

TARGET2-SECURITIES

National Users Group

Madrid, 4th March 2011 – 12.00 horas. Sala Europa

1. Opening remarks.

2. Update on the status of the project

The most significant developments of the project since the last meeting were summarized. It was highlighted, among others, the presentation to the ECB's Governing Council of draft Framework Agreement with the Central Securities Depositories, whose signature is scheduled for autumn 2011. It is also expected that a draft Currency Participation Agreement, which will be signed by the central banks outside the euro area which liquidate its currency in T2S, will be presented to the Governing Council in summer 2011.

A public consultation to the market on User Detail Functional Specifications (UDFS) was announced to the end of March 2011.

3. Information about AG substructures.

"Task Force on Smooth cross-CSDs settlement in T2S": Jesus Benito (Iberclear) was congratulated for his excellent work as chairman of the "Task Force on smooth cross-CSD settlement in T2S". The group has carried out a very interesting analysis whose results will facilitate cross-border settlement in T2S.

- Matching fields: It was presented the compromise solution reached in the "Task Force on smooth cross-CSD settlement in T2S", in which both the BIC 11 or the equivalent of the participant's client in the CSD as the participant's account at the CSD, would be optional matching fields in T2S.
- List of issues identified that may hamper the efficiency of cross-border settlement: The group sent an extensive questionnaire to the NUG to identify specific features in the national settlement that may have an impact on cross-border settlement in T2S. It has been prepared a report for the Consultative Group taking into account the responses received, which includes: i) the issues that impact cross-border settlement between CSDs; ii) those who do not have a direct impact on T2S iii) issues that need further research; and iv) other details.

From now until the presentation of the final report to the Consultative Group in June, the group will work on finding practical solutions or in the allocation of the issues identified to the groups responsible for the harmonization.

"T2S Corporate Actions Subgroup". Carolina González (Iberclear) presented the work of the subgroup in which she participates of T2S on "Corporate Actions" (CASG), whose purpose is to monitor the implementation of standards for processing instructions on corporate

actions in T2S. In 2011 the group will develop a new survey of the level of compliance, requesting help of NUG.

4. Technical aspects.

Presentation of "T2S Graphic User Interface" (GUI). It was presented the ongoing work on the functions available in T2S in U2A mode ("business functionality document") which will provide the basis for the design and implementation of T2S screens.

5. AOB.

It was reported the establishment of a new group of Harmonization whose mandate will be presented to the Consultative Group for approval. Some members of the Spanish NUG consider it necessary to prevent the proliferation of harmonization groups whose aim is not clear. In addition, they question the ability of the Consultative Group to create groups with the aim of discussing issues outside the scope of T2S.

6. Next meeting date.

There will be a meeting prior to the upcoming Consultative Group meeting which will be held on June 30, 2011.

Anex I. List of participants in the 13th Spanish NUG meeting 4 March 2011

Participants. Group members

Núñez Ramos, Susana
López Pedruelo, Jesús
Pérez Bonilla, Antonio Jesús
Jiménez de Lago Montserrat
Benito Naveira, Jesús
Vía, Luis
Clavería, Pilar
García, Adolfo
García, Fernando
Camuñas, Álvaro
Vivas Sotillos, Carlos
Rebollo, Jose Luis
Bayo Puyuelo, Ángel
Arias González, Florentino
de la Lastra, Iñigo

Institution

Banco de España
Banco de España
Banco de España
Banco de España
Iberclear
MEFF
AEB
Santander
BBVA
BNP Paribas S.S
Banco Popular
CECA
Caixa
Caja Madrid
CNMV

Participants. Observers

García Sánchez, Rafael
Leyún, Fernando
Palacios Elorriaga, Alberto
Arraez González, Maria Teresa
Peña de Urquía, José
Bernardo Rubio, Javier

Santander
Banesto
Bolsa de Bilbao
Banco de España
Banco de España
Banco de España

Participants. Guest from Banco de España

Mochón Sáez, M^a Carmen
González, Carolina

Banco de España
Iberclear