



[To:](#)
Cc:
Bcc:
Subject: Fw: Feedback from PEI on proposed CDS changes

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Date: 12/08/2016 01:02 PM
Subject: Feedback from PEI on proposed CDS changes

Hello,

I would like to provide my feedback on the proposed changes that CDS has submitted. I would like to say that the impact of the changes to us as an issuer are minimal, but we feel that there are some major implications for many stakeholders. The one change that will have an impact on us is the Eligibility administration late fee. We currently issue T+3 and sometimes T+5, from how I read the eligibility time requests we will automatically incur a \$2,000 fine and most likely a \$5000 fine. The established time-frames in the proposal are not reflective of market reality for most if not all issuers. This issue has been brought up on several occasions by us but has never been amended. What makes this even more troubling is that all of our syndicate would agree (many of which are owners of CDS) that these time lines are not realistic.

The process that CDS has used to push through these proposed changes has been anything but collaborative. The initial proposal was submitted and notice was given after the fact for input. The initial proposal was then retracted and a new proposal was submitted again without any consultation with us. We were provided information after the fact for our feedback. I also understand that certain issuers have been consulted and may have separate riders negotiated on the side.

CDS is a key pillar to our financial system, which is now controlled by a for profit entity in a monopolistic environment. For this reason I think CDS should report to a national regulatory body.

Thanks,

Ryan

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