



Finnish Market Advisory Committee meeting – Summary minutes

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| Date | Friday 9 December 2011 | |
| Place | Euroclear Finland, Urho Kekkosen katu 5 C | |
| Present | Kirsi Sakki | Pohjola Bank, chairperson |
| | Maarit Ahola | Svenska Handelsbanken |
| | Esa Andersson | Skandinaviska Enskilda Banken |
| | Reijo Jokelainen | Sampo Bank |
| | Risto Koponen | Bank of Finland |
| | Mats Råstedt | Nordea Bank |
| | Markku Savikko | Federation of Finnish Financial Services (FFFS) |
| | Anna von Knorring | State Treasury |
| | Edwin De Pauw | Euroclear SA/Product Management |
| | Ilse Peeters | Euroclear SA/Public Affairs |
| | Anso Thiré | Euroclear Finland |
| | Hanna Vainio | Euroclear Finland |
| | Heikki Ylpekkala | Euroclear Finland |
| | Kati Honkajuuri-Kokkonen | Euroclear Finland, secretary |
| Excused | Päivi Kuitunen | Ålandsbanken |

1 Opening of the meeting and previous minutes

The chairperson welcomed MAC members and Edwin De Pauw from Group Product Management to the meeting.

Previous minutes were approved by the members.

2 EFi Roadmap for 2012

Hanna Vainio presented Euroclear Finland's planned roadmap for 2012.

Main projects include T2S for which the Framework Agreement (FWA) deadline for signing is June 2012. This would have to be done subject to regulatory approval and the Ministry of Finance will require EFi to execute a legal cap analysis in Finnish before such approval can be obtained.

Another main project for 2012 is Ramses Exit. Part 1 that will be done in 2012 introduces features required by zero coupon instruments into HEXClear and CR and Issuer Connects respectively. Collateral management solution will be introduced in phase 2 and Ramses shutdown is foreseen after completion of phase 3 in Q4/2014. It is noteworthy that Ramses Exit needs to be finalised before T2S implementation takes place and is thus a local prerequisite for joining T2S.



Issuer Connect will be the third major project for 2012. The service is targeted mostly for the issuer and issuer agent community and will include features to manage programmes, securities basic data, corporate action and reporting.

Hanna Vainio presented the proposed schedule for the Ramses Exit project and confirmed that it needs to be discussed and verified by affected participants to enable fluent implementation.

Corporate action development for 2012 would see the introduction of central bank money payments in HEXClear, securities and corporate action database renewal, STP issuance for zero coupons and assessment of future corporate action solution.

3 FINNUG-update

The chair of FINNUG gave an update on relevant T2S issues. The go-live date has been moved forward and is now June 2015. The FWA has been approved by the Governing Council and "early bird" discounts have been agreed to be given to those CSDs who sign by end-April 2012.

Certain markets have already confirmed that they would not join T2S. These include at this stage UK and Switzerland (CH will join for euro settlement) whereas Norway, Sweden and Denmark remain uncertain.

For the Finnish market the account model needs to be decided upon in Q1/2012, though this was agreed to be postponed to latter half of 2012 by the MAC since analysis will need to be completed on functionality before final decision on account model can be made.

4 Regulatory update

Ilse Peeters from Public Affairs gave a regulatory update on various EU level initiatives for legislation applicable to the financial market, such as CSD Regulation, EMIR that regulates CCPs and trade repositories and covers OTC derivatives. Securities Law Directive has not been progressing in the last couple of years, but the Commission has redrafted the proposal. The Commission has indicated that it would be finalised in Q2/2012 and is working on an impact assessment.

The Commission is also working on MiFID Review and CPSS-IOSCO Principles for financial market infrastructures.

5 GROWTH initiative

Heikki Ylpekkala gave an update on Euroclear Finland's GROWTH



initiative. Aalto University is finalising their study that will deliver their final report on week 50. EFi will publish the report the following week.

6 Client Survey 2011

Heikki Ylpekkala gave a high level overview of Client Survey 2011 where excellent trend continues. Client satisfaction has raised 5-10% a year during 2009-2011. Regardless of the positive trend an action plan regarding required changes has been drafted and is thoroughly monitored by EFi's local management team, College and the board.

7 Other Issues

Heikki Ylpekkala informed the MAC on current status of CCP interoperability that is planned to start in April 2012 (unconfirmed) and end-to-end testing 16 January 2012.

The secretary presented proposals for MAC Finland meeting dates for 2012. Secretary will enquire suitability of the dates after the meeting.

8 End meeting

The chairperson thanked MAC members for the past year and closed the meeting.