

# Information from OeKB CSD concerning Settlement Client Release and T2S Release 2.0

## 1 Settlement Client Release

There will be a **Settlement Client Release on June, 11<sup>th</sup> 2018**: As of this date, only one valid instruction per ISIN will be accepted for the transaction type physical, instruction type deposit and withdrawal. This means:

- As long as a **physical deposit** instruction for a specific ISIN has not been processed, any other **physical deposit** instruction for that respective ISIN will be rejected, however, a **physical withdrawal** instruction in the respective ISIN can be processed.
- As long as a **physical withdrawal** instruction for a specific ISIN has not been processed, any other **physical withdrawal** instruction for that respective ISIN will be rejected, however, a **physical deposit** instruction in the respective ISIN can be processed.

## 2 T2S Release 2.0

Nr.	Change Request	Impacted Clients	Delivery date Pre-Production	Delivery date Production
515	Allow instructions from CSD participants for n days after maturity date of security	DCP/ICP	already deployed	08.06.2018
588	Inclusion of the DCA in the auto-collateralisation messages i.e. T2S generated instructions (sese.032) and/or the corresponding settlement confirmations (sese.025)	DCP/ICP	already deployed	08.06.2018
621	Multiple pending reason codes (combination of lack of securities and lack of cash)	DCP/ICP	already deployed	08.06.2018
632	To increase the default number of rows to be displayed from 10 to 100 rows per page	DCP	already deployed	08.06.2018
645	Character Set X: Align discrepancies between UDFS, UHB, DMT and SWIFT handbook	DCP	already deployed	08.06.2018

Nr.	Change Request	Impacted Clients	Delivery date Pre-Production	Delivery date Production
648	Enhancement of operational resilience in multi-currency context	DCP	already deployed	08.06.2018
649	Handling of leading and trailing "blanks" and "/" in A2A and U2A names and Identification attributes	DCP/ICP	already deployed	08.06.2018
666	T2S should lower maximum outbound file size to 99 MB	DCP	already deployed	08.06.2018

## Content of the Change Requests

### CR 515 - Allow instructions from CSD participants for n days after maturity date of security

The aim of the change request is that CSD participants should have the possibility to send settlement instructions to the T2S system during the 20 day period following the maturity date of a security.

Currently only CSDs are allowed to send settlement instructions to T2S on or after the maturity date of a security as recorded in T2S static data. Therefore, it will not be possible with the current T2S functionality for CSD participants (including CCPs) to send settlement instructions to T2S during the 20 day transformation detection period after the maturity date of a security.

What should be possible with the T2S functionality in order to comply with the above requirement of the T2S CA standards is:

- during the 20 day period instructions sent by CSD participants will be validated and allowed to matched but not to settle
- with the exception of Payment Free of Delivery (PFOD) instructions sent by CCPs which will be allowed to settle

After the end of this 20 day period all instructions from CSD participants, irrespective of their matching status, will be cancelled by T2S.

Link: [https://www.ecb.europa.eu/paym/t2s/progress/pdf/crg/t2s\\_0515\\_urd.pdf](https://www.ecb.europa.eu/paym/t2s/progress/pdf/crg/t2s_0515_urd.pdf)

### **CR 588 - Inclusion of the DCA in the auto-collateralisation messages i.e. T2S generated instructions (sese.032) and/or the corresponding settlement confirmations (sese.025)**

T2S does not provide sufficient information to Central Banks when relocation of collateral, which is the last exceptional step in the automated reimbursement process. To solve the issue, the DCA number of the T2S auto-collateralisation receiving Payment Bank should be included in sese.032 and corresponding sese.025.

Link: [http://www.ecb.europa.eu/paym/t2s/progress/pdf/crg/t2s\\_0588\\_sys.pdf](http://www.ecb.europa.eu/paym/t2s/progress/pdf/crg/t2s_0588_sys.pdf)

### **CR 621 - Multiple pending reason codes (combination of lack of securities and lack of cash)**

T2S will modify the sending of the status messages in case of CLAC/ MONY and LACK/ CMON (for DvP and RvP instructions) and for LACK/ MONY and CLAC/ CMON (for DWP / RWP instructions).

At the moment T2S is checking the availability of both the securities and the cash when attempting a settlement. If both sides are missing T2S reports multiple pending reason codes.

With this change request T2S will not do any further checks on the cash side when there are insufficient securities to settle the instruction.

T2S will check the securities leg first.

If the securities position is not available, T2S doesn't proceed checking the cash leg. The reporting to be sent to the clients is a sese.024 with pending reason code LACK for the seller and a sese.024 with pending reason code CLAC to the buyer.

If the securities position is available, T2S proceeds with checking the cash leg. If there is lack of cash, the reporting to be sent to the clients is a sese.024 with pending reason code CMON to the seller and a sese.024 with pending reason code MONY to the buyer.

Link: [http://www.ecb.europa.eu/paym/t2s/progress/pdf/crg/t2s\\_0621\\_sys.pdf](http://www.ecb.europa.eu/paym/t2s/progress/pdf/crg/t2s_0621_sys.pdf)

### **CR 632 - To increase the default number of rows to be displayed from 10 to 100 rows per page**

The aim of the change request is to improve the overview of the displayed information.

Link: [http://www.ecb.europa.eu/paym/t2s/progress/pdf/crg/t2s\\_0632\\_sys.pdf](http://www.ecb.europa.eu/paym/t2s/progress/pdf/crg/t2s_0632_sys.pdf)

### **CR 645 - Character Set X: Align discrepancies between UDFS, UHB, DMT and SWIFT handbook**

New field rules on the T2S GUI for all text field will be introduced.

Link: [http://www.ecb.europa.eu/paym/t2s/progress/pdf/crg/t2s\\_0645\\_sys.pdf](http://www.ecb.europa.eu/paym/t2s/progress/pdf/crg/t2s_0645_sys.pdf)

### **CR 648 - Enhancement of operational resilience in multi-currency context**

Due to the migration of the Danish market it is required to amend the operational day during the real-time settlement cut-off period (RTS closure time: 16.00 – 18.00 CET) in order to react more flexible and to have less dependencies between the different currencies.

Link: [http://www.ecb.europa.eu/paym/t2s/progress/pdf/crg/t2s\\_0648\\_sys.pdf](http://www.ecb.europa.eu/paym/t2s/progress/pdf/crg/t2s_0648_sys.pdf)

**CR 649 - Handling of leading and trailing "blanks" and "/" in A2A and U2A names and Identification attributes**

The aim of this change request is to prohibit the use of leading blanks followed by "/" at the beginning or trailing blanks preceded by "/" needs to be prohibited to ensure valid outbound messages.

This change request is an enhancement to the Change Request T2S-0576-SYS (Handling of leading and trailing "blanks" and "/" in A2A and U2A attributes).

Link: [http://www.ecb.europa.eu/paym/t2s/progress/pdf/crg/t2s\\_0649\\_sys.pdf](http://www.ecb.europa.eu/paym/t2s/progress/pdf/crg/t2s_0649_sys.pdf)

**CR 666 - T2S should lower maximum outbound file size to 99 MB**

Maximum file size of uncompressed outbound communication sent by T2S must be limited to 99 MB.

Link: [http://www.ecb.europa.eu/paym/t2s/progress/pdf/crg/t2s\\_0666\\_sys.pdf](http://www.ecb.europa.eu/paym/t2s/progress/pdf/crg/t2s_0666_sys.pdf)