

FREQUENTLY ASKED T2S FUNCTIONAL QUESTIONS

T2S Programme Office

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Questions and Answers
Series

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ACCESS RIGHTS

What is a third party receipt and what has to be done to set it up?

The third party receipt functionality facilitates a T2S actor to instruct T2S to send copies of a message, for which it is an interested party, to another T2S actor, who is by default not an interested party. The T2S actor (interested party) must setup in T2S static data the third parties to which T2S must send the copies of the messages.

In order to define third parties, to whom T2S must send the copies of the message, a third party should be granted with the object privilege 'Third Party receipt' with the object as the interested Party. This privilege is available to both CSDs and the NCBs.

Additionally, the third party must have the necessary message subscription setup to receive the messages. Refer the presentation in the knowledge repository about privileges and third party receipt: http://www.ecb.europa.eu/paym/t2s/progress/pdf/list_of_t2s_privileges.zip

Which kind of privileges is needed for a CSD to instruct PFOD instructions in T2S?

No privileges as such apart from being able to instruct on the securities account in the PFOD instruction. The securities account needs to be linked to the DCA (linking by CSD) and the BIC of the owner of the securities account has to be authorised to use it (CMB set-up done by NCB).

What is the privilege "Maintenance for intra Position Movements and Settlement Instructions Query" for?

This privilege allows querying maintenance instructions via Maintenance Securities Instructions - Search Screen in the T2S GUI. The term "maintenance instructions" for the securities side encompasses amendment, cancellation and hold/release instructions. However, in the A2A mode, different messages have to be used to query these instructions: semt.030 and semt.032 and querying these messages require different privileges such as 'Amendment Instruction Query for Intra-Position Movements and Settlement Instructions' and 'Cancellation Instructions for Query for Intra-Position Movements and Settlement' privilege respectively.

Therefore this privilege "Maintenance for intra Position Movements and Settlement Instructions Query" does not include the other A2A privileges; it is a separate privilege which is U2A specific, while "Amendment instruction query for intra-position movements and settlement instructions" and "Cancellation instructions for settlement instruction and intra position movements query" privileges enable you to trigger the respective queries also in A2A mode. Please note that also "Hold/release instruction query" is U2A specific.

Is there a document showing the link between the T2S GUI screens and the privileges required to access each specific screen?

Chapter 2 of the T2S user handbook (UHB) describes all the T2S GUI screens and for each screen there is a "privileges" segment which lists all necessary privileges to access the screens and to use its functions. First, the privileges to access a screen are mentioned, followed by the privileges that are necessary to use all functions on the screen. Similarly, in the chapter 3 of the UHB there is a "privileges" segment for each screen, where you can find the needed privileges to show the screen and to proceed the business scenario. Also, you can find a list of privileges in section 6.3.2 Privilege Classes for GUI Screens of the UHB. In this list you can see the privilege short names.

Is it possible to grant the privilege "Send new settlement instruction/new settlement restrictions on securities either on a securities account or on behalf of an external CSD" for the use of settlement instructions only?

No. It is not possible to grant this privilege in such a way that only either settlement instructions or settlement restrictions are allowed. Both are allowed by default.

For sending a new settlement instruction additional privilege for using the ISO transaction code are needed. By using this settlement instruction usage can be restricted.

This privilege can be combined with Case 1 restriction rules to restrict the usage of settlement restrictions and/or settlement instructions.

Which T2S Parties can use the broadcast functionality?

There is no limitation to the type of parties/users the broadcast privilege can be assigned to. The functionality is only available within U2A and allows delivery of broadcasts to:

1. All users
2. Single CB/CSD excluding parties in its hierarchy
3. Single CB/CSD and parties in its hierarchy
4. All CBs excluding their payment banks
5. All CBs and their payment banks
6. All CSDs excluding their CSD participants
7. All CSDs and their CSD participants

It is only possible to send broadcasts to a party within the party hierarchy of the broadcast sending user. Party hierarchy means each system entity is only allowed to send broadcasts to its parties. Only the T2S Operator users are allowed to send broadcasts to all users.

Could a CSD receive the BankToCustomerDebitCreditNotification camt.054 message if its Central Bank has granted that CSD the required privileges? How does this impact the billing for the Central Bank?

Yes, it is possible provided that:

1. The respective CB grants a "Third Party Receipt" object privilege to the CSD as participant of the CB. For more details please refer to the presentation on 'third party receipt privilege' published on the T2S website under knowledge tab.
2. Relevant message subscriptions are set-up for the CSD as third party by the CB for the respective DCAs.

The CB would in this case receive the invoice, and then charge back again the CSD as its participant. Another option is for the CB to grant the privilege "Third Party Receipt" as cross system entity to the CSD. In this case the CSD would be able to set up its own message subscription configurations to receive messages meant for the NCB. The CSD would also be able to grant the Third Party Privilege with the NCB as object to its CSD participants, thus propagating the message subscription to them. In this case the CSD would be directly billed.

Can a CSD receive floor/ceiling notifications?

Floor/ceiling notifications are not part of message subscription. It is only sent to the account owner of a DCA. Therefore a CSD can only receive a floor/ceiling notification, if they are set-up as a NCB participant which owns a DCA.

How can a CSD manage to receive all (or only specific) messages of their ICPs by using a Message Subscription Rule Set?

The only parameter modifiable in an already active Message Subscription Rule Set (i.e. Valid From in the past) is the Valid To parameter, therefore it is not possible, for example, to add or remove a new interested party in the active Message Subscription Rule Set.

If you want to set up a similar message subscription for a new interested party, you can follow any of the following options:

Option 1 - Terminate the existing Message Subscription Rule Set by updating its "Valid To" date, and create a new Message Subscription Rule Set with a list of interested parties which includes the existing interested parties plus a new interested party and configure the Message Subscription Rules with the same rules like the original one.

Option 2 - Create a new Message Subscription Rule Set only for a new interested party and configure the Message Subscription Rules with the same rules like the original one.

If you want to remove message subscription for any interested party, then you can follow any of the following options:

Option 1 - Terminate the existing Message Subscription Rule Set by updating its "Valid To" date, and create a new Message Subscription Rule Set with a list of interested parties which includes the existing interested parties minus the interested party to be removed and configure the Message Subscription Rules with the same rules like the original one.

Option 2 - Create a new Message Subscription Rule Set with "Negative parameter" only for the interested party to be removed and configure the Message Subscription Rules with the same rules like the original one.

Question and Answers

Do I need to grant the privilege to use COLI/COLO/REAL to each user for the purpose of auto-collateralisation/realignment?

No, this is not necessary. For COLI/COLO instructions created for auto-collateralisation purposes, the user will be T2S system/internal user. The user will have the privileges to create COLI/COLO instructions by default. For all REAL instructions created for realignment purposes, the user will be T2S system/internal user. The user will have the privileges to create REAL instructions by default. No need to grant privileges here.

How can a DCP search the restriction type rules created by their CSD in T2S?

The Restriction Types - Search/List Screen is available for the DCP user to query the restriction types and the rule parameters defined by its respective CSD. To access the relevant screen, the following privileges need to be assigned to the DCP user

"Market-specific restriction list query"

"Market-specific restriction type rule set list query"

"Market-specific restriction type rule detail query"

COMMUNICATION

What will be the BIC address of the T2S operator?

The BIC TRGTXE2SXXX is the one that will be used for the T2S Operator. According to SWIFT, the T2S Operator BIC will not be published.

Is it possible to use BIC 11 (BIC 8 + branch code) in T2S, even if those are not eligible on SWIFT network?

In order to identify a T2S Party, all BICs used in T2S are validated against the T2S BIC directory. The BIC directory in T2S is aligned with the BIC Data+ from SWIFT. So T2S will identify only published BICs (i.e. SWIFT BICs).

However, the T2S Operator can manually input BICs in the T2S BIC Directory.

Can the size of a file be smaller than 32KB?

Files of less than 32KB can be sent.

How will T2S transmit outbound messages which exceed the size of 32Kb?

If the size of an outbound message exceeds 32K, the message is transmitted over the file-based network service, but the message will neither be bundled into a file and nor have the File Application Header.

When the size of a message exceeds 32 MB it is paginated. How can a pagination be identified and based on which field can a pagination be expected in the different messages for which pagination is possible?

A message is paginated at the first level of repetitive elements. In order to indicate that a report was paginated, the message elements foreseen to indicate "pagination" is used (<Pgntn> ... </Pgntn>) or for camt.053 <MsgPgntn>...</MsgPgntn>). The tags detailed below are foreseen to be used as identifier common to all pages of report.

semt.017, semt.018, semt.002: Tag "Stmtid" - T2S Usage: provides reference common to all pages of a statement.

reda.009: Tag "msgid/id" - T2S Usage : Unique identifier of the document (message) assigned by the sender of the document.

reda.012: Tag "ReqMsgID" - T2S Usage: unique identifier of the document assigned by the sender of the document.

reda.021: Tag "OrgnlBizQry/MsgId"- T2S Usage: Point to point reference, as assigned by the original initiating party, to unambiguously identify the original query message.

reda.035: Tag "msgid/id"- T2S Usage: unique identifier of the document assigned by the sender of the document.

camt.053: Tag "BkToCstmrStmnt\stmnt\ld " - T2S Usage : Statement number (Sequential number of the report assigned by T2S. It is increased incrementally for each report sent electronically).

Additional reports from T2S-0461-SYS:

semt.027, semt.040: Tag "QryRef" - T2S Usage: Identification of the message sent to request this statement.

What is the relation between System User Reference and Login Name? Is it a 1 to 1 relation?

According to UDFS 1.3.2.2.2, it is possible to attach more than one System User Reference to the same Login Name. Recent discussions with the market came however to the conclusion that this possibility will probably never be used and may eventually be closed. In this context: Yes, we can assume that the relationship will be one to one.

What values are allowed to be used for the field Technical Address Type?

Since T2S 0401 SYS (Message-Issues detected during testing incl. ISO Date) only DN can be used for the Technical Address Type.

Question and Answers

Who is in charge of attributing a certificated DN and a system user references to a business sender?
Please discuss the point with your VA-NSP (Value Added Network Service Provider). They are responsible for the user's authentication, user's certificate and for definition of the DN (Distinguished Name) and SUR (System User Reference).

Is it possible to modify the technical address linked to a message subscription or a generated report with immediate effect in a business continuity framework?

Yes, the Party Technical Address can be updated (or created) with immediate effect (UDFS 2.0 - Table 140 - Static Data Objects with limited validity period). Additionally, network configuration changes are applied immediately (UDFS 2.0 Table 139 - Static Data Objects with unlimited validity period).

Is it possible to set-up the prefixes of the Distinguished Name (DN) in lower case letters as provided by SWIFT for U2A mode?

Yes, it is possible to set-up the Distinguished Name (DN) code in lower case for the T2S GUI user (e.g. cn=<name>,ou=<name>,o=xxx,o=swift) for the SWIFT DN.

Is it possible to set-up the prefixes of the Distinguished Name (DN) in lower case letters as provided by SWIFT for A2A mode?

Yes, it is possible to set-up the Distinguished Name (DN) code in lower case for the A2A user (e.g. cn=appl,ou=t2s,o=abcdxyy,o=swift) for the SWIFT DN.

What are the different technical headers in T2S are used for?

Business Application Header (head.001): The Business Application Header is part of each business message exchanged between T2S Actors and T2S. It supports the following functions:

- Document Routing
- Document Identification
- Document Processing information,

An ISO 20022 Message together with its BAH forms a Business Message.

Business File Header (head.002): The Business File Header is used to send several business messages within one file to T2S. T2S uses the BFH information for consistency and completeness checks. A file can contain one or several business messages. It performs the following functions:

- Sums up different documents (messages) within one envelope
- Routes the object exchanged to a destination
- Identifies the object exchanged
- Describes the type of the object exchanged
- Gives processing information to the receiving party

Technical wrapper (head.003): The head.003 XSD file is used as a "technical wrapper" to structure the ExchangePayload1 for head.002

The business data header head.003 is located between the head.002 (Business file header) and the head.001 (business application header). It is a kind of technical envelope that allows the use of a head.001 inside a head.002.

Please also refer the presentation in our knowledge based repository on the T2S website: [BAH](#)

Is the ClearingSystemMemberIdentification of the business application header mandatory?

In T2S, it is mandatory, even though for the ISO specifications the field is optional. Member Identification (AppHdr/Fr/FIIId/FinInstnId/ClrSysMmbId/MmbId) field under ClearingSystemMemberIdentification in BAH (head.001.001.01) is used to identify the system user reference which is a logical piece of information that allows the identification of one system user in the T2S static data. Therefore, in T2S inbound messages the field ClearingSystemMemberIdentification should be mandatorily provided.

Question and Answers

Which values for the fields 'from' and 'to' are used in the BAH of an allegation message?

The BAH (from) relates to the CSD of the original instructing party that was specified in the BAH (from) of the incoming instruction (for which the allegation is sent for).

The BAH (To) contains the original instructing party as specified in the BAH (from) of the incoming instruction (for which the allegation is sent for).

Is a business signature required for the transfer by flat files for securities valuation?

A business signature is not required for the transfer via flat files used for the securities valuation.

How does the counterparty receive the allegation message sese.028 although the BICFI (To) and ID (To) values in the BAH refer to the instructing party of the sese.023?

T2S identifies the party to which the allegation must be sent to as below:

- The CSD Participant is identified in the 'Receiving Settlement Parties block' if the original sese.023 is a DELI instruction
- The CSD Participant is identified in the 'Delivering Settlement Parties block' if the original sese.023 is a RECE instruction

The allegation message sese.028 will be sent to the technical address specified in the routing configuration in T2S static data for the above mentioned CSD Participants, if the participant has subscribed to the message. The routing of any message is not based on the BAH but on the routing configuration of the interested parties.

Does the flat-file for securities valuation in the auto-collateralisation procedure appear in the inbound or outbound communication section in the GUI?

Since Central Banks use flat files instead of XML messages to send their daily securities valuations to T2S, this file will not be available in the inbound or outbound communication section in the GUI. The format of the Response File is based on the format of the input file that has been submitted to T2S. It includes only rows which have not been accepted by T2S (whose status is REJT, rejected). The submitted data is returned unchanged but is supplemented with an error description explaining the reason why the row was not processed. If there are no errors the response file is empty.

Which timestamp (CreationDate in BAH) will be delivered by T2S in case of batch processing (end-of batch timestamp or timestamp of actual booking from e.g. beginning or middle of batch)?

<Creation Date> is the date and time when the Business Message (header) is created, that is the current timestamp irrespective of the settlement timestamp which is contained in the settlement confirmation in any case.

Is the Rejected status advice (sese.024) subject to the T2S copy functionality?

A rejected status advice (sese.024), as a result of rejection of a settlement instruction or any other reactions on erroneous inbound messages, is routed to the technical sender. The rejection status advice message is not subject to message subscription. Thus, cannot be subscribed for a message copy either.

How can a CSD receive a copy of settlement instructions input by its users via the T2S GUI?

The CSD will receive a copy of any settlement instruction in which it is an interested party and for which it has subscribed for the receiving of a copy. Whether the instruction has been sent via the T2S GUI (U2A) or via A2A is irrelevant.

BILLING

How will the T2S invoice be paid, will there be a direct debit on our T2 cash account?

The payment of the invoices by CSD/CB is outside scope of T2S functionality. T2S will not perform a direct debit of T2 cash account for this purpose. Please refer to the Manual of Operational procedures for more details.

When will invoices be issued?

Invoices will be sent on the first T2S operating day of the next calendar month. T2S operating days are all calendar days except Saturdays, Sundays, 1 January, 25 December and 26 December.

What will T2S send as answer if it receives a camt.076 (Billing Report Request) query for two accounts, but only has data for one account?

T2S will send a single camt.077 (Billing Report) report only on the account it has data for.

- It is not foreseen to send several camt.077 for a single camt.076
- Schema of camt.077 does not allow the reporting of errors at ServiceCategoryTotals level
- The OperationalError block within camt.077 provides information only in case no data is found at all with the provided search criteria.

Also, the unique camt.077 sent will include only one <SvcCtgyTtls> block; there is no empty block for the account where no data are retrieved.

If a camt.076 (Billing Report Request) query leads to a zero result - i.e. a query for a known account that has no billing data. How will T2S respond?

T2S will provide information in case no information is found for the selected search parameter of a query. In such circumstances the message fields are defined as follows:

BllgRpt/BllgRptOrErrChc/OprlErr/Desc: No data found or no data found within the user's allowed data scope BllgRpt/BllgRptOrErrChc/OprlErr/Err/Prtry: X000.

Will T2S perform any rounding on the amounts in the camt.077 Invoice and camt.077 Itemised Billing Data Query messages?

All amounts included in the invoice and in query results are rounded to two decimals (e.g. 1,000.7245 -> 1,000.72 or 1,000.3654 -> 1,000.37).

Will the CSD or the NCB receive the billing related to client auto-collateralisation settlement instructions?

The 'auto-collateralisation service with Central bank' and the 'auto-collateralisation service with payment bank' are settlement services charged to the CSD where the debited securities account is as specified in UDFS Table 162 (Items charged to CSDs - settlement services category - pages 688 and 699).

What is the difference in charging the following two cases?

Case 1: X messages are sent separately to T2S (each message with its own BAH)

Case 2: Same X messages are grouped in a Business File with a BFH and sent to T2S

T2S will charge the following fees:

Case 1: For an inbound message a transmission fee of 1.2 cents is charged.

The total costs will be: $X * 1.2$ cents

Please note that all types of outgoing transmissions (except technical Acknowledgements) are charged as well with 1.2 cents.

Case 2: For an inbound file a transmission fee of 1.2 cents is charged.

A message in a received business file will be charged with 0.4 cents.

The total costs will be: 1.2 cents + $X * 0.4$ cents

Please note that all messages (will include individual BAH) of incoming files are charged. Messages received by T2S bundled into a file which are not accepted or not successfully authenticated are not charged.

Please refer the [T2S price list](#).

Question and Answers

How will an auto-collateralisation operation for payment banks collateralising two ISINs be charged?

T2S charges the auto-collateralisation service separately for each ISIN. The collateralisation and both instructions of each leg of auto-collateralisation will be charged.

Therefore, if two ISINs are used as collateral for the auto-collateralisation service T2S will charge 2 (number of ISINs) * 15 cents * 5 (1 collateralisation charge + 4 settlement instruction per ISIN) = 150 cents.

The transmission costs are not included in this calculation.

GENERAL

Is the System Entity code only T2S internal information or is it used to manage T2S data or to exchange messages with T2S?

There is no obligation to use the system entity code for managing data exchange with T2S. However, it is always possible to use it as parameter for some queries in the U2A mode.

Will the current messages remain unchanged until the launch of T2S?

We do not expect changes to the message schemas. Nevertheless, there might be new approved Change Requests that could have an impact on some of the message schemas. Any Change Request will follow the Change Management Process defined in the T2S Framework Agreement and the process will involve the different T2S Stakeholders.

Which are the scheduled event (type) codes/descriptions of a T2S diary query?

All possible scheduled event (type) codes/descriptions during the business/settlement day are:

SODP - Start of Day period
FNTP - First night-time cycle
LNTP - Last night-time cycle
RTMS - Real-time settlement
RTMC - Real-time settlement closure
EODP - End of Day period
MTNW - Maintenance Window

Is there a window for the settlement of maintenance instructions by a CSD after the End of Day (EOD)?

On and after start of T2S EOD, settlement is not possible for maintenance instructions sent by a T2S participant. The maintenance instructions will be queued and settlement is done next business day.

The Effective Settlement Date of the sese.025 (Securities Settlement Transaction Confirmation) has a Date/Time format. How will T2S manage the format of this date during real time period and during NTS period?

The Effective Settlement Date in sese.025 refers to the Business date when the latest settlement has occurred (full or partial). The date is populated with the applicable T2S Business date while the time is filled with the calendar time (that is the real settlement time).

This applies to both real time settlement period and night-time settlement period. During the night-time settlement, for a given night-time sequence, a single effective settlement date and time is communicated for all transactions settled in the particular sequence.

Does the T2S GUI offer the possibility to create templates (e.g. settlement instructions with data already included)?

As indicated in UHB v2.0 section 3.15.1.2 "Copy a Settlement Instruction", the "Copy" button on the Details screen of a specific settlement instruction can be used for this purpose.

Is it possible to export into Excel the result of a query?

Yes, you can export data from the GUI. For the export of screen data, a standard format (RFC 4180/ ".csv") will be used. The format will ensure the possibility to process the data by applications built by the T2S Actor. Furthermore, the format will be compatible with spread sheet calculation tools. Every screen will be exportable (except "welcome screen" and "new screens"). The complete result of the query will be exported

- In case of a list: If the result contains 50 records, only the first 10 records will be shown but all 50 records will be exported.
- In case of one single query used for list and details screen - all attributes (which are available in the details screen) will be exported, also if the user is in the list.
- In case of separate queries for list and details screens - only the attributes of the list will be exported if the user is in the list screen.

Question and Answers

How can we know if certain fields in the GUI screens are mandatory or not (i.e., if they have to be filled or not)?

Mandatory fields are marked with an asterisk.

What does the word "revoked" mean in the context of Business Rules like BR MAAA001?

It refers to the Approval Status of an object within the 4-eyes approval mode. After a settlement instruction (for example) is entered via the GUI in 4-Eyes mode, the reviewer (second user) can either approve or revoke the settlement instruction.

The Business Rule MAAA001 states that a participant cannot modify a Settlement Instruction (instructed via GUI) which has been revoked by the reviewer (2nd User also via GUI) through a Cancellation Instruction (sent via A2A).

LIQUIDITY AND COLLATERAL MANAGEMENT

COLLATERAL

What type of instructions would trigger auto-collateralisation?

Auto-collateralisation can be triggered in T2S for all types of settlement instructions except for settlement restrictions and liquidity transfers.

Are the securities having reached their maturity automatically removed from the list of eligible security for auto-collateralisation?

No, it has to be "manually" removed from the list via the GUI.

Nevertheless, securities which have reached their maturity date are not eligible for auto-collateralisation.

Does a Central Bank with more than one CSD need to have several lists of auto-collateralisation eligible assets?

A Central Bank can define only one list of auto-collateralisation eligible assets which it would accept as collateral from its payment bank vs its intra-day credit provision in T2S.

What is the exact content of the securities valuation data to provide the price?

The sub-fields price-coefficient (and its number of decimals) and price-amount (and its number of decimals) are mutually exclusive and dependent on the securities settlement type.

If the settlement type of security is FAMT (Face amount/Nominal), then price-coefficient (and its number of decimals) is used to indicate the collateral valuation. Similarly when the settlement type of security is UNIT, then price-amount (and its number of decimals) is used to indicate the collateral valuation. Business rule "DSC3020 - Price not compliant with Securities Settlement Type" validates the usage of these fields before accepting the prices in T2S.

Will the NCBs receive immediate feedback on auto-collateralisation related static data feed submitted before 19:00 deadline?

Note that to reduce the workload during the EoD/SoD phase, CBs should send their Securities Valuation as soon as possible, ideally by 17:45, but in any case T2S will accept Securities Valuations until 19:00, which is the last point in time by when T2S can accept Securities Valuations to be applied for the next business day. T2S will process the static data feed and send the feedback immediately upon receipt of the static data feed. However, changes (e.g. eligibility of the collateral / valuation price of the collateral) will be only effective from the next settlement date.

In case the Central Bank sends a wrong file of the 'Collateral Valuation feed' (file A), is it possible to resend a new file (file B) with new data?

CBs must send their daily securities valuations in A2A mode via flat files. They can still use the U2A mode for contingency reasons or maintenance operations concerning a limited number of records. T2S will follow "load & replace" logic, with newly loaded securities valuations sent by a CB, overruling securities valuations previously loaded using the latest securities valuations sent before the deadline of 19:00, regardless of the channel used to load the data.

Is there a consequence, in case a valuation feed is provided for a security not eligible for auto-collateralisation?

No, there is no consequence. The provision of prices does not define the security eligible for auto-collateralisation, the security must be declared as eligible beforehand.

On banking holidays when a CB and T2 are closed but T2S is open, how can an NCB send correct securities files and price feeds for auto-collateralisation?

It is not mandatory for NCBs to send the securities valuations for auto-collateralisation on every T2S business day. If NCBs do not send any securities valuations file for auto-collateralisation on any given day, then T2S uses the last securities valuations received from the NCB. However, the technical possibility is still there to send the price feeds, even if the CB is closed.

Which currencies can be used in a security valuations flat file?

It is possible to upload a security valuation in all T2S settlement currencies. Other currencies than T2S settlement currencies are rejected by business rule DSC3030, but it is possible to use multiple currencies in one flat file.

Since T2S does not manage exchange rates, how should an NCB manage currency-denominated collateral for auto-collateralisation? Should it be excluded from the collateral basket offered for auto-collateralisation and therefore also excluded from the securities valuation data feed?

Adding a valuation for ISINs in non-T2S settlement currencies is not possible. If an NCB wants to use a security for auto-collateralisation in a specific currency (e.g. EUR), it has to send the valuation of that security in that currency. T2S does not manage exchange rates, but NCBs can specify valuations for securities in all T2S settlement currencies.

What will be the value of the ModificationCancellationAllowed indicator in an auto-collateralisation reimbursement instruction (sese.032)?

The value will be set to "yes" to allow the T2S Actor to release the T2S generated reimbursement instructions:

The auto-collateralisation reimbursement instructions are generated by T2S with "Hold Indicator" set to "Yes" and can be modified to "No" by the T2S Actor using a SecuritiesSettlementConditionModification RequestV03 (sese.030). The only possible maintenance on the T2S generated reverse collateral instructions is the release of the Reimbursement or the cancellation of recycled Reimbursement client auto-collateralisation Settlement Instruction.

Would it be possible to receive a message for "lack of cash" in the case of failed automatic substitution or an automatic reimbursement during the auto-collateralisation process?

There is no specific message (or reason code within a message) from T2S to inform the "unsuccessful" attempt of an automatic substitution or an automatic reimbursement during the auto-collateralisation process.

Are reverse collateral settlement instructions set on "party hold" when they are generated by T2S?

Yes. The reverse collateral settlement instructions for intraday credit reimbursement are automatically set on party hold.

Does T2S link opening and closing legs during auto-collateralisation?

T2S does not link the opening and closing legs, neither during auto-collateralisation nor during the relocation process.

Can the receiving collateral securities account for pledge also be used for regular settlement?

The receiving securities account in pledge procedure is not dedicated to COLL positions; it could hold other positions (AWAS, etc.). This concerns any securities account involved in a collateral process (delivering, receiving, for NCB auto-collateralisation, in REPO, pledge, pledge-sub procedures, for client auto-collateralisation, etc.). All those accounts could be used for regular settlement also.

How can a CSD participant activate securities for auto-collateralisation?

In order to be usable as collateral, collateral eligible securities must be held in securities account position EEUR (Earmarking for auto-collateralisation in Euro currency) or EALL (Earmarking for auto-collateralisation in all currencies) and the securities account must be linked to a DCA having auto-collateralisation flag as true.

There are two possibilities to put incoming securities in earmarked positions:

1. Earmarking at securities account level - The securities account has the restriction type id EEUR (or EALL) activated, so all incoming securities are transferred to the position EEUR (EALL) by default.
2. Receive in earmarked account in the settlement instruction - The settlement instruction indicates the receipt into earmarked position EEUR/EALL for auto-collateralisation.

Question and Answers

How can a party earmark a whole securities account?

An entire securities account can either be earmarked via U2A (Securities Account New/Edit screen, UHB page 719) applying the restriction type "earmark" to the securities account or via A2A through reda.018 or reda.023 messages.

Which messages will T2S send in case of NCB auto-collateralisation with REPO procedure?

1) To notify about the opening leg, T2S sends:

- i. One sese.032 to the credit provider (NCB) including RECE+COLI
- ii. One sese.032 to the credit consumer (Payment Bank) including DELI+COLO

2) To notify about the closing leg, T2S sends:

- i. One sese.032 to the credit provider (NCB) including DELI+COLI
- ii. One sese.032 to the credit consumer (Payment Bank) including RECE+COLO+Party Hold

For the complete message flow, please refer to the presentation [T2S Auto-collateralisation - Static Data Set-up and Messages](#)

Is there a deadline for a Payment Bank to cover its DCA for automatic reimbursement?

There is a deadline of 16:30 in T2S for a Payment Bank to manually release the on-hold reverse pending instructions for auto-collateralisation reimbursement. However, if there is no sufficient cash for Payment Bank to reimburse, the collateral is moved to the Regular Securities Account of the Central Bank.

In case of automatic reimbursement of auto-collateralisation, when T2S releases several reverse settlement instructions and there is enough liquidity to settle some instructions released but not all. What is the settlement order?

In case of lack of cash during EOD dynamic reimbursement, T2S does not foresee the use of any specific sequence for settlement of reverse collateral instructions.

Is there any cut-off for a payment bank to trigger/release the reimbursement of the client auto-collateralisation?

Please note that the auto-collateralisation reimbursement (through a DVP in case of REPO model and through a PFOD in case of pledge and sub-pledge) must be released by the payment bank. This is applicable to both Central Bank auto-collateralisation and client auto-collateralisation.

For client auto-collateralisation, only the REPO model is applicable. The reimbursement instruction is a DVP. In order to settle, it must be released before the DVP cut-off, for which the usual deadline (planned time) is 4 PM.

Is a CSD able to cancel a Hold Reverse Collateral instruction (automatically generated by T2S) for client auto-collateralisation?

There is a possibility to cancel the client auto-collateralisation instruction provided it has failed. (Please see business rule in UDFS2.0: MVR1576). A Cancellation Instruction cannot refer to a T2S generated Settlement Instruction unless the T2S generated Settlement Instruction is a recycled Reimbursement client auto-collateralisation Settlement Instruction.

How can a credit provider modify the auto-collateralisation limits? Will the new limits apply to all CSD participants as credit consumers in the CMB?

If the credit provider wants to modify the limits, the message camt.011 'ModifyLimit' can be used. This message includes a field for the "identification of the credit consumer".

A limit is set per CMB. If several credit consumers are linked to the same CMB, the new limits will apply to all the credit consumers using the CMB.

The limit is defined per CMB, not per CSD participant. If CSD participants should be provided different limits through the same DCA, different CMBs should be created.

Which securities accounts will the auto-collateralisation limits apply to in a CMB set-up? Can we have different limits for different CSD participants?

The limits set-up in a CMB applies to all the securities accounts (BICs) linked to the CMB. Please note that, whether in Central Bank or client auto-collateralisation, several authorised securities accounts (BICs) can be linked to one DCA.

Question and Answers

Any limit(s) update or settlement transaction will impact the limit headroom for all securities accounts attached to this CMB. In order to segregate limits between credit consumers, you need to create different secondary CMBs.

Is it possible to select specific securities to provide for an auto-collateralisation operation (e.g. define a priority)?

No, a T2S Actor cannot prioritise the securities and securities accounts that can be used for auto-collateralisation.

If the potential intraday credit capacity from the collateral on flow is enough to cover the missing liquidity, will T2S still check collateral on stock?

If the collateral on flow is eligible and sufficient to cover the lack of liquidity and the subsequent intraday credit, T2S does not check or use collateral on stock.

LIQUIDITY MANAGEMENT

Is there a screen showing the cash movements on a DCA related to a specific securities account?

No, unfortunately there is no screen in T2S showing cash movements on a DCA related to a specific securities account.

Is it possible to trigger a Standing Liquidity Transfer Order by crediting a DCA?

T2S does not identify the credit of a DCA as a dedicated business event.

However, T2S provides Debit/Credit notification messages which can be potentially used to trigger desired internal liquidity transfers.

T2S will be able to generate movements linked to liquidity that are either instructed (liquidity in/out) or automatic (sweeps, standing orders, etc). How can the automatic movements and the instructed movements be differentiated?

If the instruction is generated by a participant, the Instruction Identification <InstrId> will be used.

If the transaction is generated by T2S, the Clearing System Reference <ClrSysRef> will be filled with the reference assigned by T2S.

In the context of internal liquidity transfer orders, how does T2S check if two DCAs are from the same legal entity?

T2S checks that two T2S DCAs involved in the internal liquidity transfer belong to the same payment bank identified with the same pair of BIC11s (i.e. Party BIC and Parent BIC) or linked to the same external RTGS account in T2S, in the static data of the two DCAs.

BR LLCI008: Internal Liquidity Transfers are possible between T2S Dedicated Cash Accounts

- linked to the same RTGS account or
- belonging to the same payment bank. If this is not the case the Internal Liquidity Transfer will be rejected.

How can the following transfers be distinguished?

A) A credit liquidity transfer from T2 to T2S, and

B) A debit liquidity transfer where a DCA is credited and the RTGS account is debited

The camt.054 (BankToCustomerDebitCreditNotification) notification will inform both the RTGS account and the T2S DCA. In case the DCA is credited by a Liquidity Credit Transfer, the <DbtrAcct> field will contain the corresponding RTGS account and the <CdtrAcct> field will contain the T2S DCA.

The camt.051 (LiquidityDebitTransfer) is only possible in case of CB cash accounts having a negative balance at the EOD. In that case the DCA in the <CdtrAcct> field will contain the CB cash account and the corresponding RTGS account in the <DbtrAcct> field.

Question and Answers

How can someone enter a standing order to transfer a "Dedicated amount" as a result of a specific business event via A2A?

The message camt.024 does not offer the possibility to enter Liquidity Transfer Orders with dedicated amount. These orders have to be set up via the GUI (U2A) as static data setup. It is triggered via a time/business event in T2S.

How should the predefined order in business rule DCC4090 ("Only one predefined liquidity transfer order can be defined to be executed at the same timestamp and/or business event for each T2S dedicated cash account. Predefined liquidity transfer order already defined for the specified time/business event.") be considered?

i) only for a debited DCA, or

ii) for a debited DCA and a credited RTGS account?

The business rule DCC4090 ensures that only one predefined liquidity transfer order can be defined to be executed at the same timestamp and/or business event for each T2S dedicated cash account. This check does not consider the combination of debited DCA and a credited RTGS account, therefore it is not possible to define multiple predefined liquidity transfer orders to be executed at the same timestamp and/or business event debiting a T2S dedicated cash account and crediting different RTGS accounts.

Is it possible to send a camt.003 (Get Account) to T2S on day D with value date D-1 and get (in the ReturnAccount message) the last balance available in the DCAs at the End of Day D-1?

T2S Dedicated Cash Account Balance Query message camt.003 (with request type code CASB) only reports on current settlement day balances. As such, T2S DCA closing balances will always be equal to zero.

Which field in message camt.054 (BankToCustomerDebitCreditNotification) will allow the payment bank to identify that it is related to a cash rebalancing related to a Monetary Policy Operation?

The transaction code is not sent in a camt.054 message. However, there is still a possibility to identify the underlying settlement instruction via the field 'InstructionIdentification' (<Ntfctn><Ntry><NtryDtls><TxDtls><Refs><InstrId>) in a camt.054.

What operations are comprised under the designations CBO (Central Bank Operations) and BATM (Bilaterally Agreed Treasury Management)?

Central Bank Operations refer to monetary policy operations involving a delivery/receipt of collateral in the context of CB Credit Operation (CB monetary policy). The liquidity stemming from the settlement of such monetary policy operations is automatically and immediately transferred by T2S to the linked RTGS account, via the generation of a Liquidity Transfer. BATM refers to secured money market funding transactions (e.g. REPO).

In addition, these operations benefit from a later cut-off for DVP settlement than for regular DVP transactions (17:40). In the case of monetary operations involving FOP transactions, the regular 18:00 FOP cut-off time applies.

REPORTING AND QUERIES

QUERIES

Which feedback would T2S send in case queries have to be queued due to night time settlement or the maintenance window?

In case the processing of queries have to be queued due to night time settlement or maintenance window T2S will send an "admi.007" (Receipt Acknowledgement) message with reason code "I001" due to business rule IICQ001.

Can we use reda.010 (Security Query) to retrieve securities set-up in T2S by other SMEs in other markets? Is the same true for Security CSD links?

Yes. The reda.010 query can be used to retrieve securities defined by any other CSDs and is not limited to the securities defined by the querying CSD.

No, the Security CSD links are limited to the system entity data scope.

What does the term "amount of outstanding credit" in queries such as 'Cash Forecast' and 'Outstanding Auto-collateralisation Credit' query mean exactly?

The term "amount of outstanding credit" refers to the amount of intraday credit to be reimbursed which in T2S terms, means utilisation of the auto-collateralisation limit.

REPORTING FUNCTIONALITIES (STATUS)

Is it correct that the only reason code provided in case of partial settlement be "PART"?

Yes, "PART" is the only reason code that is provided in case of partial settlement.

Please note that T2S performs partial settlement due to lack of securities only (with the exception of Settlement Restrictions on cash of Reservation type). The reason code "PART" always means that the delivering party is lacking the securities.

In case of CoSD rule triggering the blocking of both cash and securities, which information do we get after the blocking happened? One sese.024 "CDLR" (Securities Settlement Transaction Status Advice – Conditional Delivery Awaiting Release) after both blockages was successful or one sese.024 "CDLR" for each?

In case of CoSD rule triggering the blocking of both cash and securities, the status advice "Conditional Delivery Awaiting Release", sese.024 "CDLR", is sent only once, when both securities and cash are blocked.

Both processing status and settlement status for message semt.029 (Intra Position Movement Query Response) are defined as repetitive with multiplicity [0:n]. Will these cases appear in T2S?

The semt.029 status reporting will have a [0:1] multiplicity (i.e. to receive only one processing status and/or settlement status per transaction). Please note that even though only one settlement status is reported per transaction, the reason associated to the status is repetitive (message tag: Document/IntraPosMvmntQryRspn/Mvmnts/Mvmnt/StsAndRsn/StlmSts/Pdg/Rsn).

In case of failed / pending instructions, will T2S deliver more than one reasons in sese.024 (i.e. Lack of cash and lack of securities)?

A single sese.024 message can provide several reasons for the pending status. For example, you will receive LACK + CMON for DELI and CLAC + MONY for RECE in a single sese.024 message.

Can you indicate the Reason Code that is used for week-ends?

The general Reason Code (SystemClosureReason1Code) used by T2S in order to indicate that the platform is closed is BHOL. It applies also to weekends.

Question and Answers

What status will a CSD receive and in which message type; for a settlement instruction entered by a CSD client at 10 am, held via a MSRT (Market Specific Restriction Type), a CSD validation hold in this case and matched at 11 am (still not yet released by the CSD)?

At 10 am, following the MSRT validation, a sese.024 (Securities Settlement Transaction Status Advice) is sent by T2S with the settlement status "pending" and a pending reason code "CVAL".

At 11 am, following the matching, a sese.024 is sent by T2S with the matching status "matched". This second report message (matched) also indicate the previous settlement status "pending" and a pending reason code "CVAL".

REPORTING FUNCTIONALITIES (SETTLEMENT)

Does the semt.018 (Securities Transaction Pending Report) report, in complete mode, provide the cancellation status?

According to the semt.018 schema, the cancellation status is not reported (the delta version of this report will report the cancelled instructions). Nevertheless, information on whether there are pending cancellations (by yourself) or cancellations requested (by your counterparty) for the settlement instruction is included in the instruction processing status.

Does an instruction within a sese.018 (Securities Transaction Pending Report) report contain, in addition of the last status, all previous statuses sent before via sese.024 (Securities Settlement Transaction Status Advice) messages?

The instruction reported in a semt.018 report contains all the statuses and reason codes of the instruction at the moment of the report creation. For further information please refer to the schema in UDFS 2.0. Please note that the pending reason code of the settlement status is repetitive in semt.018 and that all statuses are reported.

Does the semt.018 (Securities Transaction Pending Report) also list the pending settlement instructions having an intended settlement date > current settlement day?

Message semt.018 informs the T2S Actor about pending Settlement Instructions that expect settlement at the current settlement day and it does not inform the pending instructions having ISD in the future.

If a settlement instruction or a settlement restriction is pending for several days (at least more than 1) with the same pending reason, will T2S continue to report it in the daily delta semt.018/semt.034? Or as the status has not changed, the settlement instruction or settlement restriction will be excluded from the daily delta semt.018/semt.034?

The delta version of the reports returns "new pending" SI/SR or "pending" SI/SR. The reports semt.018/semt.034 will thus report this pending SI or SR at least once each business day.

Is it possible to use the query semt.026 (Securities Settlement Transaction Query) to obtain all matched pending instructions at a certain date in the past?

Yes. In order to obtain the instructions that were pending and matched in a certain date the T2S Actor can make use of the semt.026 (Securities Settlement Transaction Query) message in Settlement Instruction Current Status Query type.

As per T2S CA transformation standard 8, the transformed instructions should retain the same characteristics (trade date, cash considerations etc.) as those of the underlying instruction with possible exception of quantity of securities, ISIN and settlement day. How can this information be retrieved?

For transformations it is possible to send a semt.026 (Securities Settlement Transaction Query) for all the pending instructions for ISIN(s) related to the CA and the information received in the query response semt.027 allows re-instructing with all information as available in the underlying sese.023 message.

Within the semt.017 (Securities Transaction Posting Report) report, does T2S provide the Securities Transaction Type in the Transaction Details block?

Yes. The corresponding ISO code will be provided in the SctiesTxTp field.

Question and Answers

Will T2S send a confirmation of a cancelled settlement instruction?

Yes, subject to message subscription, T2S will send both the sese.027 (Securities Transaction Cancellation Request Status Advice) "Executed" and sese.024 (Securities Settlement Transaction Status Advice) "Cancelled" status advice.

Will a CSD's participant receive a sese.024 (Securities Settlement Transaction Status Advice) when a CSD cancels one of its own already matched instructions?

Since the CSD is the instructing party of both the already matched settlement instruction and the cancellation, the CSD must receive a sese.024 with reason code CANI (i.e. cancelled by you) while the CSD's participant will receive a copy of this CANI status advice (provided that correct message subscription has been set-up). Please note that the CSD participants do not get an "original" status advice but a copy of the status advice sent to the CSD. The information of the copies payload is the same as the information of the payload included in the originals.

Is there any data in the corresponding sese.024 (Securities Settlement Transaction Status Advice) message which could indicate that the original instruction has been instructed via the T2S GUI?

T2S does not differentiate instructions input via GUI or A2A. However if a different instructing party is used to input via GUI, that instructing party will be mentioned in the status message flowing out.

Why the "TradeIdentification", "CollateralTransactionIdentification" and "AccountOwnerTransactionIdentification" fields have a multiplicity type equivalent to [0..n] in the sese.028 (Securities Settlement Transaction Allegement Notification) message?

Although these reference fields have a repetitive sequence [0..n] (as per ISO standard), they will be used by T2S just once in order to provide the counterparty with the references on the alleged instruction.

How can we link the sese.029 (Allegement Removal) and semt.020 (Allegement Cancellation) with the initial allegement message sese.028 (Securities Settlement Transaction Allegement Notification)?

Allegement messages are identified via an "Allegement technical identifier" in sese.028. When T2S sends a sese.029 (Allegement Removal) or semt.020 (Allegement Cancellation) message, it refers to this allegement identifier.

More specifically, a unique "Allegement technical identifier" will be present across these three types of allegement messages in the following fields,

-for sese.028 (Allegement Notification) the identifier will be present in the field Transaction Identification <TxId >.

-for sese.029 (Allegement Removal) the identifier will be present in the field MarketInfrastructureTransactionIdentification <MktInfrstrctrTxId>.

- for semt.020 (Allegement Cancellation) the identifier will be present in the field SecuritiesSettlementTransactionAllegementNotificationTransactionIdentification <SctiesSttlmTxAllgmtNtfctnTxId>

Will T2S send a notification when a cancellation request for an unmatched instruction is not executed immediately?

The CSD will receive the sese.027 (Securities Transaction Cancellation Request Status Advice) "Accepted" only. No queuing notification is foreseen for maintenance instructions.

If a CSD asks a semt.033 (Securities Transaction Cancellation Request Report) in complete mode, does the CSD receive only one semt.033 with all the cancellation requests listed or one semt.033 per identified cancellation?

As explained in the UDFS, CSDs will receive one message per securities account encompassing the full details of the instructions reported. The cancellations repetitive block will contain the intra-position and settlement instruction cancellation requests for the reported Securities Account.

Question and Answers

Does T2S, via the sese.027 (Securities Transaction Cancellation Request Status Advice) or sese.024 (Securities Settlement Transaction Status Advice) messages, inform the T2S Actor about the cancellation timestamp (i.e. completion date/time of the cancellation)?

No. However, the status audit trail shows the different timestamps where a change of status occurred. Please refer to the settlement instruction status audit trail query.

How is the "Statement Identification" in a semt.002 (Statement of Holdings) message, which is only present while it was sent in push mode, composed?

The number is composed of the business date (Accounting date) of the report creation (YYYYMMDD), the Report Type (as 2-letter abbreviation depending on the report name and the delta/full flag) plus a six-digit sequential number. The Statement Number is unique in T2S.

What is the maximum number of business items the semt.002 (Statement of Holdings) can contain?

A semt.002 can contain unlimited number of business items (i.e. securities position) because there is no limit on occurrence of the repetitive message block "BalanceForAccount" (/SciesBalCtdyRpt/BalForAcct) which contains the securities positions.

When a semt.002 report exceeds the maximum size of 32 MB, the message will be split into several parts but it is still one semt.002 report.

Is the copy functionality, in the T2S GUI (to copy a Settlement Instruction) only available for settlement instruction having passed the T2S business validation?

The copy functionality for a settlement instruction is available only in the Details screen for the instructions processed and passed through business validations in T2S.

REPORTING FUNCTIONALITIES (OTHER)

For the Activity Advice messages reda.009/035/041 does the delta report relate to the current or the previous day?

The following reports: statement of Static Data for Securities (reda.009), statement of Static Data for Securities Accounts (reda.035) and statement of Static Data for Party (reda.041) cover the current business day i.e. report all the changes that happened between the start of the day (SOD) and the time of the creation of the report.

The three reports are only available in complete mode. For instance, a report generated at 3:00 pm will include the changes listed in a report generated at 2:00 pm for the current Business Day, plus the changes that happened meanwhile.

In some reports (e.g. semt.002/17/18/33) the data types of the tag "Frequency/Code" is different: EventFrequency7Code versus EventFrequency4Code.

Does it mean that frequency codes are different for these reports?

Frequency Codes for "EventFrequency7Code" and "EventFrequency4Code" are the same (Please refer to UDFS v2.0).

Is a subscription necessary to automatically receive the camt.019 (ReturnBusinessDayInformation) report to get the business day information?

Any outbound message is subject to message subscription except those listed in UDFS 1.2.1, i.e. A2A acknowledgement on receipt, reactions on erroneous inbound messages, query results, floor/ceiling notification, invoice and invoice cancellation. Therefore, in order to receive a Return Business Day Information (camt.019) message, a CSD will have to subscribe to it.

Can a camt.052 (BankToCustomerAccountReport) message contain several DCA accounts?

Yes, there may be several DCAs reported using repeating block BkToCstmrAcctRpt/Rpt. This block is repeated when more than one report is included in a single camt.052 e.g. Bank To Customer Account Report for multiple T2S DCAs.

Question and Answers

Can a camt.053 (BankToCustomerStatement) message contain statements regarding several DCAs?

One camt.053 message will contain the statement on several DCAs, irrespective of whether the report is system entity wide or not. The <stmt> block will be repeated for each DCA of the account owner. Each DCA will be reported under separate <stmt> tag.

Will a camt.054 (BankToCustomerDebitCreditNotification) message contain only one credit/debit notification?

In day time settlement, camt.054 is sent individually by T2S to the receiver per DCA and each camt.054 will contain only one credit/debit notification.

- Item Notification (Ntfcn) reports only one DCA

- In the day time settlement phase the occurrence of Ntry is always 1..1, instead of 1..n

During the Night Time Settlement (NTS) all the credit and debit notifications will be collected in a single file (head.002) and sent by T2S to the receiver at the end of the sequence.

- Item Notification (Ntfcn) reports only one DCA

- In the NTS phase, the occurrence of "Ntry" sequence may be more than once.

REPORTING INFRASTRUCTURE

How can we ensure that at the T2S settlement day phase changes we have received all settlement messages, will camt.019 (ReturnBusinessDayInformation) also have the sequence number set?

The sequencing functionality is limited to LCMM status messages. As the camt.019 message is not a LCMM status notification, this message will not include any sequence information. The U2A functionality Outbound Message - Search/List Screen allows you to view all messages (incl. having sequence numbers) and sorting on message sequence.

Is it possible for a CSD to define one message routing configuration for all ICP, or do we have to configure routing separately for each party?

If the message subscription has been set-up at party level (e.g. for allegation messages), the message routing must be set-up at party level, even if it is the same party technical address for all parties.

Should the PlaceAndName tags of sese.024 (SecuritiesSettlementTransactionStatusAdvice) refer to the root or to a relative path?

Both approaches, the absolute path or the relative path are allowed, provided that the conditions in section 2.3.2 of the Supplementary Data FAQ available on the ISO 20022 website are met.

Will a CSD receive the allegation messages for its ICP clients?

The CSD shares the same technical address as the concerned ICP, so it will receive the message routed to the ICP.

Can the CSD receive copies of the allegation messages received by a DCP?

Copies for allegation messages are not foreseen. The CSD could consider using the "statement of allegations" / "U2A Allegation query" to be informed about its participants' allegations.

STATIC DATA

PARTY

Does it create any complex situation in T2S when a CSD defines itself as CSD participant with the same or a different BIC?

It is possible to technically define a CSD as CSD participant of itself in T2S with a BIC code different from its CSD. Using the same or different BIC to define a CSD as its own participant does not create complex settlement situation in T2S.

Does T2S verify the BIC input for a party linked to a central banks cash account?

An NCB as a system entity is created by the T2S Operator and exists as a unique T2S Actor identified with two BICs.

An NCB cash account is created by and owned by the NCB as a system entity. Thus, the account owner linked to the CB cash account is the NCB and there cannot be multiple parties linked to this CB cash account.

The NCB can authorise the BICs (for example, treasury BIC) owning the securities account to be linked to the NCB cash account for settlement purpose. The NCB cash account can then be used for DVP settlement transactions.

Another possibility is to create a BIC as a payment bank under the BdF and use its own cash account for managing the settlement.

How can we configure an Out-CSD for DVP settlement in T2S?

In case of Out-CSD settlement, depending on the external CSD settlement scenario, either the inter-CSD account (Investor CSD in T2S) or the omnibus account (Investor CSD out of T2S), is identified as the impacted securities accounts. For DVP settlement in such scenarios, T2S will use the dedicated cash account linked to the impacted securities account in T2S.

SECURITIES

How can a security be deleted?

In order to delete a Security, all Security CSD Links excluding the SME's must be deleted before.

What is the implication/meaning of the denomination currency for unit quoted securities?

From a Static Data point of view, there are no checks on the denomination currency of a security as long as the currency exists in the database.

Does T2S allow the active and the historical currencies of ISO 4217 as "issue currency"?

During the security creation, T2S validates the issue currency attribute against the list of all ISO 4217 currency codes.

Who will maintain the securities which are issued from a CSD outside of T2S and how will this be set-up?

The role of the Security Maintaining Entity (SME) can only be taken by one in-CSD while more than one CSD can define the issuer CSD as "External CSD" party. The role is defined at the time that a CSD creates a new Security CSD link for that security to define the created external issuer CSD as technical issuer.

How many times should the auto-collateralisation eligibility request for a security be sent?

The auto-collateralisation eligibility request for a security must be sent only once.

Can the settlement unit multiple be equal to zero?

It is not technically possible to set up a settlement unit multiple to zero in T2S (technical error will be generated).

How many decimals does T2S support for the Minimum Settlement Unit?

T2S supports a maximum of 14 decimal places (out of total 14 digits) for securities defined with the quantity as UNIT and a maximum of 5 decimal places (out of total 14 digits) for securities defined with the quantity as face amount (FAMT).

Please also refer change request [475](#).

How can one remove a maturity date from a security with reda.007?

In reda.007 there is no XpryDt in the delete branch of the message it only appear in the modify branch. The "blanking" of a maturity date corresponds to a modification, not a deletion.

The date should be set to 9999-12-31 in the modify block. The delete block serves to remove "minor attribute" from the Security (i.e. data stored in separate tables).

Can we modify the maturity date of security which by mistake is in the past?

A Security with maturity date in the past cannot be modified. Please note that it is not possible to set the maturity date earlier than the next business date, so in such a case there should always be time to detect the mistake.

When updating this Maturity/Expiry date, can this date specified in the reda.007 (Security Maintenance request) be equal or less than the current business date?

The expiry date cannot be set to a date earlier than current business day. Please refer to the business rule DSU1025: "When performing a Securities update request, the final maturity/expiry date must be greater than the current business date."

Does T2S perform any validation on CFI?

The only validation on CFI is the business rule "DSC1700 - When performing a Securities Create request, the CFI must be compliant with ISO 10962 standards".

Is it possible to update the CFI of a security and would it be possible by asking the T2S service desk?

An update of the CFI of a security is not foreseen in T2S at the moment. It is also not possible to update the CFI of a security through the T2S service desk.

ACCOUNT

Is it possible to change the default DCA of the security account?

What should be the sequence of the steps to implement it and time needed?

It is possible to change the default DCA for a particular security account. First the existing default "CMB securities account link" should be closed and then the new default "CMB securities account link" can be defined with new validity period. The change of the default CMB securities account link can be effective at the earliest as from the next business day.

RESTRICTIONS

Is it possible to define a restriction that applies to one ISIN for all CSDs?

Yes. This scenario is possible: the T2S operator can create a restriction type 1 (CSD validation hold or rejection) on an ISIN (issued by one CSDX) but apply to all other CSDs as well. Please note that this functionality is only available to the T2S Operator.

Can a CoSD rule be defined where the Issuer is outside of T2S and the receiving and delivering CSD are in T2S but not equal to each other?

No, it is not possible to compare two parameter types in one rule of a CoSD rule set. The parameter types have to be checked against values.

Question and Answers

What is the purpose of attribute domain references to be defined in conjunction with 'attribute domain' and 'attribute values' while creating MSA?

From a participant perspective, Attribute Domain References are relevant only for information/documentation purposes. However, T2S makes use of a special "system" Attribute References defined by the T2S Operator.

How are the MSA shown on the Restriction Type Rules screen?

If for a specific Restriction Type Rule one or more MSA are defined as parameters they will be appended as one or more columns (depending on the number of defined MSA for the rule).

Is it possible to update an attribute domain if an MSA has already been defined on it?

It is not possible to modify an Attribute Domain once MSAs are linked to it. Therefore it is not possible to add new values for an attribute domain if an MSA has already been created and linked to that attribute domain.

Alternatively an Attribute Domain can be defined without a finite list of values so that any value can be input for the linked MSA within the constraints set by the Format, Case, Minimum code length and Maximum code length for the Attribute Domain. This would accommodate possible future updates of the Attribute Domain list of values.

LINKS

How can we perform a reconciliation of all Securities Accounts Links?

The actual screen can be "set" to show 2, 4 or 10 instances per page. This is the standard behaviour for all such "list" screens. All records matching the selection criteria can be exported from the screen "Securities Accounts Links".

Does T2S allow a CSD to have two technical issuer CSDs for the same security?

It is not possible for an investor CSD to have two technical issuer CSDs for the same ISIN in T2S at the same time.

Is it mandatory to link the DCA to a securities account upon creation?

It is not mandatory to link the DCA to a securities account as the DCA could be used only for liquidity transfers. However for Settlement Instructions (e.g. Payment Free of Delivery instructions), the securities account is a mandatory field in the sese.023 and the DCA account derived/specified must be associated with the mentioned securities account.

Is it possible to open a secondary CMB (client collateralisation) without an already existing primary CMB (auto-collateralisation) for that DCA?

For a T2S DCA, it is mandatory to create a primary CMB first. A non-primary (secondary) CMB can be created for a T2S DCA only if a primary CMB has been already created for that DCA.

What is the effect in T2S, depending on the true/false setting combinations of the CMB account link indicators: Default, Settlement and Collateral?

Collateralisation Link indicates whether T2S can use the securities, earmarked as collateral and held on the securities account, for auto-collateralisation operations on the linked T2S dedicated cash account. Collateralisation Link can be either 'True' or 'False' independent of the values of Default link or Cash settlement link.

Cash Settlement Link can be False even if the Default link is False as the link could only be used for auto-collateralisation purposes, e.g. when a security account is intended to be used only for earmarking securities as collateral for the 'auto-collateralisation' or 'Client-collateralisation' then the Cash Settlement Link will be false in the securities account link.

Cash Settlement Link can be true even if the Default link is False as this link could only be used as a additional link between the securities account and a different DCA.

Question and Answers

When creating a CMB, is it possible to select all securities accounts of a participant?

It is possible to select only one securities account with one DCA at a time using "Securities Accounts Link - New/Edit Screen" in T2S GUI or Account Link Creation Request (reda.049) message. There is no option to select all securities accounts of a participant for linking with a T2S DCA.

Is a 'Payment Bank' (as credit provider) allowed to send a "Close Link Creation Request" message if it offers the client auto-collateralisation service to its clients?

Close links can be set-up in T2S only by the Central Banks. Hence, the Payment Banks will have to request their Central Banks to set-up the close links information for the client-collateralisation. In addition, there will be a single database in T2S to maintain close links information.

Close links information is always considered with respect to the credit receiver. Hence, the T2S close links data will be used for both central bank auto-collateralisation and client auto-collateralisation.

References in the UDFS v2.0:

- 1.2.3.2 Auto-collateralisation eligibility, securities valuation and close links
- TABLE 137 - STATIC DATA OBJECTS
- 3.3.6.21 CloseLinkCreationRequestV01 (reda.027.001.01)

SETTLEMENT

INSTRUCTIONS

What happens to an instruction when a Party changes their BIC code?

The settlement instruction will be cancelled when it is recycled since the BIC code has changed and the Instructing Party/account owner is not active in the T2S system with the old BIC code (due to business rules MVCV242/MVCV252 for example).

Is it possible to have a settlement instruction with the same securities account for the delivering and the receiving account with delivering and receiving sub balances both different from deliverable (AWAS)?

This is not possible for already matched settlement instructions because the sese.023 message doesn't offer the possibility to indicate the 2 sub balances.

It is possible if you use two separate settlement instructions matched by T2S.

Is it correct that in case a T2S Party sends an already matched instruction initially on hold then party hold flag applies on both legs of the instruction?

Yes. For an already matched instruction, it is not possible to instruct "party hold" only for one leg.

Can a realignment instruction contain a currency?

Realignment instructions will be FOP instructions and they will not contain a currency because the underlying Business Instruction contains the information for settlement of the cash leg.

Do we generate realignment for PFOD instructions?

PFOD instructions are checked only for the eligibility of the ISIN for cross-border settlement. No realignment instructions will be generated.

Is it possible to link two or more pools of transactions?

Yes, it is possible to link two instructions on all-or-none basis (i.e. link type "WITH") even though they are already part of one or more pools.

As indicated in CR [T2S-0408-SYS](#) (Definition of technical parameters) the maximum number of settlement transactions in a settlement collection during the real-time window is 2,500 transactions (all included like auto-collateralisation transactions, reverse auto-collateralisation transactions, realignment, build up chains, etc.). Beyond this limit, the concerned collection would be processed during the following night time settlement cycle.

What is the default value of the field "ModificationCancellationAllowed" (ModCxlAllwd) in the settlement instruction? Can the instruction be modified when the field is left blank?

The default value is "Yes": When the field ModCxlAllwd is left blank, the instruction is modifiable. The sender has to explicitly set the flag to "No" if he wants to forbid a modification or cancellation by third party.

Questions about the Market Identifier Code (MIC) in a sese.023 message (\Document\SctiesStlTxInstr\TradDtls\PlcOfTrad\Id\MktIdrCd):

A) Is there any control of T2S, if this field is filled?

B) Could this field be filled with a non ISO 10383 value?

C) Is the Market Type field mandatory if the MIC is specified?

A) The block "Place of Trade" is not mandatory and not required in T2S. Therefore there is no check from T2S side for that field.

B) The defined format of the Market Identifier Code is [A-Z0-9]{4,4}. Therefore also values which differ from ISO 10383 would be valid codes and accepted by LCMM.

C) If you define the block PlaceOfTrade, because you want to setup the Market Identifier Code, the field /TradeDetails/PlaceOfTrade/Type becomes mandatory.

Question and Answers

Could you please provide an example which would trigger this business rule "MMCS005: Matched Cancellation Instructions not executed at the end of the standard period are denied"?

Given the current configuration (as the recycling period defined for matched instructions in T2S is unlimited), and that cancellation instructions are executed right after their matching, this business rule would never be triggered.

MATCHING

The allegation delay period is fixed to 1 hour. Does this apply to allegations related to matching only? Or will it also apply to cancellation allegations?

There is no delay period for cancellation allegations. The delay period defined by CR [T2S-0340-SYS](#) is only for settlement allegations.

In a cross-CSD scenario, what are the matching rules applied between an out-CSD and an in-CSD when the matching takes place in T2S, for the following fields of the out-CSD instruction?

- A) Delivering/Receiving parties external to T2S
- B) Clients of the Receiving / Delivering CSD participant external to T2S
- C) Securities Account of the Delivering and Receiving Party external to T2S

The T2S matching rules are the same irrespective of whether the two instructions matched are in-CSD or out-CSD instructions.

A) The delivering/receiving party BICs are mandatory matching fields. The BIC of the out-CSD participant must match with the BIC of the out-CSD participant provided in the counterleg (even if the participant is unknown to T2S). Note that in addition, T2S will perform a validation of the parties BIC against the T2S BIC directory

B) The "Clients of the Receiving / Delivering CSD participant" are optional matching fields; Therefore if both legs contain these fields, the entries in both legs must be the same (even if the out-CSD participant and its client is not known to T2S). Note that there is no additional validation performed by T2S against the aforementioned clients.

C) The "Securities Account of the Delivering and Receiving Party" are optional matching fields; therefore if both legs contain these fields, the entries in both legs must be the same. Nevertheless, please note that due to the schema, the "Securities Account of the Delivering Party" is mandatory in a Delivering Instruction and optional in a Receiving instruction; and the "Securities Account of the Receiving Party" is mandatory in a Receiving instruction, and optional in a Delivering instruction.

There is no additional validation performed by T2S against the aforementioned external securities accounts.

If Party 1 sends an already matched instruction against receiving Party 2, will Party 2 also receive the Rejected status advice due to business validation failure if applicable?

No, this type of reactions on erroneous inbound messages are sent to the party's technical address (technical sender) who originally sent the message, i.e. Party 1. Hence, Party 2 will not receive this rejection message.

Matched instructions will be given a unique reference to identify which instructions have been matched. How will T2S send this information in the sese.024, sese.025 and sese.032?

The matching reference will be provided within the block "Supplementary Data" of messages sese.024, sese.025, semt.014, semt.015, sese.032. See also Change Request 389: [CR 389](#)

How will T2S operate in the case where tolerance amounts are unequal to two settlement instructions?

In case the tolerance amounts applicable to two settlement instructions are not equal, the more restrictive tolerance amount should apply.

For example, in the case where two potential matched instructions could match, one above (EUR25 tolerance) and one below (EUR2 tolerance) the EUR100,000 threshold, T2S would match the instruction with the 2 euros tolerance.

PROCESSING

1 May is not a settlement day for Euro in T2S. Will a cash corporate action be treated and settled by T2S on May 2nd only? Will a corporate action without cash be processed during NTS (or RTS) on 1 May with value date May 1st?

1 May is not a settlement day for Euro in T2S. A corporate action without cash (FOP instructions) should then be settled on 1 May with same value date, as T2S will be open for all settlements except for euro. In the case of a cash corporate action (e.g. PFOD instruction), settlement will occur on May 2, with that value date.

After the real-time settlement closure period, when blocked cash related to CoSD activations are released, how does the regeneration of the cash blocking function during the next settlement day?

At the real-time settlement closure period, when T2S releases all the cash that has been blocked by CoSD activations and not used during the current settlement day, a "new T2S generated CoSD blocking regeneration Settlement Restriction" is created simultaneously for each CoSD blocking cash balance released. This new settlement restriction will be processed on the next settlement day, during sequence 0 using incoming cash on the considered T2S Dedicated Cash Account.

In case of insufficient cash for the settlement, the new settlement restriction to block the cash for CoSD will be recycled until settlement occurs.

If a T2S Actor cancels a partially settled settlement instruction, does the sese.024 "Cancelled" convey the remaining settlement quantity/amount to be settled or the settlement quantity/amount input in the underlying settlement instruction (sese.023)?

Once the SI has been partially settled, all the following sese.024 messages (even when it includes the Cancelled status) will report the pending quantity/amount to be settled.

If the instruction is not partially settled, the quantity informed is the 'Original Settlement Quantity'. If the instruction has been partially settled, the quantity informed is the quantity remaining to be settled, that is, the difference between 'Original Settlement Quantity' and 'Settled Settlement Quantity'.

The event "CARL" (Corporate Action Rebalancing Liquidity) is operated for all Corporate Actions. Is it also a case for transformation?

The trigger for CARL will be ISO transaction codes "CORP" and "CLAI" (CA on stock and market claims) only. The ISO transaction code "TRAN" will not trigger a "CARL" operation.

When triggering the client auto-collateralisation process, a reverse client auto-collateralisation settlement instruction is generated and put on hold by T2S at the same time. Does the settlement date of a reverse client auto-collat settlement instruction remain unchanged?

The settlement date of the T2S generated reverse client auto-collateralisation settlement instruction remains unchanged during the Life Cycle of the instruction. If the T2S generated reverse client auto-collateralisation settlement instruction is not released before the End Of Day of the creation by the payment bank, this settlement instruction is recycled by T2S until it is settled. Please note that the instruction recycling triggers the revalidation of the instruction and it does not change any parameter of the instruction.

RESTRICTIONS

In case a realignment instruction is on CSD validation hold or CoSD hold, will this have any impact on the related business instruction?

For CoSD Hold: Yes, reporting on the business instructions is performed at time the hold on the realignment instruction is invoked on the intended settlement day of the instruction.

For CSD Validation Hold: No, the reporting on the business instructions is not performed when the hold on the realignment instruction is invoked. The reporting on the business instructions will be done at the settlement eligibility check of the settlement instructions.

In a CoSD scenario, if there is an instruction subject to conditional delivery, which positions are used to create the CoSD blocking position?

T2S creates a T2S generated CoSD blocking Settlement Restriction to block the securities, which includes "Balance from" as "Securities position impacted in the delivering Settlement Instruction". If the securities position impacted is not mentioned in the delivering settlement instruction then, by default, T2S takes it as AWAS. In this context, two possible scenarios can be envisaged:

1. Securities position impacted in the DVP instruction is either AWAS or not mentioned
 - In this case CoSD blocking Settlement Restriction to block the securities will be generated with "Balance from = AWAS"
 - CoSD blocking will fail, if there are not enough securities in AWAS. Other positions cannot complement the CoSD Blocking.
 - In case of lack of securities in AWAS CoSD blocking will be recycled until required positions are available.
2. Securities position impacted in the DVP instruction is specified and not AWAS
 - In this case CoSD blocking Settlement Restriction to block the securities will be generated with "Balance from = <specified position>"
 - CoSD blocking will fail if there are not enough securities in the specified position. Other positions cannot be complemented for the CoSD Blocking.
 - CoSD blocking will be recycled until required positions are available in the specified position.

Is it possible to set-up CoSD rules in the scenario where the issuer CSD is external to T2S and both investor CSDs are inside T2S?

The realignment at the issuer CSD between the investor omnibus accounts takes place outside T2S and upon successful realignment the investor CSDs also realign their books (inter-CSD and mirror accounts) within T2S. However, it is possible for CSDs to set up CoSD rules. If the business instructions/realignment instructions satisfy the CoSD rules setup for the above scenario, they will be put on CoSD hold.

The administering party of a CoSD rule is the only party, which can release the CoSD Hold based on that rule. Is there a possibility that also the CSD of the administering party can release the CoSD Hold?

If the privilege "SIC_RCOSD (Release CoSD Hold Settlement Instruction on Behalf of an Administering Party)" is granted at system level to a CSD user, then the CSD user can send a release instruction for CoSD Hold of settlement instructions on behalf of all the CSD participants (acting as administering party) within CSD's system entity. But please note that as per business rule MVRI595 the instructing party in the CoSD release must be the "Administering Party" of the CoSD rule. Therefore even if the CSD user gets the privilege to send CoSD release instruction on behalf of the CSD Participant, the instructing party in the CoSD release instruction must be the CSD Participant which is the administering party for the CoSD rule.

What happens to a settlement instruction, which is on CoSD Hold, when one administering party (AdmParty1) sends a cancellation instruction and another administering party (AdmParty2) sends a release instruction?

With the two maintenance instructions (i.e. CoSD cancellation by AdmParty1 and CoSD release by AdmParty2) the Settlement Instruction (SI) will neither be cancelled nor be released for CoSD Hold.

- The settlement instruction will be cancelled only if additionally T2S receives a cancellation instruction from AdmParty2 or the involved CSD
- The settlement instruction will be released from CoSD Hold only if additionally T2S receives the CoSD release instruction from the AdmParty1

Do settlement restrictions expire?

Settlement Restrictions can expire, as it is mentioned in section 1.6.1.7. Instructions Recycling of UDFS v2.0. However, the recycling period of the Settlement Restrictions is currently unlimited, so even if Settlement Restrictions could theoretically expire, for the time being it is foreseen to be recycled for unlimited period.

Question and Answers

How will securities positions appear under the CoSD blocking process?

Securities positions blocked for the CoSD will be reported in a separate sub-balance type "COSP".

Is it possible to send a message to T2S with Party Hold = "Yes" and CSD Hold = "Yes" or with Party Hold = "No" but CSD Hold = "Yes"?

It is possible to specify Hold when sending a settlement instruction message by specifying the following:
"HldInd": "Yes"

"Rsn Cd" as CSD Hold "CSDH" or Party Hold "PTYH" or both.

Kindly consider that the "Rsn Cd" is repetitive.

Does the "Hold/Release Default" process only apply to settlement instructions sent by T2S Actors or can it also be applicable to T2S generated settlement instructions (e.g. realignment or auto-collateralisation)?

The Party Hold based on "Hold/Release Default" flag in the static data of the securities account only applies to instructions received from a T2S Actor and therefore does not apply to T2S generated settlement instructions (e.g. realignment or auto-collateralisation).

Will the set-up of intra-day restriction at the CSD level be available to the participating CSDs or can it be used only by the T2S Operator?

The blocking of a CSD or NCB party will result in blocking the settlement of all the parties and accounts defined under that CSD/NCB. Only the T2S Operator is allowed to perform this operation.

Additionally, the CSD can prepare the Restriction Type(s) and rules to be applied; only the assignment (i.e. its effective application) to the CSD has to be done by the T2S Operator.

The restriction would apply to all instructions (new and already present in the system).

Can a single sese.024 message convey several rules triggering the CSD Validation Hold or only a single rule, corresponding to the first one identified within the Business Validation process?

T2S checks the fulfilment of case one restriction types following a sequence that starts from the most restrictive restrictions (i.e. Rejection) to the less restrictive restrictions (i.e. CSD Validation hold).

In case one of the CSD Validation Positive rules is fulfilled no subsequent checks are performed for any other CSD Validation Positive restriction types and the Settlement Instruction is accepted on hold by setting its CSD Validation Hold status to "Yes" and T2S sends a "Securities Settlement Transaction Status Advice (sese.024)" message containing rule id of the restrictions rule.

Therefore, a single sese.024 will never convey more than one restriction rule of CSD Validation Hold.

In case the instructing party is a CSD but not a Delivering or Receiving Party, what happens if the <ModCxlAllwd> in the sese.023 is set to No and the instruction is set "on Party hold", due to an involved Securities Account which "Hold/Release Default" is Yes? Who is able to release the hold instruction?

If the "Hold Release Default" of an involved securities account is set to "Yes", the instruction is set on "Party Hold" independently of the Instructing Party of the sese.023.

The instruction can be released by the user belonging to the Instructing Party who sent the instruction with non-modifiable flag (e.g. user of the CSD) or another user who has been granted the privilege: "Release Non-modifiable Instructions on behalf of the Instructing party of the Underlying Settlement Instruction"

On the T2S GUI when creating a restriction type, you have to create a rule set for which you give a sequence number. For each rule, you have to fill in a 'Group'. What is the function of this Group and how it should be filled in for each sequence/Rule?

A group is a list of parameters defined within each restriction rule. These parameters and assigned values define the conditions on which a restriction rule is triggered. A group id must be unique within each restriction rule and represents a combination of parameters/values to apply within the rule.

There are limits on the total number of group parameters (5000), as well as on the total number of distinct parameter values per parameter type (100) within all active rule sets of a CSD as described in CR0390.

VALIDATION

Does T2S validate the link between the DCA and the securities account of a DVP instruction?

Yes. If the T2S Dedicated Cash Account (DCA) is specified in an against payment Settlement Instruction (SI), T2S checks that there is an active cash settlement link between the DCA and the Securities Account of the SI. If the DCA is not specified in an against payment SI, T2S checks that there is a default DCA for the Securities Account and an active cash settlement link between the default DCA and Securities Account.

How many days is the time frame for past dated or future dated instructions?

The timeframe for past-dated instructions and future-dated instructions are configurable system parameters. As envisaged in the URD, they have been currently set-up as unlimited.

How is the instructing party defined in case of T2S generated instructions, and how to set up rules that exclude validation for instructions generated by T2S?

In general, the instructing party will be the account owner of the account referenced in the underlying instruction. The T2S BIC will not be used as instructing party. To identify the T2S generated instructions, the best method would be to use the corresponding ISO Transaction code used in the messages.

Since for Case 1 Restriction types, "Transaction Identification" is a restriction parameter, we suggest you to use this field. For intra-position movements, the status or the confirmation will include only the T2S reference (i.e. market infrastructure reference).

If a restriction type rule refers to an MSA and the MSA value of a given static data object is changed, will this change result in a revalidation of all impacted instructions?

If the MSA of a given static data object changes value, this does not trigger revalidation. On the other hand, for changes in the MSA value of a restriction rule, the CSD needs to close the existing rule and create a new rule. If the new rule is for the rejection of settlement instructions/restrictions, T2S selects the instructions that could be rejected for revalidation.

If a MSRT (Market Specific Rule Type) is set-up after an instruction responding to the new MSRT has been already accepted and left pending in T2S, which report will be generated at the end of the following the T2S revalidation process conditioning?

The status "accepted" is only reported at the validation step of a settlement instruction and not at the revalidation of the instruction.

In this scenario, a single sese.024 with a pending reason code "CVAL" will be reported in the settlement status, provided the instruction was not already pending with a "CVAL" reason code (e.g. due to another rule). Please check UDFS v2.0 section: 1.6.1.1.5 Revalidation process.

Is it possible to identify external parties in the business validation phase of a CSD validation hold?

It is not possible to identify external parties (participants of external CSDs) for the CSD Validation Hold validation in T2S as this is not a party in T2S. Restriction rules (for example CSD Validation Hold) can be set-up with parameter values depending on the parameter type i.e. with existing T2S Static Data objects or attribute domains containing the list of possible values (for parameters which do not correspond to existing static data, e.g. securities movement type).

Which rules apply to the Partial Settlement Indicator?

- If one of the instructing parties sets the indicator to NPAR, partial settlement is not allowed.
- If both parties set the indicator to PARQ or it is a FOP transaction the quantity threshold type will be used.
- In any other combination the cash threshold type will be used
- A "blank" value for the Partial Settlement indicator will be defaulted to PARQ in case of FOP instructions and PARC in case of DVP/DWP instructions

Question and Answers

Is the business validation process available during the end of day process? What about the queries?

Validation, matching and maintenance processes are available during the EOD period. Queries are also executed.

What triggers the revalidation process in T2S?

The revalidation process in T2S will be triggered by the Start of Day processing at 18:45 CET