

CSDs: DCC (Russia), NSD (Russia)

Date: 04 Jan 2012

SMI Markets: Russia

CMIRR Markets: Russia

NSD, DCC and Custodians Sign Declaration on the Use of Electronic Registration Confirmation

The National Securities Depository (NSD), the Depository Clearing Company (DCC) and ING Commercial Banking signed the Declaration on the Use of Notifications of Settlement Depositories in Conducting Operations with Securities on 21 December 2011. The Declaration aims to replace the existing physical (paper) securities re-registration confirmation with electronic notifications.

NSD further reported that the following custodians have joined the aforementioned Declaration: Deutsche Bank LLC, CJS VTB Specialised Depository, Troika Dialog Investment Company CJSC, ING Commercial Banking, ALFA-BANK, MDM Bank and Sberbank Specialised Depository LLC.

The related official announcements can be found here: [NSD, DCC and ING Commercial Banking Sign Joint Declaration](#) and [Seven Custodians Join Declaration on Use of Settlement Depositories' Notifications](#).

CSD Risk Impact

DCC (Russia)

CSD Rating: A+

CSD Flash Impact: Stable

Impacted Risk Type: Operational Risk

Current Rating = AA-

Flash Impact = Stable

The declaration is expected to pave the way for the depositories, custodians and registrars to automate the re-registration confirmation process. This will help reduce the risk of delay / loss of paper confirmation and consequently enhance operational efficiency regarding re-registration activities.

The precise impact on Operational Risk will be assessed once additional information on how this will be achieved and the implementation timeline are disclosed.

NSD (Russia)

CSD Rating: A+

CSD Flash Impact: Stable

Impacted Risk Type: Operational Risk

Current Rating = AA-

Flash Impact = Stable

The declaration is expected to pave the way for the depositories, custodians and registrars to automate the re-registration confirmation process. This will help reduce the risk of delay / loss of paper confirmation and consequently enhance operational efficiency regarding re-registration activities.

The precise impact on Operational Risk will be assessed once additional information on how this will be achieved and the implementation timeline are disclosed.

Market Information Impact

Russia

This information affects the data contained in the Registration sections of the Securities Market Information Service.

Infrastructure Risk Ratings Impact

Russia

Market Rating: BBB

Market Flash Impact: Stable

Impacted Risk Type: Operational Risk

Current Rating = BBB

Flash Impact = Stable

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The precise impact on Operational Risk will be assessed once additional information on how this will be achieved and the implementation timeline are disclosed.

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