

CSDs: Euroclear Belgium (Belgium), NBB (Belgium), Euroclear Finland (Finland), BOG (Greece), Clearstream Banking Frankfurt (Germany), Euroclear UK & Ireland (UK), Euroclear UK and Ireland Ltd (Ireland), HELEX S.A. (Greece), Malta CSD (Malta), CSDL (Lithuania), CDCR (Cyprus), Estonian CSD (Estonia), Euroclear France (France), Interbolsa (Portugal), ISD (Iceland), LCD (Latvia), Monte Titoli (Italy), NBR (Romania), Euroclear Nederland (Netherlands), OeKB (Austria), CDCP (Slovak Republic), Iberclear (Spain), SIX SIS (Switzerland), VP Securities (Denmark), Euroclear Sweden (Sweden), VPS (Norway), Central Depository SA (Romania)

Date: 27 Apr 2010

SMI Markets: Austria, Belgium, Cyprus, Denmark, Estonia, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Norway, Portugal, Romania, Slovak Republic, Spain, Sweden, Switzerland, UK

CMIRR Markets: Austria, Belgium, Cyprus, Denmark, Estonia, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Latvia, Lithuania, Malta, Netherlands, Norway, Portugal, Romania, Slovak Republic, Spain, Sweden, Switzerland, UK

New Timeline for TARGET2-Securities Launch

The ECB has announced a new timeline for the TARGET2-Securities (T2S) project, and is now expected to go live in September 2014, with planned testing due to take place in January 2014.

During 2010, the ECB intends to continue negotiations with CSDs and regulators, in terms of the future Framework Agreement, between the Eurosystem and the CSDs. The ECB plans to adopt the agreement by January 2011, and subsequently for the CSDs to also adopt this framework agreement by April 2011.

The ECB advises that it will not set up a separate legal entity for T2S, and that work is now focused on creating an alternative governance model to adequately address the needs of non-euro area central banks.

The Governing Council has also adopted the T2S Guideline, which is the basis for the legal framework for T2S and future legal agreements. Further official information may be found via: [T2S Review](#).

CSD Risk Impact

Euroclear Belgium (Belgium)

CSD Rating: AA-

CSD Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = AA-

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

The linkage of the CSDs to T2S is open to operational disruption. Furthermore, the fragmentation of settlement and other services for CSDs in T2S may have an operational risk impact.

NBB (Belgium)

CSD Rating: A+

CSD Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AAA

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = A

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

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Euroclear Finland (Finland)

CSD Rating: AA-

CSD Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA-

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = A+

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

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BOG (Greece)

CSD Rating: A+

CSD Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = A+

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

The linkage of the CSDs to T2S is open to operational disruption. Furthermore, the fragmentation of settlement and other services for CSDs in T2S may have an operational risk impact.

Clearstream Banking Frankfurt (Germany)

CSD Rating: AA-

CSD Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA+

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = A+

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

The linkage of the CSDs to T2S is open to operational disruption. Furthermore, the fragmentation of settlement and other services for CSDs in T2S may have an operational risk impact.

Euroclear UK & Ireland (UK)

CSD Rating: AA-

CSD Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = AA

Flash Impact = On Watch

The CSD will use T2S for the settlement of Euro currency trades in parallel with its own settlement system for the settlement of domestic currency trades. Financial risk may be impacted if more transactions are settled in Euro to take advantage of the enhanced liquidity facilities inherent in T2S. Furthermore, the CSD may also face competition in the provision of other services such as custody services.

The linkage of the CSD to T2S may be open to operational disruption, and the fragmentation of settlement and other services for the CSD may have an operational risk impact in terms of end-to-end processing.

Euroclear UK and Ireland Ltd (Ireland)

CSD Rating: AA-

CSD Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = AA

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

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HELEX S.A. (Greece)

CSD Rating: A+

CSD Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = A+

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = A+

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

The linkage of the CSDs to T2S is open to operational disruption. Furthermore, the fragmentation of settlement and other services for CSDs in T2S may have an operational risk impact.

Malta CSD (Malta)

CSD Rating: A-

CSD Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = A+

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = A-

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

The linkage of the CSDs to T2S is open to operational disruption. Furthermore, the fragmentation of settlement and other services for CSDs in T2S may have an operational risk impact.

CSDL (Lithuania)

CSD Rating: A

CSD Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = A

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = A+

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

The linkage of the CSDs to T2S is open to operational disruption. Furthermore, the fragmentation of settlement and other services for CSDs in T2S may have an operational risk impact.

CDCR (Cyprus)

CSD Rating: A-

CSD Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = BB

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = A-

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

The linkage of the CSDs to T2S is open to operational disruption. Furthermore, the fragmentation of settlement and other services for CSDs in T2S may have an operational risk impact.

Estonian CSD (Estonia)

CSD Rating: A

CSD Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = A

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = A

Flash Impact = On Watch

The CSD will use T2S for the settlement of Euro currency trades in parallel with its own settlement system for the settlement of domestic currency trades. Financial risk may be impacted if more transactions are settled in Euro to take advantage of the enhanced liquidity facilities inherent in T2S. Furthermore, the CSD may also face competition in the provision of other services such as custody services.

The linkage of the CSD to T2S may be open to operational disruption, and the fragmentation of settlement and other services for the CSD

may have an operational risk impact in terms of end-to-end processing.

Euroclear France (France)

CSD Rating: AA-

CSD Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = AA-

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

The linkage of the CSDs to T2S is open to operational disruption. Furthermore, the fragmentation of settlement and other services for CSDs in T2S may have an operational risk impact.

Interbolsa (Portugal)

CSD Rating: A+

CSD Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = A+

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

The linkage of the CSDs to T2S is open to operational disruption. Furthermore, the fragmentation of settlement and other services for CSDs in T2S may have an operational risk impact.

ISD (Iceland)

CSD Rating: A+

CSD Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = A-

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = A+

Flash Impact = On Watch

The CSD will use T2S for the settlement of Euro currency trades in parallel with its own settlement system for the settlement of domestic

currency trades. Financial risk may be impacted if more transactions are settled in Euro to take advantage of the enhanced liquidity facilities inherent in T2S. Furthermore, the CSD may also face competition in the provision of other services such as custody services.

The linkage of the CSD to T2S may be open to operational disruption, and the fragmentation of settlement and other services for the CSD may have an operational risk impact in terms of end-to-end processing.

LCD (Latvia)

CSD Rating: A

CSD Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = A

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = A+

Flash Impact = On Watch

The CSD will use T2S for the settlement of Euro currency trades in parallel with its own settlement system for the settlement of domestic currency trades. Financial risk may be impacted if more transactions are settled in Euro to take advantage of the enhanced liquidity facilities inherent in T2S. Furthermore, the CSD may also face competition in the provision of other services such as custody services.

The linkage of the CSD to T2S may be open to operational disruption, and the fragmentation of settlement and other services for the CSD may have an operational risk impact in terms of end-to-end processing.

Monte Titoli (Italy)

CSD Rating: AA

CSD Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = AA-

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

The linkage of the CSDs to T2S is open to operational disruption. Furthermore, the fragmentation of settlement and other services for CSDs in T2S may have an operational risk impact.

NBR (Romania)

CSD Rating: A-

CSD Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = A+

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = BBB

Flash Impact = On Watch

The CSD will use T2S for the settlement of Euro currency trades in parallel with its own settlement system for the settlement of domestic currency trades. Financial risk may be impacted if more transactions are settled in Euro to take advantage of the enhanced liquidity facilities inherent in T2S. Furthermore, the CSD may also face competition in the provision of other services such as custody services.

The linkage of the CSD to T2S may be open to operational disruption, and the fragmentation of settlement and other services for the CSD may have an operational risk impact in terms of end-to-end processing.

Euroclear Nederland (Netherlands)

CSD Rating: AA-

CSD Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = AA-

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

The linkage of the CSDs to T2S is open to operational disruption. Furthermore, the fragmentation of settlement and other services for CSDs in T2S may have an operational risk impact.

OeKB (Austria)

CSD Rating: A+

CSD Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = A

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

The linkage of the CSDs to T2S is open to operational disruption. Furthermore, the fragmentation of settlement and other services for CSDs in T2S may have an operational risk impact.

CDCP (Slovak Republic)

CSD Rating: A-

CSD Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = A-

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = BBB

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

The linkage of the CSDs to T2S is open to operational disruption. Furthermore, the fragmentation of settlement and other services for CSDs in T2S may have an operational risk impact.

Iberclear (Spain)

CSD Rating: A+

CSD Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = AA-

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

The linkage of the CSDs to T2S is open to operational disruption. Furthermore, the fragmentation of settlement and other services for CSDs in T2S may have an operational risk impact.

SIX SIS (Switzerland)

CSD Rating: AA

CSD Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = AA

Flash Impact = On Watch

The CSD will use T2S for the settlement of Euro currency trades in parallel with its own settlement system for the settlement of domestic currency trades. Financial risk may be impacted if more transactions are settled in Euro to take advantage of the enhanced liquidity facilities inherent in T2S. Furthermore, the CSD may also face competition in the provision of other services such as custody services.

The linkage of the CSD to T2S may be open to operational disruption, and the fragmentation of settlement and other services for the CSD may have an operational risk impact in terms of end-to-end processing.

VP Securities (Denmark)

CSD Rating: AA-

CSD Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA
Flash Impact = On Watch

Impacted Risk Type: Operational Risk
Current Rating = AA
Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

The linkage of the CSDs to T2S is open to operational disruption. Furthermore, the fragmentation of settlement and other services for CSDs in T2S may have an operational risk impact.

Euroclear Sweden (Sweden)

CSD Rating: AA
CSD Flash Impact: On Watch

Impacted Risk Type: Financial Risk
Current Rating = AA+
Flash Impact = On Watch

Impacted Risk Type: Operational Risk
Current Rating = AA
Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

The linkage of the CSDs to T2S is open to operational disruption. Furthermore, the fragmentation of settlement and other services for CSDs in T2S may have an operational risk impact.

VPS (Norway)

CSD Rating: A
CSD Flash Impact: On Watch

Impacted Risk Type: Financial Risk
Current Rating = AA-
Flash Impact = On Watch

Impacted Risk Type: Operational Risk
Current Rating = AA-
Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

The linkage of the CSDs to T2S is open to operational disruption. Furthermore, the fragmentation of settlement and other services for CSDs in T2S may have an operational risk impact.

Central Depository SA (Romania)

CSD Rating: A-

CSD Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = A-

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = A

Flash Impact = On Watch

The CSD will use T2S for the settlement of Euro currency trades in parallel with its own settlement system for the settlement of domestic currency trades. Financial risk may be impacted if more transactions are settled in Euro to take advantage of the enhanced liquidity facilities inherent in T2S. Furthermore, the CSD may also face competition in the provision of other services such as custody services.

The linkage of the CSD to T2S may be open to operational disruption, and the fragmentation of settlement and other services for the CSD may have an operational risk impact in terms of end-to-end processing.

Market Information Impact

Austria

This information affects the data contained in the Local Market Administrative Organisations sections of the Securities Market Information Service.

Belgium

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Cyprus

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Denmark

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Estonia

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Finland

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France

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Germany

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Greece

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Iceland

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Ireland

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Italy

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Latvia

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Lithuania

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Luxembourg

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Malta

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Netherlands

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Norway

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Portugal

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Romania

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Slovak Republic

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Spain

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Sweden

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Switzerland

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UK

This information affects the data contained in the Local Market Administrative Organisations sections of the Securities Market Information Service.

Infrastructure Risk Ratings Impact

Austria

Market Rating: A+

Market Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = A+

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = A

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

The linkage of the CSD to T2S may be open to operational disruption, and the fragmentation of settlement and other services for the CSD may have an operational risk impact in terms of end-to-end processing.

Belgium

Market Rating: AA-

Market Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = A+

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

The linkage of the CSD to T2S may be open to operational disruption, and the fragmentation of settlement and other services for the CSD may have an operational risk impact in terms of end-to-end processing.

Cyprus

Market Rating: A-

Market Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = A-

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = A-

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

The linkage of the CSD to T2S may be open to operational disruption, and the fragmentation of settlement and other services for the CSD may have an operational risk impact in terms of end-to-end processing.

Denmark

Market Rating: AA-

Market Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = AA

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

The linkage of the CSD to T2S may be open to operational disruption, and the fragmentation of settlement and other services for the CSD may have an operational risk impact in terms of end-to-end processing.

Estonia

Market Rating: A

Market Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = A-

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = A

Flash Impact = On Watch

The CSD will use T2S for the settlement of Euro currency trades in parallel with its own settlement system for the settlement of domestic currency trades. Financial risk may be impacted if more transactions are settled in Euro to take advantage of the enhanced liquidity facilities inherent in T2S. Furthermore, the CSD may also face competition in the provision of other services such as custody services.

The linkage of the CSD to T2S may be open to operational disruption, and the fragmentation of settlement and other services for the CSD may have an operational risk impact in terms of end-to-end processing.

Finland

Market Rating: AA-

Market Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA-

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = A+

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

The linkage of the CSD to T2S may be open to operational disruption, and the fragmentation of settlement and other services for the CSD may have an operational risk impact in terms of end-to-end processing.

France

Market Rating: AA-

Market Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = AA-

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

The linkage of the CSD to T2S may be open to operational disruption, and the fragmentation of settlement and other services for the CSD may have an operational risk impact in terms of end-to-end processing.

Germany

Market Rating: AA-

Market Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = A+

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

The linkage of the CSD to T2S may be open to operational disruption, and the fragmentation of settlement and other services for the CSD may have an operational risk impact in terms of end-to-end processing.

Greece

Market Rating: A+

Market Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = A+

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = A+

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

The linkage of the CSD to T2S may be open to operational disruption, and the fragmentation of settlement and other services for the CSD may have an operational risk impact in terms of end-to-end processing.

Iceland

Market Rating: A

Market Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = BBB

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = A

Flash Impact = On Watch

The CSD will use T2S for the settlement of Euro currency trades in parallel with its own settlement system for the settlement of domestic currency trades. Financial risk may be impacted if more transactions are settled in Euro to take advantage of the enhanced liquidity facilities inherent in T2S. Furthermore, the CSD may also face competition in the provision of other services such as custody services.

The linkage of the CSD to T2S may be open to operational disruption, and the fragmentation of settlement and other services for the CSD may have an operational risk impact in terms of end-to-end processing.

Ireland

Market Rating: AA-

Market Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA-

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = AA-

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

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Italy

Market Rating: AA-

Market Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA-

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = AA-

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

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Latvia

Market Rating: A

Market Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = A-

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = A+

Flash Impact = On Watch

The CSD will use T2S for the settlement of Euro currency trades in parallel with its own settlement system for the settlement of domestic currency trades. Financial risk may be impacted if more transactions are settled in Euro to take advantage of the enhanced liquidity facilities inherent in T2S. Furthermore, the CSD may also face competition in the provision of other services such as custody services.

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Lithuania

Market Rating: A

Market Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = A-

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = A+

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services

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Malta

Market Rating: A-

Market Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = A

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = A-

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

The linkage of the CSD to T2S may be open to operational disruption, and the fragmentation of settlement and other services for the CSD may have an operational risk impact in terms of end-to-end processing.

Netherlands

Market Rating: AA-

Market Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = AA-

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

The linkage of the CSD to T2S may be open to operational disruption, and the fragmentation of settlement and other services for the CSD may have an operational risk impact in terms of end-to-end processing.

Norway

Market Rating: A

Market Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA-

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = AA-

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

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Portugal

Market Rating: A+

Market Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA-

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = A+

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

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Romania

Market Rating: A-

Market Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = A-

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = BBB

Flash Impact = On Watch

The CSD will use T2S for the settlement of Euro currency trades in parallel with its own settlement system for the settlement of domestic currency trades. Financial risk may be impacted if more transactions are settled in Euro to take advantage of the enhanced liquidity facilities inherent in T2S. Furthermore, the CSD may also face competition in the provision of other services such as custody services.

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Slovak Republic

Market Rating: BBB

Market Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = A

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = BBB

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

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Spain

Market Rating: A+

Market Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = A+

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

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Sweden

Market Rating: AA

Market Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA+

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = AA

Flash Impact = On Watch

CSDs joining T2S whose settlements will be processed largely or entirely through T2S, will likely decommission their settlement services (part or in whole) impacting their traditional revenue streams. These CSDs may also face competition from their peers in the provision of other services such as custody services. Consequently, there will be an impact on Financial Risk as these CSDs will need to restructure their business models.

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Switzerland

Market Rating: AA

Market Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = AA-

Flash Impact = On Watch

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UK

Market Rating: AA-

Market Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = AA-

Flash Impact = On Watch

The CSD will use T2S for the settlement of Euro currency trades in parallel with its own settlement system for the settlement of domestic currency trades. Financial risk may be impacted if more transactions are settled in Euro to take advantage of the enhanced liquidity facilities inherent in T2S. Furthermore, the CSD may also face competition in the provision of other services such as custody services.

The linkage of the CSD to T2S may be open to operational disruption, and the fragmentation of settlement and other services for the CSD may have an operational risk impact in terms of end-to-end processing.

Related Flash: [ECB Publishes Eligibility Criteria for CSDs in T2S, 22/01/2010 \(click to view\)](#)

For further information contact:

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