

<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> 4CB	<b>Institute:</b> 4CB	<b>Date raised:</b> 28/02/2013
<b>Request title:</b> Modification of the Securities Settlement Transaction Generation Notification (sese.032) to add information on the CSD Validation Hold code and to remove the CSD Hold code		<b>Request ref. no:</b> T2S 0395 SYS
<b>Request type:</b> Common		<b>Urgency:</b> Normal
<b>1. Legal/business importance parameter:</b> Medium	<b>2. Market implementation efforts parameter:</b> Low	
<b>3. Operational/Technical risk parameter:</b> Low	<b>4. Financial impact parameter:</b> No cost impact	
<b>Requestor Category:</b> 4CB	<b>Status:</b> Authorised at Steering Level	

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

Realignment instructions can be created on "CSD Validation Hold" (CVAL). However, sese.032 message (used in order to notify the generation of Settlement Instructions by T2S) does not allow currently indicating that the realignment instruction has been created on "CSD Validation Hold" (CVAL).

Therefore, the code "CSD Validation Hold" (CVAL) should for sure be made available for the sese.032.

Also, realignment instructions cannot be created on "CSD Hold" (CSDH) as this type of hold can only be set by T2S Actors. Therefore, the code "CSD Hold" (CSDH) should be pruned from the sese.032.

These T2S generated Settlement Instructions (T2SgSIs) which are on hold should have a status pending so the pending status, related reason codes (CVAL, PREA) and additional information should also be unpruned.

Finally the communication of the negative restriction type case 1 rule within sese.032 must be aligned with the approach adopted in the editorial CR T2S\_341\_SYS, Issue 52 (i.e. addition of the rule ID to the message )

**Description of requested change:**

In order to be able to communicate that a T2SgSI has been created on "CSD Validation Hold", the code 'CVAL' should be added to the message sese.032 (i.e. unpruned).

Additionally, when an instruction is put on "CSD Validation Hold" by T2S; T2S has to communicate the positive restriction type case 1 rule that triggered such CSD Validation Hold. Therefore, the additional reason field (of the transaction details) used to indicate the positive rule, should also be made available in the message sese.032.

Given that restriction types may be defined with a negative parameter (i.e. if an instruction fulfills a rule of a restriction type with negative parameter, an exception is satisfied, implying that the instruction would not be put on "CSD Validation Hold"); T2S has to communicate the negative restriction type case 1 rule triggering that the instruction is not on CSD Validation Hold. Therefore, the additional reason field (of the status) used to indicate the negative rule should also be made available in the message sese.032.

In addition, the code "CSD Hold" (CSDH) should be pruned from the sese.032 as the realignment instructions cannot be created on "CSD Hold".

**Submitted annexes / related documents:**

The updated schemas of the impacted messages will be available after the approval under the following link:

<http://www.bundesbank.de/Redaktion/EN/Documentation/4zb/HtmlDoc/v1.2.1/CR/CR-Overview.pdf>

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

The inclusion of this change impacts the following UDFS section:

- UDFS Section <1.6.1.10.3 Realignment process>, page 371

The inclusion of this change impacts the following UDFS Messaging section:

- UDFS Section <3.3.8.12> SecuritiesSettlementTransactionGenerationNotificationv03 (sese.032.001.03)

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**High level description of Impact:**

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**Outcome/Decisions:**

- CRG meeting on 25 March 2013: The CRG proposed that the CR 395 should be submitted to the Steering level for approval.
- CSG resolution on 5 April 2013: Following a written procedure, the CSG adopted the resolution to approve the Change Request.
- Advisory Group's advice on 5 April 2013: Following a written procedure, the AG was in favour of the Change Request.