

<b>General Information (Origin of Request)</b>		
<input type="checkbox"/> User Requirements (URD) <input checked="" type="checkbox"/> Other User Functional or Technical Documentation (SYS)		
<b>Request raised by:</b> Clearstream	<b>Institute:</b> CSD	<b>Date raised:</b> 08/09/2014
<b>Request title:</b> Prevent configuration of multiple Security CSD Links for the same pair of CSD and Security		<b>Request ref. no:</b> T2S 0472 SYS
<b>Request type:</b> Common		<b>Urgency:</b> Normal
<b>1. Legal/business importance parameter:</b> Low	<b>2. Market implementation efforts parameter:</b> Low	
<b>3. Operational/Technical risk parameter:</b> Low	<b>4. Financial impact parameter:</b> Low	
<b>Requestor Category:</b> CSD	<b>Status:</b> Authorised at Steering Level	

**Reason for change and expected benefits/business motivation:**

It is currently possible to create two instances of the active Security CSD links for the same pair of CSD and security (i.e. one link type as Issuer and another link type as investor). However, if a CSD creates two security CSD links for the same security, the T2S Settlement realignment process does not know how to deal with this situation (i.e. which one should be chosen and whether it should stop building the chain as the CSD is an Issuer or continue as it is an Investor) and the underlying settlement instructions will be cancelled as a consequence.

The configuration of two Security CSD links for the same pair of CSD and security (i.e. one link type as Issuer and another link type as investor) would be due to an incorrect configuration. Once detected because of the settlement instruction cancellation, the wrong configuration of Security CSD link could be corrected intraday by the CSDs thanks to the implementation of the Change Request T2S 0447 SYS (propagation of SD changes).

The cumbersome process of cancellation, assessment and correction of the problem and subsequent re-instruction of the cancelled instructions can be avoided if T2S prevents the situation of an incorrect configuration at the static data validation level; i.e. avoiding the creation of two Security CSD links for the same pair of security and CSD (i.e. one link type as Issuer and another link type as investor).

**Description of requested change:**

T2S should prevent configuration of two instances of the active Security CSD Links for the same pair of CSD and Security (i.e. one link type as Issuer and another link type as investor). This can be achieved by dropping the attribute "type" in validation rule DSC4002.

**Submitted annexes / related documents:**

**Proposed wording for the Change request:**

T2S Validation rule DSC4002 should not consider the link type but only CSD, Valid From and Security:

BR NAME	DESCRIPTION	INBOUND MESSAGE	REPLY MESSAGE	CODE USE	REASON CODE	ERROR TEXT
DSC4002	When performing a Security CSD Link create request, only one Security CSD Link can exist for a given combination of Investor/Issuer <b>Party</b> , Valid From, <b>Link Type</b> and Linked Security.	reda.045	reda.047		REJT	Security CSD Link already exists

**High level description of Impact:**

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**Outcome/Decisions:**

- \* CRG Telco of 24 September 2014: The CRG recommended to launch the detailed assessment on the Change Request.
- \* Advisory Group's advice on 2 October 2014: Following a written procedure from 25 September to 2 October 2014, the AG was in favour of launching the detailed assessment on the Change Request.
- \* CSG resolution on 2 October 2014: Following a written procedure from 25 September to 2 October 2014, the CSG was in favour of launching the detailed assessment on the Change Request.
- \* CRG Telco of 2 December 2014: The CRG recommended the approval of the Change Request.
- \* Advisory Group's advice on 10 December 2014: The AG was in favour of the Change Request via written procedure
- \* CSG meeting on 11-12 December 2014: The CSG adopted the resolution to approve the Change Request.

**EUROSYSTEM ANALYSIS – GENERAL INFORMATION**

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

<b>Impact on major documentation</b>			
Impacted GFS chapter			
Impacted UDFS chapter	4.1 Index of business rules and error codes		Amendment of BR text for DSC4002 and DSD4002
Additional deliveries for Message Specification			
UHB	2.5.2.10 Security CSD Links – Search/List Screen 2.5.2.11 Security CSD Link – Details Screen 2.5.2.12 Security CSD Link – New/Edit Screen  6.4.2.168 Security CSD Link – Details Screen 6.4.2.169 Security CSD Link – New/Edit Screen		Removal of link between DSC4002, DSD4002 and Link Type field  Amendment of BR text for DSC4002 and DSD4002
External training materials			
Other documentations			
<b>Links with other requests</b>			
Links	Reference		Title

Overview of the impact of the request on the T2S system and on the project
Summary of functional, development, infrastructure and migration impacts
<p>The change would impact only the Securities Data Management module: Two Business rules (DSC4002 and DSD4002) should be updated to remove the check on the Link Type. This will prevent the creation of multiple Security CSD Links with different types for the same Issuer/Investor Party.</p> <p>The change will be tested and the related documentation will be updated accordingly.</p>
Summary of project risk
Security analysis
No security impact (do not entail any additional costs related to the implementation of security controls).

T2S PROGRAMME OFFICE

ECB-PUBLIC  
25 November 2014**COST ASSESSMENT ON CHANGE REQUESTS**

<b>T2S-0472-SYS Prevent configuration of multiple Security CSD Links for the same pair of CSD and Security</b>		
Project phase costs (total)	24,241.23	in Euro
Running costs (annual average over cost recovery period)	2,102.20	in Euro