a specific ISO transaction type code "CLAI" should be used in the settlement instructions.**	**NOT IMPLEMENTED**	Other	CSD market claims processing solution and CSD rules should be developed to support the standard.	The respective functionality will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.

				2015 - T2S Corporate Actions Standards Gap Analysis: **LATVIA**		
Type of Events	**Std No.**	**Standard Description**	**CSD/Market Status**	**Type of Implementation Gap**	**Further Comments**	**Implementation Plan**
Market Claims	13	For any individual ISIN, or any individual category of securities, all CSDs/CCPs that accept such securities should use the same rules to generate market claims. The rules, or terms, are defined by the issuer for each corporate action event. The issuer should pass them onto the issuer CSD and made available by the issuer CSD to all of its clients, including the Investor CSDs.	**NOT IMPLEMENTED**	Other	CSD market claims processing solution and CSD rules should be developed to support the standard.	The respective functionality will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: LATVIA	
Market Claims	14	For the settlement of market claim itself (as settled in T2S), the tax statuses of the receiving/delivering accounts should have no direct effect on the amount of cash/securities to be transferred. For a specific ISIN and a specific event, the amount of cash/securities to be transferred should be dependent solely on the number of securities in the underlying transaction. This means that for a specific ISIN and a specific event, the rate of the market claim should always be the same, and should be fixed by the issuer CSD. (*The claim could be an indemnity at, for example, 100% of the gross dividend, or could be a gross or net dividend amount). Subsequent, or in parallel, to the market claim, a withholding agent could process tax adjustments.*	**NOT IMPLEMENTED**	Other	Market claims processing solution and CSD rules should be developed to support the standard. No direct impact on CSD settlement processing in T2S, since CSD is not anyhow involved in tax withholding. Market practice change, since there are no market claims used as common transactions at national market level – discussible issue with CSD participants on changes foreseen at level of CSD participant-customer.	The settlement of the market claims subject to CSD participants' discussions will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules subject to CSD participants' discussions are planned to be approved by I quarter of 2016.
Market Claims	15	The CSDs/CCPs generating the market claim will identify which T2S dedicated cash accounts should be used.	**NOT IMPLEMENTED**	Other	CSD market claims processing solution and CSD rules should be developed to support the standard.	The respective functionality will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: LATVIA				
Market Claims	16	**Matching is required for all market claims settlement instructions.**	**NOT IMPLEMENTED**	Other	CSD market claims processing solution and CSD rules should be developed to support the standard. Market practice change, since there are no market claims used as common transactions at national market level.	The respective functionality will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.
Market Claims	17	**Each CSD/CCP will include in the market claim settlement instruction sent to T2S appropriate references so that its participant can identify and process the claim satisfactorily.**	**NOT IMPLEMENTED**	Other	CSD market claims processing solution and CSD rules should be developed to support the standard.	The respective functionality will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.
Market Claims	18	**The market claim should be instructed in T2S by using as trade date of the claim, the same date as the trade date of the underlying transaction. The settlement date of the market claim should be the payment date of the transaction. The settlement date of the market claim should be the payment date of the underlying corporate action.**	**NOT IMPLEMENTED**	Other	CSD market claims processing solution and CSD rules should be developed to support the standard.	The respective functionality will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: LATVIA				
Market Claims	19	**The market claim transaction should be instructed with the same status (i.e. either 'on hold' or 'released') as the underlying transaction.**	**NOT IMPLEMENTED**	Other	CSD market claims processing solution and CSD rules should be developed to support the standard.	The respective functionality will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.
Market Claims	20	**The standard T2S rules for who can amend settlement instructions should apply.**	**NOT IMPLEMENTED**	Other	CSD rules should be developed to support the standard. Market practice change, since there are no market claims used as common transactions at national market level.	The CSD rules are planned to be approved by I quarter of 2016.
Market Claims	21	**The standard T2S rules for amending settlement instructions should apply.**	**NOT IMPLEMENTED**	Other	CSD rules should be developed to support the standard. Market practice change, since there are no market claims used as common transactions at national market level.	The CSD rules are planned to be approved by I quarter of 2016.
Market Claims	22	**The standard T2S rules for cancelling settlement instructions should apply.**	**NOT IMPLEMENTED**	Other	CSD rules should be developed to support the standard. Market practice change, since there are no market claims used as common transactions at national market level.	The CSD rules are planned to be approved by I quarter of 2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: LATVIA				
Market Claims	23	In line with the CAJWG standards, the settlement of a market claim should be independent from the settlement of the respective underlying transaction. However, market infrastructures should provide to their participants a user friendly facility which gives them the option to ensure that the market claim is not settled prior to the settlement of the underlying transaction.	**NOT IMPLEMENTED**	Other	CSD market claims processing solution and CSD rules should be developed to support the standard. Market practice change, since there are no market claims used as common transactions at national market level.	The respective functionality will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.
Market Claims	24	In line with standard T2S settlement conditions will include: (i) payment date has been reached, (ii) resources (cash and/or securities are available.	**NOT IMPLEMENTED**	Other	CSD market claims processing solution and CSD rules should be developed to support the standard. Market practice change, since there are no market claims used as common transactions at national market level.	The respective functionality will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.
Market Claims	25	There should be no partial settlement for market claims in cash. Partial settlement should be limited to market claims in securities and take into account the standard T2S rules for partial settlement. Partial settlement indicator of the market claim should replicate the one of the underlying transaction.	**NOT IMPLEMENTED**	Other	CSD market claims processing solution and CSD rules should be developed to support the standard. Market practice change, since there are no market claims used as common transactions at national market level.	The respective functionality will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: **LATVIA**			
Market Claims	26	The standard T2S rules for the recycling period should apply.	**NOT IMPLEMENTED**	Other	CSD market claims processing solution and CSD rules should be developed to support the standard. Market practice change, since there are no market claims used as common transactions at national market level.	The respective functionality will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.
Market Claims	27	Each CSD/CCP generating a market claim will report to its own participant.	**NOT IMPLEMENTED**	Other	CSD market claims processing solution and CSD rules should be developed to support the standard.	The respective functionality will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.
Market Claims	28	T2S will provide its standard pending/settled transaction reporting. A CSD/CCP may provide additional reporting to its participant.	**NOT IMPLEMENTED**	Other	CSD market claims processing solution and CSD rules should be developed to support the standard.	The respective functionality will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	1	**At the CCP level: When agreed with the Instruction Owner CSDs (IOCs) the CCP itself can manage the transformation for CCP transactions via a Power Of Attorney (POA) on the participants' accounts by use of the T2S cancellation and replacement mechanisms.** **<u>At the CSD level (both CSDs of the buyer and the seller are connected to T2S): The IOCs will manage the transformation:</u> (i) When the underlying transaction impacts two accounts in the same IOC. The cancellation and replacement will be managed and instructed in T2S by the IOC itself; (ii) In a cross-CSD transaction, each IOC has to cancel the instruction (bilateral cancellation process in T2S) and to send to T2S the new transformed instruction for matching.** **<u>When the transaction is cross-border (one CSD is in T2S and the other is outside T2S):</u> The T2S connected IOCs/CCP will manage the transformation. CSDs which are not connected to T2S cannot instruct T2S.**	**NOT IMPLEMENTED**	Other	CSD transformations management solution and CSD rules should be developed to support the standard.	The respective functionality will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: LATVIA			
Transformations	2	**The transformation process shall take place by end of record date or market deadline and during the rest of the transformation detection period (i.e. 20 T2S opening days after the record date/market deadline).**	**NOT IMPLEMENTED**	Other	CSD transformations management solution and CSD rules should be developed to support the standard.	The respective functionality will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.
Transformations	3	**As a general principle, transformations will be applicable to all eligible transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to deviate from the standard transformation procedures.**	**NOT IMPLEMENTED**	Other	CSD transformations management solution and CSD rules should be developed to support the standard. Market practice change, since there are no pending transactions envisaged at national market level.	The respective functionality will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: LATVIA				
Transformations	4	**IOCs/CCPs managing the transformation will use the ISO20022 format as specified in the T2S URD. IOCs/CCPs will include in the transformation settlement instructions the appropriate references so that their own participants can identify and process the transformation satisfactorily in their own books. The minimum references required include: T2S reference of the underlying transaction, the "TRAN" ISO settlement transaction condition code, and CSD corporate action event reference. From a T2S system specification perspective, these references are only for information purposes (for CSDs/CCPs participants) as these references do not trigger any specific functionality in T2S (other than standard settlement processing).**	**NOT IMPLEMENTED**	Other	CSD transformations management solution and CSD rules should be developed to support the standard. Market practice change, since there are no pending transactions envisaged at national market level.	The respective functionality will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: LATVIA			
Transformations	5	CSD/CCP may match locally the new instructions related to the transformation and send them to T2S as already matched for settlement or send them as separate instructions for matching in T2S.	**NOT IMPLEMENTED**	Other	CSD transformations management solution and CSD rules should be developed to support the standard. Market practice change, since there are no pending transactions envisaged at national market level.	The respective functionality will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.
Transformations	6	Both IOCs/CCPs should send new instructions to T2S, for matching purposes.	**NOT IMPLEMENTED**	Other	CSD transformations management solution and CSD rules should be developed to support the standard.	The respective functionality will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.
Transformations	7	The earliest settlement date (SD) of the new transaction(s) should be the latest between the payment date (PD) of the entitlement and the SD of the underlying transaction.	**NOT IMPLEMENTED**	Other	CSD transformations management solution and CSD rules should be developed to support the standard.	The respective functionality will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	8	The transformed instructions should retain the same characteristics (trade date, cash consideration) as those of the underlying instruction with the possible exception of the three following fields in respect with the terms of the reorganisation: (i) The quantity of securities; (ii) The ISIN; (iii) The settlement date (SD).	NOT IMPLEMENTED	Other	CSD transformations management solution and CSD rules should be developed to support the standard.	The respective functionality will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: LATVIA			
Transformations	9	The settlement amount of the transformed (new) instructions should be proportional to the ratio of each outturn securities. In case of multiple outturns (i.e. multiple new ISINs being generated by the transformation process), the new instructions should not be settled as linked settlement in T2S. The transformed instructions should retain the same characteristics (trade date) as those of the underlying transaction with the possible exception of the four following fields in respect with the terms of the reorganisation: • The quantity of securities • The cash consideration should be allocated to the transformed transactions according to the rates provided by the issuer • The ISIN • The settlement date (SD)	**NOT IMPLEMENTED**	Other	CSD transformations management solution and CSD rules should be developed to support the standard.	The respective functionality will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	**10**	**The cash transfer(s) settlement instructions should retain the same characteristics as those of the underlying transaction. If the instruction of the underlying transaction was against payment, two new instructions, in opposite directions, will be created; one for the settlement amount and one for the cash outturn. The transfers should not be linked. If the instruction of the underlying transaction was free of payment, only one transfer, for the cash outturn, will be created.**	**NOT IMPLEMENTED**	Other	CSD transformations management solution and CSD rules should be developed to support the standard.	The respective functionality will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.

2015 - T2S Corporate Actions Standards Gap Analysis: LATVIA

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: LATVIA				
Transformations	11	**When the transformation results in outturn securities fractions, the number of securities should be rounded down to the nearest whole number. Furthermore:** **a) In case the issuer does not compensate investors for the remaining securities fractions, then no further action is required by the IOCs** **b) In case the issuer compensates investors for remaining securities fractions with cash, then an additional PFOD transaction should be generated by the IOCs**	**NOT IMPLEMENTED**	Other	CSD transformations management solution and CSD rules should be developed to support the standard.	The respective functionality will be available in the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.
Transformations	12	**The transformed transaction should be instructed with the same status as the underlying transaction.**	**NOT IMPLEMENTED**	Other	CSD transformations management solution and CSD rules should be developed to support the standard. Market practice change, since there are no pending transactions envisaged at national market level.	The respective requirements will be supported by the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: LATVIA	
Transformations	13	The new transformed transaction should ensure that the following indicators are correctly replicated: (i) Partialling indicator of the original transaction instruction; (ii) Ex/cum indicator; (iii) Opt-out indicator related to the market claim creation.	NOT IMPLEMENTED	Other	CSD transformations management solution and CSD rules should be developed to support the standard. Market practice change, since there are no pending transactions envisaged at national market level.	The respective requirements will be supported by the new CSD system (to be operational as of Latvian market migration to T2S on February 6, 2017). The CSD rules are planned to be approved by I quarter of 2016.
Buyer Protection	1	For a given transaction and prior to the BP deadline, the BP requirement will be invoked by the buyer (the buyer will issue BP instructions to the seller).	NOT IMPLEMENTED	Other	General comment on all buyer protection standards: Latvian Central Depository plans to implement manual procedures for execution of buyer protection transactions. CSD rules should be developed to support the execution of these transactions and respective buyer protection standards. CSD participants should develop their internal regulations providing services to their customers in line with deadlines of buyer protection invocation and other T2S related timelines. Latvian NUG will agree on implementation plan of buyer protection standards in 2015 in order to implement the standards as of Latvian market migration to T2S on February 6, 2017.	
Buyer Protection	2	When a BP requirement is not invoked by the buyer, then the market default rules for elections should apply.	NOT IMPLEMENTED	Other		

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: LATVIA				
Buyer Protection	3	The buyer will be tracking open transactions to which he is entitled to elect and will decide whether or not he wants to invoke a BP.	**NOT IMPLEMENTED**	Other		
Buyer Protection	4	As per scope in the introduction, all transactions still pending on BP deadline in securities which are subject to a corporate action and a BP regime in the CSD of Issuance can be subject to a BP mechanism.	**NOT IMPLEMENTED**	Other		
Buyer Protection	5	No matching is required in the CSDs' systems. However it is recommended that the seller acknowledges to the buyer, the receipt of the BP instruction.	**NOT IMPLEMENTED**	Other		
Buyer Protection	6	The buyer should include in BP instructions, references to the underlying CA and the underlying transaction to which the CA applies (securities trade or other)	**NOT IMPLEMENTED**	Other		
Buyer Protection	7	Whether late BP instructions should be accepted should be established on the basis of bilateral agreement between the buyer and the seller, or the CSD/CCP rules – where and when CSDs/CCPs are offering such BP processing services.	**NOT IMPLEMENTED**	Other		

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	8	It is recommended that the ISO20022 standards are referred to as the basis for such BP instructions.	**NOT IMPLEMENTED**	Other		
Buyer Protection	9	BP deadlines for Automated BP mechanism. For trade date T (which is the guaranteed participation date/last trade date of the underlying CA), the BP deadline should be on T+n (where n = settlement cycle) and the market deadline on T+n+1 day Taking as working assumption a T+3 settlement cycle: • business day 1 = T; • business day 4 = T+3: buyer protection deadline; • business day 5 = T+4 market deadline BP deadlines for Manual BP mechanism For BP instructions from actors other than CCPs, the BP deadline is T+n. For BP instructions from CCPs the BP deadline is T+n+1 hour	**NOT IMPLEMENTED**	Other		
Buyer Protection	10	The BP deadline should be identical across all (I) CSDs in T2S for all securities.	**NOT IMPLEMENTED**	Other		

2015 - T2S Corporate Actions Standards Gap Analysis: **LATVIA**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: LATVIA						
Buyer Protection	11	The BP instruction itself can only be amended by the buyer, before the BP deadline.	**NOT IMPLEMENTED**	Other		
Buyer Protection	12	Only the BP election (i.e. corporate action option) can be amended in the BP instruction.	**NOT IMPLEMENTED**	Other		
Buyer Protection	13	If the underlying transaction can be settled prior to the BP deadline, it should settle and the BP instruction should be cancelled by the Instruction Owner CSD (IOC) if the IOC offers such a BP service. When BP is handled bilaterally, the BP is void.	**NOT IMPLEMENTED**	Other		

		2015 - T2S Corporate Actions Standards Gap Analysis: LATVIA				
Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	14	**Process for pending transactions on BP deadline:** **In case of Automated BP mechanism** **Transactions attached with a valid BP that are still pending at the BP deadline should be frozen (put on hold) by the IOCs until their transformation on market deadline/record date. The Transformation of the underlying transaction should be carried out by the IOCs, in accordance with the BP instruction, at the Market Deadline / Record Date of the voluntary reorganisation.** **In case of Manual BP mechanism** **If the CSD does not provide an automated BP service, then buyer and seller shall cancel the underlying transaction and re-instruct, in accordance with the BP instruction, at the market deadline / record date of the voluntary reorganisation.**	**NOT IMPLEMENTED**	Other		

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	15	Conditions for settlement of protected entitlement In case of Automated BP mechanism The IOC will set on hold (freeze) and transform in T2S the underlying transaction based on BP instruction it receives (from the buyer). In case of Manual BP mechanism The buyer and seller shall amend the underlying transaction (as per current practice: cancel and re-instruct).	**NOT IMPLEMENTED**	Other		
Buyer Protection	16	If a buyer wants to make a partial election, they would need to split the original transaction into the shapes they require.	**NOT IMPLEMENTED**	Other		
Buyer Protection	17	The Settlement Date (SD) of the protected entitlements should be the payment date of the underlying CA.	**NOT IMPLEMENTED**	Other		
Buyer Protection	18	Settlement of BP instructions should take place as specified in the T2S transformations standards.	**NOT IMPLEMENTED**	Other		

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: MALTA	
Market Claims		For a given transaction, a market claim should be detected by the two Instruction Owners CSDs (IOCs), or the CCP(s) where applicable, of the two counterparties in the transaction.	**IMPLEMENTED**	N/A	The CSD system operated in our market handles corporate actions and pending transaction and would have available all information necessary to detect pending market claims	
Market Claims	2	The mechanism to detect market claims is at the discretion, and is the responsibility, of the IOCs and the CCPs of the counterparties.	**IMPLEMENTED**	N/A	The CSD operated in our market can identify any corporate events/transactions that meet the criteria	
Market Claims	3	Maximum time period for claim detection: 20 T2S opening days from record date.	**IMPLEMENTED**	N/A	Existing time-frame is in line with the required standard.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: MALTA				
Market Claims	**4**	Market claims should be detected after the close of business on record date and during the rest of the claims detection period.	**IMPLEMENTED**	N/A	Market claims may be identified throughout the whole detection period	
Market Claims	**5**	After record date, the market claim detection mechanism should operate at a minimum once a day after the end of standard T2S daytime settlement processing ("End of Day" in T2S URD) and prior to the start of the next settlement day ("Start of Day" in T2S URD).	**IMPLEMENTED**	Other	Market claim mechanism implemented to operate at least once a day	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: MALTA				
Market Claims	6	As a general principle, market claims should be detected for all transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to indicate that no claim at all should be raised on a given transaction.	**IMPLEMENTED**	Other	Market claims will be identified for all transactions. Opt-out also available.	
Market Claims	7	Counterparties in the underlying transaction may choose to include the ex/cum indicator only if they want to deviate from the standard market claim procedure, as described in the CAJWG standards.	**IMPLEMENTED**	Other	Ex/cum indicator may be used if deviating from standard	
Market Claims	8	As per CAJWG standards, market claims should be detected only for matched instructions (i.e. irrevocable transactions).	**IMPLEMENTED**	N/A	Market claims identified by the CSd.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	**9**	Market claims should be generated only by the two IOCs (or the CCPs) of the two parties to the transaction. IOCs and CCPs should also generate market claims on behalf of their clients who have access to direct technical connectivity to T2S. Those clients should not generate market claims in T2S.	**IMPLEMENTED**	N/A	Market Claims are identified in the CSD.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	**10**	For each outturn (result of CA entitlement), there should be the generation of a separate market claim instruction. Types of market claim instructions: (i) FOP transfer of securities (receipt and delivery) (ii) Payment free of delivery (PFOD) transfer of cash; The payment currency of the (cash) market claim should be the same as the currency of the original corporate action. The currency of the original corporate action is defined by the issuer of the underlying security. In case the currency of the corporate action payment is not a T2S Settlement Currency, then the counterparties in the underlying transaction should decide between them how to settle the cash entitlement outside T2S.	**IMPLEMENTED**	Other	**Market claims are effected in the same currency as the original corporate action** **FOP transfers already handled by CSD**	

2015 - T2S Corporate Actions Standards Gap Analysis: MALTA

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	11	When the generation of a market claim instruction results in outturn securities fractions, the number of outturn securities in the market claim instruction should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for remaining securities fractions, then no further action is required by IOC b) In case the issuer compensates investors for remaining securities fractions with cash, an additional PFOD transaction should be generated by IOC transferring cash to the beneficial owner.	**IMPLEMENTED**	Other	**Rounding up standard included in new rules**	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: **MALTA**			
Market Claims	12	In order to be able identify market claims, a specific ISO transaction type code "CLAI" should be used in the settlement instructions.	**IMPLEMENTED**	Technical change	New ISO code implemented	
Market Claims	13	For any individual ISIN, or any individual category of securities, all CSDs/CCPs that accept such securities should use the same rules to generate market claims. The rules, or terms, are defined by the issuer for each corporate action event. The issuer should pass them onto the issuer CSD and made available by the issuer CSD to all of its clients, including the Investor CSDs.	**IMPLEMENTED**	N/A	The CSD acts upon instructions from the Issuer	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: MALTA			
Market Claims	14	For the settlement of market claim itself (as settled in T2S), the tax statuses of the receiving/delivering accounts should have no direct effect on the amount of cash/securities to be transferred. For a specific ISIN and a specific event, the amount of cash/securities to be transferred should be dependent solely on the number of securities in the underlying transaction. This means that for a specific ISIN and a specific event, the rate of the market claim should always be the same, and should be fixed by the issuer CSD. (*The claim could be an indemnity at, for example, 100% of the gross dividend, or could be a gross or net dividend amount). Subsequent, or in parallel, to the market claim, a withholding agent could process tax adjustments.*	**IMPLEMENTED**	N/A	In the CSD entitlement is dependent only on the number/volume of securities held	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: MALTA			
Market Claims	15	The CSDs/CCPs generating the market claim will identify which T2S dedicated cash accounts should be used.	IMPLEMENTED	Technical change	Dedicated cash account identification has been implemented	
Market Claims	16	Matching is required for all market claims settlement instructions.	**IMPLEMENTED**	N/A	CSD requires matching	
Market Claims	17	Each CSD/CCP will include in the market claim settlement instruction sent to T2S appropriate references so that its participant can identify and process the claim satisfactorily.	**IMPLEMENTED**	N/A	Market claims are identified by CA reference or trade date reference as applicable.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: MALTA			
Market Claims	18	The market claim should be instructed in T2S by using as trade date of the claim, the same date as the trade date of the underlying transaction. The settlement date of the market claim should be the payment date of the transaction. The settlement date of the market claim should be the payment date of the underlying corporate action.	IMPLEMENTED	N/A	Trade – trade date used Company Announcement – payment date used	
Market Claims	19	The market claim transaction should be instructed with the same status (i.e. either 'on hold' or 'released') as the underlying transaction.	IMPLEMENTED	N/A	Direct Holding Market	
Market Claims	20	The standard T2S rules for who can amend settlement instructions should apply.	IMPLEMENTED	N/A	Settlement instruction may be amended in line with T2S criteria	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: MALTA						
Market Claims	**21**	The standard T2S rules for amending settlement instructions should apply.	**IMPLEMENTED**	N/A	Settlement instruction may be amended in line with T2S criteria	
Market Claims	**22**	The standard T2S rules for cancelling settlement instructions should apply.	**IMPLEMENTED**	N/A	Settlement instruction may be amended in line with T2S criteria	
Market Claims	**23**	In line with the CAJWG standards, the settlement of a market claim should be independent from the settlement of the respective underlying transaction. However, market infrastructures should provide to their participants a user friendly facility which gives them the option to ensure that the market claim is not settled prior to the settlement of the underlying transaction.	**IMPLEMENTED**	N/A	Market Claim may not be settled prior to settlement of underlying transaction	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: MALTA			
Market Claims	**24**	In line with standard T2S settlement conditions will include: (i) payment date has been reached, (ii) resources (cash and/or securities are available.	**IMPLEMENTED**	N/A	Market claim cannot be settled prior to payment date and/or if resources are not available	
Market Claims	**25**	There should be no partial settlement for market claims in cash. Partial settlement should be limited to market claims in securities and take into account the standard T2S rules for partial settlement. Partial settlement indicator of the market claim should replicate the one of the underlying transaction.	IMPLEMENTED	Other	No partial settlement for market claims in cash but only for securities.	
Market Claims	**26**	The standard T2S rules for the recycling period should apply.	**IMPLEMENTED**	Other	Standard T2S rules implemented.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: MALTA			
Market Claims	27	Each CSD/CCP generating a market claim will report to its own participant.	**IMPLEMENTED**	N/A	CSD reports on market claims	
Market Claims	28	T2S will provide its standard pending/settled transaction reporting. A CSD/CCP may provide additional reporting to its participant.	**IMPLEMENTED**	N/A	CSD reports on pending /settled transactions	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transform ations	1	**At the CCP level: When agreed with the Instruction Owner CSDs (IOCs) the CCP itself can manage the transformation for CCP transactions via a Power Of Attorney (POA) on the participants' accounts by use of the T2S cancellation and replacement mechanisms.** **At the CSD level (both CSDs of the buyer and the seller are connected to T2S): The IOCs will manage the transformation:** (i) When the underlying transaction impacts two accounts in the same IOC. The cancellation and replacement will be managed and instructed in T2S by the IOC itself; (ii) In a cross-CSD transaction, each IOC has to cancel the instruction (bilateral cancellation process in T2S) and to send to T2S the new transformed instruction for matching. **When the transaction is cross-border (one CSD is in T2S and the other is**	IMPLEMENTE D	Other	**CCP not available in Maltese market** **At CSD Level :** **Implemented in accordance with T2S criteria**	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: **MALTA**			
Transformations	2	The transformation process shall take place by end of record date or market deadline and during the rest of the transformation detection period (i.e. 20 T2S opening days after the record date/market deadline).	IMPLEMENTED	Other	Implemented in line with T2S Criteria	
Transformations	3	As a general principle, transformations will be applicable to all eligible transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to deviate from the standard transformation procedures.	IMPLEMENTED	Other	Implemented in line with T2S criteria	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	**4**	IOCs/CCPs managing the transformation will use the ISO20022 format as specified in the T2S URD. IOCs/CCPs will include in the transformation settlement instructions the appropriate references so that their own participants can identify and process the transformation satisfactorily in their own books. The minimum references required include: T2S reference of the underlying transaction, the "TRAN" ISO settlement transaction condition code, and CSD corporate action event reference. From a T2S system specification perspective, these references are only for information purposes (for CSDs/CCPs participants) as these references do not trigger any specific functionality in T2S (other than standard settlement	IMPLEMENTED	Other	No CCP available in Maltese market. At CSD level : implemented in line with T2S criteria	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: **MALTA**			
Transformations	5	CSD/CCP may match locally the new instructions related to the transformation and send them to T2S as already matched for settlement or send them as separate instructions for matching in T2S.	IMPLEMENTED	Other	No CCP available in Maltese market At CSD level implemented in line with T2S criteria	
Transformations	6	Both IOCs/CCPs should send new instructions to T2S, for matching purposes.	IMPLEMENTED	Other	New instructions to be sent for matching purposes	
Transformations	7	The earliest settlement date (SD) of the new transaction(s) should be the latest between the payment date (PD) of the entitlement and the SD of the underlying transaction.	IMPLEMENTED	Other	Settlement date implemented in terms of criteria	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	8	**The transformed instructions should retain the same characteristics (trade date, cash consideration) as those of the underlying instruction with the possible exception of the three following fields in respect with the terms of the reorganisation: (i) The quantity of securities; (ii) The ISIN; (iii) The settlement date (SD).**	IMPLEMENTED	Other	**Same characteristics retained in transformed instructions**	

2015 - T2S Corporate Actions Standards Gap Analysis: MALTA

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	9	The settlement amount of the transformed (new) instructions should be proportional to the ratio of each outturn securities. In case of multiple outturns (i.e. multiple new ISINs being generated by the transformation process), the new instructions should not be settled as linked settlement in T2S. The transformed instructions should retain the same characteristics (trade date) as those of the underlying transaction with the possible exception of the four following fields in respect with the terms of the reorganisation: • The quantity of securities • The cash consideration should be allocated to the transformed transactions according to the rates provided by the issuer • The ISIN • The settlement date (SD)	IMPLEMENTED	Other	Settlement amount in transformed instructions proportional to the ratio of each outturn.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: MALTA			
Transformations	10	The cash transfer(s) settlement instructions should retain the same characteristics as those of the underlying transaction. If the instruction of the underlying transaction was against payment, two new instructions, in opposite directions, will be created; one for the settlement amount and one for the cash outturn. The transfers should not be linked. If the instruction of the underlying transaction was free of payment, only one transfer, for the cash outturn, will be created.	IMPLEMENTED	Other	Same characteristics retained as per underlying transaction	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	**11**	**When the transformation results in outturn securities fractions, the number of securities should be rounded down to the nearest whole number. Furthermore:** **a) In case the issuer does not compensate investors for the remaining securities fractions, then no further action is required by the IOCs** **b) In case the issuer compensates investors for remaining securities fractions with cash, then an additional PFOD transaction should be generated by the IOCs**	IMPLEMENTED	Other	**Number of securities rounded down.**	
Transformations	**12**	**The transformed transaction should be instructed with the same status as the underlying transaction.**	IMPLEMENTED	Other	**Transformed transaction instructed with the same status as the underlying transaction**	

2015 - T2S Corporate Actions Standards Gap Analysis: **MALTA**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: MALTA				
Transformations	13	The new transformed transaction should ensure that the following indicators are correctly replicated: (i) Partialling indicator of the original transaction instruction; (ii) Ex/cum indicator; (iii) Opt-out indicator related to the market claim creation.	IMPLEMENTED	Other	Transformed transaction indicators are replicated as per criteria	
Buyer Protection	1	For a given transaction and prior to the BP deadline, the BP requirement will be invoked by the buyer (the buyer will issue BP instructions to the seller).	NOT IMPLEMENTED	Other	Further testing and new rules required.	Currently being concluded
Buyer Protection	2	When a BP requirement is not invoked by the buyer, then the market default rules for elections should apply.	NOT IMPLEMENTED	Other	Further testing and new rules required.	Currently being concluded

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: MALTA				
Buyer Protection	3	The buyer will be tracking open transactions to which he is entitled to elect and will decide whether or not he wants to invoke a BP.	NOT IMPLEMENTED	Other	Further testing and new rules required.	Currently being concluded
Buyer Protection	4	As per scope in the introduction, all transactions still pending on BP deadline in securities which are subject to a corporate action and a BP regime in the CSD of Issuance can be subject to a BP mechanism.	NOT IMPLEMENTED	Other	Further testing and new rules required.	Currently being concluded
Buyer Protection	5	No matching is required in the CSDs' systems. However it is recommended that the seller acknowledges to the buyer, the receipt of the BP instruction.	NOT IMPLEMENTED	Other	Further testing and new rules required.	Currently being concluded

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: MALTA			
Buyer Protection	6	The buyer should include in BP instructions, references to the underlying CA and the underlying transaction to which the CA applies (securities trade or other)	NOT IMPLEMENTED	Other	Further testing and new rules required.	Currently being concluded
Buyer Protection	7	Whether late BP instructions should be accepted should be established on the basis of bilateral agreement between the buyer and the seller, or the CSD/CCP rules – where and when CSDs/CCPs are offering such BP processing services.	NOT IMPLEMENTED	Other	Further testing and new rules required.	Currently being concluded
Buyer Protection	8	It is recommended that the ISO20022 standards are referred to as the basis for such BP instructions.	NOT IMPLEMENTED	Other	Further testing and new rules required.	Currently being concluded

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: MALTA			
Buyer Protection	9	**BP deadlines for Automated BP mechanism. For trade date T (which is the guaranteed participation date/last trade date of the underlying CA), the BP deadline should be on T+n (where n = settlement cycle) and the market deadline on T+n+1 day Taking as working assumption a T+3 settlement cycle:** **• business day 1 = T;** **• business day 4 = T+3: buyer protection deadline;** **• business day 5 = T+4 market deadline** **BP deadlines for Manual BP mechanism** **For BP instructions from actors other than CCPs, the BP deadline is T+n.** **For BP instructions from CCPs the BP deadline is T+n+1 hour**	NOT IMPLEMENTED	Other	**Further testing and new rules required.**	Currently being concluded
Buyer Protection	10	**The BP deadline should be identical across all (I) CSDs in T2S for all securities.**	NOT IMPLEMENTED	Other	**Further testing and new rules required.**	Currently being concluded

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: **MALTA**			
Buyer Protection	11	The BP instruction itself can only be amended by the buyer, before the BP deadline.	NOT IMPLEMENTED	Other	Further testing and new rules required.	Currently being concluded
Buyer Protection	12	Only the BP election (i.e. corporate action option) can be amended in the BP instruction.	NOT IMPLEMENTED	Other	Further testing and new rules required.	Currently being concluded
Buyer Protection	13	If the underlying transaction can be settled prior to the BP deadline, it should settle and the BP instruction should be cancelled by the Instruction Owner CSD (IOC) if the IOC offers such a BP service. When BP is handled bilaterally, the BP is void.	NOT IMPLEMENTED	Other	Further testing and new rules required.	Currently being concluded

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	14	**Process for pending transactions on BP deadline:** **In case of Automated BP mechanism** **Transactions attached with a valid BP that are still pending at the BP deadline should be frozen (put on hold) by the IOCs until their transformation on market deadline/record date. The Transformation of the underlying transaction should be carried out by the IOCs, in accordance with the BP instruction, at the Market Deadline / Record Date of the voluntary reorganisation.** **In case of Manual BP mechanism** **If the CSD does not provide an automated BP service, then buyer and seller shall cancel the underlying transaction and re-instruct in accordance with the BP**	NOT IMPLEMENTED	Other	**Further testing and new rules required.**	Currently being concluded

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: MALTA				
Buyer Protection	15	**Conditions for settlement of protected entitlement** **In case of Automated BP mechanism** **The IOC will set on hold (freeze) and transform in T2S the underlying transaction based on BP instruction it receives (from the buyer).** **In case of Manual BP mechanism** **The buyer and seller shall amend the underlying transaction (as per current practice: cancel and re-instruct).**	NOT IMPLEMENTED	Other	**Further testing and new rules required.**	Currently being concluded
Buyer Protection	16	**If a buyer wants to make a partial election, they would need to split the original transaction into the shapes they require.**	NOT IMPLEMENTED	Other	**Further testing and new rules required.**	Currently being concluded

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: MALTA			
Buyer Protection	17	The Settlement Date (SD) of the protected entitlements should be the payment date of the underlying CA.	NOT IMPLEMENTED	Other	Further testing and new rules required.	Currently being concluded
Buyer Protection	18	Settlement of BP instructions should take place as specified in the T2S transformations standards.	NOT IMPLEMENTED	Other	Further testing and new rules required.	Currently being concluded

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: NETHERLANDS						
Market Claims	**1**	For a given transaction, a market claim should be detected by the two Instruction Owners CSDs (IOCs), or the CCP(s) where applicable, of the two counterparties in the transaction.	**IMPLEMENTED**	N/A	Standard will remain fulfilled when T2S is in place.	
Market Claims	**2**	The mechanism to detect market claims is at the discretion, and is the responsibility, of the IOCs and the CCPs of the counterparties.	**IMPLEMENTED**	N/A	Standard will remain fulfilled when T2S is in place.	
Market Claims	**3**	Maximum time period for claim detection: 20 T2S opening days from record date.	**NOT IMPLEMENTED**	N/A	Current maximum period is 45 days; will be set to 20 BD in the frame of the T2S project.	To be implemented as part of ESES adaptation to T2S. Testing Sep2015, Live Mar2016.
Market Claims	**4**	Market claims should be detected after the close of business on record date and during the rest of the claims detection period.	**IMPLEMENTED**	N/A	Implemented as per 17 Mar 2014 Standard will remain fulfilled when T2S is in place.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: **NETHERLANDS**						
Market Claims	5	After record date, the market claim detection mechanism should operate at a minimum once a day after the end of standard T2S daytime settlement processing ("End of Day" in T2S URD) and prior to the start of the next settlement day ("Start of Day" in T2S URD).	**IMPLEMENTED**	N/A	Standard will remain fulfilled when T2S is in place.	
Market Claims	6	As a general principle, market claims should be detected for all transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to indicate that no claim at all should be raised on a given transaction.	**NOT IMPLEMENTED**	Major Technical Change	Opt-out is currently not facilitated by ESES.	To be implemented as part of ESES adaptation to T2S. Testing Sep2015, Live Mar2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: **NETHERLANDS**			
Market Claims	7	Counterparties in the underlying transaction may choose to include the ex/cum indicator only if they want to deviate from the standard market claim procedure, as described in the CAJWG standards.	**NOT IMPLEMENTED**	Major Technical Change	Currently, ESES does not provide ex/cum indicator in the ISO message.	To be implemented as part of ESES adaptation to T2S. Testing Sep2015, Live Mar2016.
Market Claims	8	As per CAJWG standards, market claims should be detected only for matched instructions (i.e. irrevocable transactions).	**IMPLEMENTED**	N/A	Standard will remain fulfilled when T2S is in place.	
Market Claims	9	Market claims should be generated only by the two IOCs (or the CCPs) of the two parties to the transaction. IOCs and CCPs should also generate market claims on behalf of their clients who have access to direct technical connectivity to T2S. Those clients should not generate market claims in T2S.	**IMPLEMENTED**	N/A	Standard will remain fulfilled when T2S is in place.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	10	For each outturn (result of CA entitlement), there should be the generation of a separate market claim instruction. Types of market claim instructions: (i) FOP transfer of securities (receipt and delivery) (ii) Payment free of delivery (PFOD) transfer of cash; The payment currency of the (cash) market claim should be the same as the currency of the original corporate action. The currency of the original corporate action is defined by the issuer of the underlying security. In case the currency of the corporate action payment is not a T2S Settlement Currency, then the counterparties in the underlying transaction should decide between them how to settle the cash entitlement outside T2S.	**IMPLEMENTED**	N/A	Standard will remain fulfilled when T2S is in place.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: NETHERLANDS						
Market Claims	11	When the generation of a market claim instruction results in outturn securities fractions, the number of outturn securities in the market claim instruction should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for remaining securities fractions, then no further action is required by IOC b) In case the issuer compensates investors for remaining securities fractions with cash, an additional PFOD transaction should be generated by IOC transferring cash to the beneficial owner.	**NOT IMPLEMENTED**	Major Technical Change	With regard to rounding down the standard is complied with, but the additional PFOD transaction needs to be developed.	Implementation planned within ESES Stream 5: testing 2015Q1, live Mar2015.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: NETHERLANDS	
Market Claims	12	In order to be able identify market claims, a specific ISO transaction type code "CLAI" should be used in the settlement instructions.	**NOT IMPLEMENTED**	Straightforward to Implement	Currently not applicable in ESES (no use of such ISO transaction type codes). The use of "CLAI" ISO transaction type code will be implemented in the frame of T2S project.	To be implemented as part of ESES adaptation to T2S. Testing Sep2015, Live Mar2016.
Market Claims	13	For any individual ISIN, or any individual category of securities, all CSDs/CCPs that accept such securities should use the same rules to generate market claims. The rules, or terms, are defined by the issuer for each corporate action event. The issuer should pass them onto the issuer CSD and made available by the issuer CSD to all of its clients, including the Investor CSDs.	**NOT IMPLEMENTED**	Other	There are currently no tax services in ESES. No additional information is currently available on what is foreseen in the frame of the T2S project. Presumption is that same amount should be used by both CSDs in case of cross-CSD market claim.	To be implemented as part of ESES adaptation to T2S. Testing Sep2015, Live Mar2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: NETHERLANDS			
Market Claims	**14**	For the settlement of market claim itself (as settled in T2S), the tax statuses of the receiving/delivering accounts should have no direct effect on the amount of cash/securities to be transferred. For a specific ISIN and a specific event, the amount of cash/securities to be transferred should be dependent solely on the number of securities in the underlying transaction. This means that for a specific ISIN and a specific event, the rate of the market claim should always be the same, and should be fixed by the issuer CSD. (*The claim could be an indemnity at, for example, 100% of the gross dividend, or could be a gross or net dividend amount). Subsequent, or in parallel, to the market claim, a withholding agent could process tax adjustments.*	**NOT IMPLEMENTED**	N/A	Currently not complied with, as the rates applied for the market claim are not derived automatically from the Issuer CSD. Solution to be implemented in ESES within T2S scope : tax rate should be derived from the Issuer CSD's national practice. Pending issue with regard to securities not primarily issued in T2S (maximum rate of the country of issuance could be applied).	To be implemented as part of ESES adaptation to T2S. Testing Sep2015, Live Mar2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	15	The CSDs/CCPs generating the market claim will identify which T2S dedicated cash accounts should be used.	IMPLEMENTED	N/A	Standard will remain fulfilled when T2S is in place.	
Market Claims	16	Matching is required for all market claims settlement instructions.	IMPLEMENTED	N/A	Standard will remain fulfilled when T2S is in place.	
Market Claims	17	Each CSD/CCP will include in the market claim settlement instruction sent to T2S appropriate references so that its participant can identify and process the claim satisfactorily.	IMPLEMENTED	N/A	Standard will remain fulfilled when T2S is in place.	

2015 - T2S Corporate Actions Standards Gap Analysis: NETHERLANDS

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: NETHERLANDS			
Market Claims	**18**	The market claim should be instructed in T2S by using as trade date of the claim, the same date as the trade date of the underlying transaction. The settlement date of the market claim should be the payment date of the transaction. The settlement date of the market claim should be the payment date of the underlying corporate action.	**NOT IMPLEMENTED**	N/A	Currently the TD is the same as the one of the underlying transaction, while the ISD of the MKC is the current Business Day if detected after the PD. To be implemented in the frame of T2S.	To be implemented as part of ESES adaptation to T2S. Testing Sep2015, Live Mar2016.
Market Claims	**19**	The market claim transaction should be instructed with the same status (i.e. either 'on hold' or 'released') as the underlying transaction.	**NOT IMPLEMENTED**	Major Technical Change	Considered as not implemented as such (On hold/Released) concepts do not exist in ESES. To be implemented in the frame of T2S.	To be implemented as part of ESES adaptation to T2S. Testing Sep2015, Live Mar2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: **NETHERLANDS**			
Market Claims	20	The standard T2S rules for who can amend settlement instructions should apply.	**NOT IMPLEMENTED**	Straightforward to Implement	Considered as not implemented as such concepts do not exist in ESES. Standard to be implemented in the frame of T2S: either IOCs or parties to amend their instructions.	To be implemented as part of ESES adaptation to T2S. Testing Sep2015, Live Mar2016.
Market Claims	21	The standard T2S rules for amending settlement instructions should apply.	**NOT IMPLEMENTED**	Straightforward to Implement	Considered as not implemented as such concepts do not exist in ESES. Standard T2S rules for amending to apply in the frame of T2S.	To be implemented as part of ESES adaptation to T2S. Testing Sep2015, Live Mar2016.
Market Claims	22	The standard T2S rules for cancelling settlement instructions should apply.	**NOT IMPLEMENTED**	Straightforward to Implement	Considered as not implemented as such concepts do not exist in ESES. Standard T2S rules for amending to apply in the frame of T2S.	To be implemented as part of ESES adaptation to T2S. Testing Sep2015, Live Mar2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: NETHERLANDS				
Market Claims	**23**	In line with the CAJWG standards, the settlement of a market claim should be independent from the settlement of the respective underlying transaction. However, market infrastructures should provide to their participants a user friendly facility which gives them the option to ensure that the market claim is not settled prior to the settlement of the underlying transaction.	**NOT IMPLEMENTED**	Major Technical Change	Currently, the user friendly facility as required by the standard is not available.	To be implemented as part of ESES adaptation to T2S. Testing Sep2015, Live Mar2016.
Market Claims	**24**	In line with standard T2S settlement conditions will include: (i) payment date has been reached, (ii) resources (cash and/or securities are available.	**IMPLEMENTED**	N/A	Standard will remain fulfilled when T2S is in place.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: NETHERLANDS				
Market Claims	25	There should be no partial settlement for market claims in cash. Partial settlement should be limited to market claims in securities and take into account the standard T2S rules for partial settlement. Partial settlement indicator of the market claim should replicate the one of the underlying transaction.	**NOT IMPLEMENTED**	Major Technical Change	There is currently no partial settlement on market claim in ESES. Standard to be implemented in the frame of T2S, including replication of the partial settlement indicator from the underlying instruction.	To be implemented as part of ESES adaptation to T2S. Testing Sep2015, Live Mar2016.
Market Claims	26	The standard T2S rules for the recycling period should apply.	**NOT IMPLEMENTED**	Major Technical Change	ESES recycling period for market claims is limited to 45 business days. Standard T2S recycling period to apply in the frame of T2S.	To be implemented as part of ESES adaptation to T2S. Testing Sep2015, Live Mar2016.
Market Claims	27	Each CSD/CCP generating a market claim will report to its own participant.	**IMPLEMENTED**	N/A	Standard will remain fulfilled when T2S is in place.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	**28**	T2S will provide its standard pending/settled transaction reporting. A CSD/CCP may provide additional reporting to its participant.	**NOT IMPLEMENTED**	Major Technical Change	Currently considered as not implemented in ESES (not applicable due to architectural considerations). T2S to report 20022 settlement format instruction only, while ESES will provide custody reporting. Issue with regard to the choice of format for reporting of market claims is to be investigated further (ISO Custody - or Transaction Management - vs. ISO Settlement). Alignment of all various CSDs to be agreed on the usage of such messaging. See SMPG.	To be implemented as part of ESES adaptation to T2S. Testing Sep2015, Live Mar2016.

2015 - T2S Corporate Actions Standards Gap Analysis: NETHERLANDS

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	1	**At the CCP level: When agreed with the Instruction Owner CSDs (IOCs) the CCP itself can manage the transformation for CCP transactions via a Power Of Attorney (POA) on the participants' accounts by use of the T2S cancellation and replacement mechanisms.** **At the CSD level (both CSDs of the buyer and the seller are connected to T2S): The IOCs will manage the transformation: (i) When the underlying transaction impacts two accounts in the same IOC. The cancellation and replacement will be managed and instructed in T2S by the IOC itself; (ii) In a cross-CSD transaction, each IOC has to cancel the instruction (bilateral cancellation process in T2S) and to send to T2S the new transformed instruction for matching.** **When the transaction is cross-border (one CSD is in T2S and the other is**	**NOT IMPLEMENTED**	Major Technical Change	Currently the 'cancel and replace' principle is applied within ESES, but only related to intra-CSD transactions. Although some specifics exist in ESES, the standard is considered as not fully implemented: - far leg of repo is subject to transformation instead of 'cancel and replace', - mandatory reorganisation against cash where a movement in the opposite direction is generated to complement the underlying instruction, - reorganisation with options where no new instruction is created. In the frame of T2S, for intra-CSD transactions, cancellation and creation will be instructed by the ESES CSDs, while for cross-CSD transactions this will require matching (both for cancellation and creation).	To be implemented: - for mandatory reorganisations without options, and for a few elective events: as part of ESES adaptation to T2S. Testing Sep2015, Live Mar2016. - for other elective events: within ESES Stream 6. Testing Jun2016, live Sep2016.

2015 - T2S Corporate Actions Standards Gap Analysis: NETHERLANDS

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: NETHERLANDS				
Transformations	2	The transformation process shall take place by end of record date or market deadline and during the rest of the transformation detection period (i.e. 20 T2S opening days after the record date/market deadline).	**NOT IMPLEMENTED**	Straightforward to Implement	ESES period for creating transformations is limited to 45 business days following the record date/market deadline. This will be changed to 20 BD in the frame of T2S.	To be implemented as part of ESES adaptation to T2S. Testing Sep2015, live Mar2016.
Transformations	3	As a general principle, transformations will be applicable to all eligible transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to deviate from the standard transformation procedures.	**NOT IMPLEMENTED**	Major Technical Change	Opt out is currently not facilitated by ESES.	To be implemented as part of ESES adaptation to T2S. Testing Sep2015, Live Mar2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: NETHERLANDS	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transform ations	**4**	IOCs/CCPs managing the transformation will use the ISO20022 format as specified in the T2S URD. IOCs/CCPs will include in the transformation settlement instructions the appropriate references so that their own participants can identify and process the transformation satisfactorily in their own books. The minimum references required include: T2S reference of the underlying transaction, the "TRAN" ISO settlement transaction condition code, and CSD corporate action event reference. From a T2S system specification perspective, these references are only for information purposes (for CSDs/CCPs participants) as these references do not trigger any specific functionality in T2S (other than standard settlement	**NOT IMPLEMENTED**	**Major Technical Change**	In current messages this information is not available	To be implemented as part of ESES adaptation to T2S. Testing Sep2015, Live Mar2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	5	CSD/CCP may match locally the new instructions related to the transformation and send them to T2S as already matched for settlement or send them as separate instructions for matching in T2S.	**IMPLEMENTED**	N/A	Standard will remain fulfilled when T2S is in place.	
Transformations	6	Both IOCs/CCPs should send new instructions to T2S, for matching purposes.	**NOT IMPLEMENTED**	Major Technical Change	This is a new T2S functionality	To be implemented as part of ESES adaptation to T2S. Testing Sep2015, Live Mar2016.
Transformations	7	The earliest settlement date (SD) of the new transaction(s) should be the latest between the payment date (PD) of the entitlement and the SD of the underlying transaction.	**IMPLEMENTED**	N/A	Standard will remain fulfilled when T2S is in place.	

2015 - T2S Corporate Actions Standards Gap Analysis: **NETHERLANDS**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	8	The transformed instructions should retain the same characteristics (trade date, cash consideration) as those of the underlying instruction with the possible exception of the three following fields in respect with the terms of the reorganisation: (i) The quantity of securities; (ii) The ISIN; (iii) The settlement date (SD).	**IMPLEMENTED**	N/A	Standard will remain fulfilled when T2S is in place.	

2015 - T2S Corporate Actions Standards Gap Analysis: **NETHERLANDS**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: NETHERLANDS				
Transformations	**9**	**The settlement amount of the transformed (new) instructions should be proportional to the ratio of each outturn securities.** **In case of multiple outturns (i.e. multiple new ISINs being generated by the transformation process), the new instructions should not be settled as linked settlement in T2S.** **The transformed instructions should retain the same characteristics (trade date) as those of the underlying transaction with the possible exception of the four following fields in respect with the terms of the reorganisation:** **• The quantity of securities** **• The cash consideration should be allocated to the transformed transactions according to the rates provided by the issuer** **• The ISIN** **• The settlement date (SD)**	**NOT IMPLEMENTED**	**Major Technical Change**	**Currently ESES process is only to cancel underlying instruction in case of multiple outturns.**	**To be implemented as part of ESES adaptation to T2S.** **Testing Sep2015, Live Mar2016.**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	**10**	The cash transfer(s) settlement instructions should retain the same characteristics as those of the underlying transaction. If the instruction of the underlying transaction was against payment, two new instructions, in opposite directions, will be created; one for the settlement amount and one for the cash outturn. The transfers should not be linked. If the instruction of the underlying transaction was free of payment, only one transfer, for the cash outturn, will be created.	**NOT IMPLEMENTED**	**Major Technical Change**	There is no cancel and replace mechanism for transformations into cash in ESES (related to mandatory reorganisation against cash without option). **Standard to be implemented in the frame of T2S.**	**To be implemented as part of ESES adaptation to T2S.** **Testing Sep2015, Live Mar2016.**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: NETHERLANDS	
Transformations	11	When the transformation results in outturn securities fractions, the number of securities should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for the remaining securities fractions, then no further action is required by the IOCs b) In case the issuer compensates investors for remaining securities fractions with cash, then an additional PFOD transaction should be generated by the IOCs	**NOT IMPLEMENTED**	**Major Technical Change**	With regard to rounding down the standard is complied with, but the additional PFOD transaction needs to be developed.	**Implementation planned within ESES stream 5:** **testing 2015Q1, live Mar2015.**
Transformations	12	The transformed transaction should be instructed with the same status as the underlying transaction.	**NOT IMPLEMENTED**	**Major Technical Change**	Currently, in case of fractions, only the underlying transaction is cancelled and no new instruction is created.	To be implemented as part of ESES adaptation to T2S. Testing Sep2015, Live Mar2016.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	13	The new transformed transaction should ensure that the following indicators are correctly replicated: (i) Partialling indicator of the original transaction instruction; (ii) Ex/cum indicator; (iii) Opt-out indicator related to the market claim creation.	**NOT IMPLEMENTED**	Major Technical Change	The indicators are currently not available in the relevant messages.	To be implemented as part of ESES adaptation to T2S. Testing Sep2015, Live Mar2016.

2015 - T2S Corporate Actions Standards Gap Analysis: NETHERLANDS

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	1	For a given transaction and prior to the BP deadline, the BP requirement will be invoked by the buyer (the buyer will issue BP instructions to the seller).		Market Practice Change	Buyer protection is not facilitated by ESES. Implementation of any automated feature on ESES platform within the frame of T2S is not foreseen so far. Market parties should provide manual buyer protection by developing and implementing manual procedures.	Where these standards refer to automated BP, it is strongly recommended that future gap analyses include reporting on compliance with manual BP standards in order to monitor them the same way as automated BP is monitored. The NL market is technically able to fulfil the standards for manual BP, but key dates re BP are not always included in the CA announcement. Market practice has to be adapted, which is planned for 2015.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: NETHERLANDS				
Buyer Protection	**2**	When a BP requirement is not invoked by the buyer, then the market default rules for elections should apply.		Market Practice Change	Buyer protection is not facilitated by ESES. Implementation of any automated feature on ESES platform within the frame of T2S is not foreseen so far. Market parties should provide manual buyer protection by developing and implementing manual procedures.	Where these standards refer to automated BP, it is strongly recommended that future gap analyses include reporting on compliance with manual BP standards in order to monitor them the same way as automated BP is monitored. The NL market is technically able to fulfil the standards for manual BP, but key dates re BP are not always included in the CA announcement. Market practice has to be adapted, which is planned for 2015.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	**3**	The buyer will be tracking open transactions to which he is entitled to elect and will decide whether or not he wants to invoke a BP.		Market Practice Change	Buyer protection is not facilitated by ESES. Implementation of any automated feature on ESES platform within the frame of T2S is not foreseen so far. Market parties should provide manual buyer protection by developing and implementing manual procedures.	Where these standards refer to automated BP, it is strongly recommended that future gap analyses include reporting on compliance with manual BP standards in order to monitor them the same way as automated BP is monitored. The NL market is technically able to fulfil the standards for manual BP, but key dates re BP are not always included in the CA announcement. Market practice has to be adapted, which is planned for 2015.

2015 - T2S Corporate Actions Standards Gap Analysis: **NETHERLANDS**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	**4**	As per scope in the introduction, all transactions still pending on BP deadline in securities which are subject to a corporate action and a BP regime in the CSD of Issuance can be subject to a BP mechanism.		Market Practice Change	Buyer protection is not facilitated by ESES. Implementation of any automated feature on ESES platform within the frame of T2S is not foreseen so far. Market parties should provide manual buyer protection by developing and implementing manual procedures.	Where these standards refer to automated BP, it is strongly recommended that future gap analyses include reporting on compliance with manual BP standards in order to monitor them the same way as automated BP is monitored. The NL market is technically able to fulfil the standards for manual BP, but key dates re BP are not always included in the CA announcement. Market practice has to be adapted, which is planned for 2015.

The table is preceded by the title:

2015 - T2S Corporate Actions Standards Gap Analysis: NETHERLANDS

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: NETHERLANDS						
Buyer Protection	**5**	No matching is required in the CSDs' systems. However it is recommended that the seller acknowledges to the buyer, the receipt of the BP instruction.		Market Practice Change	Buyer protection is not facilitated by ESES. Implementation of any automated feature on ESES platform within the frame of T2S is not foreseen so far. Market parties should provide manual buyer protection by developing and implementing manual procedures.	Where these standards refer to automated BP, it is strongly recommended that future gap analyses include reporting on compliance with manual BP standards in order to monitor them the same way as automated BP is monitored. The NL market is technically able to fulfil the standards for manual BP, but key dates re BP are not always included in the CA announcement. Market practice has to be adapted, which is planned for 2015.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: NETHERLANDS	
Buyer Protection	6	The buyer should include in BP instructions, references to the underlying CA and the underlying transaction to which the CA applies (securities trade or other)		Market Practice Change	Buyer protection is not facilitated by ESES. Implementation of any automated feature on ESES platform within the frame of T2S is not foreseen so far. Market parties should provide manual buyer protection by developing and implementing manual procedures.	Where these standards refer to automated BP, it is strongly recommended that future gap analyses include reporting on compliance with manual BP standards in order to monitor them the same way as automated BP is monitored. The NL market is technically able to fulfil the standards for manual BP, but key dates re BP are not always included in the CA announcement. Market practice has to be adapted, which is planned for 2015.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	7	Whether late BP instructions should be accepted should be established on the basis of bilateral agreement between the buyer and the seller, or the CSD/CCP rules – where and when CSDs/CCPs are offering such BP processing services.		Market Practice Change	Buyer protection is not facilitated by ESES. Implementation of any automated feature on ESES platform within the frame of T2S is not foreseen so far. Market parties should provide manual buyer protection by developing and implementing manual procedures.	Where these standards refer to automated BP, it is strongly recommended that future gap analyses include reporting on compliance with manual BP standards in order to monitor them the same way as automated BP is monitored. The NL market is technically able to fulfil the standards for manual BP, but key dates re BP are not always included in the CA announcement. Market practice has to be adapted, which is planned for 2015.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: NETHERLANDS						
Buyer Protection	**8**	It is recommended that the ISO20022 standards are referred to as the basis for such BP instructions.		Market Practice Change	Buyer protection is not facilitated by ESES. Implementation of any automated feature on ESES platform within the frame of T2S is not foreseen so far. Market parties should provide manual buyer protection by developing and implementing manual procedures.	Where these standards refer to automated BP, it is strongly recommended that future gap analyses include reporting on compliance with manual BP standards in order to monitor them the same way as automated BP is monitored. The NL market is technically able to fulfil the standards for manual BP, but key dates re BP are not always included in the CA announcement. Market practice has to be adapted, which is planned for 2015.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
				2015 - T2S Corporate Actions Standards Gap Analysis: NETHERLANDS		
Buyer Protection	9	BP deadlines for Automated BP mechanism. For trade date T (which is the guaranteed participation date/last trade date of the underlying CA), the BP deadline should be on T+n (where n = settlement cycle) and the market deadline on T+n+1 day Taking as working assumption a T+3 settlement cycle: • business day 1 = T; • business day 4 = T+3: buyer protection deadline; • business day 5 = T+4 market deadline BP deadlines for Manual BP mechanism For BP instructions from actors other than CCPs, the BP deadline is T+n. For BP instructions from CCPs the BP deadline is T+n+1 hour		Market Practice Change	Buyer protection is not facilitated by ESES. Implementation of any automated feature on ESES platform within the frame of T2S is not foreseen so far. Market parties should provide manual buyer protection by developing and implementing manual procedures.	Where these standards refer to automated BP, it is strongly recommended that future gap analyses include reporting on compliance with manual BP standards in order to monitor them the same way as automated BP is monitored. The NL market is technically able to fulfil the standards for manual BP, but key dates re BP are not always included in the CA announcement. Market practice has to be adapted, which is planned for 2015.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: NETHERLANDS	
Buyer Protection	**10**	The BP deadline should be identical across all (I) CSDs in T2S for all securities.		Market Practice Change	Buyer protection is not facilitated by ESES. Implementation of any automated feature on ESES platform within the frame of T2S is not foreseen so far. Market parties should provide manual buyer protection by developing and implementing manual procedures.	Where these standards refer to automated BP, it is strongly recommended that future gap analyses include reporting on compliance with manual BP standards in order to monitor them the same way as automated BP is monitored. The NL market is technically able to fulfil the standards for manual BP, but key dates re BP are not always included in the CA announcement. Market practice has to be adapted, which is planned for 2015.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: NETHERLANDS						
Buyer Protection	**11**	The BP instruction itself can only be amended by the buyer, before the BP deadline.		Market Practice Change	Buyer protection is not facilitated by ESES. Implementation of any automated feature on ESES platform within the frame of T2S is not foreseen so far. Market parties should provide manual buyer protection by developing and implementing manual procedures.	Where these standards refer to automated BP, it is strongly recommended that future gap analyses include reporting on compliance with manual BP standards in order to monitor them the same way as automated BP is monitored. The NL market is technically able to fulfil the standards for manual BP, but key dates re BP are not always included in the CA announcement. Market practice has to be adapted, which is planned for 2015.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: NETHERLANDS				
Buyer Protection	12	Only the BP election (i.e. corporate action option) can be amended in the BP instruction.		Market Practice Change	Buyer protection is not facilitated by ESES. Implementation of any automated feature on ESES platform within the frame of T2S is not foreseen so far. Market parties should provide manual buyer protection by developing and implementing manual procedures.	Where these standards refer to automated BP, it is strongly recommended that future gap analyses include reporting on compliance with manual BP standards in order to monitor them the same way as automated BP is monitored. The NL market is technically able to fulfil the standards for manual BP, but key dates re BP are not always included in the CA announcement. Market practice has to be adapted, which is planned for 2015.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	**13**	If the underlying transaction can be settled prior to the BP deadline, it should settle and the BP instruction should be cancelled by the Instruction Owner CSD (IOC) if the IOC offers such a BP service. When BP is handled bilaterally, the BP is void.		Market Practice Change	Buyer protection is not facilitated by ESES. Implementation of any automated feature on ESES platform within the frame of T2S is not foreseen so far. Market parties should provide manual buyer protection by developing and implementing manual procedures.	Where these standards refer to automated BP, it is strongly recommended that future gap analyses include reporting on compliance with manual BP standards in order to monitor them the same way as automated BP is monitored. The NL market is technically able to fulfil the standards for manual BP, but key dates re BP are not always included in the CA announcement. Market practice has to be adapted, which is planned for 2015.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	14	**Process for pending transactions on BP deadline:** **In case of Automated BP mechanism** **Transactions attached with a valid BP that are still pending at the BP deadline should be frozen (put on hold) by the IOCs until their transformation on market deadline/record date. The Transformation of the underlying transaction should be carried out by the IOCs, in accordance with the BP instruction, at the Market Deadline / Record Date of the voluntary reorganisation.** **In case of Manual BP mechanism** **If the CSD does not provide an automated BP service, then buyer and seller shall cancel the underlying transaction and re-instruct in accordance with the BP**		**Market Practice Change**	**Buyer protection is not facilitated by ESES.** **Implementation of any automated feature on ESES platform within the frame of T2S is not foreseen so far.** **Market parties should provide manual buyer protection by developing and implementing manual procedures.**	**Where these standards refer to automated BP, it is strongly recommended that future gap analyses include reporting on compliance with manual BP standards in order to monitor them the same way as automated BP is monitored.** **The NL market is technically able to fulfil the standards for manual BP, but key dates re BP are not always included in the CA announcement. Market practice has to be adapted, which is planned for 2015.**

2015 - T2S Corporate Actions Standards Gap Analysis: **NETHERLANDS**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: NETHERLANDS				
Buyer Protection	**15**	**Conditions for settlement of protected entitlement** **In case of Automated BP mechanism** **The IOC will set on hold (freeze) and transform in T2S the underlying transaction based on BP instruction it receives (from the buyer).** **In case of Manual BP mechanism** **The buyer and seller shall amend the underlying transaction (as per current practice: cancel and re-instruct).**		**Market Practice Change**	**Buyer protection is not facilitated by ESES.** **Implementation of any automated feature on ESES platform within the frame of T2S is not foreseen so far.** **Market parties should provide manual buyer protection by developing and implementing manual procedures.**	**Where these standards refer to automated BP, it is strongly recommended that future gap analyses include reporting on compliance with manual BP standards in order to monitor them the same way as automated BP is monitored.** **The NL market is technically able to fulfil the standards for manual BP, but key dates re BP are not always included in the CA announcement. Market practice has to be adapted, which is planned for 2015.**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: NETHERLANDS						
Buyer Protection	**16**	If a buyer wants to make a partial election, they would need to split the original transaction into the shapes they require.		Market Practice Change	Buyer protection is not facilitated by ESES. Implementation of any automated feature on ESES platform within the frame of T2S is not foreseen so far. Market parties should provide manual buyer protection by developing and implementing manual procedures.	Where these standards refer to automated BP, it is strongly recommended that future gap analyses include reporting on compliance with manual BP standards in order to monitor them the same way as automated BP is monitored. The NL market is technically able to fulfil the standards for manual BP, but key dates re BP are not always included in the CA announcement. Market practice has to be adapted, which is planned for 2015.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	**17**	The Settlement Date (SD) of the protected entitlements should be the payment date of the underlying CA.		Market Practice Change	Buyer protection is not facilitated by ESES. Implementation of any automated feature on ESES platform within the frame of T2S is not foreseen so far. Market parties should provide manual buyer protection by developing and implementing manual procedures.	Where these standards refer to automated BP, it is strongly recommended that future gap analyses include reporting on compliance with manual BP standards in order to monitor them the same way as automated BP is monitored. The NL market is technically able to fulfil the standards for manual BP, but key dates re BP are not always included in the CA announcement. Market practice has to be adapted, which is planned for 2015.

2015 - T2S Corporate Actions Standards Gap Analysis: NETHERLANDS

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
				2015 - T2S Corporate Actions Standards Gap Analysis: **NETHERLANDS**		
Buyer Protection	18	Settlement of BP instructions should take place as specified in the T2S transformations standards.		Market Practice Change	Buyer protection is not facilitated by ESES. Implementation of any automated feature on ESES platform within the frame of T2S is not foreseen so far. Market parties should provide manual buyer protection by developing and implementing manual procedures.	Where these standards refer to automated BP, it is strongly recommended that future gap analyses include reporting on compliance with manual BP standards in order to monitor them the same way as automated BP is monitored. The NL market is technically able to fulfil the standards for manual BP, but key dates re BP are not always included in the CA announcement. Market practice has to be adapted, which is planned for 2015.

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	**1**	For a given transaction, a market claim should be detected by the two Instruction Owners CSDs (IOCs), or the CCP(s) where applicable, of the two counterparties in the transaction.	**IMPLEMENTED**	N/A	Market claims are detected by: - Interbolsa, for bilaterally entered transactions in the RTGS system; - LCH.Clearnet, while acting as CCP for the Portuguese market (Note: LCH.Clearnet does not generate claims transactions but directly adjust the net settlement instruction) Today there is no cross-border settlement in the RTGS system.	In the adaptation of internal systems to the T2S environment that will be carried out during 2014-2015 the detection mechanism will be adapted to support cross-CSD transactions.
Market Claims	**2**	The mechanism to detect market claims is at the discretion, and is the responsibility, of the IOCs and the CCPs of the counterparties.	**IMPLEMENTED**	N/A	- Interbolsa generates market claims at the end of Record Date (RD) for all matched transactions that are pending of settlement and which Intended Settlement Date (ISD) is on or before Record Date. - LCH.Clearnet detects and adjusts pending guaranteed trades at the end of Record Date based on the corporate action information it receives from an information provider.	
Market Claims	**3**	Maximum time period for claim detection: 20 T2S opening days from record date.	**IMPLEMENTED**	N/A	Market claims are detected and generated after RD for those transactions which ISD is on or before RD up to 20 days after RD. Currently the market claims are not generated after 15th of the month following the income payment. This limit was requested by Interbolsa's members due to their tax reporting obligations. This limit is applicable only to income payments.	The limitation of the claim detection until 15th of the month following the income payment will be removed and the 20 days detection period will be applicable to all claims before T2S comes alive.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: PORTUGAL			
Market Claims	4	Market claims should be detected after the close of business on record date and during the rest of the claims detection period.	**IMPLEMENTED**	N/A	Market claims are detected and generated after the close of business on RD and on subsequent days, for 20 days after RD, in real time at the moment of matching for those transactions that satisfy the detection criteria. Currently the market claims are not generated after 15th of the month following the income payment. This limit was requested by Interbolsa's members due to their tax reporting obligations. This limit is applicable only to income payments.	The detection of market claims in T2S will be carried out by Interbolsa based on the intraday information on matching received from T2S. The limitation of the claim detection until 15th of the month following the income payment will be removed and the 20 days detection period will be applicable to all claims before T2S comes alive.
Market Claims	5	After record date, the market claim detection mechanism should operate at a minimum once a day after the end of standard T2S daytime settlement processing ("End of Day" in T2S URD) and prior to the start of the next settlement day ("Start of Day" in T2S URD).	**NOT IMPLEMENTED**	Straightforward to Implement	Market claims are detected in real time in the matching process for RTGS operations by consulting active corporate event database. A new market claim detection process has to be developed to detect claims as close to real time as possible by using the information on matched instructions received from T2S.	Planned to be concluded during the first half of 2015.
Market Claims	6	As a general principle, market claims should be detected for all transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to indicate that no claim at all should be raised on a given transaction.	**NOT IMPLEMENTED**	Straightforward to Implement	All transactions are included in the market claims detection. "Opt-out" currently is not possible. Before the settlement of the claim takes place the counterparties may cancel only the claims transaction leaving the original in the system waiting for settlement.	A field for opt-out indicator has been included in the settlement instructions for the use of the participants. Will be available for the multilateral testing in 2015.

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	**7**	Counterparties in the underlying transaction may choose to include the ex/cum indicator only if they want to deviate from the standard market claim procedure, as described in the CAJWG standards.	**NOT IMPLEMENTED**	Straightforward to Implement	Currently ISO ex/cum indicator is not available in the system and, therefore, cannot be used.	A field for ex/cum indicator has been included in the settlement instructions for the use of the participants. Will be available for the multilateral testing in 2015.
Market Claims	**8**	As per CAJWG standards, market claims should be detected only for matched instructions (i.e. irrevocable transactions).	**IMPLEMENTED**	N/A	Market claims are detected during the matching process of RTGS instructions and, therefore, only for successfully matched instructions.	The market claim detection will be based on the matching information received from T2S, so only matched transactions are subject to claim detection. Planned to be concluded during the first half of 2015.
Market Claims	**9**	Market claims should be generated only by the two IOCs (or the CCPs) of the two parties to the transaction. IOCs and CCPs should also generate market claims on behalf of their clients who have access to direct technical connectivity to T2S. Those clients should not generate market claims in T2S.	**IMPLEMENTED**	N/A	Market claims are detected by Interbolsa for RTGS and by LCH.Clearnet, acting as a CCP, for guaranteed trades.	Only Interbolsa and CCP (LCH Clearnet) will be allowed to send market claim instruction into T2S.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: PORTUGAL			
Market Claims	10	For each outturn (result of CA entitlement), there should be the generation of a separate market claim instruction. Types of market claim instructions: (i) FOP transfer of securities (receipt and delivery) (ii) Payment free of delivery (PFOD) transfer of cash; The payment currency of the (cash) market claim should be the same as the currency of the original corporate action. The currency of the original corporate action is defined by the issuer of the underlying security. In case the currency of the corporate action payment is not a T2S Settlement Currency, then the counterparties in the underlying transaction should decide between them how to settle the cash entitlement outside T2S.	**IMPLEMENTED**	N/A	Interbolsa generates separate FOP or PFOD settlement instructions for market claims.	Interbolsa will continue to generate separate FOP and PFOD instructions for market claims. The detection mechanism will be adapted to support T2S and non-T2S currencies. The non-T2S currencies will be settled in the foreign currency payment system currently used in the PT market.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: PORTUGAL	
Market Claims	11	When the generation of a market claim instruction results in outturn securities fractions, the number of outturn securities in the market claim instruction should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for remaining securities fractions, then no further action is required by IOC b) In case the issuer compensates investors for remaining securities fractions with cash, an additional PFOD transaction should be generated by IOC transferring cash to the beneficial owner.	NOT IMPLEMENTED	Market Practice Change	Currently no compensation of fractions is in place.	In the adaptation of the market claim detection to the T2S environment that will be carried out during the first half of 2015 the generation of additional PFOD instructions for compensation of fraction will be supported.
Market Claims	12	In order to be able identify market claims, a specific ISO transaction type code "CLAI" should be used in the settlement instructions.	IMPLEMENTED	N/A	Claims transactions in the RTGS system are identified as such with a dedicated transaction code	In the adaptation of internal systems to the T2S environment that will be carried out during 2014-2015 the identification of market claims will make use of the proper ISO transaction code.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	13	For any individual ISIN, or any individual category of securities, all CSDs/CCPs that accept such securities should use the same rules to generate market claims. The rules, or terms, are defined by the issuer for each corporate action event. The issuer should pass them onto the issuer CSD and made available by the issuer CSD to all of its clients, including the Investor CSDs.	IMPLEMENTED	N/A	Interbolsa calculates the entitlement according to the corporate action event. Currently there are no direct links with Issuer CSDs.	In the adaptation of internal systems to the T2S environment that will be carried out during 2014-2015 the harmonised rules for market claim generation will be implemented.

2015 - T2S Corporate Actions Standards Gap Analysis: PORTUGAL

		2015 - T2S Corporate Actions Standards Gap Analysis: PORTUGAL				
Type of Events	**Std No.**	**Standard Description**	**CSD/Market Status**	**Type of Implementation Gap**	**Further Comments**	**Implementation Plan**
Market Claims	14	For the settlement of market claim itself (as settled in T2S), the tax statuses of the receiving/delivering accounts should have no direct effect on the amount of cash/securities to be transferred. For a specific ISIN and a specific event, the amount of cash/securities to be transferred should be dependent solely on the number of securities in the underlying transaction. This means that for a specific ISIN and a specific event, the rate of the market claim should always be the same, and should be fixed by the issuer CSD. (*The claim could be an indemnity at, for example, 100% of the gross dividend, or could be a gross or net dividend amount). Subsequent, or in parallel, to the market claim, a withholding agent could process tax adjustments.*	IMPLEMENTED	N/A	Interbolsa does not calculate taxes. The amounts calculated and settled are gross amounts.	
Market Claims	15	The CSDs/CCPs generating the market claim will identify which T2S dedicated cash accounts should be used.	IMPLEMENTED	N/A	Interbolsa will use the same dedicated cash accounts of the original settlement instruction for the settlement of claims.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: **PORTUGAL**				
Market Claims	**16**	Matching is required for all market claims settlement instructions.	**NOT IMPLEMENTED**	Straightforward to Implement	Currently, as there is no cross-border activity, only Interbolsa instructs market claims as already matched instructions. In a cross-CSD scenario in T2S where two IOCs detect and insert claims instructions Interbolsa will send the instructions for matching in T2S. Domestic market claims will be sent to T2S already matched.	Planned to be concluded during the first half of 2015.
Market Claims	**17**	Each CSD/CCP will include in the market claim settlement instruction sent to T2S appropriate references so that its participant can identify and process the claim satisfactorily.	**IMPLEMENTED**	N/A	Interbolsa already uses the underlying transaction identification and corporate action identification (COAF) in market claim instructions.	Proper T2S format settlement instructions will be prepared with the adaptation of the systems to T2S. Conclusion is planned for the first half of 2015.
Market Claims	**18**	The market claim should be instructed in T2S by using as trade date of the claim, the same date as the trade date of the underlying transaction. The settlement date of the market claim should be the payment date of the transaction. The settlement date of the market claim should be the payment date of the underlying corporate action.	**IMPLEMENTED**	N/A	Interbolsa already uses the dates as proposed by the standard.	
Market Claims	**19**	The market claim transaction should be instructed with the same status (i.e. either 'on hold' or 'released') as the underlying transaction.	**NOT IMPLEMENTED**	N/A	Interbolsa instructs the transformed instruction in a held status in order to provide a tool to the members to manage the interdependency between the Market Claim and the Underlying Transaction.	The implementation of this standard is under analysis. The availability is planned for the end of first half of 2015.

2015 - T2S Corporate Actions Standards Gap Analysis: PORTUGAL

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	20	The standard T2S rules for who can amend settlement instructions should apply.	IMPLEMENTED	N/A	Interbolsa already uses standard rules for the amendment of market claims, which will be adjusted to comply with the T2S rules before testing starts.	In the adaptation of internal systems to the T2S environment that will be carried out during 2014-2015 Interbolsa will apply the T2S rules for amendments.
Market Claims	21	The standard T2S rules for amending settlement instructions should apply.	IMPLEMENTED	N/A	Interbolsa already uses standard rules for the amendment of market claims, which will be adjusted to comply with the T2S rules before testing starts.	In the adaptation of internal systems to the T2S environment that will be carried out during 2014-2015 Interbolsa will apply the T2S rules for amendments.
Market Claims	22	The standard T2S rules for cancelling settlement instructions should apply.	IMPLEMENTED	N/A	Interbolsa already uses standard rules for the cancellation of market claims, which will be adjusted to comply with the T2S rules before testing starts.	In the adaptation of internal systems to the T2S environment that will be carried out during 2014-2015 Interbolsa will apply the T2S rules for cancellation.
Market Claims	23	In line with the CAJWG standards, the settlement of a market claim should be independent from the settlement of the respective underlying transaction. However, market infrastructures should provide to their participants a user friendly facility which gives them the option to ensure that the market claim is not settled prior to the settlement of the underlying transaction.	IMPLEMENTED	N/A	The market claims today are instructed in a situation that does allow the members to control their settlement independently of the original transaction.	

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	24	In line with standard T2S settlement conditions will include: (i) payment date has been reached, (ii) resources (cash and/or securities are available.	IMPLEMENTED	N/A	Interbolsa is in line with T2S standards	
Market Claims	25	There should be no partial settlement for market claims in cash. Partial settlement should be limited to market claims in securities and take into account the standard T2S rules for partial settlement. Partial settlement indicator of the market claim should replicate the one of the underlying transaction.	NOT IMPLEMENTED	Straightforward to Implement	Partial settlement in RTGS is currently not implemented. Partial settlement of cash will not be possible but will be implemented for for securities.	Planned to be concluded during the first half of 2015.
Market Claims	26	The standard T2S rules for the recycling period should apply.	IMPLEMENTED	N/A	Interbolsa recycles the unsettled market claims until the settlement occurs or the transaction is bilaterally cancelled or until the instructions are cancelled on the 15th day of the month after payment date.	The limitation of the 15th day will be abandoned before migration to T2S.
Market Claims	27	Each CSD/CCP generating a market claim will report to its own participant.	IMPLEMENTED	N/A	Interbolsa already creates reports to its own participants concerning the generated market claims.	
Market Claims	28	T2S will provide its standard pending/settled transaction reporting. A CSD/CCP may provide additional reporting to its participant.	IMPLEMENTED	N/A	Interbolsa will create reports to its own participants concerning the settlement of market claims.	

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: PORTUGAL				
Transformations	1	<u>At the CCP level:</u> When agreed with the Instruction Owner CSDs (IOCs) the CCP itself can manage the transformation for CCP transactions via a Power Of Attorney (POA) on the participants' accounts by use of the T2S cancellation and replacement mechanisms. <u>At the CSD level (both CSDs of the buyer and the seller are connected to T2S):</u> The IOCs will manage the transformation: (i) When the underlying transaction impacts two accounts in the same IOC. The cancellation and replacement will be managed and instructed in T2S by the IOC itself; (ii) In a cross-CSD transaction, each IOC has to cancel the instruction (bilateral cancellation process in T2S) and to send to T2S the new transformed instruction for matching. <u>When the transaction is cross-border (one CSD is in T2S and the other is outside T2S):</u> The T2S connected IOCs/CCP will manage the transformation. CSDs which are not connected to T2S cannot instruct T2S.	IMPLEMENTED	N/A	Today transactions are cancelled and replaced for transformations due to corporate actions.	In the adaptation of internal systems to the T2S environment that will be carried out during 2014-2015 the detection mechanism will be adapted to support cross-CSD transactions.
Transformations	2	The transformation process shall take place by end of record date or market deadline and during the rest of the transformation detection period (i.e. 20 T2S opening days after the record date/market deadline).	IMPLEMENTED	N/A	Interbolsa generates transformations at the end of Record Date (RD) for all matched transactions that are pending of settlement and which Intended Settlement Date (ISD) is on or before Record Date.	In the adaptation of internal systems to the T2S environment that will be carried out during 2014-2015 the detection mechanism will be adapted to support detection after close of business.

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	3	As a general principle, transformations will be applicable to all eligible transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to deviate from the standard transformation procedures.	NOT IMPLEMENTED	N/A	All transactions are included in the transformation detection. "Opt-out" currently is not possible. Before the settlement of the claim takes place the counterparties may cancel only the claims transaction leaving the original in the system waiting for settlement.	A field for opt-out indicator has been included in the settlement instructions for the use of the participants. Will be available for the multilateral testing in 2015.
Transformations	4	IOCs/CCPs managing the transformation will use the ISO20022 format as specified in the T2S URD. IOCs/CCPs will include in the transformation settlement instructions the appropriate references so that their own participants can identify and process the transformation satisfactorily in their own books. The minimum references required include: T2S reference of the underlying transaction, the "TRAN" ISO settlement transaction condition code, and CSD corporate action event reference. From a T2S system specification perspective, these references are only for information purposes (for CSDs/CCPs participants) as these references do not trigger any specific functionality in T2S (other than standard settlement processing).	IMPLEMENTED	N/A	Transformations are generated by querying corporate action database using data from the transactions. Proper references are used for linking the transformed transaction to the original transactions.	

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	5	CSD/CCP may match locally the new instructions related to the transformation and send them to T2S as already matched for settlement or send them as separate instructions for matching in T2S.	IMPLEMENTED	N/A	Interbolsa will generate locally transformed transactions as already matched transactions.	
Transformations	6	Both IOCs/CCPs should send new instructions to T2S, for matching purposes.	NOT IMPLEMENTED	Straightforward to Implement	Transformed instructions will be sent to T2S for matching for cross-CSD trades	In the adaptation of internal systems to the T2S environment that will be carried out during 2014-2015 the sending of transformed instruction for matching will be included.
Transformations	7	The earliest settlement date (SD) of the new transaction(s) should be the latest between the payment date (PD) of the entitlement and the SD of the underlying transaction.	NOT IMPLEMENTED	Straightforward to Implement	Interbolsa will follow T2S rules.	This is being implemented in the local system. In the adaptation of internal systems to the T2S environment that will be carried out during 2014-2015 the T2S rules will be followed.
Transformations	8	The transformed instructions should retain the same characteristics (trade date, cash consideration) as those of the underlying instruction with the possible exception of the three following fields in respect with the terms of the reorganisation: (i) The quantity of securities; (ii) The ISIN; (iii) The settlement date (SD).	IMPLEMENTED	Straightforward to Implement	This is implemented in the current system.	In the adaptation of internal systems to the T2S environment that will be carried out during 2014-2015 the T2S rules will be followed.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	9	The settlement amount of the transformed (new) instructions should be proportional to the ratio of each outturn securities. In case of multiple outturns (i.e. multiple new ISINs being generated by the transformation process), the new instructions should not be settled as linked settlement in T2S. The transformed instructions should retain the same characteristics (trade date) as those of the underlying transaction with the possible exception of the four following fields in respect with the terms of the reorganisation: • The quantity of securities • The cash consideration should be allocated to the transformed transactions according to the rates provided by the issuer • The ISIN • The settlement date (SD)	**IMPLEMENTED**	Straightforward to Implement	This is implemented in the current system.	In the adaptation of internal systems to the T2S environment that will be carried out during 2014-2015 the T2S rules will be followed.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: PORTUGAL			
Transformations	10	The cash transfer(s) settlement instructions should retain the same characteristics as those of the underlying transaction. If the instruction of the underlying transaction was against payment, two new instructions, in opposite directions, will be created; one for the settlement amount and one for the cash outturn. The transfers should not be linked. If the instruction of the underlying transaction was free of payment, only one transfer, for the cash outturn, will be created.	**IMPLEMENTED**	Straightforward to Implement	This is implemented in the current system.	In the adaptation of internal systems to the T2S environment that will be carried out during 2014-2015 the T2S rules will be followed.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: PORTUGAL				
Transformations	11	When the transformation results in outturn securities fractions, the number of securities should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for the remaining securities fractions, then no further action is required by the IOCs b) In case the issuer compensates investors for remaining securities fractions with cash, then an additional PFOD transaction should be generated by the IOCs	NOT IMPLEMENTED	Market Practice Change	No compensation of fractions is in place today.	In the adaptation of internal systems to the T2S environment that will be carried out during 2014-2015 the generation of additional PFOD instructions for compensation of fractions will be implemented. Planned for conclusion during fi4rst half of 2015.
Transformations	12	The transformed transaction should be instructed with the same status as the underlying transaction.	NOT IMPLEMENTED	N/A	Interbolsa instructs the transformed instruction in a held status in order to provide a tool to manage the interdependency between the Transformed operation and the Underlying Transaction..	The implementation of this standard is under analysis. The availability is planned for the end of first half of 2015.
Transformations	13	The new transformed transaction should ensure that the following indicators are correctly replicated: (i) Partialling indicator of the original transaction instruction; (ii) Ex/cum indicator; (iii) Opt-out indicator related to the market claim creation.	NOT IMPLEMENTED	Straightforward to Implement	Interbolsa will follow T2S rules.	None of these indicators exists today in the settlement instructions. In the adaptation of internal systems to the T2S environment that will be carried out during 2014-2015 the T2S rules will be followed.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: PORTUGAL				
Buyer Protection	1	For a given transaction and prior to the BP deadline, the BP requirement will be invoked by the buyer (the buyer will issue BP instructions to the seller).	**NOT IMPLEMENTED**	Market Practice Change	Automatic buyer protection functionality is not implemented in Portugal - no need has been shown by the local market	Implementation of manual buyer protection between the counterparties in a transaction is under evaluation
Buyer Protection	2	When a BP requirement is not invoked by the buyer, then the market default rules for elections should apply.	**NOT IMPLEMENTED**	Market Practice Change	Automatic buyer protection functionality is not implemented in Portugal - no need has been shown by the local market	Implementation of manual buyer protection between the counterparties in a transaction is under evaluation
Buyer Protection	3	The buyer will be tracking open transactions to which he is entitled to elect and will decide whether or not he wants to invoke a BP.	**NOT IMPLEMENTED**	Market Practice Change	Automatic buyer protection functionality is not implemented in Portugal - no need has been shown by the local market	Implementation of manual buyer protection between the counterparties in a transaction is under evaluation
Buyer Protection	4	As per scope in the introduction, all transactions still pending on BP deadline in securities which are subject to a corporate action and a BP regime in the CSD of Issuance can be subject to a BP mechanism.	**NOT IMPLEMENTED**	Market Practice Change	Automatic buyer protection functionality is not implemented in Portugal - no need has been shown by the local market	Implementation of manual buyer protection between the counterparties in a transaction is under evaluation
Buyer Protection	5	No matching is required in the CSDs' systems. However it is recommended that the seller acknowledges to the buyer, the receipt of the BP instruction.	**NOT IMPLEMENTED**	Market Practice Change	Automatic buyer protection functionality is not implemented in Portugal - no need has been shown by the local market	Implementation of manual buyer protection between the counterparties in a transaction is under evaluation

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: PORTUGAL				
Buyer Protection	6	The buyer should include in BP instructions, references to the underlying CA and the underlying transaction to which the CA applies (securities trade or other)	**NOT IMPLEMENTED**	Market Practice Change	Automatic buyer protection functionality is not implemented in Portugal - no need has been shown by the local market	Implementation of manual buyer protection between the counterparties in a transaction is under evaluation
Buyer Protection	7	Whether late BP instructions should be accepted should be established on the basis of bilateral agreement between the buyer and the seller, or the CSD/CCP rules – where and when CSDs/CCPs are offering such BP processing services.	**NOT IMPLEMENTED**	Market Practice Change	Automatic buyer protection functionality is not implemented in Portugal - no need has been shown by the local market	Implementation of manual buyer protection between the counterparties in a transaction is under evaluation
Buyer Protection	8	It is recommended that the ISO20022 standards are referred to as the basis for such BP instructions.	**NOT IMPLEMENTED**	Market Practice Change	Automatic buyer protection functionality is not implemented in Portugal - no need has been shown by the local market	Implementation of manual buyer protection between the counterparties in a transaction is under evaluation

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	**9**	BP deadlines for Automated BP mechanism. For trade date T (which is the guaranteed participation date/last trade date of the underlying CA), the BP deadline should be on T+n (where n = settlement cycle) and the market deadline on T+n+1 day Taking as working assumption a T+3 settlement cycle: • business day 1 = T; • business day 4 = T+3: buyer protection deadline; • business day 5 = T+4 market deadline BP deadlines for Manual BP mechanism For BP instructions from actors other than CCPs, the BP deadline is T+n. For BP instructions from CCPs the BP deadline is T+n+1 hour	**NOT IMPLEMENTED**	Market Practice Change	Automatic buyer protection functionality is not implemented in Portugal - no need has been shown by the local market	Implementation of manual buyer protection between the counterparties in a transaction is under evaluation
Buyer Protection	**10**	The BP deadline should be identical across all (I) CSDs in T2S for all securities.	**NOT IMPLEMENTED**	Market Practice Change	Automatic buyer protection functionality is not implemented in Portugal - no need has been shown by the local market	Implementation of manual buyer protection between the counterparties in a transaction is under evaluation

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: PORTUGAL				
Buyer Protection	11	The BP instruction itself can only be amended by the buyer, before the BP deadline.	NOT IMPLEMENTED	Market Practice Change	Automatic buyer protection functionality is not implemented in Portugal - no need has been shown by the local market	Implementation of manual buyer protection between the counterparties in a transaction is under evaluation
Buyer Protection	12	Only the BP election (i.e. corporate action option) can be amended in the BP instruction.	NOT IMPLEMENTED	Market Practice Change	Automatic buyer protection functionality is not implemented in Portugal - no need has been shown by the local market	Implementation of manual buyer protection between the counterparties in a transaction is under evaluation
Buyer Protection	13	If the underlying transaction can be settled prior to the BP deadline, it should settle and the BP instruction should be cancelled by the Instruction Owner CSD (IOC) if the IOC offers such a BP service. When BP is handled bilaterally, the BP is void.	NOT IMPLEMENTED	Market Practice Change	Automatic buyer protection functionality is not implemented in Portugal - no need has been shown by the local market	Implementation of manual buyer protection between the counterparties in a transaction is under evaluation

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	14	**Process for pending transactions on BP deadline:** **In case of Automated BP mechanism** **Transactions attached with a valid BP that are still pending at the BP deadline should be frozen (put on hold) by the IOCs until their transformation on market deadline/record date. The Transformation of the underlying transaction should be carried out by the IOCs, in accordance with the BP instruction, at the Market Deadline / Record Date of the voluntary reorganisation.** **In case of Manual BP mechanism** **If the CSD does not provide an automated BP service, then buyer and seller shall cancel the underlying transaction and re-instruct, in accordance with the BP instruction, at the market deadline / record date of the voluntary reorganisation.**	**NOT IMPLEMENTED**	Market Practice Change	Automatic buyer protection functionality is not implemented in Portugal - no need has been shown by the local market	Implementation of manual buyer protection between the counterparties in a transaction is under evaluation

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
				2015 - T2S Corporate Actions Standards Gap Analysis: PORTUGAL		
Buyer Protection	15	**Conditions for settlement of protected entitlement** **In case of Automated BP mechanism** **The IOC will set on hold (freeze) and transform in T2S the underlying transaction based on BP instruction it receives (from the buyer).** **In case of Manual BP mechanism** **The buyer and seller shall amend the underlying transaction (as per current practice: cancel and re-instruct).**	**NOT IMPLEMENTED**	**Market Practice Change**	**Automatic buyer protection functionality is not implemented in Portugal - no need has been shown by the local market**	**Implementation of manual buyer protection between the counterparties in a transaction is under evaluation**
Buyer Protection	16	**If a buyer wants to make a partial election, they would need to split the original transaction into the shapes they require.**	**NOT IMPLEMENTED**	**Market Practice Change**	**Automatic buyer protection functionality is not implemented in Portugal - no need has been shown by the local market**	**Implementation of manual buyer protection between the counterparties in a transaction is under evaluation**
Buyer Protection	17	**The Settlement Date (SD) of the protected entitlements should be the payment date of the underlying CA.**	**NOT IMPLEMENTED**	**Market Practice Change**	**Automatic buyer protection functionality is not implemented in Portugal - no need has been shown by the local market**	**Implementation of manual buyer protection between the counterparties in a transaction is under evaluation**
Buyer Protection	18	**Settlement of BP instructions should take place as specified in the T2S transformations standards.**	**NOT IMPLEMENTED**	**Market Practice Change**	**Automatic buyer protection functionality is not implemented in Portugal - no need has been shown by the local market**	**Implementation of manual buyer protection between the counterparties in a transaction is under evaluation**

Romania: -

					2015 - T2S Corporate Actions Standards Gap Analysis: **ROMANIA**	
Type of Events	**Std No.**	**Standard Description**	**CSD/Market Status**	**Type of Implementation Gap**	**Further Comments**	**Implementation Plan**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	1	**For a given transaction, a market claim should be detected by the two Instruction Owners CSDs (IOCs), or the CCP(s) where applicable, of the two counterparties in the transaction.**	**NOT IMPLEMENTED**	Other	Secondary legislation/regulatory framework and market practice changes: Generally, according to Romanian regulatory framework and market practice, for Romanian issuers, Depozitarul Central performs the distributions only based on settled positions at record date, market claims are not now processed in Romanian market as the failed settlement rate is 0% and the percentage of settlement instructions with variable settlement cycle is very low. In August 2014, through a Romanian Financial Supervisory Authority regulation, some terms in direct relation with standards, were introduced and/or better defined in the Romanian legislation (e.g. "ex-date", "payment date"). The new regulatory changes also establish the obligation of the issuers to disseminate the events details and every change of those details to the CSD. In early January 2015, the Romanian Capital Market Low was also amended in respect of corporate actions area and now stipulates that the cash proceeds have to be paid throughout CSD and its participants. Those legal and regulatory changes represent important steps forward in the process of implementation of the standards. At this time, market claims are not detected and raised by Depozitarul Central on Romanian ISINs because the concept of "ex-date" has been introduced on the Romanian market very recently and the Ex/Cum indicators are not used in the Romanian market yet in order to identify whether the securities are traded Ex/Cum with respect to the Ex-date. The regulatory framework needs to be further extended in order to ensure full compliance with the standards. Therefore, in December 2014, ROMIG (Romanian Market Implementation Group for Corporate Actions Standards) sent to the Romanian Financial Supervisory Authority (FSA) a draft of additional regulatory proposals considered as needed for corporate action standards implementation, including the 'On Flow' processing. Also, Depozitarul Central will issue rules and procedures for processing and recording of the corporate events. Major technical changes: Depozitarul Central will adapt its system in order for market claims to be processed according to T2Scorporate actions standards. The technical changes cover the following: - the details of the corporate actions events (including the key dates) have to be sent along the chain in a formatted electronic form (e.g. ISO standards, other formats). In the same context, the operational flow will be performed along the chain, in both directions; - corporate actions events processing will be applied for securities positions, as well as settled and pending transactions ('On flow' processing); - the outturns of the local corporate actions will be determined and processed by Depozitarul Central at the participants' account level; - corporate actions in cash will be performed using the same payment mechanism as for the other DvP settlement transactions; - it will become possible to have matching for settlement instructions based on specific indicators: 'Opt-Out' and, if needed, 'Ex/Cum'.	In October 2014, the Romanian market provided to the T2S Advisory Group an updated implementation plan for full compliance with Corporate Actions Standards. The plan was agreed with the Romanian Financial Supervisory Authority, the National Bank of Romania, T2S RONUG and ROMIG. According to the plan, the compliance with the European standards will be achieved no later than February 2017. The main targets of the plan are the following: In respect of the regulatory changes, the following milestones are set up: o March 2015 – Amendments to the secondary legislation adopted by the Romanian Financial Supervisory Authority in order to implement the European corporate actions standards, based on the proposals made by ROMIG. As this is out-of-responsibility of Depozitarul Central, Depozitarul Central will monitor the process and will indicate in its Client Readiness Reporting if any issues or delays will be encountered. o March 2015 – Agreement of the solution for funds settlement (in RON) related to the processing of corporate events with the National Bank of Romania. Setting of bilateral milestones between Depozitarul Central and National Bank of Romania. o December 2015 – CSD Rulebook modification by Depozitarul Central and submission for approval to the relevant authorities. o April 2016 – Approval of the modifications of the CSD Rulebook by the National Bank of Romania and Financial Supervisory Authority. o February 2017 – New regulatory framework in force. In respect of the system development and related testing activities, the following milestones are set up: o August 2015 – Finalization of the system requirements by Depozitarul Central including the consultation and reflection of feedback by the relevant working groups (e.g. ROMIG, RO NMPG). o February 2016 – Finalization of development of the new Depozitarul Central's system module for corporate actions processing (to be delivered by the system provider). o June 2016 - Finalization of system testing by Depozitarul Central (including end-to-end Depozitarul Central business processes and interface testing) o December 2016 – Finalization of system testing by Depozitarul Central's participants and issuers, i.e. community testing of new corporate actions and related system changes o February 2017 – Corporate actions standards (on-stock and on-flow) implemented in production The deadlines set out in the plan offer some buffers for unforeseen events and envisage that the full compliance, both with the European market standards and the T2S CAs standards, will be achieved within the T2S migration period, i.e. by latest February 2017. However, for issues for which Depozitarul Central is acting as Investor CSD, Depozitarul Central has not identified any issue regarding compliance with the relevant corporate actions standards, and Depozitarul Central will be complying with the respective Issuer CSD market practice.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	2	The mechanism to detect market claims is at the discretion, and is the responsibility, of the IOCs and the CCPs of the counterparties.	NOT IMPLEMENTED	Other	See Q1 - further comments	See Q1 - implementation plan.
Market Claims	3	Maximum time period for claim detection: 20 T2S opening days from record date.	NOT IMPLEMENTED	Other	See Q1 - further comments Others: The market practice regarding the possibility for a transaction to remain pending after Intended Settlement Date should be adapted accordingly. Furthermore, system adaptations are needed in order to detect market claims in accordance with the standard.	See Q1 - implementation plan.
Market Claims	4	Market claims should be detected after the close of business on record date and during the rest of the claims detection period.	NOT IMPLEMENTED	Other	See Q1 - further comments	See Q1 - implementation plan.
Market Claims	5	After record date, the market claim detection mechanism should operate at a minimum once a day after the end of standard T2S daytime settlement processing ("End of Day" in T2S URD) and prior to the start of the next settlement day ("Start of Day" in T2S URD).	NOT IMPLEMENTED	Other	See Q1 - further comments	See Q1 - implementation plan.

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: ROMANIA			
Market Claims	6	As a general principle, market claims should be detected for all transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to indicate that no claim at all should be raised on a given transaction.	NOT IMPLEMENTED	Other	See Q1 - further comments Others: Currently, in Romanian local market practice, there is no "opt-out" indicator included in the settlement instructions. To be taken into account as an additional matching field.	See Q1 - implementation plan.
Market Claims	7	Counterparties in the underlying transaction may choose to include the ex/cum indicator only if they want to deviate from the standard market claim procedure, as described in the CAJWG standards.	NOT IMPLEMENTED	Other	See Q1 - further comments Others: Currently, in Romanian local market practice, there is no "ex/cum" indicator included in the settlement instructions. To be taken into account as an additional matching field.	See Q1 - implementation plan.
Market Claims	8	As per CAJWG standards, market claims should be detected only for matched instructions (i.e. irrevocable transactions).	NOT IMPLEMENTED	Other	See Q1 - further comments	See Q1 - implementation plan.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: ROMANIA			
Market Claims	9	Market claims should be generated only by the two IOCs (or the CCPs) of the two parties to the transaction. IOCs and CCPs should also generate market claims on behalf of their clients who have access to direct technical connectivity to T2S. Those clients should not generate market claims in T2S.	**NOT IMPLEMENTED**	Other	See Q1 - further comments	See Q1 - implementation plan.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	10	For each outturn (result of CA entitlement), there should be the generation of a separate market claim instruction. Types of market claim instructions: (i) FOP transfer of securities (receipt and delivery) (ii) Payment free of delivery (PFOD) transfer of cash; The payment currency of the (cash) market claim should be the same as the currency of the original corporate action. The currency of the original corporate action is defined by the issuer of the underlying security. In case the currency of the corporate action payment is not a T2S Settlement Currency, then the counterparties in the underlying transaction should decide between them how to settle the cash entitlement outside T2S.	**NOT IMPLEMENTED**	Other	See Q1 - further comments **Others:** **Payments associated to regular settlement are performed via National Bank of Romania RTGS system. Currently, according to the National Bank of Romania's regulatory framework, the settlement of cash outturns is not performed using the RTGS system. Depozitarul Central has to review and to subsequently update its contractual agreement with the National Bank of Romania by including new provisions to establish the RTGS payments mechanism to be used in order to perform cash settlements resulting from corporate actions. Discussions with the National Bank of Romania are underway.**	See Q1 - implementation plan.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: ROMANIA	
Market Claims	11	When the generation of a market claim instruction results in outturn securities fractions, the number of outturn securities in the market claim instruction should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for remaining securities fractions, then no further action is required by IOC b) In case the issuer compensates investors for remaining securities fractions with cash, an additional PFOD transaction should be generated by IOC transferring cash to the beneficial owner.	NOT IMPLEMENTED	Other	See Q1 - further comments	See Q1 - implementation plan.
Market Claims	12	In order to be able identify market claims, a specific ISO transaction type code "CLAI" should be used in the settlement instructions.	NOT IMPLEMENTED	Other	See Q1 - further comments	See Q1 - implementation plan.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: ROMANIA			
Market Claims	13	For any individual ISIN, or any individual category of securities, all CSDs/CCPs that accept such securities should use the same rules to generate market claims. The rules, or terms, are defined by the issuer for each corporate action event. The issuer should pass them onto the issuer CSD and made available by the issuer CSD to all of its clients, including the Investor CSDs.	**NOT IMPLEMENTED**	Other	See Q1 - further comments	See Q1 - implementation plan.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	14	**For the settlement of market claim itself (as settled in T2S), the tax statuses of the receiving/delivering accounts should have no direct effect on the amount of cash/securities to be transferred. For a specific ISIN and a specific event, the amount of cash/securities to be transferred should be dependent solely on the number of securities in the underlying transaction. This means that for a specific ISIN and a specific event, the rate of the market claim should always be the same, and should be fixed by the issuer CSD. (*The claim could be an indemnity at, for example, 100% of the gross dividend, or could be a gross or net dividend amount*). *Subsequent, or in parallel, to the market claim, a withholding agent could process tax adjustments.***	**NOT IMPLEMENTED**	Other	See Q1 - further comments **Others:** **Currently, the amount of cash to be paid depends on the withholding tax applicable to the respective end-investor. In this respect, the end-investors have the possibility to send to the issuer the appropriate documents in order for the issuer to be able to apply the proper withholding tax.**	See Q1 - implementation plan.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	15	The CSDs/CCPs generating the market claim will identify which T2S dedicated cash accounts should be used.	NOT IMPLEMENTED	Other	See Q1 - further comments	See Q1 - implementation plan.
Market Claims	16	Matching is required for all market claims settlement instructions.	NOT IMPLEMENTED	Other	See Q1 - further comments	See Q1 - implementation plan.
Market Claims	17	Each CSD/CCP will include in the market claim settlement instruction sent to T2S appropriate references so that its participant can identify and process the claim satisfactorily.	NOT IMPLEMENTED	Other	See Q1 - further comments	See Q1 - implementation plan.
Market Claims	18	The market claim should be instructed in T2S by using as trade date of the claim, the same date as the trade date of the underlying transaction. The settlement date of the market claim should be the payment date of the transaction. The settlement date of the market claim should be the payment date of the underlying corporate action.	NOT IMPLEMENTED	Other	See Q1 - further comments	See Q1 - implementation plan.

2015 - T2S Corporate Actions Standards Gap Analysis: ROMANIA

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	19	The market claim transaction should be instructed with the same status (i.e. either 'on hold' or 'released') as the underlying transaction.	NOT IMPLEMENTED	Other	See Q1 - further comments	See Q1 - implementation plan.
Market Claims	20	The standard T2S rules for who can amend settlement instructions should apply.	NOT IMPLEMENTED	Other	See Q1 - further comments	See Q1 - implementation plan.
Market Claims	21	The standard T2S rules for amending settlement instructions should apply.	NOT IMPLEMENTED	Other	See Q1 - further comments	See Q1 - implementation plan.
Market Claims	22	The standard T2S rules for cancelling settlement instructions should apply.	NOT IMPLEMENTED	Other	See Q1 - further comments	See Q1 - implementation plan.
Market Claims	23	In line with the CAJWG standards, the settlement of a market claim should be independent from the settlement of the respective underlying transaction. However, market infrastructures should provide to their participants a user friendly facility which gives them the option to ensure that the market claim is not settled prior to the settlement of the underlying transaction.	NOT IMPLEMENTED	Other	See Q1 - further comments	See Q1 - implementation plan.

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	24	In line with standard T2S settlement conditions will include: (i) payment date has been reached, (ii) resources (cash and/or securities are available.	NOT IMPLEMENTED	Other	See Q1 - further comments	See Q1 - implementation plan.
Market Claims	25	There should be no partial settlement for market claims in cash. Partial settlement should be limited to market claims in securities and take into account the standard T2S rules for partial settlement. Partial settlement indicator of the market claim should replicate the one of the underlying transaction.	NOT IMPLEMENTED	Other	See Q1 - further comments Others: According to the current Romanian market practice, the transactions can't be partially settled.	See Q1 - implementation plan.
Market Claims	26	The standard T2S rules for the recycling period should apply.	NOT IMPLEMENTED	Other	See Q1 - further comments	See Q1 - implementation plan.
Market Claims	27	Each CSD/CCP generating a market claim will report to its own participant.	NOT IMPLEMENTED	Other	See Q1 - further comments	See Q1 - implementation plan.
Market Claims	28	T2S will provide its standard pending/settled transaction reporting. A CSD/CCP may provide additional reporting to its participant.	NOT IMPLEMENTED	Other	See Q1 - further comments	See Q1 - implementation plan.

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	1	**At the CCP level:** When agreed with the Instruction Owner CSDs (IOCs) the CCP itself can manage the transformation for CCP transactions via a Power Of Attorney (POA) on the participants' accounts by use of the T2S cancellation and replacement mechanisms. **At the CSD level (both CSDs of the buyer and the seller are connected to T2S):** The IOCs will manage the transformation: (i) When the underlying transaction impacts two accounts in the same IOC. The cancellation and replacement will be managed and instructed in T2S by the IOC itself; (ii) In a cross-CSD transaction, each IOC has to cancel the instruction (bilateral cancellation process in T2S) and to send to T2S the new transformed instruction for matching. **When the transaction is cross-border (one CSD is in T2S and the other is outside T2S):** The T2S connected IOCs/CCP will manage the transformation. CSDs which are not connected to T2S cannot instruct T2S.	**NOT IMPLEMENTED**	Other	Secondary legislation/regulatory framework and market practice changes: Generally, according to Romanian regulatory framework and market practice, for Romanian issuers, Depozitarul Central performs the reorganizations only based on settled positions at record date, transformations are not processed now in Romanian market as the underlying ISIN within a reorganization is suspended from trading at least one settlement cycle before record date, the failed settlement rate is 0% and consequently there are no pending settlement instructions eligible for transformations. The regulatory/market practice changes need to be further extended in order to ensure full compliance with the standards. In this respect, in December 2014, ROMIG (Romanian Market Implementation Group for Corporate Actions Standards) sent to the Romanian Financial Supervisory Authority (FSA) a draft of additional regulatory proposals considered as needed for corporate action standards implementation, including the 'On Flow' processing (e.g. the definition of "guarantee participation date"). Also, Depozitarul Central will issue rules and procedures for processing and recording of the corporate events. Major technical changes: Depozitarul Central will adapt its system in order for transformations to be processed according to corporate actions standards. The technical changes cover the following: - the details of the corporate actions events (including the key dates) have to be sent along the chain in a formatted electronic form (e.g. ISO standards, other formats). In the same context, the operational flow will be performed along the chain, in both directions; - corporate actions events processing will be applied for securities positions, as well as settled and pending transactions ('On flow' processing); - the outturns of the local corporate actions will be determined and processed by Depozitarul Central at the participants' account level; - corporate actions in cash will be performed using the same payment mechanism as for the other DvP settlement transactions; - it will become possible to have matching for settlement instructions based on specific indicators: 'Opt-Out'.	In October 2014, the Romanian market provided to the T2S Advisory Group an updated implementation plan for full compliance with Corporate Actions Standards. The plan was agreed with the Romanian Financial Supervisory Authority, the National Bank of Romania, T2S RONUG and ROMIG. According to the plan, the compliance with the European standards will be achieved no later than February 2017. The main targets of the plan are the following: In respect of the regulatory changes, the following milestones are set up: o March 2015 – Amendments to the secondary legislation adopted by the Romanian Financial Supervisory Authority in order to implement the European corporate actions standards, based on the proposals made by ROMIG. As this is out-of-responsibility of Depozitarul Central, Depozitarul Central will monitor the process and will indicate in its Client Readiness Reporting if any issues or delays will be encountered. o March 2015 – Agreement of the solution for funds settlement (in RON) related to the processing of corporate events with the National Bank of Romania. Setting of bilateral milestones between Depozitarul Central and National Bank of Romania. o December 2015 – CSD Rulebook modification by Depozitarul Central and submission for approval to the relevant authorities. o April 2016 – Approval of the modifications of the CSD Rulebook by the National Bank of Romania and Financial Supervisory Authority. o February 2017 – New regulatory framework in force. In respect of the system development and related testing activities, the following milestones are set up: o August 2015 – Finalization of the system requirements by Depozitarul Central including the consultation and reflection of feedback by the relevant working groups (e.g. ROMIG, RO NMPG). o February 2016 – Finalization of development of the new Depozitarul Central's system module for corporate actions processing (to be delivered by the system provider). o June 2016 - Finalization of system testing by Depozitarul Central (including end-to-end Depozitarul Central business processes and interface testing) o December 2016 – Finalization of system testing by Depozitarul Central's participants and issuers, i.e. community testing of new corporate actions and related system changes o February 2017 – Corporate actions standards (on-stock and on-flow) implemented in production The deadlines set out in the plan offer some buffers for unforeseen events and envisage that the full compliance, both with the European market standards and the T2S CAs standards, will be achieved within the T2S migration period, i.e. by latest February 2017. However, for issues for which Depozitarul Central is acting as Investor CSD, Depozitarul Central has not identified any issue regarding compliance with the relevant corporate actions standards, and Depozitarul Central will be complying with the respective Issuer CSD market practice.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: ROMANIA						
Transformations	2	The transformation process shall take place by end of record date or market deadline and during the rest of the transformation detection period (i.e. 20 T2S opening days after the record date/market deadline).	NOT IMPLEMENTED	Other	See Q1 - further comments Others: The market practice regarding the possibility for a transaction to remain pending after Intended Settlement Date should be adapted accordingly. Furthermore, system adaptations are needed in order to detect transformations in accordance with the standard.	See Q1 - implementation plan.
Transformations	3	As a general principle, transformations will be applicable to all eligible transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to deviate from the standard transformation procedures.	NOT IMPLEMENTED	Other	See Q1 - further comments Others: Currently, in Romanian local market practice, there is no "opt-out" indicator included in the settlement instructions. To be taken into account as an additional matching field.	See Q1 - implementation plan.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	4	IOCs/CCPs managing the transformation will use the ISO20022 format as specified in the T2S URD. IOCs/CCPs will include in the transformation settlement instructions the appropriate references so that their own participants can identify and process the transformation satisfactorily in their own books. The minimum references required include: T2S reference of the underlying transaction, the "TRAN" ISO settlement transaction condition code, and CSD corporate action event reference. From a T2S system specification perspective, these references are only for information purposes (for CSDs/CCPs participants) as these references do not trigger any specific functionality in T2S (other than standard settlement processing).	NOT IMPLEMENTED	Other	See Q1 - further comments	See Q1 - implementation plan.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: ROMANIA			
Transformations	5	CSD/CCP may match locally the new instructions related to the transformation and send them to T2S as already matched for settlement or send them as separate instructions for matching in T2S.	NOT IMPLEMENTED	Other	See Q1 - further comments	See Q1 - implementation plan.
Transformations	6	Both IOCs/CCPs should send new instructions to T2S, for matching purposes.	NOT IMPLEMENTED	Other	See Q1 - further comments	See Q1 - implementation plan.
Transformations	7	The earliest settlement date (SD) of the new transaction(s) should be the latest between the payment date (PD) of the entitlement and the SD of the underlying transaction.	NOT IMPLEMENTED	Other	See Q1 - further comments	See Q1 - implementation plan.
Transformations	8	The transformed instructions should retain the same characteristics (trade date, cash consideration) as those of the underlying instruction with the possible exception of the three following fields in respect with the terms of the reorganisation: (i) The quantity of securities; (ii) The ISIN; (iii) The settlement date (SD).	NOT IMPLEMENTED	Other	See Q1 - further comments	See Q1 - implementation plan.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: ROMANIA				
Transformations	9	The settlement amount of the transformed (new) instructions should be proportional to the ratio of each outturn securities. In case of multiple outturns (i.e. multiple new ISINs being generated by the transformation process), the new instructions should not be settled as linked settlement in T2S. The transformed instructions should retain the same characteristics (trade date) as those of the underlying transaction with the possible exception of the four following fields in respect with the terms of the reorganisation: • The quantity of securities • The cash consideration should be allocated to the transformed transactions according to the rates provided by the issuer • The ISIN • The settlement date (SD)	**NOT IMPLEMENTED**	Other	See Q1 - further comments	See Q1 - implementation plan.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: ROMANIA	
Transformations	**10**	**The cash transfer(s) settlement instructions should retain the same characteristics as those of the underlying transaction. If the instruction of the underlying transaction was against payment, two new instructions, in opposite directions, will be created; one for the settlement amount and one for the cash outturn. The transfers should not be linked. If the instruction of the underlying transaction was free of payment, only one transfer, for the cash outturn, will be created.**	**NOT IMPLEMENTED**	Other	See Q1 - further comments **Others: Payments associated to regular settlement are performed via NCB RTGS system. Currently, according to the NCB regulatory framework, the settlement of cash payments is not performed using the RTGS system. Depozitarul Central has to review and to subsequently update its contractual agreement with the National Bank of Romania by including new provisions to establish the RTGS payments mechanism to be used in order to perform cash settlements resulting from corporate actions. Discussions with the National Bank of Romania are underway.**	See Q1 - implementation plan.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: ROMANIA	
Transformations	11	When the transformation results in outturn securities fractions, the number of securities should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for the remaining securities fractions, then no further action is required by the IOCs b) In case the issuer compensates investors for remaining securities fractions with cash, then an additional PFOD transaction should be generated by the IOCs	NOT IMPLEMENTED	Other	See Q1 - further comments	See Q1 - implementation plan.
Transformations	12	The transformed transaction should be instructed with the same status as the underlying transaction.	NOT IMPLEMENTED	Other	See Q1 - further comments	See Q1 - implementation plan.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: ROMANIA						
Transformations	**13**	**The new transformed transaction should ensure that the following indicators are correctly replicated: (i) Partialling indicator of the original transaction instruction; (ii) Ex/cum indicator; (iii) Opt-out indicator related to the market claim creation.**	**NOT IMPLEMENTED**	Other	See Q1 - further comments	See Q1 - implementation plan.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	1	For a given transaction and prior to the BP deadline, the BP requirement will be invoked by the buyer (the buyer will issue BP instructions to the seller).	**NOT IMPLEMENTED**	Other	Secondary legislation/regulatory framework and market practice changes: The BP is not implemented, regulated or used in practice in Romanian market. In the same context, it is also worth to mention that the vast majority of the transactions settled into our system are performed on the stock exchange, using a mechanism through which the counterparties are not disclosed to each other, and also considering that no fails are registered into our market, now there is no market request for implementing buyer protection. The regulatory framework/market practice changes need to be further extended in order to ensure full compliance with the standards. In this respect, in December 2014, ROMIG (Romanian Market Implementation Group for Corporate Actions Standards) sent to the Romanian Financial Supervisory Authority (FSA) a draft of the regulatory drafting proposals considered as needed for corporate action standards implementation, including the 'On Flow' processing (e.g. definition of some terms like "guarantee participation date") Major technical changes: Depozitarul Central plans to implement a manual mechanism for buyer protection and it is up to its participants to comply with the relevant BP standards.	In October 2014, the Romanian market provided to the T2S Advisory Group an updated implementation plan for full compliance with Corporate Actions Standards. The plan was agreed with the Romanian Financial Supervisory Authority, the National Bank of Romania, T2S RONUG and ROMIG. According to the plan, the compliance with the European standards will be achieved no later than February 2017. The main targets of the plan are the following: In respect of the regulatory changes, the following milestones are set up: o March 2015 – Amendments to the secondary legislation adopted by the Romanian Financial Supervisory Authority in order to implement the European corporate actions standards, based on the proposals made by ROMIG. As this is out-of-responsibility of Depozitarul Central, Depozitarul Central will monitor the process and will indicate in its Client Readiness Reporting if any issues or delays will be encountered. o March 2015 – Agreement of the solution for funds settlement (in RON) related to the processing of corporate events with the National Bank of Romania. Setting of bilateral milestones between Depozitarul Central and National Bank of Romania. o December 2015 – CSD Rulebook modification by Depozitarul Central and submission for approval to the relevant authorities. o April 2016 – Approval of the modifications of the CSD Rulebook by the National Bank of Romania and Financial Supervisory Authority. o February 2017 – New regulatory framework in force. In respect of the system development and related testing activities, the following milestones are set up: o August 2015 – Finalization of the system requirements by Depozitarul Central including the consultation and reflection of feedback by the relevant working groups (e.g. ROMIG, RO NMPG). o February 2016 – Finalization of development of the new Depozitarul Central's system module for corporate actions processing (to be delivered by the system provider). o June 2016 - Finalization of system testing by Depozitarul Central (including end-to-end Depozitarul Central business processes and interface testing) o December 2016 – Finalization of system testing by Depozitarul Central's participants and issuers, i.e. community testing of new corporate actions and related system changes o February 2017 – Corporate actions standards (on-stock and on-flow) implemented in production The deadlines set out in the plan offer some buffers for unforeseen events and envisage that the full compliance, both with the European market standards and the T2S CAs standards, will be achieved within the T2S migration period, i.e. by latest February 2017. However, for issues for which Depozitarul Central is acting as Investor CSD, Depozitarul Central has not identified any issue regarding compliance with the relevant corporate actions standards, and Depozitarul Central will be complying with the respective Issuer CSD market practice.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	2	When a BP requirement is not invoked by the buyer, then the market default rules for elections should apply.	**NOT IMPLEMENTED**	Other	See Q1 - further comments	See Q1 - implementation plan.
Buyer Protection	3	The buyer will be tracking open transactions to which he is entitled to elect and will decide whether or not he wants to invoke a BP.	**NOT IMPLEMENTED**	Other	See Q1 - further comments	See Q1 - implementation plan.
Buyer Protection	4	As per scope in the introduction, all transactions still pending on BP deadline in securities which are subject to a corporate action and a BP regime in the CSD of Issuance can be subject to a BP mechanism.	**NOT IMPLEMENTED**	Other	See Q1 - further comments	See Q1 - implementation plan.
Buyer Protection	5	No matching is required in the CSDs' systems. However it is recommended that the seller acknowledges to the buyer, the receipt of the BP instruction.	**NOT IMPLEMENTED**	Other	See Q1 - further comments	See Q1 - implementation plan.
Buyer Protection	6	The buyer should include in BP instructions, references to the underlying CA and the underlying transaction to which the CA applies (securities trade or other)	**NOT IMPLEMENTED**	Other	See Q1 - further comments	See Q1 - implementation plan.

2015 - T2S Corporate Actions Standards Gap Analysis: ROMANIA

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	7	**Whether late BP instructions should be accepted should be established on the basis of bilateral agreement between the buyer and the seller, or the CSD/CCP rules – where and when CSDs/CCPs are offering such BP processing services.**	**NOT IMPLEMENTED**	Other	See Q1 - further comments	See Q1 - implementation plan.
Buyer Protection	8	**It is recommended that the ISO20022 standards are referred to as the basis for such BP instructions.**	**NOT IMPLEMENTED**	Other	See Q1 - further comments	See Q1 - implementation plan.

2015 - T2S Corporate Actions Standards Gap Analysis: ROMANIA

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: ROMANIA			
Buyer Protection	9	BP deadlines for Automated BP mechanism. For trade date T (which is the guaranteed participation date/last trade date of the underlying CA), the BP deadline should be on T+n (where n = settlement cycle) and the market deadline on T+n+1 day Taking as working assumption a T+3 settlement cycle: • business day 1 = T; • business day 4 = T+3: buyer protection deadline; • business day 5 = T+4 market deadline BP deadlines for Manual BP mechanism For BP instructions from actors other than CCPs, the BP deadline is T+n. For BP instructions from CCPs the BP deadline is T+n+1 hour	**NOT IMPLEMENTED**	Other	See Q1 - further comments	See Q1 - implementation plan.
Buyer Protection	10	The BP deadline should be identical across all (I) CSDs in T2S for all securities.	**NOT IMPLEMENTED**	Other	See Q1 - further comments	See Q1 - implementation plan.
Buyer Protection	11	The BP instruction itself can only be amended by the buyer, before the BP deadline.	**NOT IMPLEMENTED**	Other	See Q1 - further comments	See Q1 - implementation plan.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: ROMANIA						
Buyer Protection	12	**Only the BP election (i.e. corporate action option) can be amended in the BP instruction.**	**NOT IMPLEMENTED**	Other	See Q1 - further comments	See Q1 - implementation plan.
Buyer Protection	13	**If the underlying transaction can be settled prior to the BP deadline, it should settle and the BP instruction should be cancelled by the Instruction Owner CSD (IOC) if the IOC offers such a BP service.** **When BP is handled bilaterally, the BP is void.**	**NOT IMPLEMENTED**	Other	See Q1 - further comments	See Q1 - implementation plan.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: ROMANIA				
Buyer Protection	**14**	**Process for pending transactions on BP deadline:** **In case of Automated BP mechanism** **Transactions attached with a valid BP that are still pending at the BP deadline should be frozen (put on hold) by the IOCs until their transformation on market deadline/record date. The Transformation of the underlying transaction should be carried out by the IOCs, in accordance with the BP instruction, at the Market Deadline / Record Date of the voluntary reorganisation.** **In case of Manual BP mechanism** **If the CSD does not provide an automated BP service, then buyer and seller shall cancel the underlying transaction and re-instruct, in accordance with the BP instruction, at the market deadline / record date of the voluntary reorganisation.**	**NOT IMPLEMENTED**	Other	See Q1 - further comments	See Q1 - implementation plan.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	15	Conditions for settlement of protected entitlement In case of Automated BP mechanism The IOC will set on hold (freeze) and transform in T2S the underlying transaction based on BP instruction it receives (from the buyer). In case of Manual BP mechanism The buyer and seller shall amend the underlying transaction (as per current practice: cancel and re-instruct).	NOT IMPLEMENTED	Other	See Q1 - further comments	See Q1 - implementation plan.
Buyer Protection	16	If a buyer wants to make a partial election, they would need to split the original transaction into the shapes they require.	NOT IMPLEMENTED	Other	See Q1 - further comments Others: According to current Romanian market practice, a transaction cannot be splitted.	See Q1 - implementation plan.
Buyer Protection	17	The Settlement Date (SD) of the protected entitlements should be the payment date of the underlying CA.	NOT IMPLEMENTED	Other	See Q1 - further comments	See Q1 - implementation plan.
Buyer Protection	18	Settlement of BP instructions should take place as specified in the T2S transformations standards.	NOT IMPLEMENTED	Other	See Q1 - further comments	See Q1 - implementation plan.

2015 - T2S Corporate Actions Standards Gap Analysis: ROMANIA

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan

2015 - T2S Corporate Actions Standards Gap Analysis: SLOVENIA

2015 - T2S Corporate Actions Standards Gap Analysis: SLOVENIA						
Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	**1**	**For a given transaction, a market claim should be detected by the two Instruction Owners CSDs (IOCs), or the CCP(s) where applicable, of the two counterparties in the transaction.**	**NOT IMPLEMENTED**	Other	Major technical/legislative/market practice changes are required to adhere to standards for Market claims processing. Harmonisation process has by now not resulted in any legal changes, which could serve as basis for further changes in operations of CSD and other intermediaries in x-mas tree model. Major shortcomings are as follows: (a) National legislation does not recognise cascade (x-mas tree) principle of handling corporate actions; hence CSD is in practice not able to intervene and instruct Market Claims among its members (even if CSD could theoretically detect transactions eligible for instructing Market Claims). Legislation suggests fulfilment of rights from securities (e.g. dividend payments) directly from Issuer to Investor, which clearly contradicts with best practices suggested by standards serving cross-border ownership, nominee ownership and Investor CSD functions; (b) key dates definitions should be harmonised as suggested by standards (Ex-date, payment date, record date). Enabling	Changes of Book Entry Securities Act and Companies Act are required. Draft text of Book Entry Securities Act has been agreed within the ad hoc working group and submitted to Ministry of Finance for finalisation. The draft proposal was published for public consultation in October 2014 and was consulted with the ECB, which gave positive opinion[1]. Currently, said proposal is pending inter ministerial coordination within Ministry of Finance and the next step (envisaged in February 2015) is to deliver the proposal to Government of Republic of Slovenia and then to the Parliament for its approval. Final confirmation by the Parliament is expected in Q2 2015 at the latest. Amendments to Companies Act are prepared by the Ministry of Economic Development and Technology for public consultation. Further steps are identical as stated above.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: SLOVENIA			
Market Claims	2	The mechanism to detect market claims is at the discretion, and is the responsibility, of the IOCs and the CCPs of the counterparties.	**NOT IMPLEMENTED**	Other	Please see Standard 1 above. Detailed implementation model introducing Market Claims function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.
Market Claims	3	Maximum time period for claim detection: 20 T2S opening days from record date.	**NOT IMPLEMENTED**	Other	Please see Standard 1 above. Detailed implementation model introducing Market Claims function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.
Market Claims	4	Market claims should be detected after the close of business on record date and during the rest of the claims detection period.	**NOT IMPLEMENTED**	Other	Please see Standard 1 above. Detailed implementation model introducing Market Claims function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.

[1] https://www.ecb.europa.eu/ecb/legal/pdf/en_con_2014_81_sign.pdf

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: SLOVENIA			
Market Claims	5	After record date, the market claim detection mechanism should operate at a minimum once a day after the end of standard T2S daytime settlement processing ("End of Day" in T2S URD) and prior to the start of the next settlement day ("Start of Day" in T2S URD).	**NOT IMPLEMENTED**	Other	Please see Standard 1 above. Detailed implementation model introducing Market Claims function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.
Market Claims	6	As a general principle, market claims should be detected for all transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to indicate that no claim at all should be raised on a given transaction.	**NOT IMPLEMENTED**	Other	Please see Standard 1 above. Detailed implementation model introducing Market Claims function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: SLOVENIA				
Market Claims	7	**Counterparties in the underlying transaction may choose to include the ex/cum indicator only if they want to deviate from the standard market claim procedure, as described in the CAJWG standards.**	**NOT IMPLEMENTED**	Other	Please see Standard 1 above. Detailed implementation model introducing Market Claims function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.
Market Claims	8	**As per CAJWG standards, market claims should be detected only for matched instructions (i.e. irrevocable transactions).**	**NOT IMPLEMENTED**	Other	Please see Standard 1 above. Detailed implementation model introducing Market Claims function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: SLOVENIA				
Market Claims	**9**	**Market claims should be generated only by the two IOCs (or the CCPs) of the two parties to the transaction. IOCs and CCPs should also generate market claims on behalf of their clients who have access to direct technical connectivity to T2S. Those clients should not generate market claims in T2S.**	**NOT IMPLEMENTED**	Other	Please see Standard 1 above. Detailed implementation model introducing Market Claims function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan

2015 - T2S Corporate Actions Standards Gap Analysis: SLOVENIA

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	10	For each outturn (result of CA entitlement), there should be the generation of a separate market claim instruction. Types of market claim instructions: (i) FOP transfer of securities (receipt and delivery) (ii) Payment free of delivery (PFOD) transfer of cash; The payment currency of the (cash) market claim should be the same as the currency of the original corporate action. The currency of the original corporate action is defined by the issuer of the underlying security. In case the currency of the corporate action payment is not a T2S Settlement Currency, then the counterparties in the underlying transaction should decide between them how to settle the cash entitlement outside T2S.	**NOT IMPLEMENTED**	Other	Please see Standard 1 above. Detailed implementation model introducing Market Claims function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: SLOVENIA				
Market Claims	11	When the generation of a market claim instruction results in outturn securities fractions, the number of outturn securities in the market claim instruction should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for remaining securities fractions, then no further action is required by IOC b) In case the issuer compensates investors for remaining securities fractions with cash, an additional PFOD transaction should be generated by IOC transferring cash to the beneficial owner.	**NOT IMPLEMENTED**	Other	Please see Standard 1 above. Detailed implementation model introducing Market Claims function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: SLOVENIA				
Market Claims	12	**In order to be able identify market claims, a specific ISO transaction type code "CLAI" should be used in the settlement instructions.**	**NOT IMPLEMENTED**	Other	Please see Standard 1 above. Detailed implementation model introducing Market Claims function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.
Market Claims	13	**For any individual ISIN, or any individual category of securities, all CSDs/CCPs that accept such securities should use the same rules to generate market claims. The rules, or terms, are defined by the issuer for each corporate action event. The issuer should pass them onto the issuer CSD and made available by the issuer CSD to all of its clients, including the Investor CSDs.**	**NOT IMPLEMENTED**	Other	Please see Standard 1 above. Detailed implementation model introducing Market Claims function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: SLOVENIA			
Market Claims	14	**For the settlement of market claim itself (as settled in T2S), the tax statuses of the receiving/delivering accounts should have no direct effect on the amount of cash/securities to be transferred. For a specific ISIN and a specific event, the amount of cash/securities to be transferred should be dependent solely on the number of securities in the underlying transaction. This means that for a specific ISIN and a specific event, the rate of the market claim should always be the same, and should be fixed by the issuer CSD. (*The claim could be an indemnity at, for example, 100% of the gross dividend, or could be a gross or net dividend amount). Subsequent, or in parallel, to the market claim, a withholding agent could process tax adjustments.***	**NOT IMPLEMENTED**	Other	Please see Standard 1 above. Detailed implementation model introducing Market Claims function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: SLOVENIA				
Market Claims	15	**The CSDs/CCPs generating the market claim will identify which T2S dedicated cash accounts should be used.**	**NOT IMPLEMENTED**	Other	Please see Standard 1 above. Detailed implementation model introducing Market Claims function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.
Market Claims	16	**Matching is required for all market claims settlement instructions.**	**NOT IMPLEMENTED**	Straightforward to Implement	Please see Standard 1 above. Detailed implementation model introducing Market Claims function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: SLOVENIA			
Market Claims	17	**Each CSD/CCP will include in the market claim settlement instruction sent to T2S appropriate references so that its participant can identify and process the claim satisfactorily.**	**NOT IMPLEMENTED**	Other	Please see Standard 1 above. Detailed implementation model introducing Market Claims function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.
Market Claims	18	**The market claim should be instructed in T2S by using as trade date of the claim, the same date as the trade date of the underlying transaction. The settlement date of the market claim should be the payment date of the transaction. The settlement date of the market claim should be the payment date of the underlying corporate action.**	**NOT IMPLEMENTED**	Other	Please see Standard 1 above. Detailed implementation model introducing Market Claims function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: SLOVENIA				
Market Claims	19	The market claim transaction should be instructed with the same status (i.e. either 'on hold' or 'released') as the underlying transaction.	**NOT IMPLEMENTED**	Straightforward to Implement	Please see Standard 1 above. Detailed implementation model introducing Market Claims function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.
Market Claims	20	The standard T2S rules for who can amend settlement instructions should apply.	**NOT IMPLEMENTED**	Straightforward to Implement	Please see Standard 1 above. Detailed implementation model introducing Market Claims function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: SLOVENIA	
Market Claims	21	The standard T2S rules for amending settlement instructions should apply.	**NOT IMPLEMENTED**	Straightforward to Implement	Please see Standard 1 above. Detailed implementation model introducing Market Claims function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.
Market Claims	22	The standard T2S rules for cancelling settlement instructions should apply.	**NOT IMPLEMENTED**	Straightforward to Implement	Please see Standard 1 above. Detailed implementation model introducing Market Claims function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: SLOVENIA			
Market Claims	23	In line with the CAJWG standards, the settlement of a market claim should be independent from the settlement of the respective underlying transaction. However, market infrastructures should provide to their participants a user friendly facility which gives them the option to ensure that the market claim is not settled prior to the settlement of the underlying transaction.	**NOT IMPLEMENTED**	Other	Please see Standard 1 above. Detailed implementation model introducing Market Claims function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.
Market Claims	24	In line with standard T2S settlement conditions will include: (i) payment date has been reached, (ii) resources (cash and/or securities are available.	**NOT IMPLEMENTED**	Straightforward to Implement	Please see Standard 1 above. Detailed implementation model introducing Market Claims function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: SLOVENIA			
Market Claims	25	**There should be no partial settlement for market claims in cash. Partial settlement should be limited to market claims in securities and take into account the standard T2S rules for partial settlement. Partial settlement indicator of the market claim should replicate the one of the underlying transaction.**	**NOT IMPLEMENTED**	Straightforward to Implement	Please see Standard 1 above. Detailed implementation model introducing Market Claims function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.
Market Claims	26	**The standard T2S rules for the recycling period should apply.**	**NOT IMPLEMENTED**	Straightforward to Implement	Please see Standard 1 above. Detailed implementation model introducing Market Claims function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: SLOVENIA				
Market Claims	27	**Each CSD/CCP generating a market claim will report to its own participant.**	**NOT IMPLEMENTED**	Other	Please see Standard 1 above. Detailed implementation model introducing Market Claims function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.
Market Claims	28	**T2S will provide its standard pending/settled transaction reporting. A CSD/CCP may provide additional reporting to its participant.**	**NOT IMPLEMENTED**	Straightforward to Implement	Please see Standard 1 above. Detailed implementation model introducing Market Claims function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.

2015 - T2S Corporate Actions Standards Gap Analysis: **SLOVENIA**						
Type of Events	**Std No.**	**Standard Description**	**CSD/Market Status**	**Type of Implementation Gap**	**Further Comments**	**Implementation Plan**
Transformations	1	**At the CCP level: When agreed with the Instruction Owner CSDs (IOCs) the CCP itself can manage the transformation for CCP transactions via a Power Of Attorney (POA) on the participants' accounts by use of the T2S cancellation and replacement mechanisms.** **At the CSD level (both CSDs of the buyer and the seller are connected to T2S): The IOCs will manage the transformation: (i) When the underlying transaction impacts two accounts in the same IOC. The cancellation and replacement will be managed and instructed in T2S by the IOC itself; (ii) In a cross-CSD transaction, each IOC has to cancel the instruction (bilateral cancellation process in T2S) and to send to T2S the new transformed instruction for matching.** **When the transaction is cross-border (one CSD is in T2S and the other is outside T2S): The T2S connected IOCs/CCP will manage**	**NOT IMPLEMENTED**	Other	Major technical/legislative/market practice changes are required to adhere to standards for Transformations processing. Harmonisation process has by now not resulted in any legal changes, which could serve as basis for further changes in operations of CSD and other intermediaries in x-mas tree model. Major shortcomings are as follows: (a) National legislation does not recognise cascade (x-mas tree) principle of handling corporate actions, hence CSD is in practice not able to intervene and instruct all types of transformations among its members as suggested by standards (even if CSD could theoretically detect any transaction eligible for transformation). CSD currently does not intervene and transform pending transactions (pending transactions are automatically deleted in case of reorganizational event); (b) key dates definitions should be harmonised as suggested by standards (last trading day, payment date, record date). Enabling detection and processing mechanism	Changes of Book Entry Securities Act, Companies Act and Markets in Financial Markets Act are required. Detailed implementation model introducing transformations processing function at CSD level was already presented to MIG and approved by MIG. Legal analysis was done by KDD and presented to NUG. Mentioned ad-hoc working group is preparing a common proposal of legislative changes. Proposal is scheduled to be ready by end of 2014. Timely and complete realisation of legislative/market practice/technical adjustments is dependant on newly established ad-hoc working group successfully fulfilling its mandate and legislature following said working group's proposal. Changes/amendments to CSD Rules and Regulations (to accommodate new/adjusted Corporate Actions functions at CSD level)

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: SLOVENIA				
Transformations	2	The transformation process shall take place by end of record date or market deadline and during the rest of the transformation detection period (i.e. 20 T2S opening days after the record date/market deadline).	**NOT IMPLEMENTED**	Other	Please see answer 1 above. In addition, existing definitions of key dates (and deadlines) applicable to corporate actions should be harmonised with standards.	Please see answer 1 above.
Transformations	3	As a general principle, transformations will be applicable to all eligible transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to deviate from the standard transformation procedures.	**NOT IMPLEMENTED**	Other	Please see answer 1 above. Detailed implementation model introducing Transformation function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: SLOVENIA			
Transformations	4	**IOCs/CCPs managing the transformation will use the ISO20022 format as specified in the T2S URD. IOCs/CCPs will include in the transformation settlement instructions the appropriate references so that their own participants can identify and process the transformation satisfactorily in their own books. The minimum references required include: T2S reference of the underlying transaction, the "TRAN" ISO settlement transaction condition code, and CSD corporate action event reference. From a T2S system specification perspective, these references are only for information purposes (for CSDs/CCPs participants) as these references do not trigger any specific functionality in T2S (other than standard settlement processing).**	**NOT IMPLEMENTED**	Other	Please see answer 1 above. Detailed implementation model introducing Transformation function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: SLOVENIA			
Transformations	5	**CSD/CCP may match locally the new instructions related to the transformation and send them to T2S as already matched for settlement or send them as separate instructions for matching in T2S.**	**NOT IMPLEMENTED**	Other	Please see answer 1 above. Detailed implementation model introducing Transformation function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.
Transformations	6	**Both IOCs/CCPs should send new instructions to T2S, for matching purposes.**	**NOT IMPLEMENTED**	Other	Please see answer 1 above. Detailed implementation model introducing Transformation function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: SLOVENIA				
Transformations	7	The earliest settlement date (SD) of the new transaction(s) should be the latest between the payment date (PD) of the entitlement and the SD of the underlying transaction.	**NOT IMPLEMENTED**	Other	Please see answer 1 above. Detailed implementation model introducing Transformation function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.
Transformations	8	The transformed instructions should retain the same characteristics (trade date, cash consideration) as those of the underlying instruction with the possible exception of the three following fields in respect with the terms of the reorganisation: (i) The quantity of securities; (ii) The ISIN; (iii) The settlement date (SD).	**NOT IMPLEMENTED**	Other	Please see answer 1 above. Detailed implementation model introducing Transformation function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.

			2015 - T2S Corporate Actions Standards Gap Analysis: **SLOVENIA**			
Type of Events	**Std No.**	**Standard Description**	**CSD/Market Status**	**Type of Implementation Gap**	**Further Comments**	**Implementation Plan**
Transformations	**9**	**The settlement amount of the transformed (new) instructions should be proportional to the ratio of each outturn securities.** **In case of multiple outturns (i.e. multiple new ISINs being generated by the transformation process), the new instructions should not be settled as linked settlement in T2S.** **The transformed instructions should retain the same characteristics (trade date) as those of the underlying transaction with the possible exception of the four following fields in respect with the terms of the reorganisation:** **• The quantity of securities** **• The cash consideration should be allocated to the transformed transactions according to the rates provided by the issuer** **• The ISIN** **• The settlement date (SD)**	**NOT IMPLEMENTED**	Other	Please see answer 1 above. Detailed implementation model introducing Transformation function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: SLOVENIA				
Transformations	10	**The cash transfer(s) settlement instructions should retain the same characteristics as those of the underlying transaction. If the instruction of the underlying transaction was against payment, two new instructions, in opposite directions, will be created; one for the settlement amount and one for the cash outturn. The transfers should not be linked. If the instruction of the underlying transaction was free of payment, only one transfer, for the cash outturn, will be created.**	**NOT IMPLEMENTED**	Other	Please see answer 1 above. Detailed implementation model introducing Transformation function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: SLOVENIA				
Transformations	**11**	**When the transformation results in outturn securities fractions, the number of securities should be rounded down to the nearest whole number. Furthermore:** **a) In case the issuer does not compensate investors for the remaining securities fractions, then no further action is required by the IOCs** **b) In case the issuer compensates investors for remaining securities fractions with cash, then an additional PFOD transaction should be generated by the IOCs**	**NOT IMPLEMENTED**	Other	Please see answer 1 above. Detailed implementation model introducing Transformation function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: SLOVENIA			
Transformations	12	The transformed transaction should be instructed with the same status as the underlying transaction.	**NOT IMPLEMENTED**	Other	Please see answer 1 above. Detailed implementation model introducing Transformation function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.
Transformations	13	The new transformed transaction should ensure that the following indicators are correctly replicated: (i) Partialling indicator of the original transaction instruction; (ii) Ex/cum indicator; (iii) Opt-out indicator related to the market claim creation.	**NOT IMPLEMENTED**	Other	Please see answer 1 above. Detailed implementation model introducing Transformation function at CSD level was already presented to MIG and approved by MIG.	Please see answer 1 above.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: SLOVENIA				
Buyer Protection	1	**For a given transaction and prior to the BP deadline, the BP requirement will be invoked by the buyer (the buyer will issue BP instructions to the seller).**	**NOT IMPLEMENTED**	Other	Introduction of Buyer Protection functionality on CSD level is not planned. Please note, that Buyer Protection functionality will still be possible bilaterally between counterparties (i.e. not involving CSD).	Introduction of Buyer Protection functionality on CSD level is not planned. Please note, that Buyer Protection functionality will still be possible bilaterally between counterparties (i.e. not involving CSD).
Buyer Protection	2	**When a BP requirement is not invoked by the buyer, then the market default rules for elections should apply.**	**NOT IMPLEMENTED**	Other	Please see answer 1 above.	Please see answer 1 above.
Buyer Protection	3	**The buyer will be tracking open transactions to which he is entitled to elect and will decide whether or not he wants to invoke a BP.**	**NOT IMPLEMENTED**	Other	Please see answer 1 above.	Please see answer 1 above.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: SLOVENIA				
Buyer Protection	4	As per scope in the introduction, all transactions still pending on BP deadline in securities which are subject to a corporate action and a BP regime in the CSD of Issuance can be subject to a BP mechanism.	**NOT IMPLEMENTED**	Other	Please see answer 1 above.	Please see answer 1 above.
Buyer Protection	5	No matching is required in the CSDs' systems. However it is recommended that the seller acknowledges to the buyer, the receipt of the BP instruction.	**NOT IMPLEMENTED**	Other	Please see answer 1 above.	Please see answer 1 above.
Buyer Protection	6	The buyer should include in BP instructions, references to the underlying CA and the underlying transaction to which the CA applies (securities trade or other)	**NOT IMPLEMENTED**	Other	Please see answer 1 above.	Please see answer 1 above.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: SLOVENIA						
Buyer Protection	7	Whether late BP instructions should be accepted should be established on the basis of bilateral agreement between the buyer and the seller, or the CSD/CCP rules – where and when CSDs/CCPs are offering such BP processing services.	**NOT IMPLEMENTED**	Other	Please see answer 1 above.	Please see answer 1 above.
Buyer Protection	8	It is recommended that the ISO20022 standards are referred to as the basis for such BP instructions.	**NOT IMPLEMENTED**	Other	Please see answer 1 above.	Please see answer 1 above.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	9	**BP deadlines for Automated BP mechanism. For trade date T (which is the guaranteed participation date/last trade date of the underlying CA), the BP deadline should be on T+n (where n = settlement cycle) and the market deadline on T+n+1 day Taking as working assumption a T+3 settlement cycle:** **• business day 1 = T;** **• business day 4 = T+3: buyer protection deadline;** **• business day 5 = T+4 market deadline** **BP deadlines for Manual BP mechanism** **For BP instructions from actors other than CCPs, the BP deadline is T+n.** **For BP instructions from CCPs the BP deadline is T+n+1 hour**	**NOT IMPLEMENTED**	Other	Please see answer 1 above.	Please see answer 1 above.
Buyer Protection	10	**The BP deadline should be identical across all (I) CSDs in T2S for all securities.**	**NOT IMPLEMENTED**	Other	Please see answer 1 above.	Please see answer 1 above.
Buyer Protection	11	**The BP instruction itself can only be amended by the buyer, before the BP deadline.**	**NOT IMPLEMENTED**	Other	Please see answer 1 above.	Please see answer 1 above.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: SLOVENIA						
Buyer Protection	12	Only the BP election (i.e. corporate action option) can be amended in the BP instruction.	**NOT IMPLEMENTED**	Other	Please see answer 1 above.	Please see answer 1 above.
Buyer Protection	13	If the underlying transaction can be settled prior to the BP deadline, it should settle and the BP instruction should be cancelled by the Instruction Owner CSD (IOC) if the IOC offers such a BP service. When BP is handled bilaterally, the BP is void.	**NOT IMPLEMENTED**	Other	Please see answer 1 above.	Please see answer 1 above.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	14	**Process for pending transactions on BP deadline:** **In case of Automated BP mechanism** **Transactions attached with a valid BP that are still pending at the BP deadline should be frozen (put on hold) by the IOCs until their transformation on market deadline/record date. The Transformation of the underlying transaction should be carried out by the IOCs, in accordance with the BP instruction, at the Market Deadline / Record Date of the voluntary reorganisation.** **In case of Manual BP mechanism** **If the CSD does not provide an automated BP service, then buyer and seller shall cancel the underlying transaction and re-instruct, in accordance with the BP instruction, at the market deadline / record date of**	**NOT IMPLEMENTED**	Other	Please see answer 1 above.	Please see answer 1 above.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: SLOVENIA						
Buyer Protection	15	**Conditions for settlement of protected entitlement** **In case of Automated BP mechanism** **The IOC will set on hold (freeze) and transform in T2S the underlying transaction based on BP instruction it receives (from the buyer).** **In case of Manual BP mechanism** **The buyer and seller shall amend the underlying transaction (as per current practice: cancel and re-instruct).**	**NOT IMPLEMENTED**	Other	Please see answer 1 above.	Please see answer 1 above.
Buyer Protection	16	**If a buyer wants to make a partial election, they would need to split the original transaction into the shapes they require.**	**NOT IMPLEMENTED**	Other	Please see answer 1 above.	Please see answer 1 above.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: SLOVENIA						
Buyer Protection	17	The Settlement Date (SD) of the protected entitlements should be the payment date of the underlying CA.	**NOT IMPLEMENTED**	Other	Please see answer 1 above.	Please see answer 1 above.
Buyer Protection	18	Settlement of BP instructions should take place as specified in the T2S transformations standards.	**NOT IMPLEMENTED**	Other	Please see answer 1 above.	Please see answer 1 above.

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: SLOVAKIA						
Market Claims	1	For a given transaction, a market claim should be detected by the two Instruction Owners CSDs (IOCs), or the CCP(s) where applicable, of the two counterparties in the transaction.	**Not Implemented**	Market Practice Change	It is not problem to ensure that CDCP detects information needed to generate Market Claims (MC) from its system. Condition to meet this standards is major market practice change, i.e. the issuers must be interested to pay the securities yields via CDCP.	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: SLOVAKIA				
Market Claims	**2**	The mechanism to detect market claims is at the discretion, and is the responsibility, of the IOCs and the CCPs of the counterparties.	**Not Implemented**	Straightforward to Implement	Certain technological amendments/changes of the system are required, what will allow CDCP to detect the pending transactions.	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: SLOVAKIA						
Market Claims	**3**	Maximum time period for claim detection: 20 T2S opening days from record date.	Not Implemented	Straightforward to Implement	To be able to meet this standard it will be necessary to adjust the operational processes and technical system of CDCP.	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

2015 - T2S Corporate Actions Standards Gap Analysis: SLOVAKIA

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	4	Market claims should be detected after the close of business on record date and during the rest of the claims detection period.	Not Implemented	Straightforward to Implement	To be able to meet this standard it will be necessary to adjust the operational processes and technical system of CDCP.	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: SLOVAKIA			
Market Claims	5	After record date, the market claim detection mechanism should operate at a minimum once a day after the end of standard T2S daytime settlement processing ("End of Day" in T2S URD) and prior to the start of the next settlement day ("Start of Day" in T2S URD).	Not Implemented	Straightforward to Implement	To be able to meet this standard it will be necessary to adjust the operational processes and technical system of CDCP.	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: SLOVAKIA			
Market Claims	6	As a general principle, market claims should be detected for all transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to indicate that no claim at all should be raised on a given transaction.	Not Implemented	Straightforward to Implement	Transactions will be excluded from the Market Claim detection only if the members will indicate opt-out option. Option will be applied in the CDCP in accordance with ISO 20022.	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	7	Counterparties in the underlying transaction may choose to include the ex/cum indicator only if they want to deviate from the standard market claim procedure, as described in the CAJWG standards.	Not Implemented	Straightforward to Implement	There will be possibility to mark ex/cum indicator for the participants. Option will be applied in the CDCP in accordance with ISO 20022.	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

2015 - T2S Corporate Actions Standards Gap Analysis: SLOVAKIA

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: SLOVAKIA						
Market Claims	**8**	As per CAJWG standards, market claims should be detected only for matched instructions (i.e. irrevocable transactions).	Not Implemented	**Straightforward to Implement**	To be able to meet this standard it will be necessary to adjust the operational processes and technical system of CDCP.	**Operational processes:** - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: SLOVAKIA				
Market Claims	**9**	Market claims should be generated only by the two IOCs (or the CCPs) of the two parties to the transaction. IOCs and CCPs should also generate market claims on behalf of their clients who have access to direct technical connectivity to T2S. Those clients should not generate market claims in T2S.	Not Implemented	Other	Implementation gaps: - Straightforward to Implement - Major market practice change Moreover, CDCP may provide information on pending transactions from one omnibus account of one member.	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: **SLOVAKIA**			
Market Claims	10	For each outturn (result of CA entitlement), there should be the generation of a separate market claim instruction. Types of market claim instructions: (i) FOP transfer of securities (receipt and delivery) (ii) Payment free of delivery (PFOD) transfer of cash; The payment currency of the (cash) market claim should be the same as the currency of the original corporate action. The currency of the original corporate action is defined by the issuer of the underlying security. In case the currency of the corporate action payment is not a T2S Settlement Currency, then the counterparties in the underlying transaction should decide between them how to settle the cash entitlement outside T2S.	Not Implemented	Straightforward to Implement	To be able to meet this standard it will be necessary to adjust the operational processes and technical system of CDCP.	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	**11**	When the generation of a market claim instruction results in outturn securities fractions, the number of outturn securities in the market claim instruction should be rounded down to the nearest whole number. Furthermore: a) In case the issuer does not compensate investors for remaining securities fractions, then no further action is required by IOC b) In case the issuer compensates investors for remaining securities fractions with cash, an additional PFOD transaction should be generated by IOC transferring cash to the beneficial owner.	Not Implemented	Straightforward to Implement	To be able to meet this standard it will be necessary to adjust the operational processes and technical system of CDCP.	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: SLOVAKIA						
Market Claims	**12**	In order to be able identify market claims, a specific ISO transaction type code "CLAI" should be used in the settlement instructions.	Not Implemented	**Straightforward to Implement**	Option will be applied in CDCP in accordance with ISO 20022	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan

2015 - T2S Corporate Actions Standards Gap Analysis: SLOVAKIA

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	13	For any individual ISIN, or any individual category of securities, all CSDs/CCPs that accept such securities should use the same rules to generate market claims. The rules, or terms, are defined by the issuer for each corporate action event. The issuer should pass them onto the issuer CSD and made available by the issuer CSD to all of its clients, including the Investor CSDs.	Not Implemented	Other	Implementation gaps: - Straightforward to Implement - Market practice change To be able to implement this standard, basic condition must be met, i.e. the issuer distributes via CDCP and CDCP provides information needed for claim calculation.	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	14	For the settlement of market claim itself (as settled in T2S), the tax statuses of the receiving/delivering accounts should have no direct effect on the amount of cash/securities to be transferred. For a specific ISIN and a specific event, the amount of cash/securities to be transferred should be dependent solely on the number of securities in the underlying transaction. This means that for a specific ISIN and a specific event, the rate of the market claim should always be the same, and should be fixed by the issuer CSD. (*The claim could be an indemnity at, for example, 100% of the gross dividend, or could be a gross or net dividend amount). Subsequent, or in parallel, to the market claim, a withholding agent could process tax adjustments.*	Not Implemented	Straightforward to Implement	In case of distribution of yields, CDCP will transfer the claim to authorised party - the same amount as obtained from the issuer. Tax issues will be solved out of T2S.	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

2015 - T2S Corporate Actions Standards Gap Analysis: SLOVAKIA

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: SLOVAKIA						
Market Claims	15	The CSDs/CCPs generating the market claim will identify which T2S dedicated cash accounts should be used.	Not Implemented	Straightforward to Implement	To be able to meet this standard it will be necessary to adjust the operational processes and technical system of CDCP.	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: SLOVAKIA	
Market Claims	16	Matching is required for all market claims settlement instructions.	Not Implemented	Straightforward to Implement	To be able to meet this standard it will be necessary to adjust the operational processes and technical system of CDCP.	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

2015 - T2S Corporate Actions Standards Gap Analysis: SLOVAKIA

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	17	Each CSD/CCP will include in the market claim settlement instruction sent to T2S appropriate references so that its participant can identify and process the claim satisfactorily.	Not Implemented	Other	Implementation gaps: - Straightforward to Implement CDCP must build complete system for collection and distribution of information on corporate actions and system for generating of MC instructions.	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	18	The market claim should be instructed in T2S by using as trade date of the claim, the same date as the trade date of the underlying transaction. The settlement date of the market claim should be the payment date of the transaction. The settlement date of the market claim should be the payment date of the underlying corporate action.	Not Implemented	Straightforward to Implement	CDCP has to build a system for collection and distribution of information on corporate actions and system for generating of MC instructions.	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

2015 - T2S Corporate Actions Standards Gap Analysis: SLOVAKIA

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
		2015 - T2S Corporate Actions Standards Gap Analysis: SLOVAKIA				
Market Claims	19	The market claim transaction should be instructed with the same status (i.e. either 'on hold' or 'released') as the underlying transaction.	Not Implemented	Straightforward to Implement	CDCP will set the market claim instruction to the same status as the underlying instruction.	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

2015 - T2S Corporate Actions Standards Gap Analysis: SLOVAKIA

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	20	The standard T2S rules for who can amend settlement instructions should apply.	Not Implemented	Straightforward to Implement	CDCP will allow the same instruction maintenance for MC as for settlement instructions.	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
					2015 - T2S Corporate Actions Standards Gap Analysis: SLOVAKIA	
Market Claims	**21**	The standard T2S rules for amending settlement instructions should apply.	Not Implemented	**Straightforward to Implement**	CDCP will allow the same instruction maintenance for MC as for settlement instructions.	**Operational processes:** - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	**22**	The standard T2S rules for cancelling settlement instructions should apply.	Not Implemented	**Straightforward to Implement**	CDCP will allow the same instruction maintenance for MC as for settlement instructions.	**Operational processes:** - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: SLOVAKIA						
Market Claims	**23**	In line with the CAJWG standards, the settlement of a market claim should be independent from the settlement of the respective underlying transaction. However, market infrastructures should provide to their participants a user friendly facility which gives them the option to ensure that the market claim is not settled prior to the settlement of the underlying transaction.	Not Implemented	Straightforward to Implement	CDCP will enable to set an instruction to HOLD and later to RELEASE status.	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
				2015 - T2S Corporate Actions Standards Gap Analysis: SLOVAKIA		
Market Claims	24	In line with standard T2S settlement conditions will include: (i) payment date has been reached, (ii) resources (cash and/or securities are available.	Not Implemented	Straightforward to Implement	CDCP must build complete system for collection and distribution of information on corporate actions and system for generating of MC instructions..	**Operational processes:** - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: SLOVAKIA			
Market Claims	**25**	There should be no partial settlement for market claims in cash. Partial settlement should be limited to market claims in securities and take into account the standard T2S rules for partial settlement. Partial settlement indicator of the market claim should replicate the one of the underlying transaction.	Not Implemented	Straightforward to Implement	CDCP will not use the possibility of partial settlement in its system.	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	26	The standard T2S rules for the recycling period should apply.	Not Implemented	Straightforward to Implement	CDCP will use the recycling the same way as in T2S.	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
				2015 - T2S Corporate Actions Standards Gap Analysis: SLOVAKIA		
Market Claims	27	Each CSD/CCP generating a market claim will report to its own participant.	Not Implemented	Straightforward to Implement	To be able to meet this standard it will be necessary to adjust the operational processes and technical system of CDCP.	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Market Claims	28	T2S will provide its standard pending/settled transaction reporting. A CSD/CCP may provide additional reporting to its participant.	Not Implemented	Straightforward to Implement	CDCP will use the reporting process the same way as in T2S.	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	1	**At the CCP level:** When agreed with the Instruction Owner CSDs (IOCs) the CCP itself can manage the transformation for CCP transactions via a Power Of Attorney (POA) on the participants' accounts by use of the T2S cancellation and replacement mechanisms. **At the CSD level (both CSDs of the buyer and the seller are connected to T2S): The IOCs will manage the transformation:** (i) When the underlying transaction impacts two accounts in the same IOC. The cancellation and replacement will be managed and instructed in T2S by the IOC itself; (ii) In a cross-CSD transaction, each IOC has to cancel the instruction (bilateral cancellation process in T2S) and to send to T2S the new transformed instruction for matching. **When the transaction is cross-border (one CSD is in T2S and the other is outside T2S):** The T2S connected IOCs/CCP will manage the transformation. CSDs which are not connected to T2S cannot instruct T2S.	Not Implemented	Straightforward to Implement	To be able to meet this standard it will be necessary to adjust the operational processes and technical system of CDCP.	**Operational processes:** - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	2	The transformation process shall take place by end of record date or market deadline and during the rest of the transformation detection period (i.e. 20 T2S opening days after the record date/market deadline).	Not Implemented	Straightforward to Implement	Adjustment of technical system and operational processes will be required.	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

2015 - T2S Corporate Actions Standards Gap Analysis: SLOVAKIA

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	3	As a general principle, transformations will be applicable to all eligible transactions. However, counterparties in the underlying transaction may choose to "opt-out" if they want to deviate from the standard transformation procedures.	Not Implemented	Straightforward to Implement	Choice will be applied in the CDCP in accordance with ISO 20022. It is necessary to define, e.g.. in the Rules of Operation, processes for marking opt-out indicator, if counterparties decide to use it.	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

2015 - T2S Corporate Actions Standards Gap Analysis: SLOVAKIA

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	4	IOCs/CCPs managing the transformation will use the ISO20022 format as specified in the T2S URD. IOCs/CCPs will include in the transformation settlement instructions the appropriate references so that their own participants can identify and process the transformation satisfactorily in their own books. The minimum references required include: T2S reference of the underlying transaction, the "TRAN" ISO settlement transaction condition code, and CSD corporate action event reference. From a T2S system specification perspective, these references are only for information purposes (for CSDs/CCPs participants) as these references do not trigger any specific functionality in T2S (other than standard settlement processing).	Not Implemented	Straightforward to Implement	CDCP after the introduction of ISO 20022 in communication with T2S will indicate transformation instructions with ISO code "TRAN"	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

2015 - T2S Corporate Actions Standards Gap Analysis: SLOVAKIA

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	**5**	CSD/CCP may match locally the new instructions related to the transformation and send them to T2S as already matched for settlement or send them as separate instructions for matching in T2S.	Not Implemented	**Straightforward to Implement**	It is assumed that in case of transaction between CDCP participants (intra-CSD settlement), transformation instruction will be sent to T2S as matched, as CDCP will have own matching mechanism.	**Operational processes:** - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

2015 - T2S Corporate Actions Standards Gap Analysis: SLOVAKIA

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: SLOVAKIA			
Transformations	6	Both IOCs/CCPs should send new instructions to T2S, for matching purposes.	Not Implemented	Straightforward to Implement	CDCP will send to T2S an instruction of counterparty for matching in case of cross-CSD transactions.	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	7	The earliest settlement date (SD) of the new transaction(s) should be the latest between the payment date (PD) of the entitlement and the SD of the underlying transaction.	Not Implemented	Straightforward to Implement	To be able to meet this standard it will be necessary to adjust the operational processes and technical system of CDCP.	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	8	The transformed instructions should retain the same characteristics (trade date, cash consideration) as those of the underlying instruction with the possible exception of the three following fields in respect with the terms of the reorganisation: (i) The quantity of securities; (ii) The ISIN; (iii) The settlement date (SD).	Not Implemented	Straightforward to Implement	To be able to meet this standard it will be necessary to adjust the operational processes and technical system of CDCP.	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	9	The settlement amount of the transformed (new) instructions should be proportional to the ratio of each outturn securities. In case of multiple outturns (i.e. multiple new ISINs being generated by the transformation process), the new instructions should not be settled as linked settlement in T2S. The transformed instructions should retain the same characteristics (trade date) as those of the underlying transaction with the possible exception of the four following fields in respect with the terms of the reorganisation: • The quantity of securities • The cash consideration should be allocated to the transformed transactions according to the rates provided by the issuer • The ISIN • The settlement date (SD)	Not Implemented	Straightforward to Implement	CDCP will generate the transformation instruction in compliance with this standard in case of change of one ISIN into multiple ISINs.	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	10	The cash transfer(s) settlement instructions should retain the same characteristics as those of the underlying transaction. If the instruction of the underlying transaction was against payment, two new instructions, in opposite directions, will be created; one for the settlement amount and one for the cash outturn. The transfers should not be linked. If the instruction of the underlying transaction was free of payment, only one transfer, for the cash outturn, will be created.	Not Implemented	Straightforward to Implement	CDCP will generate the transformation instruction in compliance with this standard in case of final redemption of an ISIN.	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
			2015 - T2S Corporate Actions Standards Gap Analysis: SLOVAKIA			
Transformations	11	When the transformation results in outturn securities fractions, the number of securities should be rounded down to the nearest whole number. Furthermore:

a) In case the issuer does not compensate investors for the remaining securities fractions, then no further action is required by the IOCs

b) In case the issuer compensates investors for remaining securities fractions with cash, then an additional PFOD transaction should be generated by the IOCs | Not Implemented | Straightforward to Implement | To be able to meet this standard it will be necessary to adjust the operational processes and technical system of CDCP. | Operational processes:

- operational processes will be revised by 31 May 2015

- proposal for change of the Rules of Operation will be prepared by 31 December 2015

- Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8 |

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Transformations	12	The transformed transaction should be instructed with the same status as the underlying transaction.	Not Implemented	Straightforward to Implement	To be able to meet this standard it will be necessary to adjust the operational processes and technical system of CDCP.	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
2015 - T2S Corporate Actions Standards Gap Analysis: SLOVAKIA						
Transformations	13	The new transformed transaction should ensure that the following indicators are correctly replicated: (i) Partialling indicator of the original transaction instruction; (ii) Ex/cum indicator; (iii) Opt-out indicator related to the market claim creation.	Not Implemented	**Market Practice Change**	To be able to meet this standard it will be necessary to adjust the operational processes and technical system of CDCP. (CDCP does not envisage possibility of partial settlement of internal transactions).	**Operational processes:** - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015 - Technological changes: Implementation of technological changes into information systems will be finalised, together with other changes in IS: by CDCP deadline for SP8
Buyer Protection	1	For a given transaction and prior to the BP deadline, the BP requirement will be invoked by the buyer (the buyer will issue BP instructions to the seller).	Not Implemented	**Market Practice Change**	As market standards for CA processing permit also other tools than automated service in case of Buyer Protection, CDCP will provide for manual Buyer Protection on bilateral basis. CDCP will provide for list of pending instructions if such business case would occur. Procedures and recommendations related to manual BP will be specified and set in the Rules of Operation.	**Operational processes:** - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015

			2015 - T2S Corporate Actions Standards Gap Analysis: SLOVAKIA			
Type of Events	**Std No.**	**Standard Description**	**CSD/Market Status**	**Type of Implementation Gap**	**Further Comments**	**Implementation Plan**
Buyer Protection	2	When a BP requirement is not invoked by the buyer, then the market default rules for elections should apply.	Not Implemented	**Market Practice Change**	As market standards for CA processing permit also other tools than automated service in case of Buyer Protection, CDCP will provide for manual Buyer Protection on bilateral basis. CDCP will provide for list of pending instructions if such business case would occur. Procedures and recommendations related to manual BP will be specified and set in the Rules of Operation.	**Operational processes:** - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015
Buyer Protection	3	The buyer will be tracking open transactions to which he is entitled to elect and will decide whether or not he wants to invoke a BP.	Not Implemented	**Market Practice Change**	As market standards for CA processing permit also other tools than automated service in case of Buyer Protection, CDCP will provide for manual Buyer Protection on bilateral basis. CDCP will provide for list of pending instructions if such business case would occur. Procedures and recommendations related to manual BP will be specified and set in the Rules of Operation.	**Operational processes:** - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015
Buyer Protection	4	As per scope in the introduction, all transactions still pending on BP deadline in securities which are subject to a corporate action and a BP regime in the CSD of Issuance can be subject to a BP mechanism.	Not Implemented	**Market Practice Change**	As market standards for CA processing permit also other tools than automated service in case of Buyer Protection, CDCP will provide for manual Buyer Protection on bilateral basis. CDCP will provide for list of pending instructions if such business case would occur. Procedures and recommendations related to manual BP will be specified and set in the Rules of Operation.	**Operational processes:** - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	5	No matching is required in the CSDs' systems. However it is recommended that the seller acknowledges to the buyer, the receipt of the BP instruction.	Not Implemented	**Market Practice Change**	As market standards for CA processing permit also other tools than automated service in case of Buyer Protection, CDCP will provide for manual Buyer Protection on bilateral basis. CDCP will provide for list of pending instructions if such business case would occur. Procedures and recommendations related to manual BP will be specified and set in the Rules of Operation.	**Operational processes:** - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015
Buyer Protection	6	The buyer should include in BP instructions, references to the underlying CA and the underlying transaction to which the CA applies (securities trade or other)	Not Implemented	**Market Practice Change**	As market standards for CA processing permit also other tools than automated service in case of Buyer Protection, CDCP will provide for manual Buyer Protection on bilateral basis. CDCP will provide for list of pending instructions if such business case would occur. Procedures and recommendations related to manual BP will be specified and set in the Rules of Operation.	**Operational processes:** - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015
Buyer Protection	7	Whether late BP instructions should be accepted should be established on the basis of bilateral agreement between the buyer and the seller, or the CSD/CCP rules – where and when CSDs/CCPs are offering such BP processing services.	Not Implemented	**Market Practice Change**	As market standards for CA processing permit also other tools than automated service in case of Buyer Protection, CDCP will provide for manual Buyer Protection on bilateral basis. CDCP will provide for list of pending instructions if such business case would occur. Procedures and recommendations related to manual BP will be specified and set in the Rules of Operation.	**Operational processes:** - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	8	It is recommended that the ISO20022 standards are referred to as the basis for such BP instructions.	Not Implemented	Market Practice Change	As market standards for CA processing permit also other tools than automated service in case of Buyer Protection, CDCP will provide for manual Buyer Protection on bilateral basis. CDCP will provide for list of pending instructions if such business case would occur. Procedures and recommendations related to manual BP will be specified and set in the Rules of Operation.	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	9	BP deadlines for Automated BP mechanism. For trade date T (which is the guaranteed participation date/last trade date of the underlying CA), the BP deadline should be on T+n (where n = settlement cycle) and the market deadline on T+n+1 day Taking as working assumption a T+3 settlement cycle: • business day 1 = T; • business day 4 = T+3: buyer protection deadline; • business day 5 = T+4 market deadline **BP deadlines for Manual BP mechanism** **For BP instructions from actors other than CCPs, the BP deadline is T+n.** **For BP instructions from CCPs the BP deadline is T+n+1 hour**	Not Implemented	**Market Practice Change**	As market standards for CA processing permit also other tools than automated service in case of Buyer Protection, CDCP will provide for manual Buyer Protection on bilateral basis. CDCP will provide for list of pending instructions if such business case would occur. Procedures and recommendations related to manual BP will be specified and set in the Rules of Operation.	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
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Buyer Protection	10	The BP deadline should be identical across all (I) CSDs in T2S for all securities.	Not Implemented	**Market Practice Change**	As market standards for CA processing permit also other tools than automated service in case of Buyer Protection, CDCP will provide for manual Buyer Protection on bilateral basis. CDCP will provide for list of pending instructions if such business case would occur. Procedures and recommendations related to manual BP will be specified and set in the Rules of Operation.	**Operational processes:** - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015
Buyer Protection	11	The BP instruction itself can only be amended by the buyer, before the BP deadline.	Not Implemented	**Market Practice Change**	As market standards for CA processing permit also other tools than automated service in case of Buyer Protection, CDCP will provide for manual Buyer Protection on bilateral basis. CDCP will provide for list of pending instructions if such business case would occur. Procedures and recommendations related to manual BP will be specified and set in the Rules of Operation.	**Operational processes:** - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015
Buyer Protection	12	Only the BP election (i.e. corporate action option) can be amended in the BP instruction.	Not Implemented	**Market Practice Change**	As market standards for CA processing permit also other tools than automated service in case of Buyer Protection, CDCP will provide for manual Buyer Protection on bilateral basis. CDCP will provide for list of pending instructions if such business case would occur. Procedures and recommendations related to manual BP will be specified and set in the Rules of Operation.	**Operational processes:** - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	13	If the underlying transaction can be settled prior to the BP deadline, it should settle and the BP instruction should be cancelled by the Instruction Owner CSD (IOC) if the IOC offers such a BP service. When BP is handled bilaterally, the BP is void.	Not Implemented	Market Practice Change	As market standards for CA processing permit also other tools than automated service in case of Buyer Protection, CDCP will provide for manual Buyer Protection on bilateral basis. CDCP will provide for list of pending instructions if such business case would occur. Procedures and recommendations related to manual BP will be specified and set in the Rules of Operation.	Operational processes: - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015

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Type of Events	**Std No.**	**Standard Description**	**CSD/Market Status**	**Type of Implementation Gap**	**Further Comments**	**Implementation Plan**
Buyer Protection	**14**	**Process for pending transactions on BP deadline:** **In case of Automated BP mechanism** **Transactions attached with a valid BP that are still pending at the BP deadline should be frozen (put on hold) by the IOCs until their transformation on market deadline/record date. The Transformation of the underlying transaction should be carried out by the IOCs, in accordance with the BP instruction, at the Market Deadline / Record Date of the voluntary reorganisation.** **In case of Manual BP mechanism** **If the CSD does not provide an automated BP service, then buyer and seller shall cancel the underlying transaction and re-instruct, in accordance with the BP instruction, at the market deadline / record date of the voluntary reorganisation.**	Not Implemented	**Market Practice Change**	As market standards for CA processing permit also other tools than automated service in case of Buyer Protection, CDCP will provide for manual Buyer Protection on bilateral basis. CDCP will provide for list of pending instructions if such business case would occur. Procedures and recommendations related to manual BP will be specified and set in the Rules of Operation.	**Operational processes:** **- operational processes will be revised by 31 May 2015** **- proposal for change of the Rules of Operation will be prepared by 31 December 2015**

Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	**15**	**Conditions for settlement of protected entitlement** **In case of Automated BP mechanism** **The IOC will set on hold (freeze) and transform in T2S the underlying transaction based on BP instruction it receives (from the buyer).** **In case of Manual BP mechanism** **The buyer and seller shall amend the underlying transaction (as per current practice: cancel and re-instruct).**	Not Implemented	**Market Practice Change**	As market standards for CA processing permit also other tools than automated service in case of Buyer Protection, CDCP will provide for manual Buyer Protection on bilateral basis. CDCP will provide for list of pending instructions if such business case would occur. Procedures and recommendations related to manual BP will be specified and set in the Rules of Operation.	**Operational processes:** **- operational processes will be revised by 31 May 2015** **- proposal for change of the Rules of Operation will be prepared by 31 December 2015**
Buyer Protection	**16**	**If a buyer wants to make a partial election, they would need to split the original transaction into the shapes they require.**	Not Implemented	**Market Practice Change**	As market standards for CA processing permit also other tools than automated service in case of Buyer Protection, CDCP will provide for manual Buyer Protection on bilateral basis. CDCP will provide for list of pending instructions if such business case would occur. Procedures and recommendations related to manual BP will be specified and set in the Rules of Operation.	**Operational processes:** **- operational processes will be revised by 31 May 2015** **- proposal for change of the Rules of Operation will be prepared by 31 December 2015**

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Type of Events	Std No.	Standard Description	CSD/Market Status	Type of Implementation Gap	Further Comments	Implementation Plan
Buyer Protection	**17**	The Settlement Date (SD) of the protected entitlements should be the payment date of the underlying CA.	Not Implemented	**Market Practice Change**	As market standards for CA processing permit also other tools than automated service in case of Buyer Protection, CDCP will provide for manual Buyer Protection on bilateral basis. CDCP will provide for list of pending instructions if such business case would occur. Procedures and recommendations related to manual BP will be specified and set in the Rules of Operation.	**Operational processes:** - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015
Buyer Protection	**18**	Settlement of BP instructions should take place as specified in the T2S transformations standards.	Not Implemented	**Market Practice Change**	As market standards for CA processing permit also other tools than automated service in case of Buyer Protection, CDCP will provide for manual Buyer Protection on bilateral basis. CDCP will provide for list of pending instructions if such business case would occur. Procedures and recommendations related to manual BP will be specified and set in the Rules of Operation.	**Operational processes:** - operational processes will be revised by 31 May 2015 - proposal for change of the Rules of Operation will be prepared by 31 December 2015