#	Question	Reply
Q1	Do you agree that 4 years is an appropriate time frame to amortize the start-up costs? Please provide any relevant evidence to support your answer.	4 years seems to be a reasonable timeframe for recovering the start-up cost, assuming that MiFID requirements are the driver of the ISIN utility. Majority of market participants are MiFID ready in early 2018 and will carry the 4 annual charges. However, it isn't really clear why and on what conditions users should contribute to the start-up costs. According to ANNA DBS Q&A No. 2 ('Who owns the derivatives service bureau'), ANNA is the majority owner and investors who support the creation of the DSB through equity financing will also be minority shareholders. From our point of view, contribution to start-up cost should be borne by existing owners, or should alternatively result in respective allocation of shares.
Q2	Do you agree with the proposal to create a contingency fund of €750K to cover unplanned costs during the initial few years of operation? If not, please suggest alternative approaches to financial risk management in a cost-recovery construct.	We do not agree with the idea of a contingency fund. The contigency fund would raise numerous question from legal point of view (ownership, accounting for contributions) and from process point of view (contribution, replenishments, adjustments upon entry of new users, repayment when users leave) We believe it whould be more efficient to maintain a line of credit to fund unexpected expenditures. The cost for providing the line of credit might be added to the yearly operating cost. The drawn amount could be recovered from the users by increasing user fees in the next year (rather than defining additional payment liabilities to the users, because those might have to be shown as conditional liabilities in annual reporting by the users).
Q3	Do you agree with the proposal to simplify the fee model by eliminating the differentiation between users requiring access to a single asset class vs multiple asset classes? Please provide details and any relevant evidence to support your answer.	We agree with eliminating the differentiation between users requiring access to a single asset class vs. multiple asset classes. We believe that the number of asset classes is not a precise proxy for the traffic a user might generate. We could also imagine that multi-asset-class use of ANNA DSB becomes a standard anyway, because rolling out the ISIN identification for derivatives is an "all-or-nothing" decision for many market participants.
Q4	Do you agree with the proposal to provide the full database archive to Registered Users (at no charge), in addition to the paid user categories? Please provide details and any relevant evidence to support your answer.	We agree with the proposal. We would welcome if you specified the time the data is provided: the archive should become available early in the morning before start of business day in Europe. If you would also provide the ToTV-property, as discussed in the product definition consultation paper 2, it would need to be clarified how this information could become available in the file download: (i) will the ToTV property be available at no cost in the archive as well, (ii) by when would the ToTV flag become available, given that the necessary addition of the ISIN to ESMA FIRDS and ANNA's ToTV analysis of ESMA FIRDS data adds another day to the process (update in the file download with the ToTV flag on the following day?)
Q5	Do you agree with using 3 as the ratio of fees between Power Users and Standard Users? If not, please provide details and any relevant evidence to support your suggested ratio.	We would believe that the standard user (as per the suggested user setup) will draw relatively little attention, because many of those who are willing to pay for access will probably need API connectivity. Hence we would expect many entities to register as power users and only a few to register as standard users. The more power users there are, the less the ratio matters that is used for splitting the fee. We are indifferent regarding the ratio of 3.
Q6	Are there any specific challenges you will face meeting the contract execution and payment deadlines stipulated above? Please provide details.	no
Q7	Do you agree with the principle of using excess revenue to reduce the subsequent year's fees? If not, please explain your reasoning and provide industry examples to support your view.	We believe that the principles for using excess revenue should not provide incentives to register as a late joiner past Sep 1st 2017. We would suggest that the surplus distribution is applied as in-arrears cost reduction for year 1 and for subsequent years because this seems to be simple and transparent. Unfortunately, we do not fully comprehend the example provided in chapter 6: - the example states that operating cost is at €8.6m for year two. We would believe that, according to the incremental cost values provided in chapter 5.4, operating cost for year 2 should be either €9.4m (if late joiners are meant to be added to user base of 100/100) or €11.0m (if late joiners are meant to be added to increased user base of 200/200). - also we do understand the purpose of the "pro-rata-factor". The factor, with the value of 50%, seems to half the distributable surplus (but where does the other half go?) - also is not clear to us whether the described reduction of user fees by 10% is meant to be on top of the per-user reduction in year 2 that would result from adding the late joiners anyway. If the 10% increase should not be meant to be on top of it, it seems to us as if the surplus from the late joiners after Sep 2017 would not be distributed to the user base but effectively stay with the utility. We would appreciate if the planned surplus distribution could be explained in more detail and clarity.