General Information (Origin of Request)		
☐ User Requirements (URD)		
☒ Other User Functional or Technical Documentation (SYS)		

Request raised by: Clearstream	**Institute:** CSD	**Date raised:** 31/07/2012
Request title: Reporting of match reference and other transaction related information by T2S		**Request ref. no:** T2S 0351 SYS
Request type: Common		**Urgency:** Fast Track
1. Legal/business importance parameter: Critical		**2. Market implementation efforts parameter:** Low
3. Operational/Technical risk parameter: Low		**4. Financial impact parameter:** High
Requestor Category: CSD		**Status:** Rejected by Change Review Group

Reason for change and expected benefits/business motivation:

While T2S reporting is purely instruction oriented, many business processes on the T2S Actor's side (CSD and CSD Participants) are transaction oriented. Moreover, fundamental legal concepts such as double-entry book-keeping or irrevocability are defined on a transaction basis. This implies that T2S Actors must be able to identify all transactions in T2S, in particular all legs which constitute a transaction, in order to enable the interaction with T2S as external settlement location, legally as well as process wise.

Currently, this information is not available:

- T2S matching feedback provides only information that an instruction was matched, but does not identify to which instruction it was matched.

- T2S generated auto-coll instructions are reported as independent legs, without the possibility to identify the counter-leg, although the instructions relate to a single transaction

- T2S generated realignments contain an INFO link to the corresponding business instructions only. However, in case of longer realignment chains where two or more investor CSDs are involved it is not possible to identify which realignments within a given CSD relate to the same cross-border business transaction. .

- T2S generated intra-position movements, and intra-balance movements, e.g. for CoSD processing, pivot movement in case of use restricted resources and pledge-sub blocking do not allow the identification of the corresponding business instruction that originated the blocking.

These gaps in reporting can create major issues. Different scenarios where transaction based information is important and where the current T2S setup is thus insufficient are, e.g.:

CSD-specific validations on a transaction level: in the current CSD environment, various business processes require CSD-specific validations on a transaction level, i.e. on a combination of both matched legs.

A. T2S only supports validation rules on a single leg. In addition it provides functionality to temporarily put an instruction in T2S on hold until a CSD has verified that the instruction also complies with the more complex CSD-internal rules. However, in order to apply such transaction-based validation rules, the CSD needs to identify which instructions relate to the transaction.

   a. Without the proper information which two legs constitute a transaction, such validation rules can no longer be applied, thus jeopardizing the migration of various business processes onto T2S where such validations are required.

Business processes which require information on the involved counterparty instruction: in the current CSD environment, there are various business processes which require that a T2S Actor has end-to-end view which counterparty instruction relates to a given settlement instruction:

A. Matching in case of cross-border settlement with an Out-CSD which is issuer CSD: In these cases, the master matching process resides with the Issuer CSD, and the matching in T2S must follow the Issuer CSD process. In order to comply with this requirement, the Investor CSD has to verify the matching in T2S. Without information on the counter-leg this will not be possible.

B. Market claims processing where the T2S Actor who handles the claim needs to know to which counterparty

instruction a claim relates.

- C.   Value added services such as lending or collateral management which are normally managed by T2S Actors on a transaction basis.
- D.   Reconciliation activities
    - a.   In all of these cases, without a proper identification of the transaction, it will not be possible to migrate the settlement-related parts of these business processes to T2S. In other words, the mentioned reporting gap would be a showstopper for the T2S migration.

Already-matched instructions which are not supported by T2S: there are various cases where a T2S Actor would have an "already matched" instruction internally, but has to instruct two legs into T2S due to limitations in T2S:

- A.   cross-border settlements between different In-CSDs in T2S, or
- B.   settlements from an earmarked position (not equal to AWAS) in securities account SAC_A into an earmarked position (not equal to AWAS) into securities account SAC_B, or
- C.   settlements where both legs would require different ISO transaction codes have to be used (e.g. COLI/COLO).
    - a.   In these cases, without a proper identification of the transaction, there is a risk that T2S matches the wrong legs together (especially as there is no direct matching feature in T2S), and there would be no chance to figure this out based on information provided by T2S. Thus it would not be possible to take mitigating actions, i.e. to cancel the incorrectly matched legs and to re-instruct. This would create inconsistencies between T2S Actor internal business processes and T2S.

T2S generated transactions which are not reported as a transaction: additional scenarios arise where T2S is settling many legs jointly as a single transaction but does not report this properly to the T2S Actor:

- A.   Realignments which arise in scenarios with more than one Investor CSDs being involved
- B.   Auto-coll-related repo transactions, potentially also in a cross-border scenario
    - a.   The missing references for the realignments prevents an extension of a business process which requires information on both legs across different CSDS. In this case, the missing link between the realignments would be the limiting factor. Thus, a reporting gap would be a showstopper for any cross-border extension of the business processes mentioned above.

T2S generated restriction instructions which cannot be allocated to the related Settlement Instruction: in some business scenarios, T2S generates additional settlement restrictions to support the settlement processing of related Settlement Instructions. However, T2S does not provide information to which Settlement Instructions these additional Restriction Instructions are related:

- A.   CoSD-related blockings where T2S puts a particular position into a blocked position type until the instruction subject to CoSD can be released. Currently, it is not possible to identify which T2S generated Settlement Restriction relates to which Settlement Instruction subject to CoSD.
- B.   If T2S Actors use in their Settlement Instructions blocked or reserved securities positions, then T2S generates additional Restriction Instructions as part of the settlement processing. Currently, it is not possible to identify which T2S-generated Settlement Restriction relates to which underlying Settlement Instruction.
    - a.   For the CoSD processing, this missing information does not pose a problem in a good whether scenario, however, in case the original instruction has to be cancelled, e.g. due to corporate actions, then the T2S actor must manually release the blocked position. In this case it will be required to link the position to the instruction, in order to release the correct position from the CoSD blocking. The missing information about this relation jeopardizes the entire CoSD functionality.
    - b.   For the settlement with blocked or reserved securities positions the lack of information creates a problem in cases where the settlement uses various different blocked and reserved positions, potentially even partially. In these cases, it will not be possible to clearly identify which blocked or reserved positions were actually used in the settlement.

Overall, without additional referencesT2S cannot be used properly for many business processes. This is a showstopper for the successful migration of CSDs to T2S.
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Description of requested change:

- •   T2S reporting must be extended to allow the T2S users to identify unambiguously which instruction legs in T2S a single transaction[1] comprises. In particular: T2S matching feedback must indicate to which instruction in T2S

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[1] The term „Transaction" refers to the bundled set of settlement instructions and settlement restriction that are jointly settled by T2S in a common unit of work. Examples are a) a matched pair of settlement instructions in a domestic

an existing instruction was matched.

- T2S generated auto-coll transactions must allow an unambiguous identification which two (delivery and receipt) settlement instructions (or realignments in case of cross-border scenarios) relate to the auto-collateralization transaction.

- T2S generated realignments must allow an unambiguous identification to which cross-border transaction they relate, in particular in cross-border cases with more than one Investor CSD and thus with more than one realignment instruction at the Issuer CSD.

- T2S generated intra-position movements, e.g. generated during CoSD detection (UDFS page 645), must provide a clear indication to which settlement instruction they relate. This also applies to pledge-sub blocking and pivot movements generated when using restriction references in settlement instructions.

This change must be implemented latest for the start of the bilateral testing phase.

The T2S reporting must be extended to provide in all the cases listed above in the settlement status advices (sese.024, semt.014), in the auto-coll and realignment instructions (sese.032) and in the settlement confirmations (sese.025, semt.015) the references of all other instructions which relate to a single transaction in T2S.

- In case of matching, after successful matching the corresponding status advices (sese.024) and preferably also the settlement confirmations (sese.025) for both legs must contain the reference of the matched instruction.

- In case of auto-coll, both DELI and RECE leg of the autocoll instructions (initially reported via sese.032 as COLI and COLO, and subsequently via sese.024 and sese.025) must contain the reference of the corresponding auto-coll or auto-coll-related realignment counter-leg (at least the sese.032, but preferably also the other messages).

- In case of realignments, all realignment instructions (initially reported via sese.032 REAL, and subsequently via sese.024 and sese.025) must contain the references of all other involved settlement instructions and realignment instructions (at least in the sese.032, but preferably also the other messages) .

- In case of T2S generated restriction instructions, the corresponding status advices (semt.014) and settlement confirmations (semt.015) must contain the reference of the instruction which triggered the generation of the additional restriction instructions, e.g. because is subject to CoSD processing.

The different elements are described below in more detail.

Part A) Match Reference:

After successful matching, T2S will send a sese.024 with matching status "matched" (see UDFS, page 1234). This message must be adjusted to contain the reference of the matched instruction. The same reference should be included into all subsequent sese.024 Status Advices and sese.025 Settlement Confirmations.

- The MarketInfrastructureTxId of the counter-leg should be used.

- The information should be contained in all sese.024 and sese.025 that are distributed by T2S after the matching was confirmed.

For already matched instructions, T2S generates two matched settlement instructions after the business validation. The sese.024 "ACK" that confirms the acceptance of the already matched instruction must be adjusted to contain the MarketInfrastructureTxId of the second leg which is generated by T2S. [2]

- In all subsequent messages relating to this instruction, the MarketInfrastructureTxId of the second leg should be included into the sese.024 and sese.025 messages in the same way as for Part A).

Part B) Auto-Collateralisation counter-leg Reference

For auto-collateralization(Repo, Pledge and Pledge-Sub), T2S generates collateral (and reverse collateral) instructions. The sese.032 SecuritiesSettlementTransactionGenerationNotification that reports these instructions to the T2S Actors must be adjusted to contain the MarketInfrastructureTxId of the counter-leg: the reference of the DELI leg must be included into the sese.032 for the RECE leg, and vice versa.

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settlement case, b) a matched pair of settlement instructions together with the corresponding realignments in case of a cross-border settlement, c) a matched pair of settlement instructions with the corresponding restriction instructions in case of CoSD processing.

[2] This will allow a proper identification of the second leg (e.g. in case an action on this leg would be required) of already matched instruction if the T2S actor does not want to receive the reporting on the second leg via separate sese.024 messages.

- In all subsequent messages relating to these instructions, the information should be included into the sese.024 and sese.025 messages in the same way as for Part A).
- In case of cross-border auto-coll instructions, the reference to the corresponding matching realignment instruction(s) should be provided as well.
- Collateral relocation instructions which are generated during the EOD processing should be treated in the same way, i.e. for these instructions the reference to the counter-leg should be included into the sese.032 and the subsequent sese.024 and sese.025 messages
- Collateral substitutions should also benefit from the same mechanism.
- In case of pledge-sub the blocking should be linked to the collateral instruction and vice versa.

Part C) Realignment Reference

After the matching of cross-border transactions, T2S will generate the corresponding realignments. The sese.032 SecuritiesSettlementTransactionGenerationNotification that reports these instructions to the T2S Actors must be adjusted to contain, in addition to the references of the related Business Instructions that are already foreseen (see UDFS, page 1270), the MarketInfrastructureTxID of all other realignment instructions within the same CSD that constitute this cross-border transaction.

- Note: it is not required to include references relating to realignment instructions that settle in other CSDs, i.e. the additional realignment references that are reported should be restricted to the same CSD only.

Part D) CoSD-Related and Blocking/Reservation-Related References in Settlement Restrictions

T2S will automatically generate settlement restrictions to support CoSD processing (see UDFS, page 645) as well as to support settlement out of blocked or reserved positions (see UDFS, page 263). The semt.014 and semt.015 message that report these restriction instructions to the T2S Actors must be adjusted to contain the MarketInfrastructureTxID of the underlying Settlement Instruction which triggered the generation of the Restriction Instruction.

The following change can be implemented in a later T2S release.

Part E) Referencing in statements semt.017 and semt.018

The additional references to identify a transaction should also be made available in the statements on T2S, i.e. in the semt.017 SecuritiesTransactionPostingReport as well as in the semt.018 SecuritiesTransactionPendingReport.

The relevant Intra-balance and Intra-position movements shall also be covered at this point in time.

Part F) Optional: Referencing in A2A queries and the T2S GUI

All of these new references must also be visible on the T2S GUIs when the affected instructions are queried. Furthermore, the references should be included into the query responses for settlement and restriction instructions.

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Proposed wording for the SYS Change request (Provided by Clearstream):

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Submitted annexes / related documents:

T2S_0351_SYS attachment

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High level description of Impact:

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Outcome/Decisions:

- CRG meeting of 1-2 October 2012: The CRG decided to request the detailed assessment of the change request.

- CRG meeting of 3 December 2012: The CRG decided to simplify the original CR by splitting it into two new CRs (a CR including the reporting of the matching reference, and a CR including the reporting of the matching reference and the reference to a CoSD blocking). The CRG will make a final recommendation based on these detailed assessments regarding the two new CRs compared to the result of the original CR351.

- CSG meeting of 13 December 2012: The CSG agreed to put the CR on hold until a simplified CR is finally assessed.

- CRG meeting of 28 January 2013: The CRG discarded the Change Request.

Attachment of CR T2S_0351_SYS
Reporting of match reference and other transaction related information by T2S

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Description of the Request

- T2S reporting must be extended to allow the T2S users to identify the instruction legs that a single transaction comprises. In particular:

  - T2S matching feedback must indicate to which instruction in T2S an existing instruction was matched

  - T2S generated auto-collateralisation transactions must allow an unambiguous identification which two (delivery and receipt) settlement instructions (or realignments in case of cross-border scenarios) relate to the auto-collateralisation transaction

  - T2S generated realignments must allow an unambiguous identification to which cross-border transaction they relate, in particular in cross-border cases with more than one Investor CSD and thus with more than one realignment instruction at the Issuer CSD

  - T2S generated intra-position movements, e.g. generated during CoSD detection must provide a clear indication to which settlement instruction they relate

Description of the changes

- T2S needs to introduce qualifiers for providing the references (matching references or originating references) in order to facilitate the processing and recognition of the references

- In the following slides, the following qualifiers for references have been used:
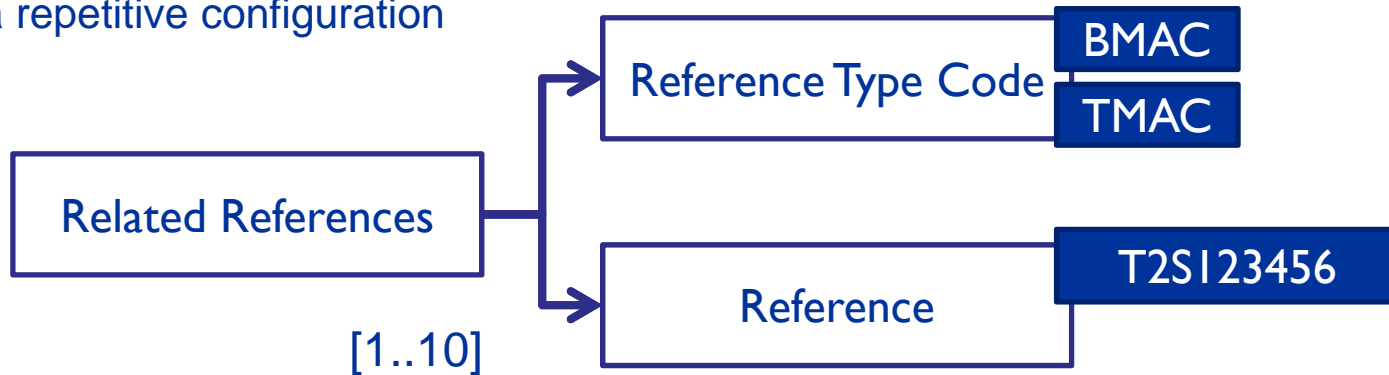
Qualifiers
BMAC: Business Matching (business instruction / collateral instruction)
TMAC: Technical Matching (involve at least one realignment)
OGSI: Origin of generated realignment settlement instruction (Business instruction/Collateral reference that triggered generation)
PIVT: Pivot movement
COSD: COSD blocking
PLED: Blocking for pledge auto-collateralisation
PLES: Blocking for pledge sub auto-collateralisation

- The slides detail some scenarios where there is a need to provide additional references

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Messaging proposal

T2S would use the supplementary data element of the referenced messages (already used for Market-specific attributes in some Reference Data (reda) messages):

- It exists in the following messages consistently
  - Sese.024   - Semt.014
  - Sese.025   - Semt.015
  - Sese.032   - Camt.067
  - Camt.068

- It would allow defining an appropriate structure (e.g. Qualifier code field and reference field) in a repetitive configuration

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                                           ┌──────────────────┐  ┌──────┐
                                      ┌───▶ │ Reference Type   │  │ BMAC │
                                      │     │ Code             ├──┼──────┤
                                      │     └──────────────────┘  │ TMAC │
 ┌─────────────────────┐             │                           └──────┘
 │ Related References   ├─────────────┤
 └─────────────────────┘             │     ┌──────────────────┐  ┌───────────┐
            [1..10]                   └───▶ │ Reference        │  │ T2S123456 │
                                           └──────────────────┘  └───────────┘
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- For T2S release 2, we could raise ISO CR and update the relevant schemas in order to have a proper field and a standard solution

Scenario 1 – Intra-CSD settlement

CSD1
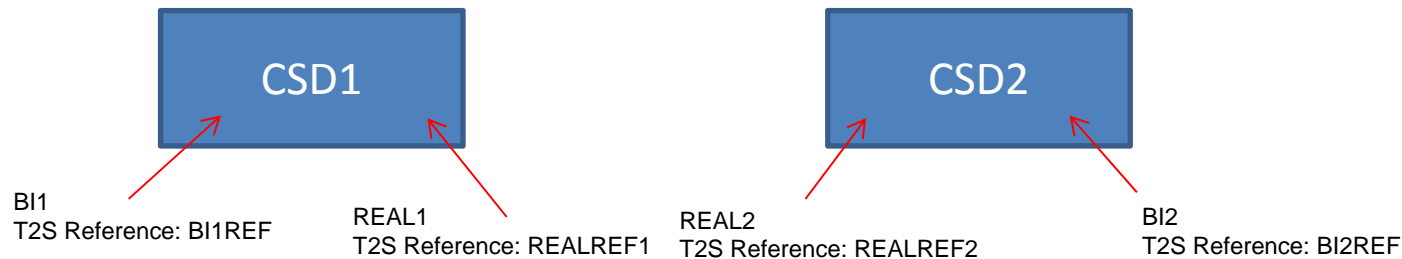
BI1
T2S Reference: BI1REF

BI2
T2S Reference: BI2REF
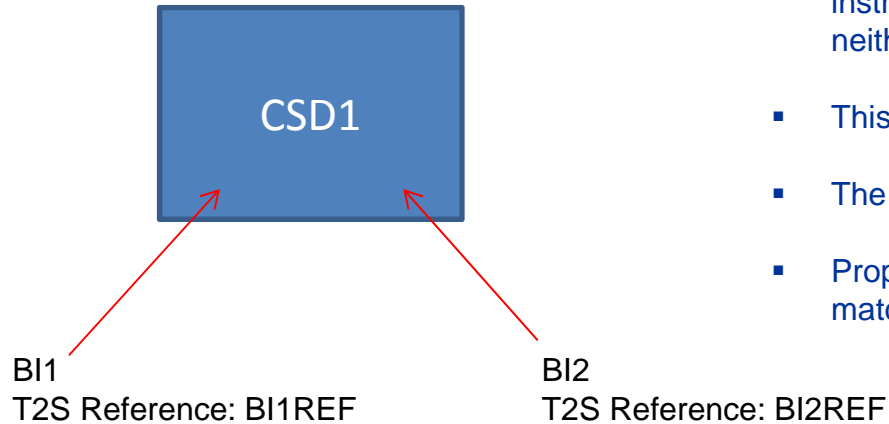
- In this scenario, only the reference to the counterparty business instruction should be given as there are no realignments, neither use of restricted positions

- This applies to Already matched instructions also

- The T2S reference should be provided

- Proposal for qualifier BMAC = Business matching, e.g. matching between participants' instructions

Optional impact in messaging (for release 2 potentially)

Reporting of	sese.024	sese.025	semt.017	semt.018	semt.027
BI1	BMAC/BI2REF	BMAC/BI2REF	BMAC/BI2REF	BMAC/BI2REF	BMAC/BI2REF
BI2	BMAC/BI1REF	BMAC/BI1REF	BMAC/BI1REF	BMAC/BI1REF	BMAC/BI1REF

Scenario 2 – Cross-CSD settlement (two CSDs)

CSD1

CSD2

BI1
T2S Reference: BI1REF

REAL1
T2S Reference: REALREF1

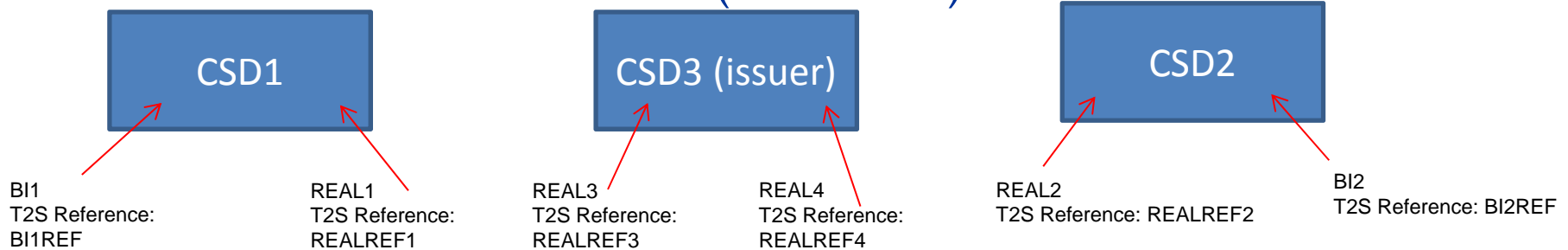REAL2
T2S Reference: REALREF2

BI2
T2S Reference: BI2REF

- In this scenario, the reference to the counterparty business instruction should be given, also reference to matching realignment in each CSD. (no use of restricted positions). The T2S references should be provided.
- Proposal for qualifiers:
  - BMAC = Business matching, e.g. matching between participants' instructions
  - TMAC = Technical matching, e.g. matching involving at least one realignment
  - OGSI = Origin of generated realignments settlement instructions *(this part is covered by the current UDFS, except that there is no qualifier)*

Reporting of	sese.024	sese.025	sese.032
BI1	BMAC/BI2REF TMAC/REALREF1	BMAC/BI2REF TMAC/REALREF1	n/a
BI2	BMAC/BI1REF TMAC/REALREF2	BMAC/BI1REF TMAC/REALREF2	n/a
REAL1	OGSI/BI2REF OGSI/BI1REF TMAC/BI1REF	OGSI/BI2REF OGSI/BI1REF TMAC/BI1REF	OGSI/BI2REF OGSI/BI1REF TMAC/BI1REF
REAL2	OGSI/BI2REF OGSI/BI1REF TMAC/BI2REF	OGSI/BI2REF OGSI/BI1REF TMAC/BI2REF	OGSI/BI2REF OGSI/BI1REF TMAC/BI2REF

Note: At the time of matching, realignment references are unknown. In case they should be included in sese.024 it would be only for status sent after realignment generation (i.e. pending/unsettled status).

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Scenario 3 – Cross-CSD settlement (three CSDs)

| CSD1 | CSD3 (issuer) | CSD2 |

BI1
T2S Reference: BI1REF

REAL1
T2S Reference: REALREF1

REAL3
T2S Reference: REALREF3

REAL4
T2S Reference: REALREF4

REAL2
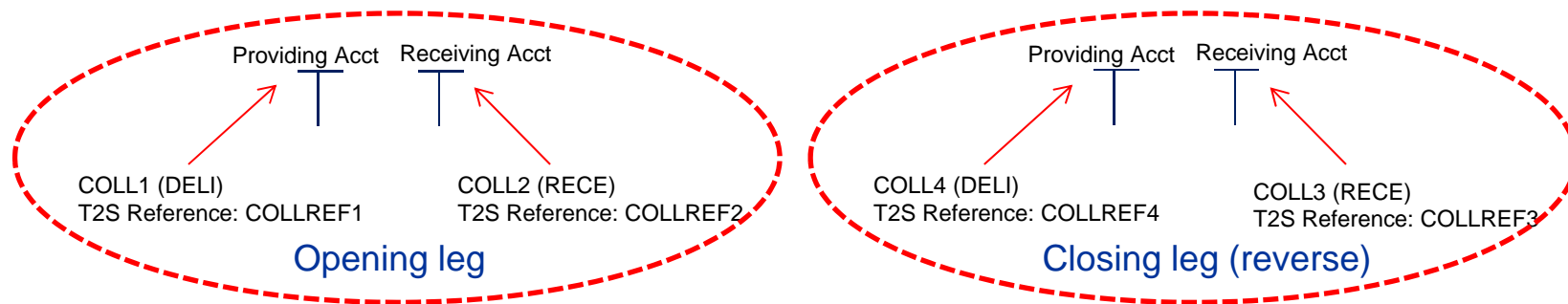T2S Reference: REALREF2

BI2
T2S Reference: BI2REF

- In this scenario, the reference to the counterparty business instruction should be given, also reference to matching realignment in each CSD. (no use of restricted positions). The T2S references should be provided. Same qualifiers as previous scenario

Reporting of	sese.024	sese.025	sese.032
BI1	BMAC/BI2REF TMAC/REALREF1	BMAC/BI2REF TMAC/REALREF1	n/a
BI2	BMAC/BI1REF TMAC/REALREF2	BMAC/BI1REF TMAC/REALREF2	n/a
REAL1	OGSI/BI2REF OGSI/BI1REF TMAC/BI1REF	OGSI/BI2REF OGSI/BI1REF TMAC/BI1REF	OGSI/BI2REF OGSI/BI1REF TMAC/BI1REF
REAL2	OGSI/BI2REF OGSI/BI1REF TMAC/BI2REF	OGSI/BI2REF OGSI/BI1REF TMAC/BI2REF	OGSI/BI2REF OGSI/BI1REF TMAC/BI2REF
REAL3	OGSI/BI1REF OGSI/BI2REF TMAC/REAL4REF	OGSI/BI1REF OGSI/BI2REF TMAC/REAL4REF	OGSI/BI1REF OGSI/BI2REF TMAC/REAL4REF
REAL4	OGSI/BI1REF OGSI/BI2REF TMAC/REAL3REF	OGSI/BI1REF OGSI/BI2REF TMAC/REAL3REF	OGSI/BI1REF OGSI/BI2REF TMAC/REAL3REF

Note: At the time of matching, realignment references are unknown. In case they should be included in sese.024 it would be only for status sent after realignment generation (i.e. pending/unsettled status).

Scenario 4 (a) – Auto/Client collateralisation (Intra-CSD) – Repo procedure (on stock or on flow)

Providing Acct   Receiving Acct

COLL1 (DELI)
T2S Reference: COLLREF1

COLL2 (RECE)
T2S Reference: COLLREF2

Opening leg

Providing Acct   Receiving Acct

COLL4 (DELI)
T2S Reference: COLLREF4

COLL3 (RECE)
T2S Reference: COLLREF3

Closing leg (reverse)

- Opening and closing legs do not need to be linked
- Only the matching leg should be provided in Intra-CSD scenario.
- Qualifier: BMAC= Business matching

Reporting of	sese.024*	sese.025	sese.032
COLL1 (Deli)	n/a	BMAC/COLLREF2	BMAC/COLLREF2
COLL2 (Rece)	n/a	BMAC/COLLREF1	BMAC/COLLREF1
COLL3 (Deli)	BMAC/COLLREF4	BMAC/COLLREF4	BMAC/COLLREF4
COLL4 (Rece)	BMAC/COLLREF3	BMAC/COLLREF3	BMAC/COLLREF3

* Sese.024 relates to the pending status (unsettled) of the reverse leg, e.g. there is no sese.024 for the opening leg since the auto-collateralisation is settled immediately

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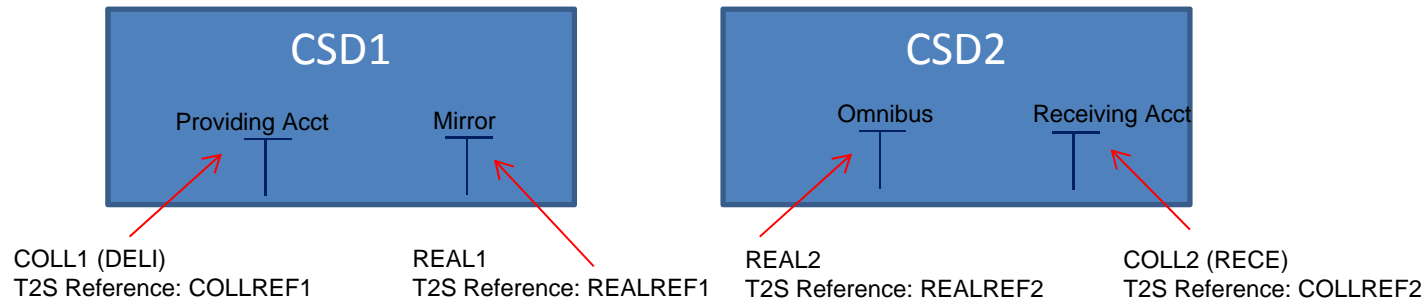**Scenario 4 (b)** – Auto collateralisation (Intra-CSD) – pledge procedure (on stock or on flow)
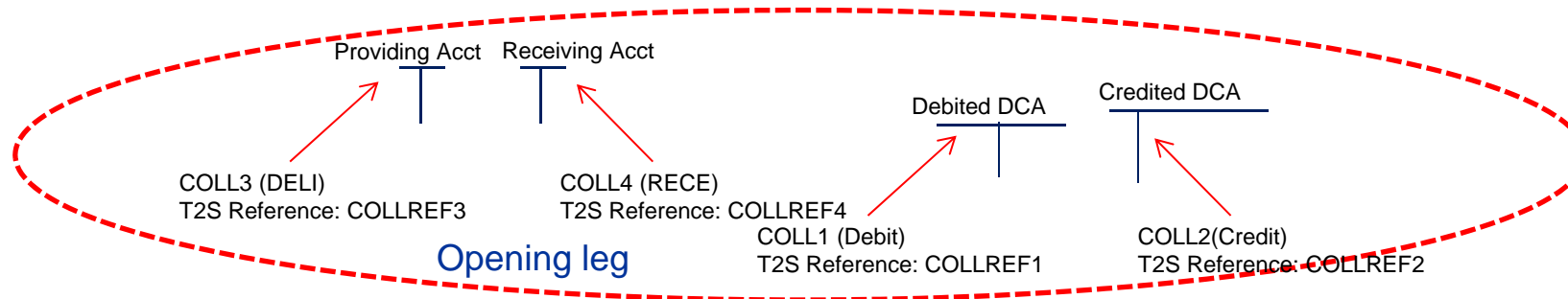
- Opening and closing legs do not need to be linked
- Qualifiers: BMAC= Business matching; PLED: Pledge movement

Reporting of	sese.024*	sese.025	sese.032
COLL1 (Debit PFOD)	BMAC/COLLREF2 PLED/COLLREF4	BMAC/COLLREF2 PLED/COLLREF4	BMAC/COLLREF2 PLED/COLLREF4
COLL2 (Credit PFOD)	BMAC/COLLREF1 PLED/COLLREF3	BMAC/COLLREF1 PLED/COLLREF3	BMAC/COLLREF1 PLED/COLLREF3
COLL3 (Deli FOP)	BMAC/COLLREF4 PLED/COLLREF2	BMAC/COLLREF4 PLED/COLLREF2	BMAC/COLLREF4 PLED/COLLREF2
COLL4 (Rece FOP)	BMAC/COLLREF3 PLED/COLLREF1	BMAC/COLLREF3 PLED/COLLREF1	BMAC/COLLREF3 PLED/COLLREF1

* Sese.024 relates to the pending status (unsettled) of the reverse leg, e.g. there is no sese.024 for the opening leg since the auto-collateralisation is settled immediately

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Scenario 5 (a) – Auto/Client collateralisation (Cross-CSD) – Repo procedure

CSD1	CSD2
Providing Acct Mirror	Omnibus Receiving Acct

COLL1 (DELI)
T2S Reference: COLLREF1

REAL1
T2S Reference: REALREF1

REAL2
T2S Reference: REALREF2

COLL2 (RECE)
T2S Reference: COLLREF2

- REPO procedure triggers cross-CSD realignments
- Opening and closing legs do not need to be linked (only opening legs shown in the below table)
- The auto-collateralisation instructions should carry the counter leg reference and the realignment reference in same CSD
- The closing leg is not shown here but same principle applies

- Qualifiers:
  - BMAC= Business matching
  - TMAC= Technical matching
  - OGSI: Origin of realignments settlement instructions

| Reporting of	sese.024 (closing)	sese.025	sese.032
COLL1 (Deli)	BMAC/COLLREF2 TMAC/REALREF1	BMAC/COLLREF2 TMAC/REALREF1	BMAC/COLLREF2 TMAC/REALREF1
COLL2 (Rece)	BMAC/COLLREF1 TMAC/REALREF2	BMAC/COLLREF1 TMAC/REALREF2	BMAC/COLLREF1 TMAC/REALREF2
REAL1	OGSI/COLLREF1 OGSI/COLLREF2 TMAC/COLLREF1	OGSI/COLLREF1 OGSI/COLLREF2 TMAC/COLLREF1	OGSI/COLLREF1 OGSI/COLLREF2 TMAC/COLLREF1
REAL2	OGSI/COLLREF1 OGSI/COLLREF2 TMAC/COLLREF2	OGSI/COLLREF1 OGSI/COLLREF2 TMAC/COLLREF2	OGSI/COLLREF1 OGSI/COLLREF2 TMAC/COLLREF2

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Scenario 5 (B) – Auto collateralisation (Cross -CSD) –pledge procedure (on stock or on flow)

- Opening and closing legs do not need to be linked (only opening legs shown in the below table)
- Qualifiers: BMAC= Business matching; TMAC = Technical matching; OGSI= Origin of generated realignment settlement instructions;
- PLED: Pledge movement

Reporting of	sese.024 *(closing)	sese.025	sese.032
COLL1 (Debit PFOD)	BMAC/COLLREF2 PLED/COLLREF4	BMAC/COLLREF2 PLED/COLLREF4	BMAC/COLLREF2 PLED/COLLREF4
COLL2 (Credit PFOD)	BMAC/COLLREF1 PLED/COLLREF3	BMAC/COLLREF1 PLED/COLLREF3	BMAC/COLLREF1 PLED/COLLREF3
COLL3 (Deli FOP)	BMAC/COLLREF4 PLED/COLLREF2 TMAC/REAL1	BMAC/COLLREF4 PLED/COLLREF2 TMAC/REAL1	BMAC/COLLREF4 PLED/COLLREF2 TMAC/REAL1
COLL4 (Rece FOP)	BMAC/COLLREF3 PLED/COLLREF1 TMAC/REAL4	BMAC/COLLREF3 PLED/COLLREF1 TMAC/REAL4	BMAC/COLLREF3 PLED/COLLREF1 TMAC/REAL4
REAL1	OGSI/COLLREF3 OGSI/COLLREF4 TMAC/COLLREF3	OGSI/COLLREF3 OGSI/COLLREF4 TMAC/COLLREF3	OGSI/COLLREF3 OGSI/COLLREF4 TMAC/COLLREF3
REAL2	OGSI/COLLREF3 OGSI/COLLREF4 TMAC/COLLREF4	OGSI/COLLREF3 OGSI/COLLREF4 TMAC/COLLREF4	OGSI/COLLREF3 OGSI/COLLREF4 TMAC/COLLREF4

* Sese.024 relates to the pending status (unsettled) of the reverse leg, e.g. there is no sese.024 for the opening leg since the auto-collateralisation is settled immediately

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Scenario 6 – Auto/Client collateralisation (Intra-CSD) – Pledge-Sub procedure
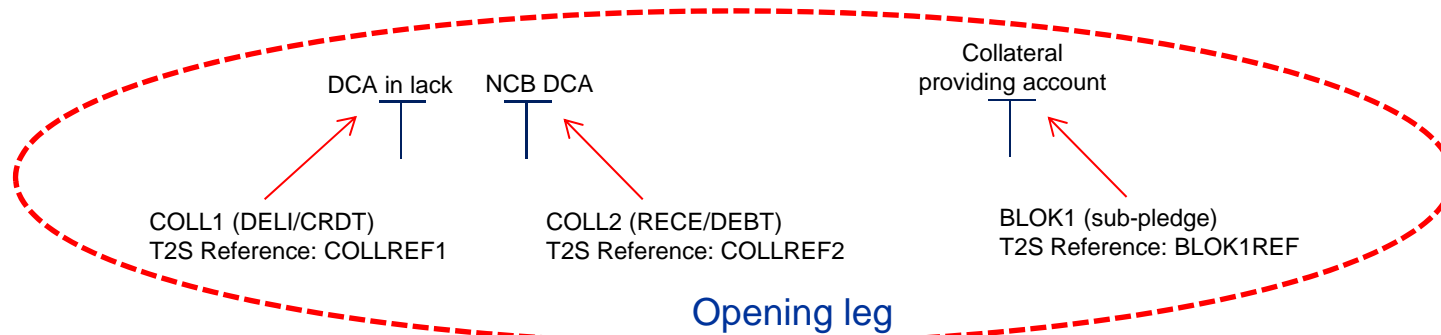
- Pledge-Sub never triggers realignments
- Opening and closing legs do not need to be linked (only opening legs shown in the below table)
- The auto-collateralisation instructions should carry the counter leg reference and the realignment reference in same CSD.
- The closing leg is not shown here but same principle applies.
- Qualifiers:
  - BMAC= Business matching
  - PLES= Sub-pledge blocking

Reporting of	sese.024 (closing)	sese.025	sese.032	Semt.014 *(closing)	semt.015
COLL1 (Del PFOD)	BMAC/COLLREF2	BMAC/COLLREF2	BMAC/COLLREF2 PLES/BLOK1REF	n/a	n/a
COLL2 (Rece PFOD)	BMAC/COLLREF1	BMAC/COLLREF1	BMAC/COLLREF1 PLES/BLOK1REF	n/a	n/a
BLOK1	n/a	n/a	n/a	PLES / COLLREF1	PLES / COLLREF1

COLL1 contains the reference of the blocking in sese.032 currently (without qualifier)

*Sese.014 relates to the pending status (unsettled) of the reverse leg, e.g. there is no sese.014 for the opening leg since the auto-collateralisation is settled immediately

Collateral related considerations

- The way references are provided is applicable to the reverse collateral notifications:
    - **Scenario 4** applies in case of reverse Repo / Pledge intra-CSD
    - **Scenario 5** applies in case of reverse Repo / Pledge cross-CSD (in case of more than 2 CSDs, the same behaviour as for scenario 3 applies for the realignments, e.g. they carry the reference of the auto-collateralisation as OGSI)
    - **Scenario 6** applies to pledge-sub

- In case of collateral substitution, this is to be considered as another new collateral operation and the same referencing will apply depending on the collateralisation procedure

- In case of collateral relocation on NCB regular collateral account, the same referencing applies

Scenario 7 – Use of restricted positions in SI (Indirect Debit, e.g. with complement)

- Scenario covers the indirect debit scenario (e.g. use of restricted positions + complement with deliverable/earmarked position)

- Provide the T2S reference of the counter instruction matched
- Provide T2S reference of DELI instruction in confirmation for Intra-position movement

- Qualifiers:
- BMAC= Business matching
- PIVT: Pivot movement

Reporting of	sese.024	sese.025	semt.015
BI1 (DELI)	BMAC/BI2REF	BMAC/BI2REF	n/a
BI2 (RECE)	BMAC/BI1REF	BMAC/BI1REF	n/a
Pivot intra-position movement(s)	n/a	n/a	PIVT/BI1REF

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Scenario 8 – Use of restricted balance in SI (Indirect Debit, e.g. with complement)

- Scenario covers the indirect debit scenario (e.g. use of restricted balances + complement with deliverable/earmarked position)

- Provide the T2S reference of the counter instruction matched
- Provide T2S reference of DEBIT instruction in confirmation for Intra-balance movement

- Qualifiers:
  - BMAC= Business matching
  - PIVT: Pivot movement

Reporting of	sese.024	sese.025	camt.068
BI1 (Cash debit)	BMAC/BI2REF	BMAC/BI2REF	n/a
BI2 (Cash credit)	BMAC/BI1REF	BMAC/BI1REF	n/a
Pivot intra-balance movement(s)	n/a	n/a	PIVT/BI1REF

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Scenario 9 (a) – CoSD Blocking Securities – Intra-CSD or cross-CSD

- Scenario covers a CoSD scenario where the blocking occurs for securities only

- Provide the T2S reference of the counter instruction matched

- Provide T2S reference of DELI business instruction where the blocking occurs

- In case of cross-CSD settlement no difference compared to scenario 1 for the referencing in BI1, BI2 and realignments

- Qualifiers:
- BMAC= Business matching
- COSD = COSD blocking

Reporting of	sese.024	sese.025	semt.014	semt.015
BI1 (DELI)	BMAC/BI2REF COSD/ BLOKREF	BMAC/BI2REF COSD/ BLOKREF	n/a	n/a
BI2 (RECE)	BMAC/BI1REF	BMAC/BI1REF	n/a	n/a
CoSD Blocking fail	n/a	n/a	COSD/BI1REF	n/a
CoSD Blocking OK	n/a	n/a	n/a	COSD/BI1REF

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Scenario 9 (b) – CoSD Blocking Securities and direct debit– Intra-CSD or cross-CSD

- Scenario covers a CoSD scenario where the blocking occurs for securities only and there is a use of a restricted position

- Provide the T2S reference of the counter instruction matched

- Provide T2S reference of DELI business instruction where the blocking occurs

- Provide T2S references of the Pivot movement

- In case of cross-CSD settlement no difference compared to scenario 1 for the referencing in BI1, BI2 and realignments

- Qualifiers:
- BMAC= Business matching
- COSD= COSD blocking
- PIVT=Pivot movement

Reporting of	Sese.032	sese.024	sese.025	semt.014	semt.015
BI1 (DELI)		BMAC/BI2REF COSD/ BLOKREF PIVT/FOP1REF PIVT/FOP2REF	BMAC/BI2REF COSD/ BLOKREF PIVT/FOP1REF PIVT/FOP2REF	n/a	n/a
BI2 (RECE)		BMAC/BI1REF	BMAC/BI1REF	n/a	n/a
Technical FOP (DELI)	BMAC/FOP2REF PIVT/BI1REF	BMAC/FOP2REF PIVT/BI1REF	BMAC/FOP2REF PIVT/BI1REF	n/a	n/a
Technical FOP (RECE)	BMAC/FOP1REF PIVT/BI1REF COSD/BLOCKREF	BMAC/FOP1REF PIVT/BI1REF COSD/BLOCKREF	BMAC/FOP1REF PIVT/BI1REF COSD/BLOCKREF	n/a	n/a
CoSD Blocking fail		n/a	n/a	COSD/BI1REF PIVT/FOP2REF	n/a
CoSD Blocking OK		n/a	n/a	n/a	COSD/BI1REF PIVT/FOP2REF

Scenario 10 – CoSD Blocking Cash – Intra-CSD or cross-CSD

- Scenario covers a CoSD scenario where the blocking occurs for cash only

- Provide the T2S reference of the counter instruction matched

- Provide T2S reference of business instruction that debits the DCA where the blocking occurs

- In case of cross-CSD settlement no difference compared to scenario 1 for the referencing in BI1, BI2 and realignments

- Qualifiers:
- BMAC= Business matching
- COSD: COSD blocking

Reporting of	sese.024	sese.025	Camt.067	Camt.068
BI1 (Cash Debit)	BMAC/BI2REF COSD/ BLOKREF	BMAC/BI2REF COSD/BLOKREF	n/a	n/a
BI2 (Cash Credit)	BMAC/BI1REF	BMAC/BI1REF	n/a	n/a
CoSD Blocking fail	n/a	n/a	COSD/BI1REF	n/a
CoSD Blocking OK	n/a	n/a	n/a	COSD/BI1REF

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Restrictions related considerations

- In the case of Cash blocking release and regeneration at end-of-day the unblocking and re-blocking will use the same restriction references, e.g. no need to have additional references compared to the existing ones

- In the case of release of Securities or Cash CoSD blockings upon cancellation of the settlement instructions, T2S will use the same restriction references, e.g. no need to have additional references compared to the existing ones