

<b>General Information (Origin of Request)</b>		
<input type="checkbox"/> User Requirements (URD) <input checked="" type="checkbox"/> Other User Functional or Technical Documentation (SYS)		
<b>Request raised by:</b> CSD Steering Group (CSG)	<b>Institute:</b> CSD	<b>Date raised:</b> 10/05/2016
<b>Request title:</b> T2S must be able to report settlement status 'Failing' for settlement instructions for which settlement at the Intended Settlement Date (ISD) is no longer possible		<b>Request ref. no:</b> T2S-0609-SYS
<b>Request type:</b> Common	Classification: Regulatory compliance	<b>Urgency:</b> Fast-track
<b>1. Legal/business importance parameter:</b> Critical		<b>2. Market implementation efforts parameter:</b> Low
<b>3. Operational/Technical risk parameter:</b> Low		<b>4. Financial impact parameter:</b> Very high
<b>Requestor Category:</b> CSD		<b>Status:</b> Allocated to a release

#### Reason for change / expected benefits / business case:

The CSG Task Force (TF) on the Central Securities Depository Regulation (CSDR) is responsible for identifying the necessary T2S changes stemming from the CSDR requirements.

During the discussions on the CSDR requirements, it has been identified that CSDs must keep record of the status of their settlement instructions. Among those statuses, CSDs must be able to distinguish between:

- Pending settlement instructions, for which settlement at the ISD is still possible – reported with status 'PEND' in ISO15022, and 'Pending' in ISO20022
- Failing settlement instructions, for which settlement at the ISD is no longer possible at the end of the day-reported with status 'PENF' in ISO15022 and 'Failing' in ISO20022

Reference to this requirement can be found in the Commission Delegated Regulation (EU) 2017/389, in:

- Article 54 Transaction/settlement instruction (Flow) records, point (u)
- Annex IV: Format of CSD records', Table 1, 'Transaction/settlement instruction (flow) records' (row 21), that defines the actual format to be followed for each record<sup>1</sup>.

Furthermore, in the Regulatory Technical Standards on Settlement Discipline<sup>2</sup>, adopted by the European commission on 25/05/2018, it is stated in Article 11 (2) that: 'A CSD shall provide participants with access to real-time information on the status of their settlement instructions in its securities settlement system, including information on:

- (a) pending settlement instructions that can still be settled on the intended settlement date;
- (b) failed settlement instructions that can no longer be settled on the intended settlement date;"

Currently, T2S reports the settlement status 'Pending' along with a pending reason code (ProcessingReason2Code), which provides the reason for the instruction not being settled. The settlement status 'Pending' is not a code stored in T2S but is computed by T2S for reporting purposes for each impacted message. For settlement instructions, this status is reported in the status advice message 'sese.024' (Securities Settlement Transaction Status Advice), as well as in the statement of pending instructions report 'semt.018' (Securities Transaction Pending Report). For settlement restrictions, this

<sup>1</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=OJ:L:2017:065:FULL&from=EN>

<sup>2</sup> <https://ec.europa.eu/transparency/regdoc/rep/3/2018/EN/C-2018-3097-F1-EN-MAIN-PART-1.PDF>

status is reported in the status advice messages 'semt.014' (Intra-Position Movement Status Advice) and 'camt.067' (Intra-Balance Movement Status Advice), and the corresponding reports for pending settlement restrictions 'semt.034' (Intra-Position Movement Pending Report) and 'camt.085' (Intra-Balance Movement Pending Report).

However, T2S does not differentiate between pending settlement instructions for which settlement at the ISD is still possible, and those for which settlement at the ISD is no longer possible. This information must be derived by the T2S actor by taking into account the Intended Settlement Date, and the completion of the settlement processing related to the relevant cut-off of the instruction.

While it could be possible to build this derivation logic on the CSDs' side, with regards to the regulatory requirements, it is considered necessary by the TF to upgrade T2S to do the distinction between pending and failing instructions, i.e. to report the settlement status 'Failing', and not 'Pending', since the moment an instruction is identified as failed. Such change could also facilitate other CSDR requirements concerning the Settlement Discipline regime. The identified drawback resulting from this change is an increased message traffic as status advices are generated to report the change of status from 'Pending' to 'Failing' after the settlement processing related to the relevant cut-off is completed via 'sese.024' (Securities Settlement Transaction Status Advice), 'semt.014' (Intra-Position Movement Status Advice) and 'camt.067' (Intra-Balance Movement Status Advice).

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#### \_\_\_ Description of Requested Change:

A new settlement status 'Failing' must be reported by T2S for failing settlement instructions and settlement restrictions, i.e. settlement instructions and settlement restrictions for which settlement at the ISD is no longer possible, (i.e. after the ISD's settlement processing related to the relevant T2S cut-off for this instruction<sup>3</sup> has been completed). This new settlement status must be reported along with a pending reason code according to the existing list (ProcessingReason2Code), as done with the 'Pending' status.

The change of status from 'Pending' to 'Failing' shall trigger the generation of status advice messages by T2S: 'sese.024' (Securities Settlement Transaction Status Advice), 'semt.014' (Intra-Position Movement Status Advice) and 'camt.067' (Intra-Balance Movement Status Advice), for the T2S actors having subscribed to these messages. In order to allow a timely implementation of the CR and to be able at the same time to avoid the additional communication costs associated with it until the regulatory standards come into force, T2S will foresee a switch on / switch off of the additional communications (status advice messages) created ad-hoc to inform about the change from 'Pending' to 'Failing'. It shall be possible for the Operational Team (via LLI in LCMM), after approval of an ad-hoc CR without cost, to switch on and switch off, the generation by T2S of the additional communications (status advice messages) created ad-hoc to inform about the change of an instruction from 'Pending' to 'Failing' (i.e. communications that without CR609 will not have been generated).

In line with the general principle, the reporting of 'Failing' settlement status has to be considered as well for settlement instructions submitted to T2S with an ISD in the past.

The reports for pending settlement instructions 'semt.018' (Securities Transaction Pending Report), and restrictions 'semt.034' (Intra-Position Movement Pending Report) and 'camt.085' (Intra-Balance Movement Pending Report), provide the relevant information, i.e. all instructions in the report must contain the settlement status 'Failing' if applicable.

T2S actors must also be able to query settlement instructions and restrictions based on the 'Pending' and 'Failing' settlement status, both in A2A and U2A modes (e.g. semt.026.001.01/QueryDefinition/SearchCriteria/Status/Type/ SettlementStatus shall allow to include

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<sup>3</sup> Currently, cut-offs are planned in T2S as follows:

- DVP cut-off at 16:00 (for DVP settlement instructions and intra-balance movements).
- BATM/CBO cut-off at 17:40 (for DVP settlement instructions, which are bilaterally flagged with code ADEA - AcceptAfterRegularSettlementDeadline).
- FOP cut-off at 18:00 (for all FOP instructions and intra-position movements).

'Pending' as well as 'Failing').

Since currently, the 'Pending' settlement status is based on an internal T2S logic and only built for reporting purposes, i.e. it is not a code flagged at instruction level in the database, the system logic has to be adjusted for both 'Pending' and 'Failing'.

Based on the above, here are below the T2S messages identified as impacted:

For queries and reports:

- Statement of Pending Instructions (semt.018)
- SecuritiesSettlementTransactionAuditTrailReport (semt.022)
- Settlement Transaction Query (semt.026)
- Settlement Transaction Query Response (semt.027)
- Intra-Position Movement Pending Report (semt.034)
- Intra-Balance Movement Pending Report (camt.085)
- IntraPositionMovementQuery (semt.028)
- IntraPositionMovementQueryResponse (semt.029)
- IntraBalanceMovementQuery (camt.078)
- IntraBalanceMovementQueryResponse (camt.079)

For status advices:

- Settlement Instruction Status Advice (sese.024)
- Intra-Position Movement Status Advice (semt.014)
- Intra-Balance Movement Status Advice (camt.067)

These message upgrades should not require an ISO change as 'Failing' (like 'Pending') is not a registered ISO code for the relevant field for some messages, (e.g. semt.026) or the 'Failing' block already exists (e.g. sese.024), i.e. only needs to be un-pruned for T2S usage.

It is worth mentioning that the ISO code 'FUTU' (reason code) for 'Pending', is not defined for 'Failing'. For this reason, current T2S message usages reporting 'FUTU' will i) remain informing 'FUTU' when it is reported with 'Pending', but will ii) inform 'CYCL' when it is reported with 'Failing'.<sup>4</sup>

Additionally, for the implementation of this change request, the ReportQueryRequest (admi.005).is impacted.

As for T2S GUI, the following screens have been identified as impacted:

- Settlement Instructions - Search/List Screen
- Insolvency Procedure Settlement Instructions Search/List Screen
- Settlement Instruction - Details Screen
- Status History – Details Screen
- Intra-Position Movements - Search/List Screen
- Intra-Position Movements - Details Screen
- Intra-Balance Movements - Search/List Screen
- Intra-Balance Movements - Details Screen
- 2.4.1.14 Available Report - Statement of Pending Instructions - Details Screen
- 2.4.1.15 Available Report - Statement of Pending Intra-Balance Movements - Details Screen
- 2.4.1.16 Available Report - Statement of Pending Intra-Position Movements - Details Screen

<sup>4</sup> Reporting the code 'FUTU' if an instruction can still settle on its intended settlement date (i.e. for Pending instructions) whereas reporting 'CYCL' if the instruction can no longer settle on its intended settlement date (i.e. for Failing instructions) is supported by two SMPG market practices (on [Pending Transaction Reporting](#) and on [Usage and market practice rules for MT548 and MT 537](#))

The message subscription logic does not need to be updated. With the current subscription parameter Message Status, the tag <SttlmSts> is checked for all the relevant messages (semt.014, sese.024 and camt.067) when subscribing to the Message Status "Settlement Status". Consequently, after unpruning 'Failing', which is located within this tag, in case the customer subscribes (or is already subscribed) for Message Status "Settlement Status", the customer will receive the messages for 'Pending' and for 'Failing'. Moreover the customer has the opportunity to decide via his message subscription configuration if he wants to receive only pending or only failing messages. By using the current subscription parameter Instruction Status "Pending" the customer will receive only messages for pending. Furthermore the customer can set up a positive message subscription for Message Status "Settlement Status" and a negative one for Instruction Status "Pending" and he will receive only messages for failing.

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**Submitted annexes / related documents:**

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**Proposed wording for the SYS Change request:**

**UDFS**

The following **UDFS v3.0** sections should be modified:

**1.4.4.4 Real-time settlement (RTS)**

1.4.4.4.5 Real-time settlement closure schedule

To describe the new process performed at the end of the cut-offs in order to update "pending" instructions into "failing".

Update the Diagram 65 in order to include the new activities performed by T2S during the Real time settlement closure period regarding the identification and reporting of the "failing" ISO status for instructions which cannot settle on their ISD:

T2S processes:

- "Execute DVP cut-off procedure"
- "Execute cash settlement restriction cut-off procedure"
- "Execute BATM cut-off procedure"
- "Execute CBO cut-off procedure"
- "Execute securities settlement restriction cut-off procedure"
- "Execute FOP cut-off procedure"

To add following clarification:

"Additionally, T2S identifies all the relevant instructions for which settlement is no longer possible on its ISD as Failing"

1.4.4.4.7 Real-time settlement closure processes

To describe the new process performed at the end of the cut-offs in order to update "pending" instructions into "failing".

**TABLE 14 - PROCESSES DURING THE REAL-TIME SETTLEMENT CLOSURE**

T2S PROCESSES	DESCRIPTION OF THE PROCESSES
Execute DVP cut-off procedure	<p>Cut-off to differentiate the eligibility of intraday DVP/PFOD Settlement Instructions for settlement during the current settlement day:</p> <ul style="list-style-type: none"> <li>  T2S does not attempt settlement for the intraday DVP/PFOD Settlement Instructions (which is not a CBO or a BATM Settlement Instructions with specific later cut-off) received by T2S after this cut-off on the current settlement day, but recycle them for the next settlement day;</li> <li>  T2S ensures to do at least one settlement attempt for all the intraday DVP Settlement Instructions, received by T2S before the cut-off and eligible for the current settlement day.</li> </ul> <p>In parallel, T2S performs the following:</p> <ul style="list-style-type: none"> <li>  Settlement of: <ul style="list-style-type: none"> <li>– Settlement Instructions other than the ones for which cut-off is reached;</li> <li>– Reverse collateral Settlement Instructions related to reimbursement of intraday auto-collateralisation;</li> <li>– Securities/cash Settlement Restrictions;</li> <li>– All liquidity transfers (i.e. inbound, internal and outbound);</li> </ul> </li> <li>  Execution of static data maintenance instructions;</li> <li>  Execution of Amendment Instructions, Cancellation Instructions and Hold/Release Instructions;</li> <li>  <u>Identification and reporting of failed Settlement Instructions: Matched Settlement Instructions eligible to the DVP cut-off are identified as “Failing” if not settled before the cut-off completion.</u></li> <li>  Generation of reports triggered by business or time events;</li> <li>  Responses to queries received via U2A or A2A.</li> </ul>
Execute cash Settlement Restriction cut-off procedure	<p>Cut-off to differentiate the eligibility of cash Settlement Restrictions for settlement during the current settlement day:</p> <ul style="list-style-type: none"> <li>  T2S does not attempt settlement for the intraday cash Settlement Restrictions received by T2S after this cut-off on the current settlement day, but recycles them for the next settlement day;</li> <li>  T2S ensures to do at least one settlement attempt for all the intraday cash Settlement Restrictions, received by T2S before the cut-off and eligible for the current settlement day.</li> </ul> <p>In parallel, T2S performs the following:</p>

T2S PROCESSES	DESCRIPTION OF THE PROCESSES
	<ul style="list-style-type: none"> <li>  Settlement of: <ul style="list-style-type: none"> <li>– Settlement Instructions other than the ones for which cut-off is reached;</li> <li>– Reverse collateral Settlement Instructions related to reimbursement of intraday auto-collateralisation;</li> <li>– Securities Settlement Restrictions;</li> <li>– All liquidity transfers (i.e. inbound, internal and outbound);</li> </ul> </li> <li>  Execution of static data maintenance instructions;</li> <li>  Execution of Amendment Instructions, Cancellation Instructions and Hold/Release Instructions;</li> <li>  <u>Identification and reporting of failed Settlement Restrictions on cash: Settlement Restrictions on cash having reached their Intended Settlement Date are identified as “Failing” if not settled before the cut-off completion.</u></li> <li>  Generation of reports triggered by business or time events;</li> <li>  Responses to queries received via U2A or A2A.</li> </ul>
Release of unused cash Settlement Restrictions	...
Reimbursement of CB collateralisation provided by central banks	...
Optional automated cash sweep	...
Execute BATM cut-off procedure	<p>Cut-off to differentiate the eligibility of BATM Settlement Instructions for settlement during the current settlement day:</p> <ul style="list-style-type: none"> <li>  T2S does not attempt settlement for the intraday BATM Settlement Instructions received by T2S after this cut-off on the current settlement day, but recycle them for the next settlement day;</li> <li>  T2S ensures to do at least one settlement attempt for all the intraday BATM Settlement Instructions, received by T2S before the cut-off and eligible for the current settlement</li> </ul>

T2S PROCESSES	DESCRIPTION OF THE PROCESSES
	<p>day.</p> <p>In parallel, T2S performs the following:</p> <ul style="list-style-type: none"> <li>  Settlement of:                             <ul style="list-style-type: none"> <li>– Settlement Instructions other than the ones for which cut-off is reached;</li> <li>– Securities Settlement Restrictions;</li> <li>– All liquidity transfers (i.e. inbound, internal and outbound);</li> </ul> </li> <li>  Execution of static data maintenance instructions;</li> <li>  Execution of Amendment Instructions, Cancellation Instructions and Hold/Release Instructions;</li> <li>  <u>Identification and reporting of failed Settlement Instructions: Matched Settlement Instructions eligible to the BATM cut-off are identified as “Failing” if not settled before the cut-off completion.</u></li> <li>  Generation of reports triggered by business or time events;</li> <li>  Responses to queries received via U2A or A2A.</li> </ul>
Execute CBO cut-off procedure	<p>Cut-off to differentiate the eligibility of CBO DVP Settlement Instructions for settlement during the current settlement day:</p> <ul style="list-style-type: none"> <li>  T2S does not attempt settlement for the intraday CBO DVP Settlement Instructions received by T2S after this cut-off on the current settlement day, but recycle them for the next settlement day;</li> <li>  T2S ensures to do at least one settlement attempt for all the intraday CBO DVP Settlement Instructions, received by T2S before the cut-off and eligible for the current settlement day.</li> </ul> <p>In parallel, T2S performs the following:</p> <ul style="list-style-type: none"> <li>  Settlement of:                             <ul style="list-style-type: none"> <li>– Settlement Instructions other than the ones for which cut-off is reached;</li> <li>– Securities Settlement Restrictions;</li> <li>– All liquidity transfers (i.e. inbound, internal and outbound);</li> </ul> </li> <li>  Execution of static data maintenance instructions;</li> <li>  Execution of Amendment Instructions, Cancellation Instructions and Hold/Release Instructions;</li> <li>  <u>Identification and reporting of failed Settlement Instructions: Matched Settlement Instructions eligible to the CBO cut-off are identified as “Failing” if not settled before the</u></li> </ul>

T2S PROCESSES	DESCRIPTION OF THE PROCESSES
	<p><u>cut-off completion.</u></p> <ul style="list-style-type: none"> <li>  Generation of reports triggered by business or time events;</li> <li>  Responses to queries received via U2A or A2A.</li> </ul>
Execute inbound liquidity transfer cut-off procedure	...
Automated cash sweep	...
Execute Securities Settlement Restriction cut-off procedure	<p>Cut-off to differentiate the eligibility of securities Settlement Restrictions for settlement for the current settlement day:</p> <ul style="list-style-type: none"> <li>  T2S does not propose the securities Settlement Restrictions received by T2S after this cut-off on the current settlement day, but recycle them for the next settlement day.</li> <li>  T2S ensures to propose all the securities Settlement Restrictions, received by T2S before the cut-off and eligible for the current settlement day, for a settlement attempt.</li> </ul> <p>In parallel, T2S performs the following:</p> <ul style="list-style-type: none"> <li>  Settlement of Settlement Instructions other than the ones for which cut-off is reached;</li> <li>  Execution of static data maintenance instructions;</li> <li>  Execution of Amendment Instructions, Cancellation Instructions and Hold/Release Instructions;</li> <li>  <u>Identification and reporting of failed Settlement Restrictions on securities: Settlement Restrictions on Securities having reached their Intended Settlement Date are identified as “Failing” if not settled before the cut-off completion.</u></li> <li>  Generation of reports triggered by business or time events;</li> <li>  Responses to queries received via U2A or A2A.</li> </ul>
Execute FOP cut-off procedure	<p>Cut-off to differentiate the eligibility of FOP Settlement Instructions (including CBO without cash leg) for settlement during the current settlement day:</p> <ul style="list-style-type: none"> <li>  T2S does not attempt settlement for the intraday FOP Settlement Instructions received by T2S after this cut-off on the current settlement day, but recycle them for the next settlement day;</li> <li>  T2S ensures to do at least one settlement attempt for all the intraday FOP Settlement Instructions, received by T2S before the cut-off and eligible for the current settlement</li> </ul>



T2S PROCESSES	DESCRIPTION OF THE PROCESSES
	<p>day.</p> <p>In parallel, T2S performs the following:</p> <ul style="list-style-type: none"> <li>  Settlement of securities Settlement Restrictions for which cut-off is not reached;</li> <li>  Execution of static data maintenance instructions;</li> <li>  Execution of Amendment Instructions, Cancellation Instructions and Hold/Release Instructions;</li> <li>  <u>Identification and reporting of failed Settlement Instructions:</u> <ul style="list-style-type: none"> <li>– <u>Matched Settlement Instructions eligible to the FOP cut-off are identified as “Failing” if not settled before the cut-off completion.</u></li> <li>– <u>Additionally, upon completion of the FOP cut-off, T2S identifies all Unmatched Settlement Instructions having their Intended Settlement Date equal to the Current Business Day as “Failing”.</u></li> </ul> </li> <li>  Generation of reports triggered by business or time events;</li> <li>  Responses to queries received via U2A or A2A.</li> </ul>

#### 1.6.4.1 Status Management

To describe the difference between “pending” and “failing” instructions and under which circumstances T2S identifies instructions as “failing”:

Page 693 UDFS v3.0 after the Settlement Restriction status transitions sub-section and before the Maintenance Instruction Statuses and status values subsections.

##### Pending and Failing Instructions

Settlement Instructions and Settlement Restrictions can be classified as “Pending” or as “Failing” instructions depending on whether their settlement is still possible in T2S on their Intended Settlement Date or not:

- Pending Instructions: Settlement Restrictions, unmatched and matched Settlement Instructions for which settlement is still possible on their Intended Settlement Date.
- Failing Instructions: Settlement Restrictions, unmatched and matched Settlement Instructions for which T2S has identified that they cannot settle on their Intended Settlement Date.

This classification is linked to the T2S settlement status, but it does not represent a T2S status as such (i.e. the “Failing” and “Pending” are ISO statuses for the reporting in relevant messages but both relate to the Settlement Status in T2S). Therefore, this information will be a complement to the Settlement status values “Unsettled” and “Partially settled”.

As described below, instructions can change from “Pending” to “Failing”, as well as be created directly as “Failing” at its acceptance. However, it is important to note that once T2S identifies a Settlement Instruction or a Settlement Restriction as “Failing”, the instruction will no longer be classified as “Pending” again.

Once an instruction is identified as “Failing”, all the status advices of the instruction will no longer report “Pending” but “Failing”.

T2S identifies as “Failing” a Settlement Instruction or Settlement Restriction, which is already in the system, in the following scenarios:

- In processing of each cut-off, for Settlement Restrictions or Matched Settlement Instructions applicable to such cut-off:

All Settlement Restrictions or Matched Settlement Instructions, which are eligible to the cut-off and therefore have had at least one settlement attempt, having an Intended Settlement Date equal to the current business day remain unsettled after the completion of the cut-off, will be identified as “Failing”.

- After the completion of the processing of the last cut-off (FOP cut-off), for all Unmatched Settlement Instructions:

Upon completion of the FOP cut-off, all unmatched settlement instructions having Intended Settlement Date equal to the current business day will be identified as “Failing”.

- After unsuccessful eligibility check of a Settlement Instruction or Settlement Restriction because its applicable cut-off has been reached.

Any matched settlement instruction and settlement restriction that, having an Intended Settlement Date equal to the current business day, fails its eligibility check because its applicable cut-off has been reached, will be identified as “Failing”.

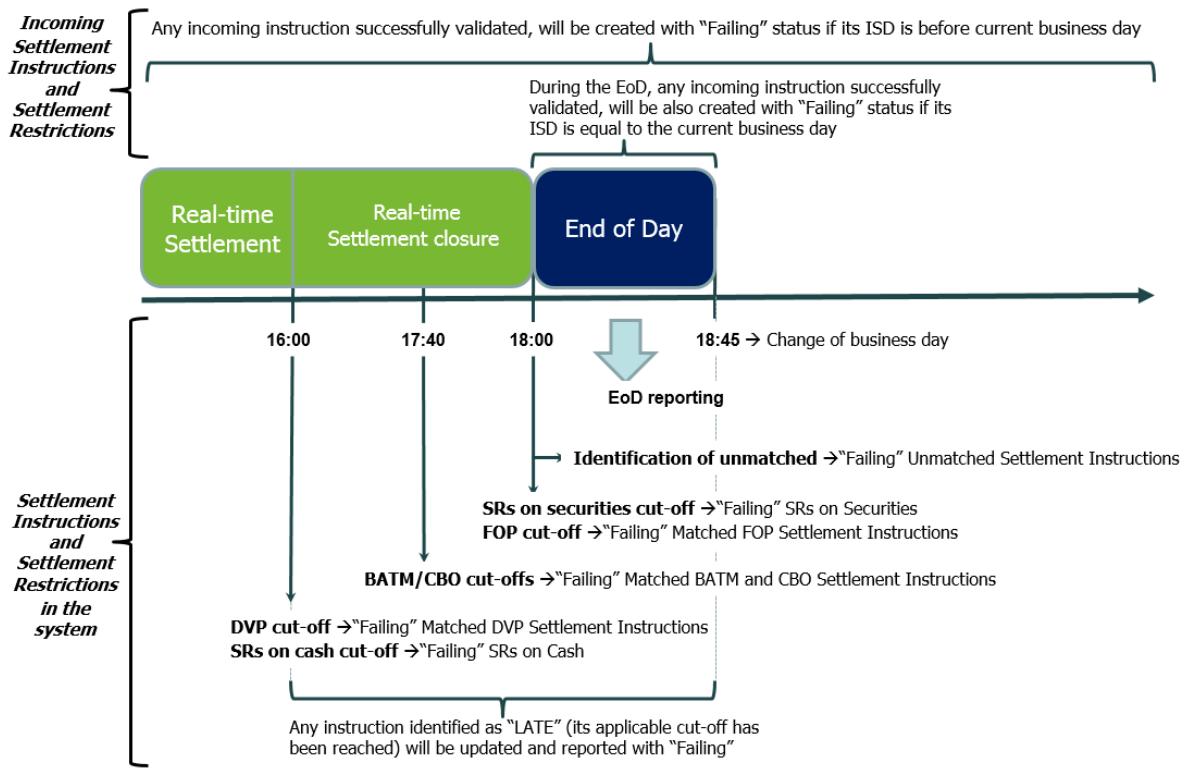
Additionally, T2S identifies as “Failing” any new incoming Settlement Instruction or Settlement Restriction, directly upon their successful validation, in the following scenarios:

- During the whole Settlement Day except for the End of day phase<sup>5</sup>: T2S will identify as “Failing” all incoming Settlement Instructions and Settlement Restrictions having their Intended Settlement Date before the Current Business Day.
- During the End of Day phase<sup>6</sup>: T2S will identify as “Failing” all incoming Settlement Instructions and Settlement Restrictions having their Intended Settlement Date before or equal to the Current Business Day.

The following high level diagram summarises how T2S identifies Settlement Instructions or Settlement Restrictions as “Failing”:

<sup>5</sup> Excluding also the Maintenance Window when the business validation service is not available

<sup>6</sup> After the completion of the processing of the last cut-off of the Real Time closure period



The following paragraph will differ depending on whether the additional communications to inform about the change from Pending to Failing are switched on or switched off:

Wording of the UDFS if additional communications for the "Failing" are **switched on**:

In case an instruction is identified as "Failing", the T2S Actor is informed through a message communicating the "Failing" ISO settlement status together with the relevant T2S status and/or reason codes as described in sections [Send Settlement Instruction](#), [Send Settlement Restriction on Securities Position](#) and [Send Settlement Restriction on Cash Balance](#).

Interested parties can also be informed depending on their message subscription preferences (see Section [Status Management](#) [ [Error! Bookmark not defined.7](#)] and Section [Message subscription](#) [ [Error! Bookmark not defined.90](#)]).

Wording of the UDFS if additional communications for the "Failing" are **switched off**:

In case an existing instruction (Settlement Instruction or Settlement Restriction already in the system) is identified as "Failing", either in the processing the relevant cut-off, or upon completion of the processing of the last cut-off for unmatched Settlement Instructions, T2S does not send a status advice to the T2S Actor to inform about this update (unless this status advice is also informing about the end of a partial release process, in which case it is sent by T2S).

In case an existing instruction is identified as “Failing” through an unsuccessful eligibility check because its applicable cut-off has been reached, the T2S Actor is informed through a message communicating the “Failing” ISO settlement status together with the relevant reason code.

In case an incoming instruction is identified as directly “Failing” in its validation, T2S informs the T2S Actor that the instruction is accepted and “Failing” through a message communicating the “Failing” ISO settlement status together with the relevant T2S status and/or reason codes as described in sections Send Settlement Instruction, Send Settlement Restriction on Securities Position and Send Settlement Restriction on Cash Balance.

Interested parties can also be informed depending on their message subscription preferences (see Section Status Management [} **Error! Bookmark not defined.**7] and Section Message subscription [} **Error! Bookmark not defined.**90]).

### 2.3. Send Settlement Instruction

The following section has to be added to the UDFS only if additional communications to inform about the change from Pending to Failing are **switched on**:

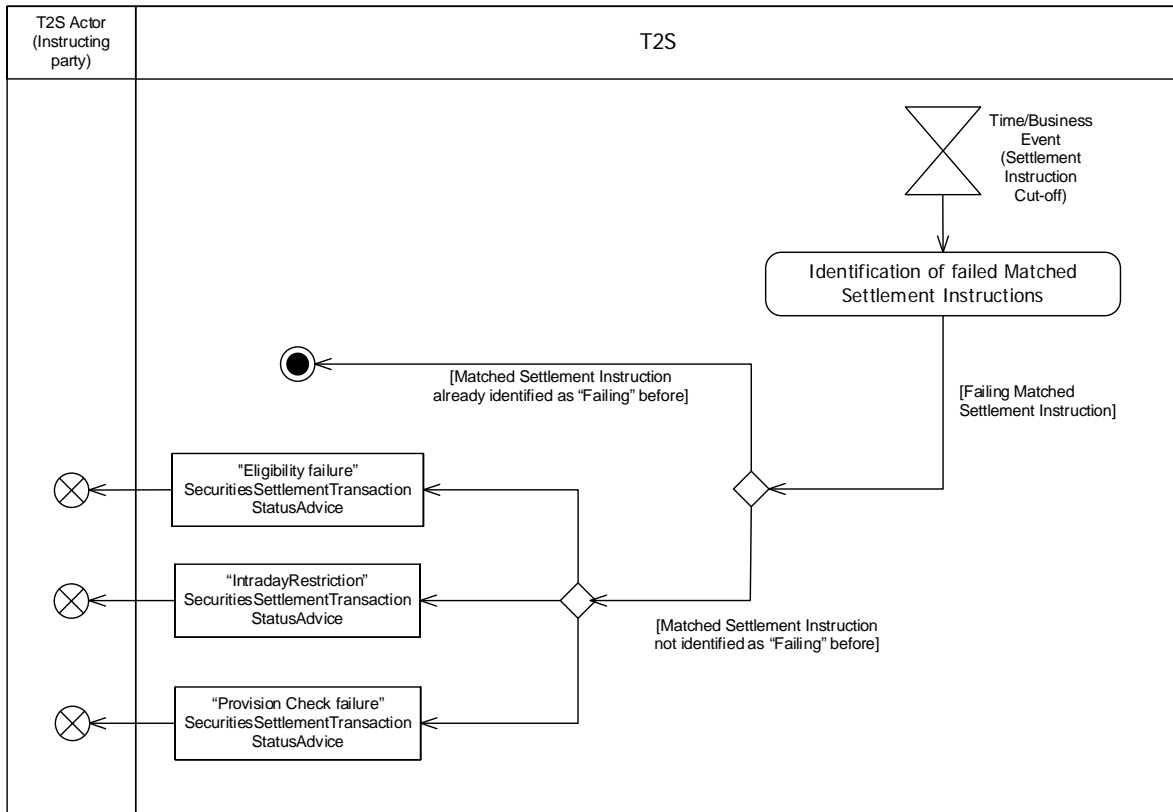
I.e.: If **switched on** we need to include a new section to describe the process to communicate the instructions identified as “Failing” during the Real time closure period.

### **2.3 Reporting of Matched Settlement Instructions identified as failed in their cut-off**

During the Real Time closure Period, in the processing of each cut-off, T2S identifies as “Failing” the Settlement Instructions that can no longer settle at their Intended Settlement Date, and informs the T2S Actor if T2S has not already communicated the “Failing” before.

#### **2.3.6.1** Time / Business Event

The Time / Business Event relates to the processing of a settlement cut-off (i.e.: DVP, BATM, CBO or FOP cut-off). It triggers the identification of failed Matched Settlement instructions



**2.3.6.2 Identification of failed Matched Settlement instructions**

When the identification of Failed Matched Settlement Instructions is triggered, T2S identifies the matched Settlement Instructions that need to be updated to “Failing”.

- **[Failing Matched Settlement Instructions]** Matched Settlement Instructions eligible to the cut-off, which have reached their Intended Settlement Date and are not settled, are identified as “Failing”.
  - **[Matched Settlement Instructions not identified as “Failing” before]** The instructing T2S Actor is provided with the relevant [“Eligibility Failure”](#) [1380] or [“Intraday Restriction”](#) [1380] or a [“Provision check failure”](#) [1380] [SecuritiesSettlementTransactionStatusAdvice](#) [1476] including the “failing” ISO settlement status with the applicable reason(s) for failure.
  - **[Matched Settlement Instructions already identified as “Failing” before]** T2S updates the instruction but no action is performed in terms of communication towards the T2S Actor.

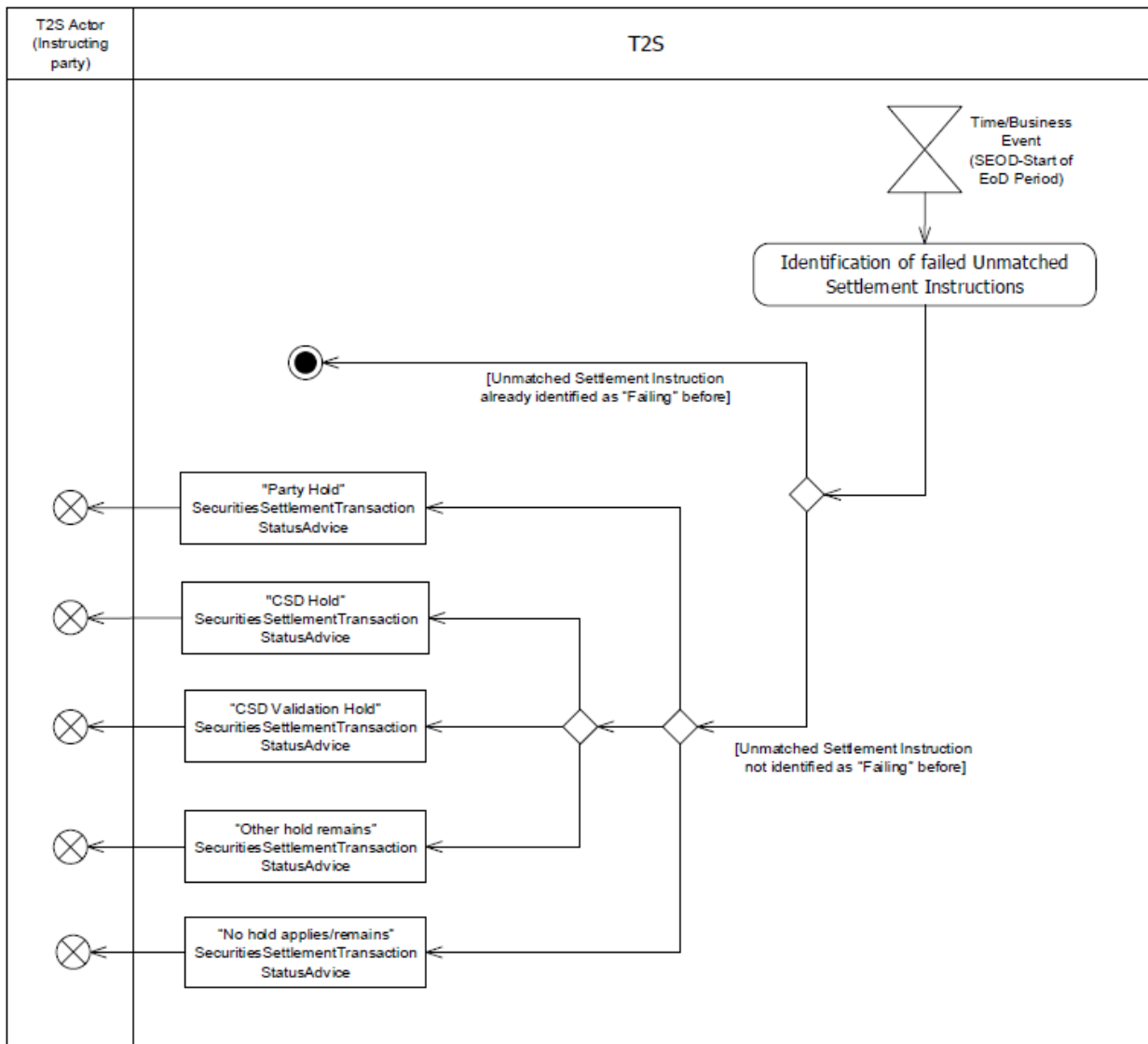
The following section has to be **added to the UDFS only** if additional communications to inform about the change from Pending to Failing are **switched on**:

**2.3.7 Reporting of Unmatched Settlement Instructions identified as failed after the last cut-off of the settlement day**

Upon completion of the last settlement cut-off, T2S identifies as “Failing” the Unmatched Settlement Instructions that can no longer settle at their Intended Settlement Date, and informs the T2S Actor if T2S has not already communicated the “Failing” before.

**2.3.7.1 Time / Business Event**

The Time / Business Event relates to the start of the End of Day period (event – SEOD), that follows the completion of the last cut-off. It triggers the identification of failed Unmatched Settlement Instructions



**2.3.7.2 Identification of failed Unmatched Settlement Instructions**

When the identification of failed instructions is triggered, T2S identifies the Unmatched Settlement Instructions that need to be updated to “Failing”.

- **[Failing Unmatched Settlement Instructions]** Unmatched Settlement Instructions, which have reached their Intended Settlement Date, are identified as “Failing”.
  - **[Unmatched Settlement Instructions not identified as “Failing” before]** The instructing T2S Actor is provided with the relevant “Party Hold” [], “CSD Hold” [], “CSD Validation Hold”[], “Other Hold remains”[], “No hold remain/exist”[] [SecuritiesSettlementTransactionStatusAdvice](#) [1476] including the “Failing” ISO settlement status with the applicable reason(s) for failure.
  - **[Unmatched Settlement Instructions already identified as “Failing” before]** No action is performed.

To modify the following section to add the new message usage “CSD Validation Hold” created with this CR.

2.3.6.2 Outbound messages (number of the section is 2.3.8.2 if switch on parts are included)

ISO MESSAGE/ MESSAGE USAGE	ISO CODE
...	
<a href="#">SecuritiesSettlementTransactionStatusAdvice</a> [ <a href="#">Error! Bookmark not defined.476</a> ] “ <a href="#">CSD Validation Hold</a> ” []	<a href="#">sese.024.001.03</a>

The following section has to be added to the UDFS only if additional communications to inform about the change from Pending to Failing are **switched on**:

2.4 Send Settlement Restriction on Securities Position

Include a new section to describe the process to communicate the Settlement Restriction on Securities identified as “**Failing**” during the Real time closure period.

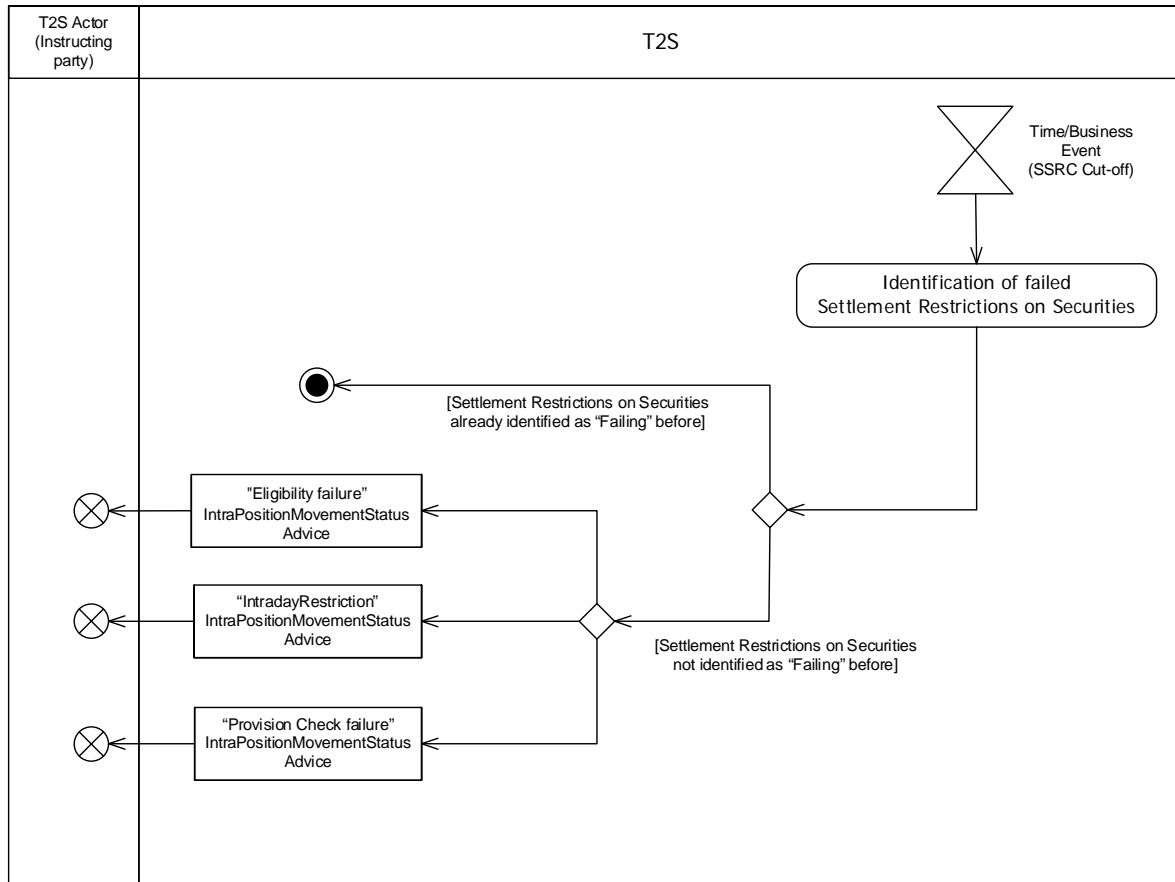
**2.4.6 Reporting of Securities Settlement Restriction identified as failed in their cut-off**

During the Real Time closure Period, in the processing of the Securities Settlement Restriction cut-off, T2S identifies as “Failing” the Settlement Restrictions on Securities that can no longer settle at their Intended Settlement Date, and informs the T2S Actor if T2S has not already communicated the “Failing” before.

**2.4.6.1 Time / Business Event**

The Time / Business Event relates to the processing of the settlement cut-off SSR. It triggers the identification of failed Settlement Restriction on Securities.





2.4.6.2 Identification of failed instructions

When the identification of failed Instructions is triggered, T2S identifies the Settlement Restriction on Securities that need to be updated to “Failing”.

- **[Failing Settlement Restrictions on Securities]** Settlement Restriction on Securities eligible to the cut-off, which have reached their Intended Settlement Date and are not settled, are identified as “Failing”.
  - **[Settlement Restrictions on Securities not identified as “Failing” before]** The instructing T2S Actor is provided with the relevant “[Eligibility Failure](#)” [], “[Intraday Restriction](#)” [] or “[Provision check failure](#)” [] [IntraPositionMovementStatusAdvice](#) [] including the “failing” ISO settlement status with the applicable reason(s) for failure.
  - **[Settlement Restrictions on Securities already identified as “Failing” before]** No action is performed.

The following section has to be added to the UDFS only if additional communications to inform about the change from Pending to Failing are **switched on**:

2.5 Send Settlement Restriction on Cash Balance

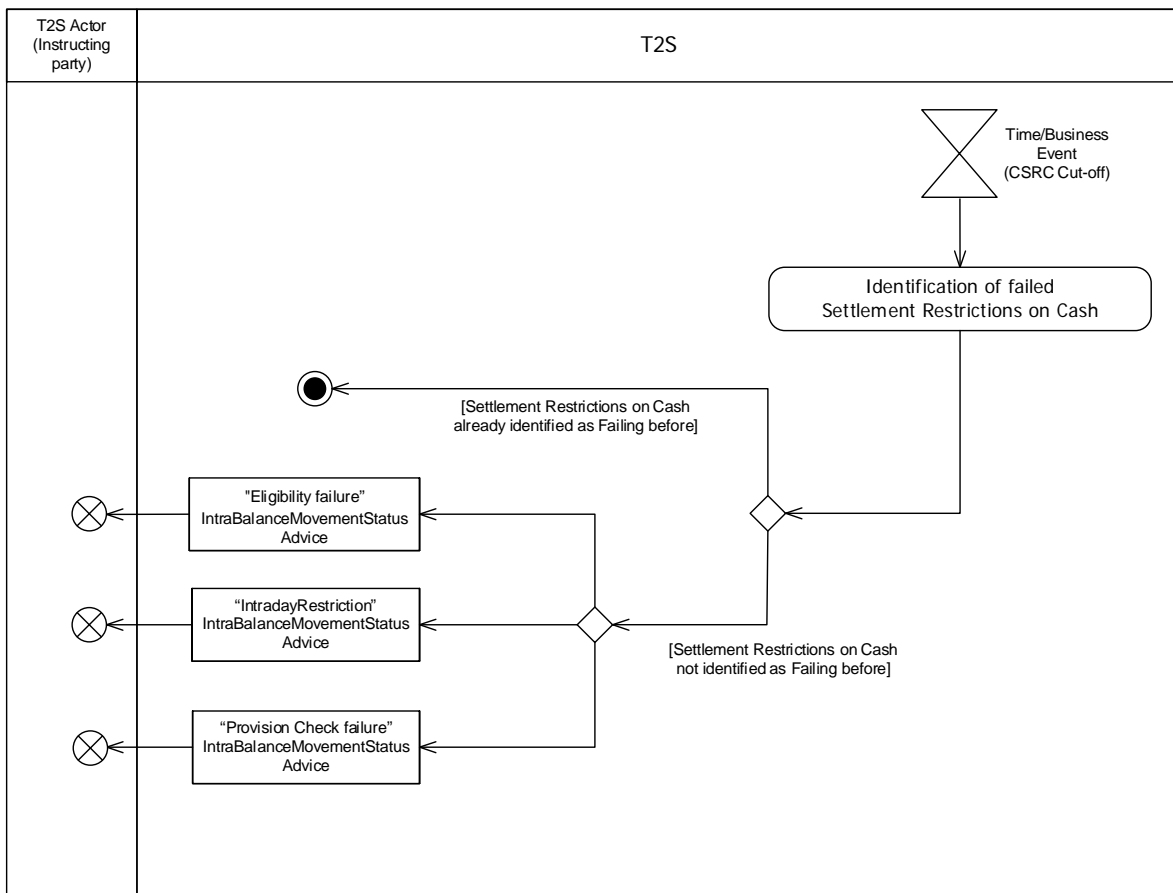
Include a new section to describe the process to communicate the Settlement Restrictions on Cash identified as “**Failing**” during the Real time closure period.

**2.5.6 Reporting of Cash Settlement Restriction identified as failed in their cut-off**

During the Real Time closure Period, in the processing of the Cash Settlement Restriction cut-off, T2S identifies as “Failing” the Settlement Restrictions on Cash that can no longer settle at their Intended Settlement Date, and informs the T2S Actor if T2S has not already communicated the “Failing” before.

**2.5.6.1 Time / Business Event**

The Time / Business Event relates to the processing of the settlement cut-off CSRC. It triggers the identification of failed Settlement Restriction on Cash.



**2.5.6.2 Identification of failed Settlement Restriction on Cash**

When the identification of failed Settlement Restriction on Cash is triggered, T2S identifies the Settlement Restriction on Cash that need to be updated to “Failing”.

- I **[Failing Settlement Restrictions on Cash]** Settlement Restriction on Cash eligible to the cut-off, which have reached their Intended Settlement Date and are not settled, are identified as “Failing”.
- **[Settlement Restrictions on Cash not identified as “Failing before]** The instructing T2S Actor is provided with the relevant [“Eligibility Failure”](#) [], [“Intraday Restriction”](#) [] or [“Provision check](#)

failure” [] IntraBalanceMovementStatusAdvice [] including the “failing” ISO settlement status with the applicable reason(s) for failure.

- **Settlement Restrictions on Cash already identified as “Failing” before** No action is performed.

### 3.3.3.21 IntraBalanceMovementStatusAdviceV01 (camt.067.001.01)

To modify the following message usages of camt.067 to inform about the “Failing” ISO status.

#### 3.3.3.21.3 The message in business context

##### Message usage: Accepted

This message usage relates to the usage of a status advice message, sent by T2S, when the Settlement Restriction on Cash Balance is valid. A Settlement Restriction on Cash Balance is valid and accepted by T2S if it successfully passes the business validation and does not fulfil any rule of a positive rejection restriction

##### Specific message requirements

To inform about an accepted status, the *IntraBalanceMovementStatusAdviceV01* includes the following information:

- AcknowledgedAccepted – status that corresponds to ‘Accepted’;
- 
- Code – ‘OTHR’ ISO code when the Settlement Restriction is accepted fulfilling a rule of a negative rejection restriction ;
- AdditionalReasonInformation – rule ID identifying the rule of a negative rejection restriction fulfilled;
- NoSpecifiedReason – ‘NORE’ ISO code when the Settlement Restriction is accepted not fulfilling any rule of a negative rejection restriction
- Pending/Failing – status indicating that the Settlement Restriction is not settled. Depending on whether the Settlement Restriction can settle on its ISD or not, the Settlement Restriction is informed either with status Pending or Failing respectively;
- Code – ‘FUTU’ ISO code for Pending and ‘CYCL’ ISO code for Failing
- MarketInfrastructureTransactionIdentification – T2S identification of the accepted Settlement Restriction.

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
MarketInfrastructureTransactionIdentification Document/IntraBalMvmntStsAdv/TxId/MktInfrstrctrTxId	RestrictedFINXMax16Text	T2S identification
NoSpecifiedReason Document/IntraBalMvmntStsAdv/PrcgSts/AckdAccptd/NoSpdfdRsn	<a href="#">NoReasonCode</a> [ 1992]	When accepted not fulfilling any rule of a negative rejection restriction, the only possible value is NORE
Code Document/IntraBalMvmntStsAdv/PrcgSts/AckdAccptd /Rsn/Cd/Cd	AcknowledgementReason5Code	When accepted fulfilling a rule of a negative rejection restriction fulfilled, the only possible value is OTHR
AdditionalReasonInformation Document/IntraBalMvmntStsAdv/PrcgSts/AckdAccptd/Rsn/AddtlRsnInf	RestrictedFINXMax210Text	When accepted fulfilling a rule of a negative rejection restriction, rule ID of the rule of a negative rejection restriction fulfilled
<a href="#">Code</a> <a href="#">Document/IntraBalMvmntStsAdv/StlmSts/Pdg//Rsn/Cd/Cd</a>	<a href="#">PendingReason10Code</a> [ 1994]	<a href="#">When accepted and NOT identified as Failed, pending status with only possible reason code value FUTU</a>
<a href="#">Code</a> <a href="#">Document/IntraBalMvmntStsAdv/StlmSts/FIng/Rsn/Cd/Cd</a>	<a href="#">FailingReason3Code</a> [ TbD]	<a href="#">When accepted and identified as Failed, failing status with only possible reason code value CYCL</a>

Message usage example 1: camt.067.001.01\_T2S\_AcceptedPending\_Example.xml

In this example, T2S sends an accepted status as a response to the setting-up of a Settlement Restriction on Cash Balance requested by T2S Party, Party A, (PBPTYBICXXX). Party A requested the blocking of 50000 EUR, using the restriction type 'BLKA', within its account '9000000123'. The Intended Settlement Date for the restriction is on the 9th of January 2015 (current business day) and the Settlement Restriction was received before the last cut-off of the settlement day, hence it is not identified as failing in the validation process.

Message usage example 2: camt.067.001.01\_T2S\_AcceptedFailing\_Example.xml

In this example, T2S sends an accepted status as a response to the setting-up of a Settlement Restriction on Cash Balance requested by T2S Party, Party A, (PBPTYBICXXX). Party A requested the blocking of 10000 EUR, using the restriction type 'BLKA', within its account '9000000123'. The Intended Settlement Date for the restriction is on the 9th of January 2015 (current business day) but the Settlement Restriction was received during the End of Day, hence settlement is no longer possible on its ISD and it is identified as failing directly in the validation process.

#### Message usage: Eligibility Failure

This message usage relates to the usage of status advice message, sent by T2S, when at least one eligibility criterion is not fulfilled by the Settlement Restriction on Cash Balance.

#### Specific message requirements

To inform about a pending/failing status due to an eligibility failure, the *IntraBalanceMovementStatusAdviceV01* includes the following information:

- Pending/Failing – status that corresponds to 'Pending' or 'Failing' (depending on whether the Settlement Restriction can settle on its ISD or not) with one reason code to inform about the eligibility criterion not fulfilled;
- Code – ISO code specifying the reason ~~of the pending due to an~~ of the eligibility failure;
- AdditionalReasonInformation – text comprising a combination of the associated business rule not fulfilled and a short description of the error;
- Supplementary Data – providing the reference of the related business instruction that debits the Dedicated Cash Account where the CoSD blocking occurs.

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
Code Document/IntraBalMvmntStsAdv/Std/mSts/Pdg/Rsn/Cd/Cd	<a href="#">PendingReason10Code</a> [ 1994]	<u>When the Settlement Restriction can settle on its ISD</u> , ISO reason code of the pending due to an eligibility failure. The only possible values are:  LATE  LINK  INBC
Code <u>Document/IntraBalMvmntStsAdv/Std/mSts/FIng/Rsn/Cd/Cd</u>	<a href="#">FailingReason3Code</a> [ TbD]	<u>When the Settlement Restriction can no longer settle on its ISD</u> , ISO reason code of the pending due to an eligibility failure. The only possible values are:  LATE

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
		<u>LINK</u> <u>INBC</u>
AdditionalReasonInformation Document/IntraBalMvmntStsAdv/Std mSts/Pdg/Rsn/AddtlRsnInf	RestrictedFINXMax210Text	Business rule and error description
<u>AdditionalReasonInformation</u> <u>Document/IntraBalMvmntStsAdv/Std</u> <u>mSts/FIng/Rsn/AddtlRsnInf</u>	<u>RestrictedFINXMax210Text</u>	<u>Business rule and error description</u>
RelatedTransactionIdentification Document/IntraBalMvmntStsAdv/Spl mtryData/Envlp/RltdTxId	SupplementaryData1	Reference of the related business instruction that debits the Dedicated Cash Account where the CoSD blocking occurs

Message usage example 1: camt.067.001.01\_T2S\_PendingEligibilityFailure\_Example.xml

In this example, T2S sends an eligibility failure, via a pending status, related to a blocking set-up by Party A (PBPTYBICXXX). Party A requested the blocking of 50000 EUR, using the restriction type 'BLKA' within its account '9000000123'. This blocking is pending of settlement since that restriction has a link AFTE with a Settlement Instruction or a Settlement Restriction on Cash Balance for which the cut off is reached.

Message usage example 2: camt.067.001.01\_T2S\_FailingEligibilityFailure\_Example2.xml

In this example, T2S sends an eligibility failure, via a pending/failing status, due to the failure in a CoSD blocking. In addition to the reason of the failure and the details of the Settlement Restriction, the message also informs the T2S reference of the business instruction that debits the Dedicated Cash Account where the CoSD blocking occurs.

Message usage: Intraday restriction

This message usage relates to the usage of status advice message, sent by T2S, when at least one intraday restriction is detected on a resource required by the Settlement Restriction on Cash Balance. The following message usage informs about a pending/failing status due an intraday restriction detected either on the involved T2S Dedicated Cash Account or parties which owns the T2S Dedicated Cash Account of the Settlement Restriction on Cash Balance.

Specific message requirements

To inform about a pending status due to an intraday restriction, the *IntraBalanceMovementStatusAdviceV01* includes the following information:

- Pending/Failing – status that corresponds to 'Pending' or 'Failing' (depending on whether the Settlement Restriction can settle on its ISD or not) with one reason code to inform about intraday restriction;
- Code – ISO code specifying the reason ~~of the pending due to an~~ of the intraday restriction;

- AdditionalReasonInformation – text comprising of a combination of the associated business rule not fulfilled and a short description of the error;
- Supplementary Data – providing the reference of the related business instruction that debits the Dedicated Cash Account where the CoSD blocking occurs.

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
Code Document/IntraBalMvmntStsAdv/StdImSts/Pdg/Rsn/Cd/Cd	<a href="#">PendingReason10Code</a> [ 1994]	When the Settlement Restriction can settle on its ISD, the only possible value is BLOC.
<u>Code</u> <u>Document/IntraBalMvmntStsAdv/StdImSts/FIng/Rsn/Cd/Cd</u>	<u>FailingReason3Code</u> [ <u>TbD</u> ]	When the Settlement Restriction can no longer settle on its ISD, the only possible value is BLOC.
AdditionalReasonInformation Document/IntraBalMvmntStsAdv/StdImSts/Pdg/Rsn/AddtlRsnInf	RestrictedFINXMax210Text	Business rule and error description
<u>AdditionalReasonInformation</u> <u>Document/IntraBalMvmntStsAdv/StdImSts/FIng/Rsn/AddtlRsnInf</u>	<u>RestrictedFINXMax210Text</u>	<u>Business rule and error description</u>
RelatedTransactionIdentification Document/IntraBalMvmntStsAdv/SplMtryData/Envlp/RltdTxId	SupplementaryData1	Reference of the related business instruction that debits the Dedicated Cash Account where the CoSD blocking occurs

Message usage example 1: camt.067.001.01\_T2S\_PendingIntradayFailure\_Example.xml

In this example, T2S informs about an intraday restriction, via a pending status, related to a reservation set-up by Party A (PBPTYBICXXX). Party A requested the reservation of 50000 EUR, using the restriction type 'RSV1', within its account '9000000123'. The reservation is pending of settlement due to an intraday restriction detected on the T2S Dedicated Cash Account.

Message usage example 2: camt.067.001.01\_T2S\_FailingIntradayFailure\_Example2.xml

In this example, T2S informs about an intraday restriction, via a ~~pending~~ failing status, due to the failure in a CoSD blocking. In addition to the reason of the failure and the details of the Settlement Restriction, the message also informs the T2S reference of the business instruction that debits the Dedicated Cash Account where the CoSD blocking occurs.

Message usage: Provision check failure

This message usage relates to the usage of status advice message, sent by T2S, when within the settlement process, the resources or headroom available on the cash balance is not sufficient for settling the Settlement Restriction on Cash Balance.

#### Specific message requirements

To inform about a pending/failing status, the *IntraBalanceMovementStatusAdviceV01* includes the following information:

- Pending/Failing – status that corresponds to ‘Pending’ or ‘Failing’ (depending on whether the instruction can settle on its ISD or not) with one or more reason codes to inform about the unsuccessful provisioning check;
- Code – ISO code specifying the reason ~~of the pending due to~~ of the provisioning check;
- AdditionalReasonInformation – text comprising of a combination of the associated business rule not fulfilled and a short description of the error;
- Supplementary Data – providing the reference of the related business instruction that debits the Dedicated Cash Account where the CoSD blocking occurs.

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
Code Document/IntraBalMvmntStsAdv/StdImSts/Pdg/Rsn/Cd/Cd	<a href="#">PendingReason10Code</a> [ 1994]	When the Settlement Restriction is can settle on <u>its ISD</u> , ISO reason code of the pending due to a provisioning check failure. The only possible values are: MONY OTHR
Code <u>Document/IntraBalMvmntStsAdv/StdImSts/Flng/Rsn/Cd/Cd</u>	<a href="#">FailingReason3Code</a> [ ] <u>TbD</u>	When the Settlement Restriction can no longer settle on its ISD, ISO reason code of the failing <u>due to a provisioning check failure</u> . The only possible values are: <u>MONY</u> <u>OTHR</u>



MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
AdditionalReasonInformation Document/IntraBalMvmntStsAdvcs/StlmSts/Pdg/Rsn/AddtlRsnInf	RestrictedFINXMax210Text	Business rule and error description
<u>AdditionalReasonInformation</u> <u>Document/IntraBalMvmntStsAdvcs/StlmSts/FIng/Rsn/AddtlRsnInf</u>	<u>RestrictedFINXMax210Text</u>	<u>Business rule and error description</u>
RelatedTransactionIdentification Document/IntraBalMvmntStsAdvcs/SplmtryData/Envlp/RltdTxId	SupplementaryData1	Reference of the related business instruction that debits the Dedicated Cash Account where the CoSD blocking occurs

Message usage example 1: camt.067.001.01\_T2S\_PendingProvisionFailure\_Example.xml

In this example, T2S informs about a provision check failure, via a pending status (Settlement Restriction can still settle on its ISD), related to a blocking set-up by Party A (PBPTYBICXXX). Party A requested the blocking of 50000 EUR, using the restriction type 'BLKA', within its account '9000000123'. The reservation failed in the provision check because the requested amount is higher than the amount present in its cash account '9000000123'.

Message usage example 2: camt.067.001.01\_T2S\_FailingProvisionFailure\_Example2.xml

In this example, T2S informs about a provision check failure, via a pending/failing status (Settlement Restriction can no longer settle on its ISD), due to the failure in a CoSD blocking. In addition to the reason of the failure and the details of the Settlement Restriction, the message also informs the T2S reference of the business instruction that debits the Dedicated Cash Account where the CoSD blocking occurs.

Message usage: Partial Settlement (unsettled part)

This message usage relates to the usage of a status advice message, sent by T2S, and advises about the unsettled part of the Settlement Restriction on Cash Balance related to a reservation restriction processing type that has been partially filled. This message usage informs the pending/failing status of the setting-up of a reservation due to a partial settlement.

Specific message requirements

To inform about the unsettled part of a partial filling reservation, the *IntraBalanceMovementStatusAdviceV01* includes the following information:

- Pending/Failing – status that corresponds to 'Pending' or 'Failing' (depending on whether the Settlement Restriction was partially settled on its ISD or not) with one reason code to inform about the partial settlement;
- Code – 'PART' ISO code indicating the partial settlement of the transaction;
- SettlementAmount– Amount of money remaining to be settled;

- Balance From/Type/Proprietary ID that, within the static data of T2S, corresponds to an “Object Restriction Type” that is a “cash balance” and a “Restriction Processing Type” that is “Deliverable”.
- Balance To/Type/Proprietary ID that, within the static data of T2S, corresponds to an “Object Restriction Type” that is a “cash balance” and a “Restriction Processing Type” that is “Reservation”.

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
Code Document/IntraBalMvmntStsAdv/StdMSts/Pdg/Rsn/Cd/Cd	<a href="#">PendingReason10Code</a> [ 1994]	When the Settlement Restriction is partially settled on its ISD, the only possible value is PART
Code Document/IntraBalMvmntStsAdv/StdMSts/FIngr/Rsn/Cd/Cd	<a href="#">FailingReason3Code</a> [ TbD]	When the Settlement Restriction is partially settled after its ISD but can no longer settle further on its ISD, the only possible value is PART
AmountWithCurrency Document/IntraBalMvmntStsAdv/UndrlygIntraBal/StdMamt/AmtWthCcy	RestrictedFINActiveCurrencyAndAmount	Amount of money remaining to be settled
Identification Document/IntraBalMvmntStsAdv/UndrlygIntraBal/BalFr/Tp/Prtry/Id	Exact4AlphaNumericText	Must be a Restriction Type having a Restriction Processing Type corresponding to 'Deliverable'
Issuer Document/IntraBalMvmntStsAdv/UndrlygIntraBal/BalFr/Tp/Prtry/Issr	Max4AlphaNumericText	The only possible value is T2S
SchemeName Document/IntraBalMvmntStsAdv/UndrlygIntraBal/BalFr/Tp/Prtry/SchmeNm	Exact4AlphaNumericText	The only possible value is RT
Identification Document/IntraBalMvmntStsAdv/UndrlygIntraBal/BalTo/Tp/Prtry/Id	Exact4AlphaNumericText	Must be a Restriction Type having a Restriction Processing Type corresponding to 'Reservation'.
Issuer Document/IntraBalMvmntStsAdv/UndrlygIntraBal/BalTo/Tp/Prtry/Issr	Max4AlphaNumericText	The only possible value is T2S
SchemeName Document/IntraBalMvmntStsAdv/UndrlygIntraBal/BalTo/Tp/Prtry/SchmeNm	Max4AlphaNumericText	The only possible is RT

Message usage example 1: camt.067.001.01\_T2S\_PendingPartialSettlement\_Example.xml

In this example, T2S informs that the reservation of 50000 EUR, using the restriction type 'RSV1', requested by Party A, "PBPTYBICXXX" has been partially settled on its ISD due to a lack of cash. T2S has settled 30000 EUR within its cash account '9000000123', so the Status Advice informs about the unsettled part that is 20000.

### 3.3.7.3 IntraPositionMovementStatusAdviceV03 (semt.014.001.03)

To modify the following message usages of semt.014 to inform about the **Failing** ISO status.

#### **3.3.7.3.3 The message in business context**

##### Message usage: Accepted

This message usage relates to the usage of a status advice message, sent by T2S, when the Securities Settlement Restriction is valid. A Settlement Restriction on securities is valid and accepted by T2S if it successfully passes the business validation and does not fulfil any rule of a positive rejection restriction set by the CSD.

##### Specific message requirements

To inform about an accepted status, the IntraPositionMovementStatusAdviceV03 includes the following information:

- AcknowledgedAccepted – status that corresponds to 'Accepted';
- Code – 'OTHR' ISO code when the Settlement Restriction is accepted fulfilling a rule of a negative rejection restriction;
- AdditionalReasonInformation – rule ID identifying the rule of a negative rejection restriction fulfilled;
- NoSpecifiedReason – 'NORE' ISO code when the Settlement Restriction is accepted not fulfilling any rule of a negative rejection restriction;
- Pending/Failing – status indicating that the Settlement Restriction is not settled. Depending on whether the Settlement Restriction can settle on its ISD or not, the Settlement Restriction is informed either with status Pending or Failing respectively;
- Code – 'FUTU' ISO code for Pending and 'CYCL' ISO code for Failing;
- MarketInfrastructureTransactionIdentification – T2S identification of the accepted Settlement Restriction.

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
MarketInfrastructureTransactionIdentification Document/IntraPosMvmntStsAdvc/TxId/MktInfrstr ctrTxId	RestrictedFINXMax16Text	T2S identification
NoSpecifiedReason Document/IntraPosMvmntStsAdvc/PrcgSts/AckdA ccptd/NoSpofdRsn	<a href="#">NoReasonCode</a> [ 1992]	When accepted not fulfilling any rule of a negative rejection restriction, the only possible value is NORE
Code Document/IntraPosMvmntStsAdvc/PrcgSts/AckdA ccptd /Rsn/Cd/Cd	AcknowledgementReason5Cod e	When accepted fulfilling a rule of a negative rejection, the only possible value is OTHR
AdditionalReasonInformation Document/IntraPosMvmntStsAdvc/PrcgSts/AckdA ccptd /Rsn/AddtlRsnInf	RestrictedFINXMax210Text	When accepted fulfilling a rule of a negative rejection restriction, rule ID of a negative rejection restriction fulfilled
<u>Code</u> <u>Document/IntraPosMvmntStsAdvc/SttlmSts/Pdg/ Rsn/Cd/Cd</u>	<a href="#">PendingReason10Code</a> [ 1994]	<u>When accepted and NOT identified as Failed, pending status with only possible reason code value is FUTU</u>
<u>Code</u> <u>Document/IntraPosMvmntStsAdvc/SttlmSts/FIng/ Rsn/Cd/Cd</u>	<u>FailingReason3Code [ ] TbD]</u>	<u>When accepted and identified as Failed, failing status with only possible reason code valueCYCL</u>

Message usage example 1: semt.014.001.03 T2S AcceptedPending Example.xml

In this example, T2S sends an accepted status as a response to the setting-up of a Settlement Restriction on securities requested by T2S party, BANK A (BNKAFRPPXXX). BANK A requested the blocking, using the restriction type 'BLK1', of 100000 units of the securities 'ISIN01234567' within its account '100000123'. The Intended Settlement Date for the restriction is on the 2nd of January 2015 (current business day) and the Settlement Restriction was received before the last cut-off of the settlement day, hence it is not identified as failing in the validation process. T2S assigns the identification 'T1234' to the accepted Settlement Restriction.

Message usage example 2: semt.014.001.03 T2S AcceptedFailing Example.xml

In this example, T2S sends an accepted status as a response to the setting-up of a Settlement Restriction on securities requested by T2S party, BANK A (BNKAFRPPXXX). BANK A requested the blocking, using the restriction type 'BLK2', of 500000 units of the securities 'ISIN01234555' within its account '100000222'. The

Intended Settlement Date for the restriction is on the 2nd of January 2015 (current business day) but the Settlement Restriction was received during the End of Day, hence settlement is no longer possible on its ISD and it is identified as failing directly in the validation process. T2S assigns the identification 'T1234' to the accepted Settlement Restriction.

Message usage: Eligibility failure

This message usage relates to the usage of status advice message, sent by T2S, when at least one eligibility criterion is not fulfilled by the Securities Settlement Restriction.

Specific message requirements

To inform about a pending/failing status due to an eligibility failure, the *IntraPositionMovementStatusAdviceV03* includes the following information:

- Pending/Failing – status that corresponds to 'Pending' or 'Failing' (depending on whether the Settlement Restriction can settle on its ISD or not) with one reason code to inform about the eligibility criterion not fulfilled;
- Code – ISO code specifying the reason ~~of the pending due to an~~ for the eligibility failure;
- AdditionalReasonInformation – text comprising of a combination of the associated business rule not fulfilled and a short description of the error;
- SettlementQuantity – the quantity of financial instrument remaining to be settled.
- Supplementary Data – providing the reference of the related DELI business instruction where the CoSD blocking occurs.

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
Code Document/IntraPosMvmntStsAdvc/SttlmSts/ Pdg/Rsn/Cd/Cd	<a href="#">PendingReason10Code</a> [ 1994]	<u>When the Settlement Restriction can settle on its ISD, ISO reason code that informs inform about the eligibility criterion not fulfilled. The only possible values are:</u>  INBC LINK LATE
Code <u>Document/IntraPosMvmntStsAdvc/SttlmSts/ FIng/Rsn/Cd/Cd</u>	<a href="#">FailingReason3Code</a> [ Tbd]	<u>When the Settlement Restriction can no longer settle on its ISD, ISO reason code that informs about the eligibility criterion not fulfilled. The only possible values are:</u>

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
		<u>INBC</u> <u>LINK</u> <u>LATE</u>
<u>AdditionalReasonInformation</u> <u>Document/IntraPosMvmntStsAdvc/PregSts/</u> <u>Canc/Rsn/AddtlRsnInf</u>	<u>RestrictedFINXMax210Text</u>	<u>Business rule and error</u> <u>description</u>
<u>AdditionalReasonInformation</u> <u>Document/IntraPosMvmntStsAdvc/SttlmSts/</u> <u>Pdg/Rsn/AddtlRsnInf</u>	<u>RestrictedFINXMax210Text</u>	<u>Business rule and error</u> <u>description</u>
<u>AdditionalReasonInformation</u> <u>Document/IntraPosMvmntStsAdvc/SttlmSts/</u> <u>FIng/Rsn/AddtlRsnInf</u>	<u>RestrictedFINXMax210Text</u>	<u>Business rule and error</u> <u>description</u>
<u>SettlementQuantity</u> <u>Document/IntraPosMvmntStsAdvc/TxDtls/St</u> <u>tImQty</u>	<u>FinancialInstrumentQuantity1Choic</u> <sup>e</sup>	Quantity to be settled
<u>RelatedTransactionIdentification</u> <u>Document/IntraPosMvmntStsAdvc/Splmtry</u> <u>Data/Envlp/RltdTxld</u>	<u>SupplementaryData1</u>	Reference of the related DELI business instruction where the CoSD blocking occurs.

Message usage example 1: semt.014.001.03\_T2S\_PendingEligibilityFailure\_Example.xml

In this example, T2S sends an eligibility failure, via a failing pending status, related to a reservation set-up by BANK A (BNKAFRPPXXX). BANK A requested the reservation, using the restriction type 'RSV1', of 100000 units of securities 'ISIN01234567' within its securities account '1000000123'. This reservation is pending not executed of settlement since that reservation has a link AFTE with a Settlement Instruction or with a Settlement Restriction on Securities for which the cut off is reached.

Message usage example 2: semt.014.001.03\_T2S\_FailingEligibilityFailure\_Example2.xml

In this example, T2S informs about a eligibility failure, via a pendingfailing status, due to the failure in a CoSD blocking. In addition to the reason of the failure and the details of the Settlement Restriction, the message also informs the T2S reference of the related DELI business instruction where the CoSD blocking occurs

Message usage: Intraday restriction

This message usage relates to the usage of status advice message, sent by T2S, when at least one intraday restriction is detected on an object required by the Securities Settlement Restriction. The following message usage informs about a pending/failing status due an intraday restriction detected either on the securities, on the involved securities account or on the involved T2S Party of the Settlement Restriction.

Specific message requirements

To inform about a pending/~~failing~~ status due to an intraday restriction, the *IntraPositionMovementStatusAdviceV03* includes the following information:

- Pending/~~Failing~~ – status that corresponds to ‘Pending’ or ‘Failing’ (depending on whether the Settlement Restriction can settle on its ISD or not) with one or more reason codes to inform about the intraday restriction detected;
- Code – ISO code specifying the reason ~~of the pending due to an~~ for the intraday restriction;
- AdditionalReasonInformation – text comprising a combination of the associated business rule not fulfilled and a short description of the error;
- SettlementQuantity – the quantity of financial instrument remaining to be settled.
- Supplementary Data – providing the reference of the related DELI business instruction where the CoSD blocking occurs.

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
Code Document/IntraPosMvmntStsAdv/SttImSts/Pdg/ Rsn/Cd/Cd	<a href="#">PendingReason10Code</a> [ 1994]	When the <u>Settlement Restriction can settle on its ISD</u> , ISO reason code that informs about the intraday restriction not fulfilled. The only possible values are: BLOC SBLO
<u>Code</u> <u>Document/IntraPosMvmntStsAdv/SttImSts/FIng/ Rsn/Cd/Cd</u>	<a href="#">FailingReason3Code</a> [ TbD]	When <u>Settlement Restriction can no longer settle on its ISD</u> , ISO reason code that informs about the intraday restriction not fulfilled. The <u>only possible values are:</u> BLOC SBLO

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
AdditionalReasonInformation Document/IntraPosMvmntStsAdvc/SttlmSts/Pdg/ Rsn/AddtlRsnInfn	RestrictedFINXMax210Text	Business rule and error description
<u>AdditionalReasonInformation</u> <u>Document/IntraPosMvmntStsAdvc/SttlmSts/FIng/ Rsn/AddtlRsnInfn</u>	<u>RestrictedFINXMax210Text</u>	<u>Business rule and error description</u>
SettlementQuantity Document/IntraPosMvmntStsAdvc/TxDtls/SttlmQt y	FinancialInstrumentQuantity1Choice	Quantity to be settled
RelatedTransactionIdentification Document/IntraPosMvmntStsAdvc/SplmtryData/E nvlp/RltdTxld	SupplementaryData1	Reference of the related DELI business instruction where the CoSD blocking occurs.

Message usage example 1: semt.014.001.03 T2S PendingIntradayFailure Example.xml

In this example, T2S informs about an intraday restriction, via a pending status, related to a reservation set-up by BANK A (BNKAFRPPXXX). BANK A requested the reservation, using the restriction type 'RSV1', of 100000 units of securities 'ISIN01234567' within its securities account '1000000123'. This reservation is pending (it can still settle on its ISD) of settlement due to an intraday restriction detected on the ISIN of the Settlement Restriction.

Message usage example 2: semt.014.001.03 T2S FailingIntradayFailure Example2.xml

In this example, T2S informs about an intraday restriction, via a ~~pending~~failing status (settlement restriction can no longer settle on its ISD), due to the failure in a CoSD blocking. In addition to the reason of the failure and the details of the Settlement Restriction, the message also informs the T2S reference of the related DELI business instruction where the CoSD blocking occurs

Message usage: Provision check failure

This message usage relates to the usage of status advice message sent by T2S, when within the settlement process, the resources available on the securities positions are not sufficient for settling the Securities Settlement Restriction.

Specific message requirements

To inform about a pending/failing status, the *IntraPositionMovementStatusAdviceV03* includes the following information:

- Pending/Failing – status that corresponds to 'Pending' or 'Failing' (depending on whether the instruction can settle on its ISD or not) with one or more reason codes to inform about the unsuccessful provisioning check;



- Code – ISO code specifying the reason of the pending due to the provisioning check;
- AdditionalReasonInformation – text comprising a combination of the associated business rule not fulfilled and a short description of the error;
- Supplementary Data – providing the reference of the related DELI business instruction where the CoSD blocking occurs.
- SettlementQuantity – the quantity of financial instrument to be settled equals to the original quantity.

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
Code Document/IntraPosMvmntStsAdv/StdImSts/Pdg/Rsn/Cd/Cd	<a href="#">PendingReason10Code</a> [ } 1994]	When the Settlement Restriction can <u>settle on its ISD</u> , ISO reason code that informs about the unsuccessful provisioning check. The only possible values are:  LACK  OTHR
Code <a href="#">Document/IntraPosMvmntStsAdv/StdImSts/FIng/Rsn/Cd/Cd</a>	<a href="#">FailingReason3Code</a> [ } TbD]	When the Settlement Restriction <u>cannot longer settle on its ISD</u> , ISO reason code that informs about the <u>unsuccessful provisioning check</u> . The <u>only possible values are:</u>  <u>LACK</u>  <u>OTHR</u>
AdditionalReasonInformation Document/IntraPosMvmntStsAdv/StdImSts/Pdg/Rsn/AddtlRsnInf	RestrictedFINXMax210Text	Business rule and error description
<a href="#">AdditionalReasonInformation</a> <a href="#">Document/IntraPosMvmntStsAdv/StdImSts/FIng/Rsn/AddtlRsnInf</a>	<a href="#">RestrictedFINXMax210Text</a>	<a href="#">Business rule and error description</a>
SettlementQuantity Document/IntraPosMvmntStsAdv/TxDtls/StdImQty	FinancialInstrumentQuantity1Choice	Quantity to be settled
RelatedTransactionIdentification Document/IntraPosMvmntStsAdv/Splmtr	SupplementaryData1	Reference of the related DELI business instruction where the CoSD

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
yData/Envlp/RltdTxId		blocking occurs.

Message usage example 1: semt.014.001.03 T2S PendingProvisionFailure Example.xml

In this example, T2S informs about a provision check failure, via a pending status (Settlement Restriction can still settle on its ISD), related to a reservation set-up by BANK A (BNKAFRPPXXX). BANK A requested the reservation, using the restriction type “RSV1”, of 100000 units of securities “ISIN01234567” within its securities account “1000000123”. This reservation is pending of settlement due to a lack of securities in Bank A’s position.

Message usage example 2: semt.014.001.03 T2S FailingProvisionFailure Example2.xml

In this example, T2S informs about a provision check failure, via a ~~pending~~ failing status (Settlement Restriction can no longer settle on its ISD), due to the failure in a CoSD blocking. In addition to the reason of the failure and the details of the Settlement Restriction, the message also informs the T2S reference of the related DELI business instruction where the CoSD blocking occurs

Message usage: Partial settlement (unsettled part)

This message usage relates to the usage of a status advice message, sent by T2S, and advices about the unsettled part of a Securities Settlement Restriction related to a reservation restriction processing type that has been partially filled. This message usage informs the pending/~~pending~~ status of the setting-up of a reservation due to a partial settlement.

Specific message requirements

To inform about the unsettled part of a partial filling reservation, the *IntraPositionMovementStatusAdviceV03* includes the following information:

- Pending/~~pending~~ – status that corresponds to ‘Pending’ or ‘Failing’ (depending on whether the Settlement Restriction was partially settled on its ISD or not) with one reason code to inform about the partial settlement;
- Code – ‘PART’ ISO code indicating the partial settlement of the transaction;
- SettlementQuantity – quantity of financial instrument remaining to be settled;
- Balance From/Code with the value “AWAS” which indicates the deliverable position;
- Balance To/Proprietary ID that, within the static data of T2S, corresponds to an “Object Restriction Type” that is a “securities position” and a “Restriction Processing Type” that is “Reservation”.

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
Code Document/IntraPosMvmntStsAdv/StdImSts/Pdg/ Rsn/Cd/Cd	<a href="#">PendingReason10Code</a> [ 1994]	<u>When the Settlement Restriction is partially settled on its ISD, the only possible value is PART</u>
Code	<a href="#">FailingReason3Code</a> [ TbD]	<u>When the Settlement</u>

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
<u>Document/IntraPosMvmntStsAdvc/SttImSts/FIngr/Rsn/Cd/Cd</u>		<u>Restriction is partially settled after its ISD, the only possible value is PART</u>
SettlementQuantity Document/IntraPosMvmntStsAdvc/TxDtls/SttImQty	FinancialInstrumentQuantity1Choice	Quantity to be settled
Code Document/IntraPosMvmntStsAdvc/TxDtls/BalFr/Cd	<a href="#">SecuritiesBalanceType13Code</a> [ <b>Error! Bookmark not defined.</b> ]	AWAS to indicate movement from Deliverable position
Identification Document/IntraPosMvmntStsAdvc/TxDtls/BalTo/Prtry/Id	<a href="#">Exact4AlphaNumericText</a> [ <b>Error! Bookmark not defined.</b> ]	Must be a Restriction Type having a RestrictionProcessing Type corresponding to Reservation.
Issuer Document/IntraPosMvmntStsAdvc/TxDtls/BalTo/Prtry/Issr	Max4AlphaNumericText	The only possible value is T2S
SchemeName Document/IntraPosMvmntStsAdvc/TxDtls/BalTo/Prtry/SchmeNm	Max4AlphaNumericText	The only possible value is RT

Message usage example 1: semt.014.001.03\_T2S\_PendingPartialSettlement\_Example.xml

In this example, T2S informs that the setting-up of the reservation, using the restriction type 'RSV1', requested by BANK A (BNKAFRPPXXX) has been partially settled on its ISD due to lack of securities. The quantity remaining to be settled is 50000 units of securities 'ISIN01234567' within the securities account '1000000123'.

Message usage example 2: semt.014.001.03\_T2S\_FailingPartialSettlement\_Example.xml

On 2<sup>nd</sup> of January 2015, the setting-up of a reservation was partially settled (example 1). On the next business day, the setting-up of the reservation, using the restriction type 'RSV1', is again partially settled due to lack of securities. The quantity remaining to be settled is 25000 units of securities 'ISIN01234567' within the securities account '1000000123'. This is informed with a status advice with a failing status.

### 3.3.8.5 SecuritiesSettlementTransactionStatusAdviceV03 (sese.024.001.03)

To modify the following message usages of sese.024 to inform about the **Failing** status. Additionally a new message usage "CSD validation Hold" needs to be created.

### 3.3.8.5.1 Overview and scope of the message

To modify the following footnotes (347 to 352) to include CYCL for failing instead of FUTU. The wording of these 6 foot notes should read as follows:

The rule R7 (SettlementStatusAndMatchedRule) defined by ISO for the sese.024 states that if settlement status/reason is used alone, then it means that the transaction is matched. Currently there are four exceptions to this rule in T2S as the sese.024 status advice message may report a settlement/reason status of an unmatched instruction in the following scenarios:

I Put on party hold (PREA),

I Put on CSD hold (CSDH),

I Put on CSD validation hold (CVAL)

I No hold exists or last applicable hold indicator is released (FUTU/CYCL depending whether the instruction is pending or failing).

Note: this change in the footnotes is described only for consistency with current documentation. With CR-614 (approved for release 3.2 together with CR-609), the footnotes will no longer appear because the sese.024 will inform about the Unmatched status whenever a pending/failing reason code is reported.

### 3.3.8.5.3 The message in business context

#### Message usage: Accepted

#### Specific message requirements

To inform about an accepted status, the *SecuritiesSettlementTransactionStatusAdviceV03* includes the following information:

- AcknowledgedAccepted – status that corresponds to ‘Accepted’;
- Code – ‘OTHR’ ISO code when the Settlement Instruction is accepted fulfilling a rule of a negative restriction (rejection and/or CSD Validation Hold);
- AdditionalReasonInformation – rule ID identifying a negative restriction fulfilled (rejection and/or CSD Validation Hold);
- NoSpecifiedReason – ‘NORE’ ISO code when the Settlement Instruction is accepted not fulfilling any rule of a negative restriction (rejection and/or CSD Validation Hold);
- Pending/Failing – status indicating that the instruction is not settled. Depending on whether the instruction can settle on its ISD or not, the instruction is informed either with status Pending or Failing respectively;
- Code – ‘FUTU’ ISO code for Pending and ‘CYCL’ ISO code for Failing;
- MarketInfrastructureTransactionIdentification – T2S identification of the accepted Settlement Instruction;
- Supplementary Data – the T2S Matching Reference assigned by T2S to both Settlement Instructions.

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
MarketInfrastructureTransactionIdentification Document/SciesSttlmTxStsAdvc/TxId/MktInfrstrct rTxId	RestrictedFINXMax16Text	T2S identification
NoSpecifiedReason Document/SciesSttlmTxStsAdvc/PrcgSts/AckdAc cptd/NoSpfdRsn	<a href="#">NoReasonCode</a> [ 1992]	When accepted not fulfilling any rule of a negative restriction (rejection and/or CSD Validation Hold), the only possible value is NORE
Code Document/SciesSttlmTxStsAdvc/PrcgSts/AckdAc cptd /Rsn/Cd/Cd	AcknowledgementReason 5Code	When accepted fulfilling a rule of a negative restriction (rejection and/or CSD Validation Hold), the only possible value is OTHR.
AdditionalReasonInformation Document/SciesSttlmTxStsAdvc/PrcgSts/AckdAc cptd /Rsn/AddtlRsnInf	RestrictedFINXMax210Text	When accepted fulfilling a rule of a negative restriction (rejection and/or CSD Validation Hold), rule ID of a negative restriction (rejection and/or CSD Validation Hold).
<u>Code</u> <u>Document/SciesSttlmTxStsAdvc/SttlmSts/Pdg/ Rsn/Cd/Cd</u>	<u>PendingReason2Code</u> [ <input type="checkbox"/> <u>1993</u> ]	<u>When accepted and not identified as Failed, pending status with only possible reason code value is FUTU</u>
<u>Code</u> <u>Document/SciesSttlmTxStsAdvc/SttlmSts/FIng/Rs n/Cd/Cd</u>	<u>FailingReason2Code</u> [ <u>TbD</u> ]	<u>When accepted and identified as Failed, failing status with only possible reason code value CYCL</u>
RelatedTransactionIdentification Document/SciesSttlmTxStsAdvc/SplmtryData/En vlp/RltdTxId	SupplementaryData1	T2S Matching Reference assigned by T2S to both Settlement Instructions

Message usage example 1: sese.024.001.03 T2S AcceptedPending\_Example.xml

Firstly CSD Participant A (PRTAFRPPXXX) with a securities account '100000123' in T2S has instructed the delivery of 100000 securities ISIN000001 to its counterparty CSD Participant B (CSDPBICXXX) and its CSD B (CSDBBIC1XXX) versus a payment of 575000, Euros for settlement on the 3/1/2015 (date in the future). In this example, T2S sends an accepted status advice as response to the instructed Settlement Instruction informing the accepted and the pending status.

Message usage example 2: sese.024.001.03 T2S AcceptedAlreadyMatchedPending\_Example.xml

Firstly, CSD Participant A (PRTAFRPPXXX) with a securities account “1000000123” in T2S has instructed, with “High” priority, the delivery of 50000 securities, ISIN00000001, to the securities account “1000000234” held by counterparty CSD Participant B (PRTBBIC1XXX) belonging to CSD C (CSDCBIC1XXX) versus a payment of 234056 Euros for settlement on the 3/1/2015 (date in the future). The instruction is sent as already matched.

In this example, T2S sends an accepted status advice as response to the instructed Settlement Instruction. The status advice ~~also~~ informs the accepted, matched and pending status. The status advice informs the and T2S Matching Reference (Supplementary Data) on the same message.

Message usage example 3: sese.024.001.03 T2S AcceptedFailing Example.xml

Firstly CSD Participant A (PRTAFRPPXXX) with a securities account ‘1000000222’ in T2S has instructed the delivery of 100000 securities ISIN000011 to its counterparty CSD Participant B (CSDPBBICXXX) and its CSD B (CSDBBIC1XXX) versus a payment of 575000, Euros for settlement on the 3/1/2013 (date in the past). In this example, T2S sends an accepted status advice as response to the instructed Settlement Instruction informing the accepted and the failing status.

Message usage example 4: sese.024.001.03 T2S AcceptedAlreadyMatchedFailing Example.xml

Firstly, CSD Participant A (PRTAFRPPXXX) with a securities account “1000000222” in T2S has instructed, with “High” priority, the delivery of 50000 securities, ISIN00000011, to the securities account “1000000234” held by counterparty CSD Participant B (PRTBBIC1XXX) belonging to CSD C (CSDCBIC1XXX) versus a payment of 234056 Euros for settlement on the 3/1/2013 (date in the past). The instruction is sent as already matched.

In this example, T2S sends an accepted status advice as response to the instructed Settlement Instruction. The status advice informs the accepted, matched and pending status. The status advice informs the T2S Matching Reference (Supplementary Data) on the same message.

Message usage: Accepted with Hold

Specific message requirements

To inform about an Accepted with Hold, the *SecuritiesSettlementTransactionStatusAdviceV03* includes the following information:

- AcknowledgedAccepted – status that corresponds to ‘Accepted’;
- Code – “OTHR” ISO code when the Settlement Instruction is accepted fulfilling a rule of a negative restriction (rejection and/or CSD Validation Hold);
- AdditionalReasonInformation – rule ID identifying a negative restriction fulfilled (rejection and/or CSD Validation Hold);
- NoSpecifiedReason – ‘NORE’ ISO code when the Settlement Instruction is accepted not fulfilling any rule of a negative restriction (rejection and/or CSD Validation Hold);
- MarketInfrastructureTransactionIdentification – T2S identification of the accepted Settlement Instruction;
- Pending/Failing – status indicating that the instruction is not settled. Depending on whether the instruction can settle on its ISD or not, the instruction is informed either with status Pending or Failing respectively that corresponds to ‘Pending’;

- Code – ISO Code that indicates that the instruction is either on Party Hold or in CSD Hold;
- HoldIndicator – set to “True”;
- HoldIndicator/Code – ISO code specifying that the Hold type is either Party or CSD Hold.

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
NoSpecifiedReason Document/SctiesSttImTxStsAdvC/Prc gSts/AckdAccptd/NoSpcfdRsn	<a href="#">NoReasonCode</a> [ 1922]	When accepted not fulfilling any rule of a negative restriction (rejection and/or CSD Validation Hold), the only possible value is NORE
Code Document/SctiesSttImTxStsAdvC/Prc gSts/AckdAccptd/Rsn/Cd/Cd	<a href="#">AcknowledgementReason5Code</a> [ 1983]	When accepted fulfilling a rule of a negative restriction (rejection and/or CSD Validation Hold), the only possible value is OTHR
AdditionalReasonInformation Document/SctiesSttImTxStsAdvC/Prc gSts/AckdAccptd/Rsn/AddtlRsnInf	RestrictedFINXMax210Text	When accepted fulfilling a rule of a negative restriction (rejection and/or CSD Validation Hold), rule ID of a negative rejection restriction (rejection and/or CSD Validation Hold)
Code Document/SctiesSttImTxStsAdvC/Sttl mSts/Pdg/Rsn/Cd/Cd	<a href="#">PendingReason2Code</a> [ 1993]	When the instruction can settle on <u>its ISD, pending status with "CSDH"</u> for CSD Hold or "PREA" for Party Hold
<u>Code</u> <u>Document/SctiesSttImTxStsAdvC/Sttl</u> <u>mSts/FIng/Rsn/Cd/Cd</u>	<u>FailingReason2Code</u> [ <b>Error!</b> <b>Bookmark not defined.</b> ]	When the instruction can no longer settle on its ISD, <u>failing status with "CSDH"</u> for CSD Hold or "PREA" for Party Hold
Indicator Document/SctiesSttImTxStsAdvC/TxD tls/SttImParams/HldInd/Ind	YesNoIndicator	The only possible value is TRUE
Code Document/SctiesSttImTxStsAdvC/TxD tls/SttImParams/HldInd/Rsn/Cd/Cd	<a href="#">Registration2Code</a> [ 1996]	ISO code specifying that the Hold type. The only possible values are: <ul style="list-style-type: none"> <li>  PTYH</li> <li>  CSDH</li> </ul>

Message usage example 1: sese.024.001.03\_T2S\_AcceptedPendingWithHold\_Example.xml

Firstly CSD Participant A (PRTAFRPPXXX) with a securities account '100000123' in T2S has instructed the delivery of 100000 securities ISIN000001 to its counterparty CSD Participant B (CSDPBICXXX) and its CSD B (CSDBBIC1XXX) versus a payment of 575000, Euros for settlement on the 3/1/2015 (date in the future). The securities account '100000123' has the "Hold Release default" value set to "Yes". In this example, T2S sends an accepted and a pending status in the same status advice to inform Participant A that its Settlement Instruction has been accepted and put on hold at its acceptance.

Message usage example 2: sese.024.001.03\_T2S\_AcceptedFailingWithHold\_Example.xml

Firstly CSD Participant A (PRTAFRPPXXX) with a securities account '100000222' in T2S has instructed the delivery of 100000 securities ISIN000011 to its counterparty CSD Participant B (CSDPBICXXX) and its CSD B (CSDBBIC1XXX) versus a payment of 575000, Euros for settlement on the 3/1/2013 (date in the past). The securities account '100000222' has the "Hold Release default" value set to "Yes". In this example, T2S sends an accepted and a failing status in the same status advice to inform Participant A that its Settlement Instruction has been accepted and put on hold at its acceptance.

Message usage: Party Hold

Specific message requirements

To inform about a Party Hold, the *SecuritiesSettlementTransactionStatusAdviceV03* includes the following information:

- Pending/Failing – status indicating that the instruction is not settled. Depending on whether the instruction can settle on its ISD or not, the instruction is informed either with status Pending or Failing respectively that corresponds to 'Pending';
- Code – "PREA" ISO Code that indicates that the instruction is on Hold;
- HoldIndicator – set to "True";
- HoldIndicator/Code – "PTYHY" ISO code specifying that the Hold type is Party Hold.

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
Code Document/SciesSttlmTxStsAdvc/SttlmSts /Pdg/Rsn/Cd/Cd	<a href="#">PendingReason2Code</a> [ ] 1993]	<u>When instruction can settle on its ISD, pending status with reason code PREA</u>
Code Document/SciesSttlmTxStsAdvc/SttlmSts /Fng/Rsn/Cd/Cd	<a href="#">FailingReason2Code</a> [ ] TbD]	<u>When instruction can no longer settle on its ISD, failing status with reason code PREA</u>



MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
Indicator Document/SciesSttImTxStsAdvC/TxDtIs/S ttImParams/HIdInd/Ind	YesNoIndicator	The only possible value is TRUE
Code Document/SciesSttImTxStsAdvC/TxDtIs/S ttImParams/HIdInd/Rsn/Cd/Cd	<a href="#">Registration2Code</a> [ 1996]	The only possible value is PTYH

Message usage example: sese.024.001.03\_T2S\_PartyPendingHold\_Example.xml

Firstly CSD Participant A (PRTAFRPPXXX) with a securities account '1000000123' in T2S has instructed the delivery of 100000 securities ISIN000001 to its counterparty CSD Participant B (CSDPBBICXXX) and its CSD B (CSDBBIC1XXX) versus a payment of 575000, Euros for settlement on the 3/1/2015 (date in the future). In this example, T2S sends a pending status advice to inform Participant A that its Settlement Instruction has been put on hold.

Message usage: CSD Hold

Specific message requirements

To inform about a CSD Hold, the SecuritiesSettlementTransactionStatusAdviceV03 includes the following information:

- Pending/Failing – status indicating that the instruction is not settled. Depending on whether the instruction can settle on its ISD or not, the instruction is informed either with status Pending or Failing respectively that corresponds to 'Pending';
- Code – "CSDH" ISO Code that indicates that the instruction is on CSD Hold;
- HoldIndicator – set to "True";
- HoldIndicator/Code – A "CSDH" ISO reason code, specifying that the Hold type is CSD Hold.

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
Code Document/SciesSttImTxStsAdvC/SttImSts/Pdg/Rs n/Cd/Cd	<a href="#">PendingReason2Code</a> [ <b>Error!</b> <b>Bookmark not defined.</b> ]	<u>When the instruction can settle on its ISD, pending status with reason code</u> <del>The only possible value is CSDH</del>
Code <u>Document/SciesSttImTxStsAdvC/SttImSts/FIng/R</u> <u>sn/Cd/Cd</u>	<a href="#">FailingReason2Code</a> [ TbD]	<u>When the instruction can no longer settle on its ISD, failing status with reason code CSDH</u>

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
Indicator Document/SciesSttlmTxStsAdv/TxDtls/SttlmPar ams/HldInd/Ind	YesNoIndicator	The only possible value is TRUE
Code Document/SciesSttlmTxStsAdv/TxDtls/SttlmPar ams/HldInd/Rsn/Cd/Cd	<a href="#">Registration2Code</a> [ 1996]	The only possible is CSDH

Message usage example: sese.024.001.03\_T2S\_CSDFailingHold\_Example.xml

Firstly CSD Participant A (PRTAFRPPXXX) with a securities account '1000000123' in T2S has instructed the delivery of 100000 securities ISIN000001 to its counterparty CSD Participant B (CSDPBBICXXX) and its CSD B (CSDBBIC1XXX) versus a payment of 575000, Euros for settlement on the 3/1/2013~~5~~ (date in the past). T2S checks whether the Settlement Instruction fulfils any rule set by a CSD.

Secondly, CSD A (CSDABIC1XXX) holds the instruction by putting the CSD Hold indicator of the Hold/Release Instruction to "Yes".

In response, T2S sends a ~~pending~~ failing status advice to inform CSD A that its Settlement Instruction has been put on hold.

Message usage: Accepted with CSD Validation Hold

This message usage relates to the usage of a status advice message, sent by T2S, when the instruction is put on CSD Validation Hold at its acceptance in T2S. A Settlement Instruction is put on CSD Validation Hold if it fulfils any rule of a positive CSD Validation Hold restriction previously set by the CSD in T2S.

The SecuritiesSettlementTransactionStatusAdviceV03 informs the Accepted status and the Pending or Failing status (due to the CSD Validation Hold) in the same message. Additionally, if the Settlement Instruction has been sent with the Party or CSD Hold status set to "Yes" or the securities account stated in the instruction has the Hold Release Default set to "Yes", T2S also informs of the different hold types that apply to the Settlement Instruction.

Specific message requirements

To inform about an Accepted with CSD Validation Hold, the SecuritiesSettlementTransactionStatusAdviceV03 should have:

- AcknowledgedAccepted – status that corresponds to 'Accepted';
- Code – 'OTHR' ISO code when the Settlement Instruction is accepted fulfilling a rule of a negative rejection restriction;
- AdditionalReasonInformation – rule ID identifying a negative rejection restriction fulfilled;
- NoSpecifiedReason – 'NORE' ISO code when the Settlement Instruction is accepted not fulfilling any rule of a negative rejection restriction;
- MarketInfrastructureTransactionIdentification – T2S identification of the accepted Settlement Instruction.

- Pending/Failing – status indicating that the instruction is not settled. Depending on whether the instruction can settle on its ISD or not, the instruction is informed either with status Pending or Failing respectively that corresponds to ‘Pending’;
- Code – ISO Code that indicates that the instruction is on CSD Validation Hold (“CVAL”). Additionally the message includes the ISO code “CSDH” for CSD Hold or/and “PREA” for Party Hold if applicable;
- AdditionalReasonInformation – text comprising a combination of the relevant Business Rule name and the rule ID of a positive CSD Validation Hold restriction fulfilled;
- HoldIndicator – set to “True”;
- HoldIndicator/Code – ISO Code that indicates that the instruction is on CSD Validation Hold (“CVAL”). Additionally the message includes the ISO code “CSDH” for CSD Hold or/and PTYH for Party Hold if applicable.
- AdditionalInformation – Rule Id of a positive CSD Validation Hold restriction fulfilled (“CVAL”).

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
MarketInfrastructureTransactionIdentification Document/SciesSttlmTxStsAdv/TxId/MktlnfrstrctrTxId	RestrictedFINXMax16Text	T2S identification
NoSpecifiedReason Document/SciesSttlmTxStsAdv/PrdgSts/AckdAccptd/NoSpcfdRsn	<a href="#">NoReasonCode</a> [ 1983]	When accepted not fulfilling any rule of a negative rejection restriction, the only possible value is NORE
Code Document/SciesSttlmTxStsAdv/PrdgSts/AckdAccptd/Rsn/Cd/Cd	<a href="#">AcknowledgementReason5Code</a> [ 1983]	When accepted fulfilling a rule of a negative rejection restriction, the only possible value is OTHR.
AdditionalReasonInformation Document/SciesSttlmTxStsAdv/PrdgSts/AckdAccptd/Rsn/AddtlRsnInf	RestrictedFINXMax210Text	When accepted fulfilling a rule of a negative rejection restriction, rule ID of a negative rejection restriction fulfilled
Code Document/SciesSttlmTxStsAdv/SttlmSts/Pdg/Rsn/Cd/Cd	<a href="#">PendingReason2Code</a> [ 1993]	<u>When the instruction can settle on its ISD.</u> “CVAL” for CSD Validation Hold in addition with “CSDH” for CSD Hold or “PREA” for Party Hold if applicable

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
Code Document/SciesSttlmTxStsAdvc/SttlmSts/F Ing/Rsn/Cd/Cd	FailingReason2Code [ TBD]	When the instruction can no longer settle on its ISD, "CVAL" for CSD Validation Hold in addition with "CSDH" for CSD Hold or "PREA" for Party Hold if applicable
AdditionalReasonInformation Document/SciesSttlmTxStsAdvc/SttlmSts/P dg/Rsn/AddtlRsnInf	RestrictedFINXMax210Text	Business rule, error description and rule ID of a positive CSD Validation Hold restriction fulfilled
AdditionalReasonInformation Document/SciesSttlmTxStsAdvc/SttlmSts/F Ing/Rsn/AddtlRsnInf	RestrictedFINXMax210Text	Business rule, error description and rule ID of a positive CSD Validation Hold restriction fulfilled
Indicator Document/SciesSttlmTxStsAdvc/TxDtls/Sttl mParams/HldInd/Ind	YesNoIndicator	The only possible value is TRUE
Code Document/SciesSttlmTxStsAdvc/TxDtls/Sttl mParams/HldInd/Rsn/Cd/Cd	Registration2Code [ 1996]	"CVAL" for CSD Validation Hold in addition with "CSDH" for CSD Hold or "PTYH" for Party Hold if applicable.
AdditionalInformation Document/SciesSttlmTxStsAdvc/TxDtls/Sttl mParams/HldInd/Rsn/AddtlInf	RestrictedFINXMax210Text	Rule ID (for CVAL)

Message usage example: [sese.024.001.03 T2S AcceptedPendingwithCSDValidationHold Example.xml](#)

Firstly CSD Participant A (PRTAFRPPXXX) with a securities account '100000123' in T2S has instructed the delivery of 100000 securities ISIN000001 to its counterparty CSD Participant B (CSDPBBICXXX) and its CSD B (CSDBBIC1XXX) versus a payment of 575000, Euros for settlement on the 3/1/2015 (date in the future). In this case, the instruction fulfils a negative rejection restriction rule and a CSD Validation Hold rule.

In response, T2S sends an accepted, unmatched and a pending status in the same status advice to inform Participant A that its Settlement Instruction has been accepted with a negative restriction rule and has been put on CSD Validation Hold at its acceptance. The message informs the relevant rule ID that has been fulfilled.

Message usage: CSD Validation Hold

This message usage relates to the usage of a status advice message, sent by T2S, when the instruction is put on CSD Validation Hold during its lifecycle in T2S. A Settlement Instruction is put on CSD Validation Hold if it fulfils any rule of a positive CSD Validation Hold restriction previously set by the CSD in T2S.

The SecuritiesSettlementTransactionStatusAdviceV03 informs the Pending or Failing status (due to the CSD Validation Hold) in the same message.

#### Specific message requirements

To inform about a CSD Validation Hold, the SecuritiesSettlementTransactionStatusAdviceV03 should have:

- Pending/Failing – status indicating that the instruction is not settled. Depending on whether the instruction can settle on its ISD or not, the instruction is informed either with status Pending or Failing respectively;
- Code – ISO Code that indicates that the instruction is on CSD Validation Hold (“CVAL”).
- AdditionalReasonInformation – text comprising a combination of the relevant Business Rule name and the rule ID of a positive CSD Validation Hold restriction fulfilled;
- HoldIndicator – set to “True”;
- HoldIndicator/Code – ISO Code that indicates that the instruction is on CSD Validation Hold (“CVAL”). Additionally the message includes the ISO code “CSDH” for CSD Hold.
- AdditionalInformation – Rule Id of a positive CSD Validation Hold restriction fulfilled (“CVAL”).

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
<u>MarketInfrastructureTransactionIdentification</u> <u>Document/SciesSttlmTxStsAdvc/TxId/MktInfrstrct</u> <u>rTxId</u>	<u>RestrictedFINXMax16Text</u>	<u>T2S identification</u>
<u>Code</u> <u>Document/SciesSttlmTxStsAdvc/SttlmSts/Pdg/Rsn/Cd/Cd</u>	<u>PendingReason2Code [ _1993]</u>	<u>When the instruction can settle on its ISD, “CVAL” for CSD Validation Hold</u>
<u>Code</u> <u>Document/SciesSttlmTxStsAdvc/SttlmSts/FIng/Rsn/Cd/Cd</u>	<u>FailingReason2Code [ _TbD]</u>	<u>When the instruction can no longer settle on its ISD, “CVAL” for CSD Validation Hold</u>
<u>AdditionalReasonInformation</u> <u>Document/SciesSttlmTxStsAdvc/SttlmSts/Pdg/Rsn/AddtlRsnInf</u>	<u>RestrictedFINXMax210Text</u>	<u>Business rule, error description and rule ID of a positive CSD Validation Hold restriction fulfilled</u>
<u>AdditionalReasonInformation</u> <u>Document/SciesSttlmTxStsAdvc/SttlmSts/FIng/R</u>	<u>RestrictedFINXMax210Text</u>	<u>Business rule, error description and rule ID of</u>

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
<u>sn/AddtlRsnInf</u>		<u>a positive CSD Validation Hold restriction fulfilled</u>
<u>Indicator</u> <u>Document/SciesSttlmTxStsAdv/TxDtls/SttlmPar</u> <u>ams/HldInd/Ind</u>	<u>YesNoIndicator</u>	<u>The only possible value is TRUE</u>
<u>Code</u> <u>Document/SciesSttlmTxStsAdv/TxDtls/SttlmPar</u> <u>ams/HldInd/Rsn/Cd/Cd</u>	<u>Registration2Code [ 1996]</u>	<u>“CVAL” for CSD Validation Hold</u>
<u>AdditionalInformation</u> <u>Document/SciesSttlmTxStsAdv/TxDtls/SttlmPar</u> <u>ams/HldInd/Rsn/AddtlInf</u>	<u>RestrictedFINXMax210Text</u>	<u>Rule ID (for CVAL)</u>

Message usage example: sese.024.001.03\_T2S\_FailingCSDValidationHold\_Example.xml

A CSD Participant A (PRTAFRPPXXX) instructed the delivery of 100000 securities of ISIN000001 from a securities account to its counterparty CSD Participant B (CSDPBICXXX) and its CSD B (CSDBBIC1XXX) versus a payment of 575000, Euros for settlement on the 3/1/2015.

In this example, the Settlement instruction remains unmatched at the end its Intended Settlement Date and on CSD Validation Hold, and therefore T2S informs that the Settlement Instruction has been identified as “Failing”.

Message usage: CoSD Hold

#### Specific message requirements

To inform about a CoSD Hold, the *SecuritiesSettlementTransactionStatusAdviceV03* includes the following information:

- For each CoSD rule:
- Pending/Failing – status indicating that the instruction is not settled. Depending on whether the instruction can settle on its ISD or not, the instruction is informed either with status Pending or Failing respectively that corresponds to ‘Pending’;
- Code – “PRSY” ISO Code that indicates that the instruction is on CoSD Hold;
- AdditionalReasonInformation – CoSD rule fulfilled;
- HoldIndicator – set to “True”;
- HoldIndicator Code – “CDEL” ISO reason code, specifying that the Hold type is CoSD Hold;
- AdditionalInformation – CoSD rule fulfilled;
- Supplementary Data – the T2S Matching Reference assigned by T2S to both Settlement Instructions.

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
Code Document/SctiesSttlmTxStsAdvC/SttlmSts/Pdg/Rsn/Cd/Cd	<a href="#">PendingReason2Code</a> [ 1993]	<u>When the instruction can settle on its ISD</u> , the only possible value is PRSY
<u>Code</u> <u>Document/SctiesSttlmTxStsAdvC/SttlmSts/Fing/Rsn/Cd/Cd</u>	<u>FailingReason2Code</u> [ TbD]	<u>When the instruction can no longer settle on its ISD</u> , the only possible value is PRSY
AdditionalReasonInformation Document/SctiesSttlmTxStsAdvC/SttlmSts/Pdg/Rsn/AddtlRsnInf	RestrictedFINXMax210Text	CoSD Rule
<u>AdditionalReasonInformation</u> <u>Document/SctiesSttlmTxStsAdvC/SttlmSts/Fing/Rsn/AddtlRsnInf</u>	<u>RestrictedFINXMax210Text</u>	<u>CoSD Rule</u>
Indicator Document/SctiesSttlmTxStsAdvC/TxDtls/SttlmParams/HldInd/Ind	YesNoIndicator	The only possible value is TRUE
Code Document/SctiesSttlmTxStsAdvC/TxDtls/SttlmParams/HldInd/Rsn/Cd/Cd	<a href="#">Registration2Code</a> [ 1996]	The only possible value is CDEL
AdditionalInformation Document/SctiesSttlmTxStsAdvC/TxDtls/SttlmParams/HldInd/Rsn/ AddtlInf	RestrictedFINXMax210Text	CoSD Rule
RelatedTransactionIdentification Document/SctiesSttlmTxStsAdvC/SplmtryData/Envlp/RltdTxld	SupplementaryData1	T2S Matching Reference assigned by T2S to both Settlement Instructions

Message usage example: [sese.024.001.03\\_T2S\\_PendingCoSDHold\\_Example.xml](#)

Firstly CSD Participant A (PRTAFRPPXXX) with a securities account ‘1000000123’ in T2S has instructed the delivery of 100000 securities ISIN000001 to its counterparty CSD Participant B (CSDPBBICXXX) and its CSD B (CSDBBIC1XXX) versus a payment of 575000, Euros for settlement on the 3/1/2015 (date in the future). On the Intended Settlement Date before its corresponding cut-off, T2S detects that the Settlement Instruction fulfils three CoSD rules.

In this example, T2S sends a pending status advice to inform Participant A that its Settlement Instruction has been put on CoSD hold with three rules together with the corresponding T2S Matching Reference (Supplementary Data).

Message usage: CoSD Awaiting from Administering Party

Specific message requirements

To inform about a CoSD Awaiting from Administering Party, the SecuritiesSettlementTransactionStatusAdviceV03 includes the following information:

- Pending/Failing – status indicating that the instruction is not settled. Depending on whether the instruction can settle on its ISD or not, the instruction is informed either with status Pending or Failing respectively that corresponds to ‘Pending’;
- Code – “CDLR” ISO Code indicating that the CoSD instruction is pending of a release from Administering Party;
- HoldIndicator – set to “True”;
- HoldIndicator Code – “CDEL” ISO reason code, specifying that Hold type is CoSD Hold;
- AdditionalInformation – CoSD rule fulfilled;
- Supplementary Data – the T2S Matching Reference assigned by T2S to both Settlement Instructions.

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
Code Document/SctiesSttlmTxStsAdvcs/SttlmSts/Pdg/Rsn/Cd/Cd	<a href="#">PendingReason2Code</a> [ 1993]	<u>When the instruction can settle on its ISD, the only possible value is CDLR</u>
Code Document/SctiesSttlmTxStsAdvcs/SttlmSts/FIng/Rsn/Cd/Cd	<a href="#">FailingReason2Code</a> [ ] TbD]	<u>When the instruction can no longer settle on its ISD, the only possible value is CDLR</u>
Indicator Document/SctiesSttlmTxStsAdvcs/TxDtls/SttlmParams/HldInd/Ind	YesNoIndicator	The only possible value is TRUE



MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
Code Document/SciesStlmTxStsAdv/TxDtls/ StlmParams/HldInd/Rsn/Cd/Cd	<a href="#">Registration2Code</a> [ 1996]	The only possible value is CDEL
AdditionalInformation Document/SciesStlmTxStsAdv/TxDtls/ StlmParams/HldInd/Rsn/ AddtInf	RestrictedFINXMax210Text	CoSD Rule
RelatedTransactionIdentification Document/SciesStlmTxStsAdv/Splmtr yData/Envlp/RltdTxId	SupplementaryData1	T2S Matching Reference assigned by T2S to both Settlement Instructions

Message usage example: sese.024.001.03\_T2S\_PendingCoSDWaitingFromAP\_Example.xml

Firstly CSD Participant A (PRTAFRPPXXX) with a securities account ‘1000000123’ in T2S has instructed the delivery of 100000 securities ISIN000001 to its counterparty CSD Participant B (CSDPBICXXX) and its CSD B (CSDBBIC1XXX) versus a payment of 575000, Euros for settlement on the 3/1/2015 (date in the future). On the Intended Settlement Date before its corresponding cut-off, T2S detects that the Settlement Instruction fulfils three CoSD rules. Once the booking of securities CoSD blocking is fully settled, T2S sends a pending status advice related to the Settlement Instruction on which applied the CoSD rules to inform about the readiness of the instruction to be released by the Administering Party providing the corresponding T2S Matching Reference (Supplementary Data).

Message usage: Counterparty’s Settlement Instruction on Hold

#### Specific message requirements

To inform about the Counterparty’s Settlement Instruction on Hold, the *SecuritiesSettlementTransactionStatusAdviceV03* includes the following information:

- Pending/Failing – status indicating that the instruction is not settled. Depending on whether the instruction can settle on its ISD or not, the instruction is informed either with status Pending or Failing respectively that corresponds to ‘Pending’;
- Code – “PRCY” ISO Code that indicates that the Counterparty’s Settlement Instruction is on Hold;
- Supplementary Data – the T2S Matching Reference assigned by T2S to both Settlement Instructions.

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
Code Document/SciesStlmTxStsAdv/StlmSts /Pdg/Rsn/Cd/Cd	<a href="#">PendingReason2Code</a> [ 1993]	<u>When the instruction can settle on its ISD, the only possible value is PRCY</u>
Code	<a href="#">FailingReason2Code</a> [ TbD]	<u>When the instruction can no longer settle</u>

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
<u>Document/SciesSttlmTxStsAdvc/SttlmSts/FIng/Rsn/Cd/Cd</u>		<u>on its ISD, the only possible value is PRCY</u>
RelatedTransactionIdentification Document/SciesSttlmTxStsAdvc/SplmtryData/Envlp/RltdTxld	SupplementaryData1	T2S Matching Reference assigned by T2S to both Settlement Instructions

Message usage example: [sese.024.001.03\\_T2S\\_CounterpartyOnHold\\_Example.xml](#)

Firstly CSD A (CSDAFRPPXXX) requests the holding of its CSD Participant A's instruction (with T2S reference 'T1290') setting the CSD Hold indicator to 'true'. In this example T2S informs CSD Participant A's counterparty (CSDPBICXXX) that its Settlement Instruction 'T1490' (not on hold) is pending because its Counterparty's Settlement Instruction is on Hold providing the corresponding T2S Matching Reference (Supplementary Data).

*Message usage: No Hold remain(s)*

#### Specific message requirements

To inform about a No Hold Remain, the *SecuritiesSettlementTransactionStatusAdviceV03* includes the following information:

- Pending/Failing – status indicating that the instruction is not settled. Depending on whether the instruction can settle on its ISD or not, the instruction is informed either with status Pending or Failing respectively that corresponds to 'Pending';
- Code – 'FUTU'- ISO Code for Pending and 'CYCL' for Failing, which, indicates that the instruction is no longer on Hold.

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
Code Document/SciesSttlmTxStsAdvc/SttlmSts/Pdg/Rsn/Cd/Cd	<a href="#">PendingReason2Code</a> [ 1993]	<u>When the instruction can settle on its ISD, the only possible value is FUTU</u>
Code <u>Document/SciesSttlmTxStsAdvc/SttlmSts/FIng/Rsn/Cd/Cd</u>	<a href="#">FailingReason2Code</a> [ TBD]	<u>When the instruction can no longer settle on its ISD, the only possible value is CYCL</u>

Message usage example 1: [sese.024.001.03\\_T2S\\_PendingNoHoldRemains\\_Example.xml](#)

Firstly CSD Participant A (PRTAFRPPXXX) requested the release of its instruction 'T1290' setting remaining Hold indicator to 'false'. In this example T2S informs that the Settlement Instruction is totally released.

Message usage example 2: [sese.024.001.03\\_T2S\\_FailingNoHoldRemains\\_Example.xml](#)

A CSD Participant A (PRTAFRPPXXX) instructed the delivery of 100000 securities of ISIN000001 from a securities account to its counterparty CSD Participant B (CSDPBBICXXX) and its CSD B (CSDBBIC1XXX) versus a payment of 575000, Euros for settlement on the 3/1/2015.

In this example, the Settlement instruction remains unmatched at the end its Intended Settlement Date, and therefore T2S informs that the Settlement Instruction has been identified as "Failing".

Message usage: Other Hold remain(s)

This message usage relates to the usage of a status advice message, sent by T2S, when one of the holds on the Settlement Instruction is released but other(s) Hold type remain(s). This status advice contains a list of pending/failing statuses for the holds to be released.

Specific message requirements

To inform about an Other Hold remains(s), the *SecuritiesSettlementTransactionStatusAdviceV03* includes the following information:

- Pending/Failing – status indicating that the instruction is not settled. Depending on whether the instruction can settle on its ISD or not, the instruction is informed either with status Pending or Failing respectively that corresponds to 'Pending';
- Code – ISO code corresponding to the remaining Hold type.
- AdditionalReasonInformation – Rule ID of a rule of a positive restriction for a "CSD Validation Hold" or CoSD rule fulfilled for a "CoSD Hold".
- HoldIndicator – set to "True";
- HoldIndicator Code - ISO code indicating the relevant Hold type remaining.
- AdditionalInformation – text comprising a combination of a short description of the error and the CSD Validation Hold rule fulfilled for a "CVAL" ISO Code or CoSD rule for a "CDEL" ISO Code.

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
Code Document/SctiesSttImTxStsAdvc/Sttl mSts/Pdg/Rsn/Cd/Cd	<u>PendingReason2Code</u> [ 1993]	<u>When the instruction can settle on its ISD, ISO reason code for the Holds</u>
Code <u>Document/SctiesSttImTxStsAdvc/Sttl</u> <u>mSts/FIng/Rsn/Cd/Cd</u>	<u>FailingReason2Code</u> [ TbD]	<u>When the instruction can no longer settle on its ISD, ISO reason code for the Holds</u>
AdditionalReasonInformation Document/SctiesSttImTxStsAdvc/Sttl mSts/Pdg/Rsn/AddtlRsnInf	RestrictedFINXMax210Text	Rule ID (for CVAL) Rule ID (for PRSY)
<u>AdditionalReasonInformation</u> <u>Document/SctiesSttImTxStsAdvc/Sttl</u>	<u>RestrictedFINXMax210Text</u>	<u>Rule ID (for CVAL)</u> <u>Rule ID (for PRSY)</u>

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
<u>mSts/FIng/Rsn/AddtlRsnInf</u>		
Indicator Document/SciesSttlmTxStsAdv/TxD tls/SttlmParams/HldInd/Ind	YesNoIndicator	The only possible value is TRUE
Code Document/SciesSttlmTxStsAdv/TxD tls/SttlmParams/HldInd/Rsn/Cd/Cd	<a href="#">Registration2Code</a> [ 1996]	The only possible values are:   CSDH   PTYH   CVAL   CDEL
AdditionalInformation Document/SciesSttlmTxStsAdv/TxD tls/SttlmParams/HldInd/Rsn/AddtlInf	RestrictedFINXMax210Text	Rule ID (for CVAL) Rule ID (for CDEL)

Message usage example: sese.024.001.03 T2S PendingOtherHoldRemain Example.xml

Originally CSD Participant A's instruction with T2S reference 'T1290' was on Hold with two different types of holds: Party hold and CSD Hold. Then CSD 'CSDBBIC1XXX' sent a Release Instruction for releasing the CSD Hold. In this example, T2S informs CSD Participant A' that its Settlement Instruction is still on Hold because of a Party Hold on its instruction remains.

Message usage: CoSD Rule Release, Other rule(s) remain(s)

This message usage relates to the usage of a status advice message, sent by T2S, when an Administering Party releases its CoSD rule but other rule(s) for that CoSD Settlement Instruction remain(s). This status advice contains a list of pending/failing statuses for the CoSD rules to be released.

#### Specific message requirements

To inform about a CoSD Rule Release with other rule(s) remaining, the *SecuritiesSettlementTransactionStatusAdviceV03* includes the following information. For each CoSD rule pending to be released:

- Pending/Failing – status indicating that the instruction is not settled. Depending on whether the instruction can settle on its ISD or not, the instruction is informed either with status Pending or Failing respectively that corresponds to 'Pending';
- Code – "PRSY" ISO Code that indicates that the instruction is on CoSD Hold;
- AdditionalReasonInformation – CoSD rule fulfilled;
- Supplementary Data – the T2S Matching Reference assigned by T2S to both Settlement Instructions.

Message Item	Data Type/ Code	Utilisation
Code Document/SctiesSttlmTxStsAdvcs/SttlmSts/Pdg/Rsn/Cd/Cd	<a href="#">PendingReason2Code</a> [ 1993]	When the instruction can settle on its ISD, the only possible value is PRSY
<u>Code</u> Document/SctiesSttlmTxStsAdvcs/SttlmSts/FIng/Rsn/Cd/Cd	<u>FailingReason2Code</u> [ <u>TbD</u> ]	<u>When the instruction can no longer settle on its ISD, the only possible value is PRSY</u>
AdditionalReasonInformation Document/SctiesSttlmTxStsAdvcs/SttlmSts/Pdg/Rsn/AddtlRsnInf	RestrictedFINXMax210Text	CoSD Rule
<u>AdditionalReasonInformation</u> Document/SctiesSttlmTxStsAdvcs/SttlmSts/FIng/Rsn/AddtlRsnInf	<u>RestrictedFINXMax210Text</u>	<u>CoSD Rule</u>
Indicator Document/SctiesSttlmTxStsAdvcs/TxDtIs/SttlmParams/HldInd/Ind	YesNoIndicator	The only possible value is TRUE
Code Document/SctiesSttlmTxStsAdvcs/TxDtIs/SttlmParams/HldInd/Rsn/Cd/Cd	<a href="#">Registration2Code</a> [ 1996]	The only possible value is CDEL
AdditionalInformation Document/SctiesSttlmTxStsAdvcs/TxDtIs/SttlmParams/HldInd/Rsn/AddtlInf	RestrictedFINXMax210Text	CoSD rule pending to be released
RelatedTransactionIdentification Document/SctiesSttlmTxStsAdvcs/SplmtryData/Envlp/RltdTxId	SupplementaryData1	T2S Matching Reference assigned by T2S to both Settlement Instructions

Message usage example: [sese.024.001.03\\_T2S\\_PendingCoSDRuleReleaseOtherRemain\\_Example.xml](#)

Firstly the Administering Party A released the CoSD rule named 'rule01'. Initially T2S detected three CoSD rules ('rule01', 'rule02' and 'rule03') for the Settlement Instruction 'T1290'. After the release of the CoSD rule 'rule01', the Settlement Instruction remains on the pending status because of the CoSD rules 'rule02' and 'rule03'. In this example T2S sends, via a pending status, the list of all CoSD rules to be release providing the corresponding T2S Matching Reference (Supplementary Data).

*Message usage: Counterparty's Settlement Instruction is released*

This message usage relates to the usage of a status advice message, sent by T2S, when the Counterparty's Settlement Instruction on Hold is released and no other Hold remains. The following message usage informs to a Counterparty in T2S that its Counterparty's Settlement Instruction is released for further processing.

#### Specific message requirements

To inform about the release of a Counterparty's Settlement Instruction, the *SecuritiesSettlementTransactionStatusAdviceV03* includes the following information:

- Pending/Failing – status indicating that the instruction is not settled. Depending on whether the instruction can settle on its ISD or not, the instruction is informed either with status Pending or Failing respectively that corresponds to 'Pending';
- Code – 'FUTU' ISO code for Pending and 'CYCL' ISO code for Failing, which indicates that the counterparty's Settlement Instruction is no longer on Hold;
- Supplementary Data – the T2S Matching Reference assigned by T2S to both Settlement Instructions.

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
Code Document/SciesSttlmTxStsAdvC/SttlmSts/Pdg/Rsn/Cd/Cd	<u>PendingReason2Code</u> [ 1993]	<u>When the instruction can settle on its ISD, the only possible value is FUTU</u>
Code Document/SciesSttlmTxStsAdvC/SttlmSts/FInq/Rsn/Cd/Cd	<u>FailingReason2Code</u> [ TbD]	<u>When the instruction can no longer settle on its ISD, the only possible value is CYCL</u>
RelatedTransactionIdentification Document/SciesSttlmTxStsAdvC/SplmtryData/Envlp/RltdTxld	SupplementaryData1	T2S Matching Reference assigned by T2S to both Settlement Instructions

Message usage example: sese.024.001.03\_T2S\_PendingCounterpartyReleased\_Example.xml

Firstly CSD Participant A's counterparty (CSDPBICXXX) was informed that its Settlement Instruction was pending because its Counterparty's Settlement Instruction was on Hold.

In this example T2S informs CSD Participant A's counterparty (CSDPBICXXX) that its Counterparty's Settlement Instruction is totally released and no other hold remain providing the corresponding T2S Matching Reference (Supplementary Data).

#### Message usage: Matched

#### Specific message requirements

To inform about a matched status, the *SecuritiesSettlementTransactionStatusAdviceV03* includes the following information:

- Matched – status that corresponds to 'Matched', with no reason code or additional information;

- Pending/Failing – status indicating that the instruction is not settled. Depending on whether the instruction can settle on its ISD or not, the instruction is informed either with status Pending or Failing respectively;
- Code – ISO Code that indicates that the instruction is either on hold (on Party Hold 'PREA', on CSD Hold 'CSDH' and/or on CSD Validation Hold 'CVAL'), or that no hold exists ('FUTU' for Pending and 'CYCL' for Failing);
- AdditionalReasonInformation – in case the Code is CVAL, text comprising the relevant Business Rule name and the rule ID of a positive CSD Validation Hold restriction fulfilled
- Supplementary Data – providing the T2S Matching Reference assigned by T2S to both Settlement Instructions that have been matched by T2S.

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
NoSpecifiedReason Document/SctiesSttlmTxStsAdvC/Mtc hgSts/Mtchd	<a href="#">ProprietaryReason2</a> [ ] 1983]	Empty element as Matching Status is 'Matched with no reason code or additional reason information
<u>Code</u> Document/SctiesSttlmTxStsAdvC/Sttl mSts/Pdg/ Rsn/Cd/Cd	<a href="#">PendingReason2Code</a> [ ] 1993]	<u>When matched and NOT identified as Failed, ISO reason code for pending status. Possible values are:</u>  <u>PREA for Party Hold</u> <u>CSDH for CSD Hold</u> <u>CVAL for CSD Validation Hold</u> <u>FUTU when no hold exists</u>
<u>Code</u> Document/SctiesSttlmTxStsAdvC/Sttl mSts/FIng/Rsn/Cd/Cd	<a href="#">FailingReason2Code</a> [ ] TbD]	<u>When matched and identified as Failed, ISO reason code for failing status. Possible values are:</u>  <u>PREA for Party Hold</u> <u>CSDH for CSD Hold</u> <u>CVAL for CSD Validation Hold</u> <u>CYCL when no hold exists</u>
<u>AdditionalReasonInformation</u> Document/SctiesSttlmTxStsAdvC/Sttl mSts/Pdg/Rsn/AddtlRsnInf	<a href="#">RestrictedFINXMax210Text</a>	<u>In case of Pending Reason CVAL: Business rule name and rule ID</u>
<u>AdditionalReasonInformation</u> Document/SctiesSttlmTxStsAdvC/Sttl	<a href="#">RestrictedFINXMax210Text</a>	<u>In case of Failing Reason CVAL: Business rule name and rule ID</u>

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
<u>mSts/FIng/Rsn/AddtlRsnInf</u>		
RelatedTransactionIdentification Document/SciesStlmTxStsAdvC/Spl mtryData/Envlp/RltdTxld	SupplementaryData1	T2S Matching Reference assigned by T2S to both Settlement Instructions

Message usage example 1: sese.024.001.03 T2S PendingMatched Example.xml

Firstly CSD Participant A (PRTAFRPPXXX) with a securities account '100000123' in T2S has instructed the delivery of 100000 securities ISIN000001 to its counterparty CSD Participant B (CSDPBBICXXX) and its CSD B (CSDBBIC1XXX) versus a payment of 575000, Euros for settlement on the 3/1/2015 (date in the future). In this example, T2S advises to the T2S party, CSD Participant A, that its Settlement Instruction, with T2S reference 'T1290', has been matched in T2S providing the corresponding T2S Matching Reference (Supplementary Data). In the same status advice, the pending status is informed.

Message usage example 2: sese.024.001.03 T2S FailingMatched Example.xml

Firstly CSD Participant A (PRTAFRPPXXX) with a securities account '100000222' in T2S has instructed the delivery of 100000 securities ISIN000011 to its counterparty CSD Participant B (CSDPBBICXXX) and its CSD B (CSDBBIC1XXX) versus a payment of 575000, Euros for settlement on the 3/1/2013 (date in the past). In this example, T2S advises to the T2S party, CSD Participant A, that its Settlement Instruction, with T2S reference 'T1291', has been matched in T2S providing the corresponding T2S Matching Reference (Supplementary Data). In the same status advice, the failing status is informed.

Message usage: Eligibility Failure

Specific message requirements

To inform about a pending status due to an eligibility failure, the *SecuritiesSettlementTransactionStatusAdviceV03* includes the following information:

- Pending/Failing – status that corresponds to 'Pending' or 'Failing' (depending on whether the instruction can settle on its ISD or not) with one or more reason codes to inform about the eligibility criterion not fulfilled;
- Code – ISO code specifying the reason for the eligibility failure;
- AdditionalReasonInformation – text comprising a combination of the associated business rule not fulfilled and a short description of the error;
- SettlementQuantity – the quantity of financial instrument remaining to be settled;
- SettlementAmount – the quantity of money remaining to be credited/debited;
- Supplementary Data – the T2S Matching Reference assigned by T2S to both Settlement Instructions.



MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
Code Document/SciesSttlmTxStsA dvc/SttlmSts/Pdg/Rsn/Cd/Cd	<a href="#">PendingReason2Code</a> [ 1993]	When the instruction can settle on its <u>ISD</u> , ISO reason code for the eligibility failure. The only possible values are: <ul style="list-style-type: none"> <li>  <u>LATE</u></li> <li>  <u>LINK</u></li> <li>  <u>INBC</u></li> <li>  <u>PRCY</u></li> <li>  <u>PREA</u></li> <li>  <u>PRSY</u></li> <li>  <u>CSDH</u></li> <li>  <u>CVAL</u></li> <li>  <u>OTHR</u></li> </ul>
Code Document/SciesSttlmTxStsA dvc/SttlmSts/FIng/Rsn/Cd/Cd	<a href="#">FailingReason2Code</a> [ TbD]	When the instruction can no longer settle on its <u>ISD</u> , ISO reason code for the eligibility failure. The only possible values are: <ul style="list-style-type: none"> <li>  <u>LATE</u></li> <li>  <u>LINK</u></li> <li>  <u>INBC</u></li> <li>  <u>PRCY</u></li> <li>  <u>PREA</u></li> <li>  <u>PRSY</u></li> <li>  <u>CSDH</u></li> <li>  <u>CVAL</u></li> <li>  <u>OTHR</u></li> </ul>
AdditionalReasonInformation Document/SciesSttlmTxStsA dvc/SttlmSts/Pdg/Rsn/AddtlR snInf	RestrictedFINXMax210Text	Business rule and error description
<a href="#">AdditionalReasonInformation</a> Document/SciesSttlmTxStsA dvc/SttlmSts/FIng/Rsn/AddtlR snInf	<a href="#">RestrictedFINXMax210Text</a>	<a href="#">Business rule and error description</a>

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
Unit Document/SciesStlmTxStsA dvc/TxDtls/StlmQty/Qty/Unit	RestrictedFINDecimalNumber	Total quantity of securities to be settled
Amount Document/SciesStlmTxStsA dvc/TxDtls/StlmAmt/Amt	RestrictedFINActiveCurrencyAndA mount	Total amount of money to be settled
RelatedTransactionIdentificati on Document/SciesStlmTxStsA dvc/SplmtryData/Envlp/RltdT xld	SupplementaryData1	T2S Matching Reference assigned by T2S to both Settlement Instructions

Message usage example 1: sese.024.001.03\_T2S\_PendingEligibilityFailure\_Example.xml

Firstly CSD Participant A (PRTAFRPPXXX) with a securities account '1000000123' in T2S has instructed the delivery of 100000 securities ISIN000001 to its counterparty CSD Participant B (CSDPBICXXX) and its CSD B (CSDBBIC1XXX) versus a payment of 575000, Euros for settlement on the 3/1/2015. In this example, T2S advises about the eligibility failure via a pending status (the instruction can still settle on its ISD) because the Settlement Instruction, with T2S reference 'T1290', has a link AFTE with a Settlement Instruction or Settlement Restriction for which the cut off is reached. T2S also provides in the status advice the corresponding T2S Matching Reference (Supplementary Data) of the settlement Instruction.

Message usage example 2: sese.024.001.03\_T2S\_FailingEligibilityFailure\_Example.xml

Considering the same instruction as in the previous message usage example 1, in this example, T2S advises about the eligibility failure on the 4/1/2015 (one day after the ISD of the instruction) via a failing status because the Settlement Instruction, with T2S reference 'T1290', has a link AFTE with an unsettled Settlement Instruction or Settlement Restriction. T2S also provides in the status advice the corresponding T2S Matching Reference (Supplementary Data) of the Settlement Instruction.

Message usage: Intraday Restriction

This message usage relates to the usage of status advice message, sent by T2S, when at least one intraday restriction is detected. The following message usage informs about a pending/failing status due an intraday restriction detected either

- On securities;
- On the involved securities account;
- On the involved T2S Party of the Settlement Instruction.

Specific message requirements

To inform about a pending status due to an intraday restriction, the *SecuritiesSettlementTransactionStatusAdviceV03* includes the following information:

- Pending/~~Failing~~ – status that corresponds to ‘Pending’ or ‘Failing’ (depending on whether the instruction can settle on its ISD or not) with one or more reason codes to inform about the intraday restriction detected;
- Code – ISO code specifying the reason of the ~~pending due to an~~ for the intraday restriction;
- AdditionalReasonInformation – text comprising a combination of the associated business rule not fulfilled and a short description of the error;
- Settlement Quantity – the quantity of financial instrument remaining to be settled;
- SettlementAmount – the quantity of money remaining to be credited/debited;
- Supplementary Data – the T2S Matching Reference assigned by T2S to both Settlement Instructions.

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
Code Document/SciesSttImTxStsAdvC/St tImSts/Pdg/Rsn/Cd/Cd	<u>PendingReason2Code</u> [ 1993]	When the instruction can settle on its ISD, ISO reason code for the intraday restriction. The only possible values are: I BLOC I SBLO
<u>Code</u> <u>Document/SciesSttImTxStsAdvC/St</u> <u>tImSts/FIng/Rsn/Cd/Cd</u>	<u>FailingReason2Code</u> [ Tbd]	When the instruction can no longer settle on its ISD, ISO reason code for the intraday restriction. The only possible values are: I <u>BLOC</u> I <u>SBLO</u>
AdditionalReasonInformation Document/SciesSttImTxStsAdvC/St tImSts/Pdg/Rsn/AddtIRsnInf	RestrictedFINXMax210Text	Business rule and error description
<u>AdditionalReasonInformation</u> <u>Document/SciesSttImTxStsAdvC/St</u> <u>tImSts/FIng/Rsn/AddtIRsnInf</u>	<u>RestrictedFINXMax210Text</u>	<u>Business rule and error description</u>

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
Unit Document/SciesStlmTxStsAdv/TxDtIs/StlmQty/Qty/Unit	RestrictedFINDecimalNumber	Total quantity of securities to be settled
Amount Document/SciesStlmTxStsAdv/TxDtIs/StlmAmt/Amt	RestrictedFINActiveCurrencyAndAmount	Total amount of money to be settled
RelatedTransactionIdentification Document/SciesStlmTxStsAdv/SplmtryData/Envlp/RltdTxId	SupplementaryData1	T2S Matching Reference assigned by T2S to both Settlement Instructions

Message usage example: sese.024.001.03\_T2S\_PendingIntradayFailure\_Example.xml

Firstly CSD Participant A (PRTAFRPPXXX) with a securities account '1000000123' in T2S has instructed the delivery of 100000 securities ISIN000001 to its counterparty CSD Participant B (CSDPBICXXX) and its CSD B (CSDBBIC1XXX) versus a payment of 575000, Euros for settlement on the 3/1/2015. In this example, T2S informs about the detection of two intraday restrictions, via a pending status (the instruction can still settle on its ISD) providing the corresponding T2S Matching Reference (Supplementary Data). One of the restrictions regards the securities account '1000000123' and the other one regards the securities 'ISIN00000001'.

Message usage: Provision Check Failure

This message usage relates to the usage of status advice message, sent by T2S, to advice about a failure provisioning check.

Specific message requirements

To inform about a pending/~~failing~~ status due to provisioning check failure, the

*SecuritiesSettlementTransactionStatusAdviceV03* includes the following information:

- Pending/~~Failing~~ – status that corresponds to 'Pending' or 'Failing' (depending on whether the instruction can settle on its ISD or not) with one or more reason codes to inform about the unsuccessful provisioning check;
- Code – ISO code specifying the reason ~~of the pending due to~~ for the provisioning check;
- AdditionalReasonInformation – text comprising a combination of the associated business rule not fulfilled and a short description of the error;
- Settlement Quantity – the quantity of financial instrument remaining to be settled;
- SettlementAmount – the quantity of money remaining to be credited/debited;
- Supplementary Data – the T2S Matching Reference assigned by T2S to both Settlement Instructions.

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
Code Document/SctiesSttlmTxStsAdvdc/Sttl mSts/Pdg/Rsn/Cd/Cd	<a href="#">PendingReason2Code</a> [ 1993]	When the instruction can settle on its <u>ISD</u> , ISO reason code for the provision check failure. The only possible values are:  <ul style="list-style-type: none"> <li>  CLAC</li> <li>  CMON</li> <li>  LACK</li> <li>  LINK</li> <li>  MONY</li> </ul>
<u>Code</u> <u>Document/SctiesSttlmTxStsAdvdc/Sttl</u> <u>mSts/FIng/Rsn/Cd/Cd</u>	<u><a href="#">FailingReason2Code</a></u> [ TbD]	When the instruction can no longer settle on its <u>ISD</u> , ISO reason code for the provision check failure. The only possible values are:  <ul style="list-style-type: none"> <li>  <u>CLAC</u></li> <li>  <u>CMON</u></li> <li>  <u>LACK</u></li> <li>  <u>LINK</u></li> <li>  <u>MONY</u></li> </ul>
AdditionalReasonInformation Document/SctiesSttlmTxStsAdvdc/Sttl mSts/Pdg/Rsn/AddtlRsnInf	RestrictedFINXMax210Text	Business rule and error description
<u>AdditionalReasonInformation</u> <u>Document/SctiesSttlmTxStsAdvdc/Sttl</u> <u>mSts/FIng/Rsn/AddtlRsnInf</u>	<u>RestrictedFINXMax210Text</u>	<u>Business rule and error description</u>
Unit Document/SctiesSttlmTxStsAdvdc/TxD tIs/SttlmQty/Qty/Unit	RestrictedFINDecimalNumber	Total quantity of securities to be settled
Amount Document/SctiesSttlmTxStsAdvdc/TxD tIs/SttlmAmt/Amt	RestrictedFINActiveCurrencyAnd Amount	Total amount of money to be settled
RelatedTransactionIdentification Document/SctiesSttlmTxStsAdvdc/Spl	SupplementaryData1	T2S Matching Reference assigned by T2S to both Settlement Instructions

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
mtryData/Envlp/RltdTxId		

#### Message usage example 1:

sese.024.001.03\_T2S\_PendingProvisionFailureDueToALackOfSecuritiesWithLackOfCash\_Example1.xml

Firstly CSD Participant A (PRTAFRPPXXX) with a securities account “1000000123” in T2S has instructed the delivery of 100,000 securities ISIN000001 to its counterparty CSD Participant B (CSDPBBICXXX) with cash account “2000000456”, and its CSD B (CSDBBIC1XXX) versus a payment of 575,000 Euros, for settlement on the 21/2/2017. In this example, T2S first informs a failure in the provisioning check via a pending status (the SI can still settle on its ISD) providing the corresponding T2S Matching Reference (Supplementary Data). The T2S party delivering the securities, CSD Participant A, has insufficient securities to settle the Settlement Instruction. As the provision check for the securities side is negative, a sese.024 is sent to CSD Participant A with ISO reason code LACK, and no further provision check is performed on the cash side.

#### Message usage example 2:

sese.024.001.03\_T2S\_PendingProvisionFailureDueToALackOfSecuritiesWithLackOfCash\_Example2.xml

Following Example1, CSD Participant A sends enough securities for the correct settlement of the transaction to securities account 1000000123. Then, the provision check is executed again. As no lack of securities is identified, T2S checks now the cash side provision, which has a negative result due to the insufficient external guarantee headroom on the CMB. A pending sese.024 is sent to CSD Participant A with ISO reason code CMON (The SI can still settle on its ISD).

Note that the “Message usage: Cancellation Requested” is not affected by this CR because according to the message requirements for this usage, only the Processing Status with Pending Cancellation is provided by T2S (i.e. neither the Matching Status nor the Settlement Status are provided in the relevant sese.024-SecuritiesSettlementTransactionStatusAdviceV03 for the Cancellation Requested usage)

#### Message usage: Partial Settlement (unsettled part)

This message usage relates to the usage of a status advice message, sent by T2S, when advising about the unsettled part of a Settlement Instruction that has been partially settled. This message usage informs about a pending/failing status due to a partial settlement.

#### Specific message requirements

To inform about the unsettled part of a partial filling, the SecuritiesSettlementTransactionStatusAdviceV03 includes the following information:

- Pending/Failing – status that corresponds to ‘Pending’ or ‘Failing’ (depending on whether the instruction was partially settled on its ISD or not) with one reason code to inform about the partial settlement;
- Code – ‘PART’ ISO code indicating the partial settlement of the transaction;
- SettlementQuantity – the unsettled part of the financial instrument;

- SettlementAmount – the unsettled part of money to be paid or received in exchange for the securities;
- Supplementary Data – the T2S Matching Reference assigned by T2S to both Settlement Instructions.

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
Code Document/SciesStlmTxStsAdvc/StlmSts /Pdg/Rsn/Cd/Cd	<a href="#">PendingReason2Code</a> [ 1993]	<u>When the instruction is partially settled on its ISD, the only possible value is PART</u>
Code Document/SciesStlmTxStsAdvc/StlmSts /Flng/Rsn/Cd/Cd	<a href="#">FailingReason2Code</a> [ _TbD]	<u>When the instruction is partially settled after its ISD, the only possible value is PART</u>
Unit Document/SciesStlmTxStsAdvc/TxDtls/S tlmQty/Qty/Unit	RestrictedFINDecimalNumb er	Total quantity of securities to be settled
Amount Document/SciesStlmTxStsAdvc/TxDtls/S tlmAmt/Amt	RestrictedFINActiveCurrenc yAndAmount	Total amount of money to be paid or received
RelatedTransactionIdentification Document/SciesStlmTxStsAdvc/Splmtry Data/Envlp/RltdTxld	SupplementaryData1	T2S Matching Reference assigned by T2S to both Settlement Instructions

Message usage example 1: sese.024.001.03 T2S PendingPartialSettlement Example.xml

Firstly CSD Participant A (PRTAFRPPXXX) with a securities account ‘100000123’ in T2S has instructed the delivery of 100000 securities ISIN000001 to its counterparty CSD Participant B (CSDPBBICXXX) and its CSD B (CSDBBIC1XXX) versus a payment of 575000, Euros for settlement on the 3/1/2015. On 3/1/2015 (ISD of the instruction) during the settlement process the Settlement Instruction is partially settled due to a lack of securities. In this example T2S informs about the current status of the Settlement Instruction, with T2S reference ‘T1290’, and the remaining part to be settled providing the corresponding T2S Matching Reference (Supplementary Data). The Settlement Instruction has 40000 securities unsettled with a remaining part of 230000 euros to be credited to its cash account.

Message usage example 2: sese.024.001.03 T2S FailingPartialSettlement Example.xml

Firstly CSD Participant A (PRTAFRPPXXX) with a securities account ‘100000123’ in T2S has instructed the delivery of 100000 securities ISIN000001 to its counterparty CSD Participant B (CSDPBBICXXX) and its CSD B (CSDBBIC1XXX) versus a payment of 575000, Euros for settlement on the 3/1/2015.

On 3/1/2015 the instruction was partially settled (example 1). Next business day, during the settlement process the Settlement Instruction is again partially settled due to a lack of securities. In this example T2S informs about the failing status of the Settlement Instruction, with T2S reference ‘T1290’, and the remaining part to be settled

providing the corresponding T2S Matching Reference (Supplementary Data). The Settlement Instruction has 40000 securities unsettled with a remaining part of 230000 euros to be credited to its cash account.

3.3.2.1 ReportQueryRequestV01 (admi.005.001.01) (MyStandards):

And also in 4.2.2 T2S proprietary codes EventTypeCode\_T2S\_1

In order to be able to communicate the end of cut-off processing of all cut-offs, new event type codes will be included in the ReportQueryRequestV01 (admi.005.001.01)

- ECSR end of cut-off event for CSRC
- EBAT end of cut-off event for BATM
- ECBO end of cut-off event for ICBO
- EFOP end of cut-off event for IFOP
- ESSR end of cut-off event for SSRC

This is a proposal and the final denomination will be provided during the implementation phase of the CR. Additionally, for completeness, please note that the existing end of cut-off processing event for DVP is:

- EDVP end of cut-off event for IDVP (Already existing due to CR635)

#### 4.1 Index of Business Rules and Error Codes

To associate the “failing” code to all the applicable Business Rules. whenever a given BR can be reported by T2S with either “pending” or “failing” (depending on whether the instruction can still settle on its ISD) both codes will be listed within the same row (I.e. no duplication of rows will be applied)

BR NAME	DESCRIPTION	INBOUND MESSAGE	REPLY MESSAGE	CODE USE	REASON CODE	ERROR TEXT
...	...	...	...	...	...	...
MVSR701	A Settlement Instruction that fulfils a specific restriction configured by its System Entity with positive Restriction Processing Type 'CSD Validation Hold' is accepted, and its CSD Validation Hold Status is set to 'Yes'.	sese.023	sese.024	<Pdg> or <FIng>	CVAL	
...						

#### 4.2 Index of Status Values and Codes

##### 4.2.1 ISO 20022 Codes

To add the codes for the Settlement status value Failing (e.g. FailingReason2Code and FailingReason3Code). These lists of codes shall include the reason code CYCL (that is not used for the Settlement status value Pending)



Additionally, the reason code FUTU has to be added for PendingReason10Code in order to use it for reporting of Settlement restrictions on cash and on securities.

#### FailingReason2Code

<u>CODE</u>	<u>NAME</u>
<u>BLOC</u>	<u>AccountBlocked</u>
<u>CDLR</u>	<u>ConditionalDeliveryAwaitingRelease</u>
<u>CLAC</u>	<u>CounterpartyInsufficientSecurities</u>
<u>CMON</u>	<u>CounterpartyInsufficientMoney</u>
<u>CSDH</u>	<u>CSDHold</u>
<u>CVAL</u>	<u>CSDValidation</u>
<u>CYCL</u>	<u>AwaitingNextSettlementCycle</u>
<u>INBC</u>	<u>IncompleteNumberCount</u>
<u>LACK</u>	<u>LackOfSecurities</u>
<u>LATE</u>	<u>MarketDeadlineMissed</u>
<u>LINK</u>	<u>PendingLinkedInstruction</u>
<u>MONY</u>	<u>InsufficientMoney</u>
<u>OTHR</u>	<u>Other</u>
<u>PART</u>	<u>TradeSettlesInPartials</u>
<u>PRCY</u>	<u>CounterpartyInstructionOnHold</u>
<u>PREA</u>	<u>YourInstructionOnHold</u>
<u>PRSY</u>	<u>SystemOnHold</u>
<u>SBLO</u>	<u>SecuritiesBlocked</u>

#### FailingReason3Code

Caveat: This code list will be used in more than one message and with different characteristics, i.e. one message may not make use of all codes listed here.

CODE	NAME
<u>BLOC</u>	<u>AccountBlocked</u>
<u>CYCL</u>	<u>AwaitingNextSettlementCycle</u>
<u>INBC</u>	<u>IncompleteNumberCount</u>
<u>LACK</u>	<u>LackOfSecurities</u>
<u>LATE</u>	<u>MarketDeadlineMissed</u>
<u>LINK</u>	<u>PendingLinkedInstruction</u>
<u>MONY</u>	InsufficientMoney
<u>OTHR</u>	<u>Other</u>
<u>PART</u>	<u>TradeSettlesInPartials</u>
<u>SBLO</u>	<u>SecuritiesBlocked</u>

PendingReason2Code

CODE	NAME
BLOC	AccountBlocked
BOTH <sup>7</sup>	BothInstructionsOnHold
CDLR	ConditionalDeliveryAwaitingRelease
CLAC	CounterpartyInsufficientSecurities
CMON	CounterpartyInsufficientMoney
CSDH	CSDHold
CVAL	CSDValidation
FUTU	AwaitingSettlementDate
INBC	IncompleteNumberCount
LACK	LackOfSecurities
<del>LATE</del>	<del>MarketDeadlineMissed</del>
LINK	PendingLinkedInstruction

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<sup>7</sup> The Code BOTH is not used as PendingReason2Code in T2S.

CODE	NAME
MONY	InsufficientMoney
OTHR	Other
PART	TradeSettlesInPartials
PRCY	CounterpartyInstructionOnHold
PREA	YourInstructionOnHold
PRSY	SystemOnHold
SBLO	SecuritiesBlocked

#### PendingReason10Code

Caveat: This code list will be used in more than one message and with different characteristics, i.e. one message may not make use of all codes listed here.

CODE	NAME
BLOC	AccountBlocked
<u>FUTU</u>	<u>AwaitingSettlementDate</u>
INBC	IncompleteNumberCount
LACK	LackOfSecurities
<del>LATE</del>	<del>MarketDeadlineMissed</del>
LINK	PendingLinkedInstruction
OTHR	Other
MONY	InsufficientMoney
PART	TradeSettlesInPartials
SBLO	SecuritiesBlocked

## GFS

The following **GFS v6.0** section should be modified:

### Section 3.5.5.3 Description of the functions of the module- 7 – Cut-Off Processing

#### Suspending settlement transactions “Unsettled” or “Partially settled”

Reference Id	<b>SETT.SPS.COP.4.1</b>
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The function suspends from settlement the “Unsettled” or “Partially Settled” Settlement Transactions of the current settlement day, depending on the cut-off event received:

- I At the reception of an Event (*Intraday DVP Cut-off*), the function suspends the “Unsettled” or “Partially Settled” Settlement Transactions with a Transaction Type Code set to “DVP”, “DWP” or “PFOD”. {T2S.07.100};
- I At the reception of an Event (*Intraday FOP Cut-off*), the function suspends the “Unsettled” or “Partially Settled” Settlement Transactions with a Transaction Type Code set to “FOP” {T2S.07.110};
- I At the reception of an Event (*Intraday BATM Cut-off*), the function suspends the “Unsettled” or “Partially Settled” BATM Settlement Transactions (except if Transaction Type Code is set to “FOP”) {T2S.07.110};
- I At the reception of an Event (*Intraday Cash Settlement Restrictions Cut-off*), the function suspends the Settlement Transactions for cash restrictions;
- I At the reception of an Event (*Intraday Securities Settlement Restrictions Cut-off*), the function suspends the Settlement Transactions for securities restrictions;
- I At the reception of an Event (*Intraday CBO Cut-off*), the function suspends the remaining “Unsettled” or “Partially Settled” Settlement Transactions with an ISO Transaction Code set to “CNCB” (except if Transaction Type Code is set to “FOP”)<sup>8</sup> {T2S.07.110};
- I At the reception of an Event (*Inbound Liquidity Transfer Cut-off*), the function suspends the Settlement Transactions for liquidity transfers

The suspension of a Settlement Transaction related to matched Settlement Instructions or to Settlement Restrictions leads to inform Lifecycle Management and Matching domain in order to report the “Failing” ISO settlement status.

Section 3.4.2 Dynamic data managed by the domain

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Update the relevant entities for “Settlement Instruction” and “Settlement Restriction” to include the new “Failing” status as one of its attributes.

### Section 3.4.3 Instruction Validation

#### 3.4.3.3 Description of the functions of the module

A new process in the Instruction Management function should be added in order to describe the process to identify as “Failing” the new incoming instructions that enter in T2S with Intended Settlement Day before the Current Business Day.

...

## **4 – Instruction Management**

...

### *Instruction Management*

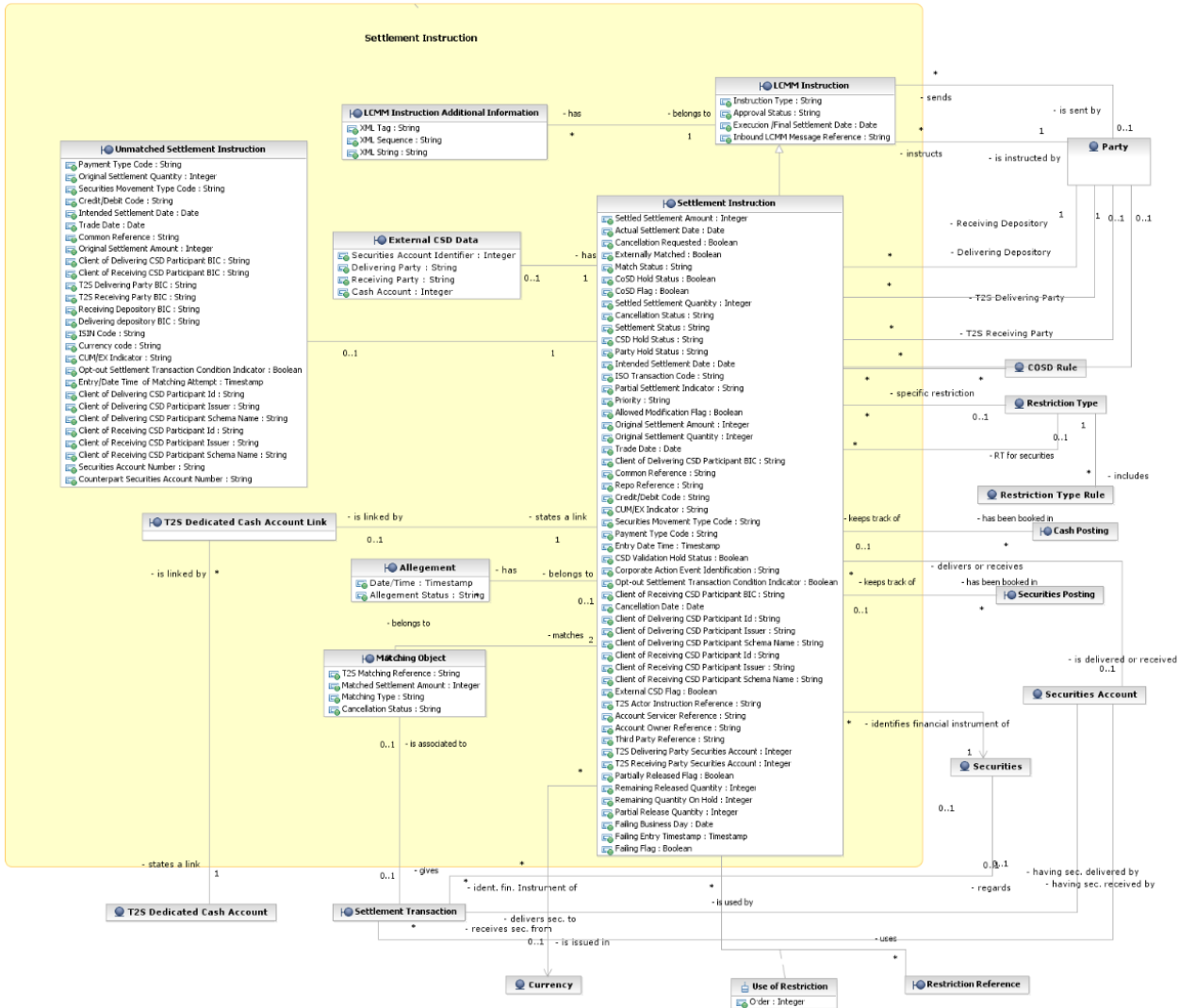
<i>Reference Id</i>	<i>LCMM.IVA.INM.2.1</i>
---------------------	-------------------------

...

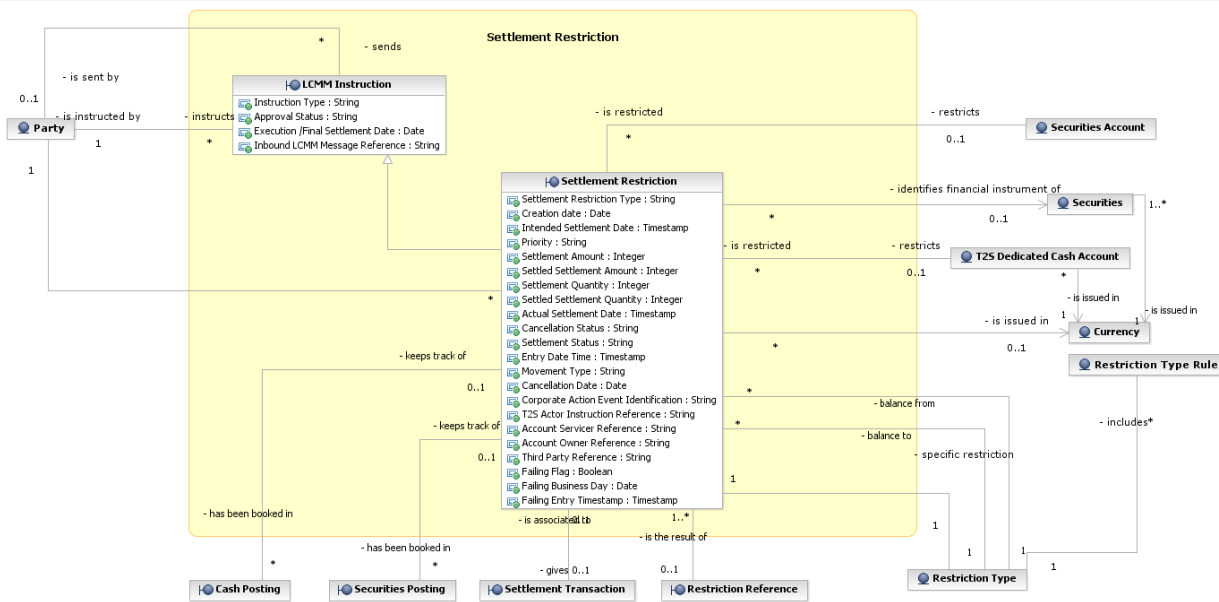
In addition, at the moment of creation of the *LCMM Instruction(s)* the function performs the following statuses assignment:

- | ...
- | Match Status assignment: The Match Status value is set to “*Matched*” for those already matched *LCMM Instructions* or to “*Unmatched*” for those *LCMM Instructions* that require matching **{T2S.05.444}**.
- | Settlement Status assignment: This function sets to “*True*” the Failing flag of the instructions entering T2S with either i) Intended Settlement Day before the Current Business Day, or with ii) Intended Settlement Day equal to the Current Business Day if they enter during the End of Day phase.

Section 3.4.2.3 Description of the data related to Settlement Instructions



Section 3.4.2.4 Description of the data related to Settlement Restrictions



Section 3.4.6 Status Management

A new subsection must be added between the “Maintenance instruction (Amendment, Hold/Release and Cancellation Instructions) status attributes” subsection and the “Reason codes” subsection in order to describe the difference between “Pending” and “Failing” instructions and under which circumstances T2S identifies instructions as “Failing”:

**Pending and Failing Instructions**

Settlement Instructions and Settlement Restrictions can be classified as “Pending” or as “Failing” instructions depending whether their settlement is still possible in T2S on their Intended Settlement Date or not:

- Pending Instructions: Settlement Restrictions, unmatched and matched Settlement Instructions for which settlement is still possible on their Intended Settlement Date.
- Failing Instructions: Settlement Restrictions, unmatched and matched Settlement Instructions for which T2S has identified that they cannot settle on their Intended Settlement Date.

This classification is linked to the T2S settlement status, but it does not represent a T2S status as such (i.e. the “Failing” and “Pending” are ISO statuses for the reporting in relevant messages but both relate to the Settlement Status in T2S). Therefore, this information will be a complement to the Settlement status values “Unsettled” and “Partially settled”.

As described below, instructions can change from “Pending” to “Failing”, as well as be created directly as “failing” at its acceptance. However, it is important to note that once T2S identifies a Settlement Instruction or a Settlement Restriction as “failing”, the instruction will no longer be classified as “pending” again.

T2S identifies as “Failing” a Settlement Instruction or Settlement Restriction as “Failing”, which is already in the system, in the following scenarios:

- In the completion of the processing of each cut-off, for Settlement Restrictions or matched Settlement Instructions applicable to such cut-off:
  - All Settlement Restrictions or matched Settlement Instructions, which are eligible to the cut-off and therefore have had at least one settlement attempt, remaining unsettled after the completion of the cut-off, will be identified as “Failing”.

After the completion of the processing of the last cut-off (FOP cut-off), for all Unmatched Settlement Instructions:

- Upon completion of the last cut-off, all unmatched settlement instructions having Intended Settlement Date equal to the current business day will be identified as “Failing”.
- After unsuccessful eligibility check of a Settlement Instruction or Settlement Restriction because its applicable cut-off has been reached.
    - Any matched Settlement Instruction and Settlement Restriction that fails its eligibility check because its applicable cut-off has been reached, will be identified as “Failing”.

Additionally, T2S identifies as “Failing” any new incoming Settlement Instruction or Settlement Restriction, directly upon their successful validation, in the following scenarios:

- During the whole Settlement Day except for the End of day phase<sup>9</sup>:
  - o T2S will identify as “Failing” all incoming Settlement Instructions and Settlement Restrictions having their Intended Settlement Date before the Current Business Day.
- During the End of Day phase<sup>10</sup>:
  - o T2S will identify as “Failing” all incoming Settlement Instructions and Settlement Restrictions having their Intended Settlement Date before or equal to the Current Business Day.

#### **3.4.6.3 Description of the functions of the module**

A new process in the Data Collection for messages function should be added in order to describe the process to change the ISO Settlement Status from “Pending” to “Failing” (i) after the completion of the relevant cut-off or (ii) instructions identified as failing during the ‘End of Day Phase’

Additionally a new sub function to describe the new process to identify unmatched settlement instructions as failing has to be created.

...

The Status Management module is composed of the following six functions dealing with status information:

- Life Cycle Track;
- Night-time Reporting Manager;

<sup>9</sup> Excluding also the Maintenance Window when the business validation service is not available

<sup>10</sup> After the completion of the processing of the last cut-off of the Real Time closure period



- Status Driven Manager;
- Data Collection for Messages;
- Allegements;
- Information Flow Consistency.
- Update Unmatched Settlement Instructions

...

#### **4 – Data Collection for Messages**

...

The function performs additional processes depending of the status information being processed:

...

- I For Instruction Status Information related to setup of a CSD Validation Hold Status, because of the identification of a Hold Restriction Type Rule applicable, the function collects, in addition, the information related to the CSD that set the rule, in order to compose the Message Data to inform both, the Instructing Party and the CSD accordingly.
- I For Instruction Status Information of “Matched” Settlement Instructions and Settlement Restrictions for which T2S has identified that they cannot settle on their Intended Settlement Date, this function updates them from “Pending” to “Failing” by setting to “True” their “Failing flag”.

Upon completion of each relevant cut-off, this function will receive a communication from Settlement Domain with the information of the relevant instructions that remain unsettled or partially settled after the cut-off. This function will update from “Pending” to “Failing” (i.e. by setting to “True” the “Failing flag”) those instructions not already identified as Failing before. The function composes the relevant Message Data and forwards it to the Outbound Processing module.

Additionally, this function also updates from “Pending” to “Failing” (i.e. by setting to “True” the “Failing flag”) those instructions that fail their eligibility check because its applicable cut-off has been reached and that have not been already identified as Failing before..

...

#### **7 – Update Unmatched Settlement Instructions**

Upon completion of the last settlement cut-off of the business day, this function identifies as “Failing” the “Unmatched” Settlement Instructions that can no longer settle on their Intended Settlement Date, sets to “True” the “Failing” flag, and informs the T2S Actor if T2S has not already communicated the “Failing” before.

Once all the relevant instructions have been updated to failing, this function must inform the scheduler so the event for the reporting (End of Day reporting) can start.

## **UHB**

The following **UHB v3.0** sections should be modified:

### **2.2.2.11 Intra-Position Movements - Search/List Screen**

Screenshot  
 Illustration 1: Intra-position movements - search/list screen

The screenshot displays the 'Search Criteria - Intra-Position Movements' interface. It features a top navigation bar with tabs for 'SECURITIES', 'CASH', 'SERVICES', 'STATIC DATA', and 'MONITORING'. Below the navigation bar, the breadcrumb trail reads 'Securities > Settlement > Intra-Position Movements'. The main search area is organized into several sections:

- General Criteria:** Includes fields for Actor Reference, T2S Reference, Account Owner Reference, Account Servicer Reference, Third Party Reference, Instructing Party Parent BIC, Instructing Party BIC, Account Owner BIC, Securities Account Number, ISIN, Restriction Reference, Restriction Type Balance from, and Restriction Type Balance to.
- Range Criteria:** Includes filters for Intended Settlement Date (from/to), Actual Settlement Date and Time (from/to), and Entry Date and Time (from/to). It also features a Settlement Type dropdown menu set to 'All' and a filter for Quantity or nominal of securities (from/to).
- Status Criteria:** Includes dropdown menus for Settlement Status (set to 'All'), ISO Settlement Status (set to 'All'), and Cancellation Status (set to 'All').


At the bottom of the search area, there are 'Search' and 'Reset' buttons. A footer bar contains 'New' and 'Details' buttons.

Intra-Position Movements – Search Criteria	
.....	....
Settlement Status	Select the settlement status of the settlement restriction from the possible values: <ul style="list-style-type: none"> <li><input type="checkbox"/> All (default value)</li> <li><input type="checkbox"/> Unsettled</li> <li><input type="checkbox"/> Settled</li> <li><input type="checkbox"/> Partially settled</li> </ul>
<u>ISO Settlement status</u>	<u>Select the settlement status of the settlement restriction from the possible values:</u> <ul style="list-style-type: none"> <li><input type="checkbox"/> <u>All (default value)</u></li> <li><input type="checkbox"/> <u>Pending</u></li> <li><input type="checkbox"/> <u>Failing</u></li> </ul> <u>If value 'Settlement Status' field is set to 'Settled' or 'Cancellation Status' field is set to 'Cancelled', this field is disabled.</u>
Cancellation Status	....

**2.2.2.12 Intra-Position Movement - Details Screen**

Screenshot

*Illustration 2: Intra-position movement - details screen*



SECURITIES

CASH

SERVICES

STATIC DATA

MONITORING

Securities > Settlement > Intra-Position Movements > Intra-Position Movement Details

Intra-Position Movement ⌵

Account Owner Reference ---	Account Servicer Reference <a href="#">IACLR0201X0307A</a>	Third Party Reference ---
T2S Reference 0214000447154000		
Instructing Party BIC LAVBINBBXXX	Instructing Party Parent BIC TCSOTCS0XXX	User Identification ADMN USER FOR LU CSD 4 EYE
Entry Date and Time 2014-12-23 13:59:34.097	Intended Settlement Date 2014-12-23	Final Settlement Date and Time ---
Actual Settlement Date ---	Accepted Timestamp 2014-12-23 13:59:35.860	
Corporate Action Event Identification ---		
Priority Normal		

Position and Securities Details ⌵

Securities Account Number LAVBBLICCSDPIPTYLCMMACCT01	Account Owner BLICLULXXXX	
ISIN LU0112960504	Securities Description ---	
Original Settlement Quantity 1,000	Settled Settlement Quantity 0	Settlement Type Units

---

**Balance from**

Restriction Type AWAS - Deliverable	Restriction Processing Type Deliverable	
--	--	--

---

**Balance to**

Restriction Type BLK1 - BLOCKING SECURITIES POSITION IN LU FOR INTRA POSITION MOVEMENTS	Restriction Processing Type Blocking	
--	---	--

Restriction Reference

---

Status Information ⌵

Cancellation Status Not cancelled	Settlement Status Unsettled	ISO Settlement Status Pending
--------------------------------------	--------------------------------	----------------------------------

Link ⌵

Link Type	Reference Type	Reference	Reference Owner
No records found.			
Pool Instruction Reference ---	Pool Instruction Counter ---	Pool Reference Owner BIC ---	

Revisions
Related Outbound Messages
Related Inbound Messages
Copy Instruction
Securities Position Details
Status History

Status Information	
...	...
Settlement Status	Shows the current settlement status of the settlement restriction from the possible values:   Settled   Partially settled   Unsettled
ISO Settlement Status	Shows the current ISO settlement status of the settlement restriction from the possible values:   Pending   Failing

2.2.2.17 Settlement Instructions - Search/List Screen

Screenshot

Illustration 3: Settlement instructions - search/list screen

The screenshot displays a web application interface for searching settlement instructions. At the top, there are navigation tabs: SECURITIES (highlighted), CASH, SERVICES, STATIC DATA, and MONITORING. Below the tabs is a breadcrumb trail: Securities > Settlement > Settlement Instructions. The main content area is titled 'Search Criteria - Settlement Instructions' and is divided into two sections: 'General Criteria \*' and 'Multiple Value Criteria'. The 'General Criteria \*' section contains several input fields: Actor Reference, T2S Reference, Account Owner Reference, Account Servicer Reference, Third Party Reference, Instructing Party Parent BIC, Instructing Party BIC, ISIN, Securities Account, Account Owner, Dedicated Cash Account, Pool Reference, Common Reference, and Corporate Action Event. The 'Multiple Value Criteria' section contains dropdown menus for Securities Movement Type Code (set to 'All'), Payment Type Code (set to 'All'), Settlement Transaction Type, Cum/Ex Indicator (set to 'All'), Settlement Transaction Condition Indicator (set to 'All'), Credit/ Debit Code (set to 'All'), Settlement Currency (set to 'all'), and Country of Issuance - Code (set to 'All').

SECURITIES	CASH	SERVICES	STATIC DATA	MONITORING
<p>Securities &gt; Settlement &gt; Settlement Instructions</p> <p><b>Other Criteria</b></p> <p>Priority: <input type="text" value="All"/></p> <p>Receiving CSD BIC: <input type="text"/></p> <p>Delivering CSD Participant Processing Reference: <input type="text"/></p> <p>Receiving CSD Client of the Participant BIC: <input type="text"/></p> <p>Issuer CSD: <input type="text"/></p> <p>Delivering CSD Participant: <input type="text"/></p> <p>Receiving CSD Participant Processing Reference: <input type="text"/></p> <p>Partial Settlement Indicator: <input type="text" value="All"/></p> <p>Delivering CSD BIC: <input type="text"/></p> <p>Receiving CSD Participant: <input type="text"/></p> <p>Delivering CSD Client of the Participant BIC: <input type="text"/></p> <p>CoSD Flag: <input type="text" value="All"/></p> <p><b>Range Criteria</b></p> <p>Trade Date: from <input type="text"/> to <input type="text"/></p> <p>Intended Settlement Date: from <input type="text"/> to <input type="text"/></p> <p>Actual Settlement Date: from <input type="text"/> to <input type="text"/></p>				

SECURITIES	CASH	SERVICES	STATIC DATA	MONITORING
<p>Securities &gt; Settlement &gt; Settlement Instructions</p> <p>Quantity or nominal of securities: from <input type="text"/> to <input type="text"/></p> <p>Settlement Type: <input type="text" value="All"/></p> <p>Settlement Cash Amount: from <input type="text"/> to <input type="text"/></p> <p><b>Status Criteria</b></p> <p>ISO Settlement Status: <input type="text" value="All"/></p> <p>Settlement Status: <input type="text" value="All"/></p> <p>Matching Status: <input type="text" value="All"/></p> <p>Cancellation Status: <input type="text" value="All"/></p> <p>CSD Hold Status: <input type="text" value="All"/></p> <p>Party Hold Status: <input type="text" value="All"/></p> <p>CSD Validation Hold Status: <input type="text" value="All"/></p> <p>CoSD Hold Status: <input type="text" value="All"/></p> <p>Approval Status: <input type="text" value="All"/></p> <p>Settlement Status: from <input type="text"/> to <input type="text"/></p> <p>Matching Status: from <input type="text"/> to <input type="text"/></p> <p>Cancellation Status: from <input type="text"/> to <input type="text"/></p> <p>CSD Hold Status: from <input type="text"/> to <input type="text"/></p> <p>Party Hold Status: from <input type="text"/> to <input type="text"/></p> <p>CSD Validation Hold Status: from <input type="text"/> to <input type="text"/></p> <p>CoSD Hold Status: from <input type="text"/> to <input type="text"/></p> <p>Approval Status: from <input type="text"/> to <input type="text"/></p> <p><input type="button" value="Search"/> <input type="button" value="Reset"/></p> <p><input type="button" value="New"/> <input type="button" value="Details"/> <input type="button" value="Recycle"/></p>				

Status Criteria	
<u>ISO Settlement status</u>	<p>Select the settlement status of the settlement instruction from the possible values:</p> <ul style="list-style-type: none"> <li><u>All (default value)</u></li> <li><u>Pending</u></li> </ul>

	<ul style="list-style-type: none"> <li>  <u>Failing</u></li> </ul> <p>If value 'Settlement Status' field is set to 'Settled' or 'Cancellation Status' field is set to 'Cancelled', this field is disabled.</p> <p><u>No date search range is allowed for the ISO Settlement Status</u></p>
Settlement Status	<p><u>Select the settlement status of the settlement instruction from the possible values:</u></p> <ul style="list-style-type: none"> <li>  <u>All (default value)</u></li> <li>  <u>Unsettled</u></li> <li>  <u>Settled</u></li> <li>  <u>Partially Settled</u></li> </ul>
Date and Time from	<ul style="list-style-type: none"> <li>  ...</li> </ul>

**2.2.2.18 Settlement Instructions - Details Screen**

Screenshot

Illustration 4: Settlement instruction - details screen

Settlement Instruction		
Securities Account Owner Reference ---	Securities Account Servicer Reference <u>20181207910ALM1</u>	Third Party Reference ---
T2S Reference 1812070292691150		
User Identification CSDDADMIN1	Instructing Party BIC CSDDSPDXXX	Instructing Party Parent BIC TCSOTCS0XXX
Settlement Status Unsettled	Matching Status Matched	Partial Settlement Indicator Partial allowed
ISO Settlement Status Pending		
Matched Settlement Amount ---	Matched Priority ---	Matched Partial Settlement Indicator ---
Securities Movement Type Code Delivery		
ISIN ESUDKKPD1122	Securities Description CSDD22	Securities Account Number PARAESPXXXXSDPP001
Securities Account Owner BIC	Original Settlement Quantity ---	Settlement Type _

Settlement Instruction	
Settlement Status	<p>Shows the settlement status of the settlement instruction from the possible values:</p> <ul style="list-style-type: none"> <li>  Unsettled</li> <li>  Settled</li> <li>  Partially settled</li> </ul>

Settlement Instruction	
<u>ISO Settlement Status</u>	Shows the current ISO settlement status of the settlement instruction from the <u>possible values</u> : <ul style="list-style-type: none"> <li>  Pending</li> <li>  Failing</li> </ul>

2.2.2.20 Status History - Details Screen

Screenshot

Illustration 5: Status history - details screen

Date and Time	Status Type	Status Value	Settled Settlement Amount	Settled Settlement Quantity
2018-10-19 09:13:43	Settlement Status	Settled		1
2018-10-18 19:39:16	Settlement Status	Unsettled - Failing		
2018-10-18 19:33:26	Settlement Status	Unsettled - Failing		
2018-10-18 19:19:41	Settlement Status	Unsettled - Failing		
2018-10-15 11:23:28	Settlement Status	Unsettled - Pending		
2018-10-15 11:23:26	Match Status	Matched		
2018-10-15 11:23:25	Match Status	Unmatched		
2018-10-15 11:23:25	Settlement Status	Unsettled - Pending		
2018-10-15 11:23:25	Cancellation Status	Not cancelled		
2018-10-15 11:23:25	Approval Status	Approved		

Settlement Instruction - Status History	
Instruction	Shows the reference of the instruction for which the status history is shown. Displayed format is: max. 16 characters (SWIFT-x)
Effective Date and Time	Shows the timestamp when the status query was made. Displayed format is: YYYY-MM-DD hh:mm:ss
Date and Time	Shows the date and time when the status value was modified. Displayed format is: YYYY-MM-DD hh:mm:ss
Status Type	Shows the status type depending on the instruction type from the possible values: <ul style="list-style-type: none"> <li>  Settlement Status (for settlement instructions and restrictions)</li> <li>  Match Status (for all types of LCMM instructions)</li> <li>  Cancellation Status (for all types of LCMM instructions)</li> <li>  Party Hold (for settlement instructions)</li> <li>  CSD Hold Status (for settlement instructions)</li> </ul>



Settlement Instruction - Status History	
	<ul style="list-style-type: none"> <li>  CSD Validation Hold Status (for settlement instructions)</li> <li>  CoSD Hold Status (for settlement instructions)</li> <li>  Execution Status (for cancellation instructions and condition modification instructions)</li> <li>  Approval Status (for all types of LCMM instructions)</li> </ul>
Status Value	<p>Shows the status value of the 'Status Type' field depending on the status type and the instruction type from the possible values:</p> <ul style="list-style-type: none"> <li>  Match status: 'Matched' or 'Unmatched'</li> <li>  Cancellation status for settlement instructions and restrictions: 'Cancelled' or 'Not Cancelled'</li> <li>  Cancellation status for cancellation instructions and condition modification instructions: 'Denied' or 'Not Denied'</li> <li>  Settlement status: 'Unsettled - <u>Pending</u>' or 'Unsettled - <u>Failing</u>' or 'Partially Settled' - <u>Pending</u>' or 'Partially Settled' - <u>Failing</u>' or 'Settled'</li> <li>  CoSD hold status: 'Yes' or 'No'</li> <li>  Party hold status: 'Yes' or 'No'</li> <li>  CSD hold status: 'Yes' or 'No'</li> <li>  CSD validation hold status : 'Yes' or 'No'</li> <li>  Execution status: 'Executed' or 'Not Executed'</li> <li>  Approval status: 'Approved' or 'Awaiting for Approval' or 'Revoked'</li> </ul>
Settled Settlement Amount	Shows the amount settled in the current status update. This field is only filled for an update in a settlement status.
Settled Settlement Quantity	Shows the quantity settled in the current status update. This field is only filled for an update in a settlement status.

**2.2.2.21 Insolvency procedure Settlement Instructions - Search/List Screen**

Screenshot

Illustration: Insolvency procedure settlement instructions –search/list screen

<p>Settlement Status</p>	<p>Select the settlement status from the possible values:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> All (default value)</li> <li><input type="checkbox"/> Unsettled</li> <li><input type="checkbox"/> Settled</li> <li><input type="checkbox"/> Partially settled</li> </ul>
<p><u>ISO Settlement status</u></p>	<p><u>Select the settlement status of the settlement restriction from the possible values:</u></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> <u>All (default value)</u></li> <li><input type="checkbox"/> <u>Pending</u></li> <li><input type="checkbox"/> <u>Failing</u></li> </ul> <p><u>If value 'Settlement Status' field is set to 'Settled' or 'Cancellation Status' field is set to 'Cancelled', this field is disabled.</u></p>

**2.3.3.5 Intra-Balance Movements - Search/List Screen**

Screenshot

Illustration 65: Intra-balance movements - search/list screen

SECURITIES	CASH	SERVICES	STATIC DATA	MONITORING
------------	------	----------	-------------	------------

Cash > Settlement > Intra-Balance Movements

**Search Criteria - Intra-Balance Movements**

**General Criteria**

Actor Reference	T2S Reference	
<input type="text"/>	<input type="text"/>	
T2S Dedicated Cash Account Number	Currency	
<input type="text"/> ±	all	
Account Owner Reference	Account Servicer Reference	Third Party Reference
<input type="text"/>	<input type="text"/>	<input type="text"/>
Instructing Party Parent BIC	Instructing Party BIC	
<input type="text"/> ⌵	<input type="text"/> ⌵	
Account Owner BIC		
<input type="text"/> ⌵		
Restriction Reference	Restriction Type Balance from	Restriction Type Balance to
<input type="text"/>	All	All

**Range Criteria**

<b>Intended Settlement Date</b>	<b>Actual Settlement Date</b>	<b>Entry Date and Time</b>
from <input type="text"/> ⌵	from <input type="text"/> ⌵	from <input type="text"/> ⌵
to <input type="text"/> ⌵	to <input type="text"/> ⌵	to <input type="text"/> ⌵
<b>Amount</b>		
from <input type="text"/>		
to <input type="text"/>		

**Status Criteria**

Settlement Status	ISO Settlement Status	Cancellation Status
All	All	All

Intra-Balance Movements – Search Criteria	
Settlement Status	<p>Select the settlement status of the settlement restriction from the possible values:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> All (default value)</li> <li><input type="checkbox"/> Unsettled</li> <li><input type="checkbox"/> Settled</li> <li><input type="checkbox"/> Partially settled</li> </ul>
<u>ISO Settlement status</u>	<p><u>Select the settlement status of the settlement restriction from the possible values:</u></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> <u>All (default value)</u></li> <li><input type="checkbox"/> <u>Pending</u></li> <li><input type="checkbox"/> <u>Failing</u></li> </ul> <p><u>If value 'Settlement Status' field is set to 'Settled' or 'Cancellation Status' field is set to 'Cancelled', this field is disabled.</u></p>

**2.2.3.3.6 Intra-balance Movement - Details Screen**

Screenshot

*Illustration 67: Intra-balance movement - details screen*

SECURITIES	CASH	SERVICES	STATIC DATA	MONITORING
------------	------	----------	-------------	------------

Cash > Settlement > Intra-Balance Movements > Intra-Balance Movement Details

**Intra-Balance Movement**

T2S Dedicated Cash Account Owner Reference ---	Account Servicer Reference <a href="#">CR612 1.8.2 a</a>	Third Party Reference ---
T2S Reference 0218201538373000		
Instructing Party BIC NCBHNLF001	Instructing Party Parent BIC TCSOTCS0XXX	User Identification NCB H NL Admin
Entry Date and Time 2018-11-13 11:33:44.000	Intended Settlement Date 2018-11-13	Final Settlement Date and Time 2018-11-13 11:33:47.190
Actual Settlement Date and Time 2018-11-13 11:33:47.190	Corporate Action Event Identification ---	
Priority ---		

**Balance and Cash Details**

T2S Dedicated Cash Account Owner BIC PMBKNLHF001	T2S Dedicated Cash Account Number CSHANHNLEUR0001
Original Settlement Amount 50,000.00 EUR	Settled Settlement Amount 50,000.00 EUR

---

**Balance from**

Restriction Type DLVR - Deliverable	Restriction Processing Type Deliverable
--	--

---

**Balance to**

Restriction Type BLOC - GENERAL Cash Balance BLOCKING	Restriction Processing Type Blocking
--	---

---

Restriction Reference  
1820153837302000

**Status Information**

Cancellation Status Not cancelled	Settlement Status Unsettled	ISO Settlement Status Pending
--------------------------------------	--------------------------------	----------------------------------

**Link/Unlink**

Link Type	Reference Type	Reference	Reference Owner
No records found.			
Pool Instruction Reference ---	Pool Instruction Counter ---	Pool Reference Owner BIC ---	

[Revisions](#)
[Related Outbound Messages](#)
[Related Inbound Messages](#)
[Copy](#)
[Status History](#)
[Balance Details](#)

Status Information	
Settlement Status	Shows the current settlement status of the settlement restriction from the possible values: <ul style="list-style-type: none"> <li>  Settled</li> <li>  Partially settled</li> <li>  Unsettled</li> </ul>
<u>ISO Settlement Status</u>	<u>Shows the current ISO settlement status of the settlement restriction from the possible values:</u> <ul style="list-style-type: none"> <li>  <u>Pending</u></li> <li>  <u>Failing</u></li> </ul>

2.4.1.14 Available Report - Statement of Pending Instructions - Details Screen

Screenshot

*Illustration 82: Statement of Pending Instructions - Details Screen*

Status Information	
Settlement Status	Shows the settlement status of the settlement restriction from the possible values: <ul style="list-style-type: none"> <li>  Settled</li> <li>  Partially settled</li> <li>  Unsettled</li> </ul>
<u>ISO Settlement Status</u>	<u>Shows the ISO settlement status of the settlement instruction from the possible values:</u> <ul style="list-style-type: none"> <li>  <u>Pending</u></li> <li>  <u>Failing</u></li> </ul>

2.4.1.15 Available Report - Statement of Pending Intra-Balance Movements - Details Screen

Screenshot

*Illustration 83: Statement of Pending Intra-Balance Movements - Details Screen*

to be updated in line with description

Intra-Balance Movement Information	
Settlement Status	Shows the settlement status of the settlement restriction from the possible values: <ul style="list-style-type: none"> <li>  USET (for unsettled) (default value)</li> <li>  SETT (for settled)</li> <li>  PSET (for partially settled)</li> </ul>
<u>ISO Settlement Status</u>	<u>Shows the ISO settlement status of the settlement restriction from the possible values:</u> <ul style="list-style-type: none"> <li>  <u>Pending</u></li> <li>  <u>Failing</u></li> </ul>

2.4.1.16 Available Report - Statement of Pending Intra-Position Movements - Details Screen

Screenshot

*Illustration 84: Statement of Pending Intra-Position Movements - Details Screen*  
to be updated in line with description

Status Information	
Settlement Status	Shows the settlement status of the settlement restriction from the possible values: <ul style="list-style-type: none"> <li>■ USET (for unsettled) (default value)</li> <li>■ SETT (for settled)</li> <li>■ PSET (for partially settled)</li> </ul>
ISO Settlement Status	Shows the ISO settlement status of the settlement restriction from the possible values: <ul style="list-style-type: none"> <li>■ Pending</li> <li>■ Failing</li> </ul>

---

#### High level description of Impact:

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#### Outcome/Decisions:

- \* CRG meeting on 6/7 July 2016: The CRG decided to put the Change Request on hold
- \* CRG meeting on 07 June 2017: The CRG recommended the Change Request for detailed assessment and asked the 4CB to check the feasibility to deliver it in T2S Release 3.0. The CRG was of the opinion that the Change Request should be classified as 'evolution/enhancement due to regulation'.
- \* Operational Mangers Group on 19 June 2017: During a written procedure from 9 to 19 June 2017, the Operations Managers Group did not identify any blocking operational impact of the Change Request.
- \* Advisory Group on Market Infrastructures for Securities and Collateral (AMI-SeCo) on 19 June 2017: Following a written procedure from 09 to 19 June 2017, the AMI-SeCo was in favour of launching the detailed assessment on the Change Request.
- \* CSD Steering Group on 20 June 2017: Following a written procedure from 09 to 20 June 2016, the CSD Steering Group was in favour of launching the detailed assessment on the Change Request.
- \* CRG meeting on 23 October 2017: The CRG put the Change Request on hold.
- \* CRG meeting on 15 December 2017: The CRG agreed to put the Change Request on hold.
- \* RMSG meeting on 20 July 2018: The RMSG agreed to launch the detailed reassessment of CR-609, in view of its allocation to R.3.2
- \* CRG teleconference on 26 September 2018: The CRG agreed to recommend to the Steering Level to authorise update of this Change Request and RMSG to include the CR in the scope of R.3.2
- \* AMI-SeCo on 8 October 2018: The AMI-SeCo has agreed to the recommendations of the CRG to confirm authorisation of this Change Request detailed assessed in R3.2.
- \* CSG meeting on 10 October 2018: The CSG agreed to include the Change Request in the scope of R3.2.
- \* NECSG on 15 October 2018: The NECSG agreed to include the Change Request in the scope of R3.2.
- \* MIB on 19 October 2018 (wp): The MIB approved the inclusion of the Change Request in the scope of R3.2.
- \* CRG 20 December 2018 (written procedure): The CRG agreed in principle to update the CR to reflect that, with Failing instructions, T2S shall report the code 'CYCL' instead of 'FUTU'. The code 'FUTU' will continue being reported but only for Pending instructions.
- \* CRG 15 January 2019 (written procedure): the CRG agreed to updates to the CR including the use of reason code 'CYCL' for Failing instructions

**EUROSYSTEM ANALYSIS – GENERAL INFORMATION**

<b>Impact On T2S</b>	<b>Static data management</b>		<b>Interface</b>	
		Party data management		Communication
		Securities data management		Outbound processing
		T2S Dedicated Cash account data management		Inbound processing
		Securities account data management		
		Rules and parameters data management		
		<b>Settlement</b>		<b>Liquidity management</b>
	X	Standardisation and preparation to settlement		Outbound Information Management
		Night-time Settlement		NCB Business Procedures
		Daytime Recycling and optimisation		Liquidity Operations
		Daytime Validation, provisioning & booking		<b>LCMM</b>
		Auto-collateralisation	X	Instructions validation
			X	Status management
		<b>Operational services</b>		Instruction matching
		Data Migration		Instructions maintenance
	X	Scheduling		<b>Statistics, queries reports and archive</b>
		Billing	X	Report management
		Operational monitoring	X	Query management
			X	Statistical information
			X	Legal archiving
		All modules (Infrastructure request)		
		No modules (infrastructure request)		
	Business operational activities			
	Technical operational activities			

**Impact on major documentation**

\*\*\* Provided the complexity of the CR, the current wording proposal is not to be considered as final as it may be subject to changes/updates during the implementation phase of the Change Request.\*\*\*

Document	Chapter	Change
Impacted GFS chapter	3.4.6 Status Management	To describe the difference between “pending” and “failing” instructions and under which circumstances T2S identifies instructions as “failing”:
	3.4.2.3 Description of the data related to Settlement Instructions	Update of diagram to include the new fields
	3.4.2.4 Description of the data related to Settlement Restrictions	Update of diagram to include the new fields
	3.5.5.3 Description of the functions of	



	the module - 7 – Cut-Off Processing	Include the reporting of failing to LCMM after each cut-off
Impacted UDFS chapter	<p>1.4.4.4.5 Real-time settlement closure schedule 1.4.4.4.6 Real-time settlement closure processes</p> <p>1.6.4.1 Status Management</p> <p>2.3. Send Settlement Instruction 2.4 Send Settlement Restriction on Securities Position 2.5 Send Settlement Restriction on Cash Balance</p> <p>3.3.3.21 IntraBalanceMovementStatusAdviceV01 3.3.7.3 IntraPositionMovementStatusAdviceV03 3.3.8.5 SecuritiesSettlementTransactionStatusAdviceV03</p> <p>4.1 Index of Business Rules and Error Codes</p> <p>4.2. Index of Status Values and Codes</p> <p>4.6.3.4 Statement of pending instructions. semt.018 4.6.3.5 Statement of pending intra-position movements. semt.034</p>	<p>To describe the new process performed at the end of the cut-offs in order to update “pending” instructions into “failing”.</p> <p>To describe the difference between “pending” and “failing” instructions and under which circumstances T2S identifies instructions as “failing”:</p> <p>Include a new section to describe the process to identify “<b>failing</b>” instructions during the Real time closure period.</p> <p>Further updates of current message usages/specific requirements are required to include the failing ISO status in these messages and the use of the code CYCL for failing (instead of FUTU that will be used to report pending). Update existing examples and create new ones as described in proposed wording for UDFS. All unsettled reason codes for &lt;Pdg&gt; have to be created for failing. The same BRs will be used for both, pending and failing</p> <p>Include Reason codes for &lt;FIng&gt; “Failing”. The list shall include CYCL because it is not used for &lt;Pdg&gt; “Pending”, For &lt;Pdg&gt; “Pending FUTU is used (and must be listed).</p> <p>To add Settlement Status Type field (PEND of PENF) to specify if the unsettled instruction is pending or failing.</p>
Additional deliveries for Message Specification	<p>3.3.2.1 ReportQueryRequestV01 (admi.005.001.01)</p> <p>IntraBalanceMovementStatusAdviceV01 (camt.067.001.01)</p> <p>IntraPositionMovementStatusAdviceV03 (semt.014.001.05)</p>	<p>Adding the new event type codes</p> <p>“Failing” block inside “Settlement Status” has to be unpruned in these messages</p>

	<p>SecuritiesSettlementTransactionStatusAdviceV03 (sese.024.001.08)</p> <p>3.3.3.32 IntraBalanceMovementQueryV01 (camt.078.001.01)</p> <p>3.3.3.33 IntraBalanceMovementQueryResponseV01 (camt.079.001.01)</p> <p>3.3.3.39 IntraBalanceMovementPendingReportV01 (camt.085.001.01)</p> <p>3.3.7.7 SecuritiesTransactionPendingReportV03 (semt.018.001.03)</p> <p>3.3.7.10 SecuritiesSettlementTransactionAuditTrailReportV01 (semt.022.001.01)</p> <p>3.3.7.12 SecuritiesSettlementTransactionQueryV01 (semt.026.001.01)</p> <p>3.3.7.13 SecuritiesSettlementTransactionQueryResponseV01 (semt.027.001.01)</p> <p>3.3.7.14 IntraPositionMovementQueryV01 (semt.028.001.01)</p> <p>3.3.7.15 IntraPositionMovementQueryResponseV01 (semt.029.001.01)</p> <p>3.3.7.20 IntraPositionMovementPendingReportV01 (semt.034.001.01)</p>	<p>Unpruning of failing settlement status block or code within the query/response and reporting messages.</p>
<p>UHB</p>	<p>2.2.2.11 Intra-Position Movements - Search/List Screen</p> <p>2.2.2.12 Intra-Position Movement - Details Screen</p> <p>2.2.2.17 Settlement Instructions - Search/List Screen</p> <p>2.2.2.18 Settlement Instruction - Details Screen</p>	<p>To perform the necessary updates to:</p> <ul style="list-style-type: none"> <li>(i) Allow querying for instructions flagged as “failing”</li> <li>(ii) Provide the “failing” ISO status as part of the instruction details</li> </ul>

	<p>2.2.2.20 Status History - Details Screen                  2.2.2.21 Insolvency procedure Settlement Instructions - Search/List Screen</p> <p>2.3.3.5 Intra-Balance Movements - Search/List Screen                  2.3.3.6 Intra-Balance Movement - Details Screen</p> <p>2.4.1.14 Available Report - Statement of Pending Instructions - Details Screen                  2.4.1.15 Available Report - Statement of Pending Intra-Balance Movements - Details Screen                  2.4.1.16 Available Report - Statement of Pending Intra-Position Movements - Details Screen</p>	<p>Add field for "failing" ISO status</p>
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External training materials		
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Links with other requests

Links	Reference		Title	
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**OVERVIEW OF THE IMPACT OF THE REQUEST ON THE T2S SYSTEM AND ON THE PROJECT**

Summary of functional, development, infrastructure and migration impacts

The impacts of this change request on the T2S domains/modules are the following:

**LCMM:**

After the implementation of this CR, the T2S Database will differentiate between pending and failing instructions. The definition of "pending" and "failing" instructions is as follows:

- Pending instructions: settlement restrictions, matched and unmatched settlement instructions whose settlement is still possible on their ISD.
- Failing instructions: settlement restrictions, matched and unmatched settlement instructions for which T2S has identified that they cannot settle at the Intended Settlement Date (ISD).

When an instruction is identified as "failing", T2S shall send a status advice informing the "failing" status of the instruction.

As described below, instructions can change from "pending" to "failing", as well as be created directly as "failing" at its acceptance. However, it is important to note that once T2S identifies a Settlement Instruction or a Settlement Restriction as "failing", the instruction will no longer be classified as "pending" again. Once an instruction is identified as "Failing", all the status advices of the instruction will no longer report "Pending" but "Failing".

T2S will identify instructions as "failing" as described hereafter:

- **In Business Validation:**
  - At any time of the settlement day except of the End of day (and excluding the Maintenance Window) for all instructions: After the successful validation of an incoming instruction in T2S, if its ISD is before the current business day, it will be created with "failing" ISO status.
  - During the End of day (after the completion of the processing of the last cut-off), for all instructions: After the successful validation of an incoming instruction in T2S, if its ISD is either before or equal to the current business day, the instruction will be created directly as a "Failing"

instruction (and reported as such).

- **In the processing of each cut-off, for the relevant matched settlement instructions and settlement restrictions:**

- Settlement Domain will communicate to LCMM each transaction that has failed to fully settle, for all matched settlement instructions and settlement restrictions that are eligible for the cut-off.

Therefore, all matched settlement instructions and settlement restrictions having reached their ISD and entered in the system before their applicable cut-off, will be updated into “failing” status if they remain unsettled or partially settled.

The sending of the message communication (status advice), created when an instruction is identified as “Failing” of this process, can be switched on/off. LCMM will check if this reporting to the user is switched on/off. The functionality for the switch on/off the reporting of the failing to the users in this process can be updated by LLI at LCMM.

Note: This status update request identifying the instruction as failing is the same flow that will be received from Settlement if the unsettled instruction is on a partial release process (CR-0653) and the partial release process is cancelled because the cut-off has been reached. In this case, in the processing of the cut-off, the status update sent will now: Not only contain the Failing information but also the “PREA”/“PRCY”. Given that the T2S Actor needs to be informed about the cancellation of the partial release process, the message communication (status advice) in this scenario will be sent even if the reporting to the user for additional communications of CR-0609 is switched off.

- In new LCMM function for identification of unmatched settlement instructions as “Failing”:
  - Upon completion of the last cut-off (FOP), all the unmatched settlement instructions existing in the system having ISD equal to the current day will be updated into “failing” status. The status reporting to the users of this process (i.e. message communication or status advice) can be switched on/off by an LLI at LCMM.
- Through the existing eligibility communication failure because applicable cut-off has been completed: Any instruction that, having reached its ISD but can no longer settle because its applicable cut-off has been completed (and hence the instruction is reported as “LATE”), will be updated into “failing” status when reporting the “LATE” reason code.

As a consequence of the existence of this new “failing” status reporting, the LCMM function in charge of the generation of the real time status reporting will be updated.

This is achieved by including the Failing ISO Status in the three relevant outbound information flows:

- Settlement Instruction Status Advice (sese.024),
- Intra-Position Movement Status Advice (semt.014),
- Intra-Balance Movement Status Advice (camt.067),

The “failing” and “pending” statuses are ISO statuses related to the Settlement Status in T2S.

Although the information to know whether an instruction is pending or failing will be stored in T2S, they will not be a status of the instruction. This information will be a complement to the Settlement statuses “Unsettled” and “partially settled” (i.e. pending and failing are to be considered in T2S as sub-statuses of the Settlement Status values unsettled and partially settled)

As this information will be stored in the T2S Database (LCMM), the “failing” and “pending” statuses will be provided not only in the A2A reporting described above, but also in the relevant reporting modes described in the CR (U2A queries, flat file reports, A2A queries and reports).

Regarding the T2S reports, it is assumed that the reports related to a cut-off or to End of Day should consider the relevant change of the instructions from pending to failing. For example:

- The report of unsettled instructions sent for "EDVP" (End of DVP cut-off) shall inform as failed (and not as pending anymore) the DVP matched instructions that can no longer settle even if their ISD has been reached
- The end of day report of unsettled instructions shall inform as failed (and not as pending anymore) all the instructions that can no longer settle on their ISD.

#### **Settlement Day:**

For each of the following cut-offs (CSRC, BATM, ICBO, IFOP and SSRC) one additional event will be needed due to this CR: "end of cut-off" event.

For the DVP cut-off where we already have the "end of cut-off" event" (EDVP) in T2S, we do not need one an additional event. Additionally, there will be a need for one event to ensure that the EoD reporting does not start until the relevant Unmatched Settlement instructions have been updated by LCMM to "Failing". Therefore a total of 6 events will be needed. They will have the following characteristics:

- All the new events will have the same currency dependencies and definition as the existing event for the relevant cut-off. (E.g. the new events for "processing of cut-off" and "end of cut-off" for BATM will have the same currency dependencies as the BATM)
- The new events "end of cut-off" will be available for report configuration (E.g. consequently events "BATM" and "end of cut-off BATM" will be available for users to configure their reports)

#### **LTSI:**

Add new ISO status for reporting purposes (Pending / failing).

#### **REM:**

In order to meet the requirements of this CR, the following reports have to report the "failing" status for all instructions which are flagged as such by LCMM:

- Statement of Pending Instructions (semt.018)
- Statement of Pending Intra-Position Movements (semt.034)
- Statement of Pending Intra-Balance Movements (camt.085)

In order to display the "failing" status also in the respective report details screens, a field for this value has to be added to the following screens:

- Available Reports - Details Screen: Statement of Pending Instructions
- Available Reports - Details Screen: Statement of Pending Intra-Position Movements
- Available Reports - Details Screen: Statement of Pending Intra-Balance Movements

The new events should be linked to event categories BURE and SDRE to enable the configuration of Business Reports as well as Static Data Reports.

The new event type codes shall be eligible in the pull-down list of events in field "Business Event" on Available Report Select/List Screen.

Additionally, the new business events shall be eligible for report configurations on the Report Configuration New and Search/List Screen.

To test the changes in Report Management it is necessary to draft and execute test cases for both U2A and A2A. The test cases will check the correct implementation of the new field displaying the "failing" status on the details screens of the Statement of Pending Instructions, the Statement of Pending Intra-Position Movements and the Statement of Pending Intra-Balance Movements.

Furthermore it needs to be tested that the new status is correctly reported in the respective A2A messages, i.e. semt.018, semt.034 and camt.085.

Existing regression test cases need to be updated to incorporate the changes resulting of the implementation of the CR.

#### **QUM:**

As described in this CR, all queries concerning Settlement Instructions and Settlement Restrictions have to introduce the possibility to query instructions for which the Settlement Status "Pending" as well as "Failing" is applicable. To meet this requirement, the query messages and screens must offer a field for these search criteria and the response messages and screens must subsequently display these status values.

Query messages impacted are:

- Settlement Transaction Query (semt.026)
- Intra-Position Movement Query (semt.028)
- Intra-Balance Movement Query (camt.078)

Query Response messages impacted are:

- Securities Settlement Transaction Audit Trail Report (semt.022)
- Settlement Transaction Query Response (semt.027)
- Intra-Position Movement Query Response (semt.029)
- Intra-Balance Movement Query Response (camt.079)

The new event types for end of cut-off have to be made eligible for querying already created reports using adm.005 message.

To test the changes in Query Management it is necessary to draft and execute test cases for both U2A and A2A. The test cases will check the correct implementation of the new field on the following search screens and of the provision of the status values on the following details screens: Settlement Instructions – Search, Insolvency procedure Settlement Instructions – Search, Settlement Instruction – Details, Status History – Details, Revisions/Audit Trail – List, Intra-Position Movements – Search, Intra-Position Movements – Details, Intra-Balance Movements – Search and Intra-Balance Movements – Details.

Furthermore the correct implementation of the new search criteria in the semt.026, semt.028 and camt.078 as well as the correct provision of the status values in the response messages semt.022, semt.027, semt.029 and camt.079 needs to be tested.

Existing regression test cases need to be updated to incorporate the changes resulting of the implementation of the CR. It is also required to test the query functionality via adm.005 with the new event codes.

#### **INTF:**

U2A will be updated in order to:

- (i) Allow querying for instructions flagged as "failing" in the Settlement Instruction and Settlement Restrictions search screens (Insolvency procedure SI search screen also to be updated);
- (ii) Provide the "failing" ISO status as part of the instruction details screens for Settlement Instructions and Settlement Restrictions (Including Status History screen)

No change will be applied on the Settlement Instructions and Settlement Restriction List screens. I.e. Failing status will not be displayed as part of the attributes retrieved in the list of instructions provided to the Users.

To test the changes in Interface it is necessary to draft and execute test cases for U2A. The test cases will check that it is possible to subscribe based on "Failing" as instruction status for the messages sese.024, semt.014 and camt.067.

Any outbound message with the new status "Failing" will be managed as any other status in terms of bundling, that's depending on the user configuration.

Existing regression test cases need to be updated to incorporate the changes resulting of the implementation of the CR.

Reason codes:

The ISO code 'FUTU' (reason code) for 'Pending', is not defined for 'Failing'. For this reason, current T2S message usages reporting 'FUTU' will i) remain informing 'FUTU' when it is reported with 'Pending', but will ii) inform 'CYCL' when it is reported with 'Failing'. For this purpose 'CYCL' reason code for 'Failing' has to be unpruned in all the messages mentioned in the Description of the Change. 'FUTU' reason code for 'Pending' shall be available for all these messages.

Same principle will apply for the U2A. Accordingly, the relevant Details screens (e.g. Settlement Instruction - Details Screen) that inform the Reason Code Reference for the Settlement Status, will be able to report CYCL

for Failing Unsettled Instructions.

**STSI:**

The new field storing the PEND or PENF information will be included in the STSI tables for reporting purposes only.

No impact on billing calculations is foreseen; the “fail on intended settlement date” service item is not impacted by this CR.

**Main cost drivers:**

- Definition of the new process for interaction between LCMM and SETT in order to assign the “failing” status to instructions and store it in the database.
- Update the instruction database to accommodate the required new attributes related to the “failing” status for instructions.
- Definition and creation of new processes inside the instruction validation and status management modules to store, update and report the “failing” status both for new and existing instructions.
- Testing the new behaviour of the status management and all the different reporting and statuses advises to be sent to inform the new “failing” status or to keep the current pending status when relevant. Due to the high impact in status management it also considers many regression tests to ensure a high-quality delivery in all ways.
- This CR requires NFTs: new processes to update the failing status of the relevant settlement instructions and restrictions after each cut-off are needed, which increase the tasks in the RTS closure period. Also database is updated, which requires its testing.  
 Subject to the results of the planned NFT, CR-0609 is deemed to have an impact of about 1.5% of the resources needed to support daily peak (especially during real-time closure and EoD) is estimated in terms of additional capacity to be purchased, because this CR has an impact on processes that run during this time frame. If the capacity is not enlarged the consequences will be a possible higher queuing effect in case of peaks above the average volumes and consequently possible delay in the cut-offs, especially during EoD.

Summary of project risk

None

Security analysis

No potentially adverse effect was identified during the security assessment.

DG - MARKET INFRASTRUCTURE & PAYMENTS  
 MARKET INFRASTRUCTURE MANAGEMENT

ECB-PUBLIC



21 September 2018

### Cost assessment on Change Requests

<b>T2S-609-SYS – T2S must be able to report 'PENF' settlement status for settlement instructions for which settlement at the Intended Settlement Date (ISD) is no longer possible</b>			
One-off	Assessment costs*		
	- Preliminary	2,000.00	Euro
	- Detailed	20,000.00	Euro
One-off	Development costs	1,037,175.35	Euro
Annual	Operational costs		
	- Maintenance costs	93,944.53	Euro
	- Running costs	241,000.00	Euro

\*The relevant assessment costs will be charged regardless of whether the CR is implemented (Cf. T2S Framework Agreement, Schedule 7, par. 5.2.3).