EUROPEAN CENTRAL BANK

EUROSYSTEM

T2S CHANGE REQUEST FORM			
General Information (Origin of Request) ☒ User Requirements (URD) or GUI Business Functionality Document (BFD) ☐ Other User Functional or Technical Documentation (SYS)			
Request raised by: Clearstream	**Institute:** CSD		**Date raised:** 09/11/2022
Request title: T2S COSD logic should support partial release of instructions subject to COSD and partial COSD release			**Request No.:** T2S 0798 URD
Request type: Common	**Classification:** Scope Enhancement		**Urgency:** Normal
1. Legal/business importance parameter: High[1]		**2. Market implementation efforts parameter:** Low[2]	
3. Operational/Technical risk parameter: Low[3]		**4. Financial impact parameter:** Very high[4]	
Requestor Category: CSD		**Status:** Allocated to a Release	

Reason for change and expected benefits/business motivation:

With partial settlement and partial release logic, T2S has two efficient mechanisms in place to increase settlement efficiency, and to reduce the number of fails and penalties.

However, those mechanisms cannot be used for settlement processes where the Conditional Settlement (COSD) logic is involved. Namely,

- the COSD process considers only instructions where party hold is fully released,
- it only foresees blocking of the complete quantity / amount needed to settle the underlying instruction, and
- it only allows a complete COSD release, but not a partial one.

As a result, COSD logic in its current form is incompatible with partial settlement or partial release, and the underlying business processes such as settlement with an External CSD for securities issued outside of T2S, or DVP settlement in a non-T2S currency (where securities are settled within T2S but cash is settled outside) cannot benefit from the partial settlement and partial release logic of T2S. On the other hand, extension of such business processes to partial settlement and/or partial release is conceptually straightforward, provided the external condition can also be met for a partial quantity.

The settlement with an External CSD might serve as an example. In this case, the external condition to be met to release the COSD hold is the confirmation by the External CSD that the settlement in the External CSD was executed. With the current COSD implementation, the following process steps are applied[5]:

1. A COSD rule is configured to put any instruction where the External CSD is either Receiving or Delivering Depository on COSD hold.
2. On ISD, T2S applies COSD hold to the matched instructions.
3. Delivery instructions might be still on party hold at start of ISD. Then the Delivering T2S Actor releases the party hold on the instruction. Only full release of party hold is possible.
4. Once the instruction is released, T2S tries to block securities (for DVP instructions) or cash (for RVP instructions) according to the COSD rules.
5. Once the blocking is successful, T2S informs via a sese.024 status message with CDLR reason. This is the trigger for the T2S CSD to release their leg in the External CSD.
6. The settlement in the External CSD is **executed for the full quantity**, and a settlement confirmation is sent to the T2S CSD.
7. This is the trigger for the T2S CSD to **release the COSD hold** in T2S. Then the settlement in T2S is concluded.

[1] Legal/business importance parameter was set to “HIGH” as the change has a positive impact onto settlement efficiency for settlement flows what are settled with use of COSD logic.
[2] Market implementation effort parameter was set to “LOW” as the change is optional for any COSD Administering Party.
[3] Operational/technical risk parameter was set to “LOW” as the change is optional for any COSD Administering Party and does not affect any SLA.
[4] Low < 100kEUR < Low-Medium < 200 kEUR < Medium < 400kEUR < High < 700kEUR < Very high
[5] This is just a sketch of the process flow. In reality, different CSDs might have chosen different implementation options.

In case the **External CSD supports partial settlement**, and the T2S CSD leg in the External CSD is enabled for partial settlement, then there might be a partial settlement confirmation in step 6, with subsequent additional partial settlement confirmations until eventually a confirmation for the remaining quantity is received.
To reflect such partial settlement in T2S, T2S should offer the functionality to apply a **Partial COSD Release**:

6. The settlement in the External CSD is **executed for a partial quantity**, and a partial settlement confirmation (e.g., sese.025 with Partial Settlement Code "PAIN") is sent to the T2S CSD.
7. This is the trigger for the T2S CSD to **partially release the COSD hold** in T2S for the quantity that has settled. Then the settlement in T2S is concluded for the partially COSD released quantity.
8. The settlement in the External CSD is **executed for another partial quantity**, and a partial settlement confirmation (e.g., sese.025 with Partial Settlement Code "PAIN") is sent to the T2S CSD.
9. This is the trigger for the T2S CSD to **partially release the COSD hold** in T2S for the additional quantity that has settled. Then the settlement in T2S is concluded for the additional partially COSD released quantity.
10. Finally, the **remaining quantity is settled** in the External CSD, and a last partial settlement confirmation (e.g., sese.025 with Partial Settlement Code "PARC") is sent to the T2S CSD.
11. This is the trigger for the T2S CSD to **fully release the COSD hold** in T2S for the remaining quantity. Then the settlement in T2S is concluded for the remaining quantity.

In other words, with partial COSD release, it will be possible to reflect partial settlement in the External CSD correctly into T2S, by partially COSD releasing the quantity that has settled externally.

In case the External CSD also supports partial release logic (in addition to partial settlement), partial release in T2S can be combined with partial release in the External CSDs, via enhanced logic to **enable partial party hold release for instructions subject to COSD**. The following process steps would be executed:

1. A COSD rule is configured to put any instruction where the External CSD is either Receiving or Delivering Depository on COSD hold.
2. On ISD, T2S applies COSD hold to the matched instructions.
3. The T2S Actor **partially releases the party hold** on the instruction subject to COSD. This can only be done for DELI instructions.
4. Once the instruction is partially released, **T2S tries to block the partially released securities quantity**. Only full blocking of the partially released quantity is supported[6].
5. Once the blocking of the partially released quantity is successful, T2S informs via a sese.024 status message with CDLR reason. This is the trigger for the **T2S CSD to partially release their leg in the External CSD**.
6. The settlement in the External CSD is **executed for the partially released quantity**, and a settlement confirmation is sent to the T2S CSD.
7. This is the trigger for the T2S CSD to **partially release the COSD hold** in T2S. Then the settlement in T2S is concluded for the partially released quantity, and the remaining instruction is put back on party hold.

It should be noted that in the case above, the External CSD might only partially settle the partially released quantity. Then the same approach is applied as in the first example: only the quantity settled in the External CSD is partially COSD released:

- T2S Actor partially releases quantity q1 on the instruction subject to COSD.
- T2S blocks quantity q1, and then the T2S CSD partially releases quantity q1 in the External CSD
- The External CSD settles quantity q2 < q1.
- Then the T2S CSD partially COSD releases quantity q2 < q1 in T2S.

In summary, by enhancing T2S COSD logic with functionality to partially release instructions subject to COSD, and to apply a partial COSD release subsequently, partial settlement and partial release logic can be enabled also for settlement with External CSDs.

Description of requested change:

T2S Conditional Settlement logic ("COSD logic") shall be upgraded to support partial release of instructions subject to COSD, and partial COSD release:

- It shall be possible to flag COSD rule sets for partial release.
- It shall be possible to partially release from Party Hold underlying settlement instructions subject to COSD logic. In this case, T2S shall attempt to block the partially released quantity.
- It shall be possible to partially release from COSD Hold underlying settlement instructions where a (potentially partial) quantity was blocked before. In this case, T2S shall settle the partially COSD released quantity.

COSD Rule Management: a "Partial Release Allowed" flag should be enabled on COSD rule set level, to indicate

[6] The option to partially block the partially released quantity was discarded, in order to keep the logic in line with current blocking logic.

whether partial release of instructions subject to COSD hold and partial COSD release shall be supported or not.

- The partial release flag will enable partial release of instruction subject to COSD, and also partial COSD release. It is only possible to enable both options, or none of them.
    - Partial Release of instructions subject to COSD will trigger the COSD blocking of a partial securities quantity only (see below).
    - Partial COSD Release will allow to reflect partial fulfilment of the external condition (e.g., partial settlement in an External CSD) correctly in T2S (see below).
- The partial release flag can only be set on COSD rule sets which block securities only. It cannot be applied on COSD rule sets which block securities and cash, cash only, or which do not block any resource.
    - In line with current partial release logic, the partial release request will refer to the securities quantity only.
- Partial Party Hold Release of instructions subject to COSD is accepted in case all COSD rule sets applying block securities, and at least one of those COSD rule sets has the partial release flag activated. In any other case, it is rejected.
- Partial COSD Release is rejected in case there is more than one COSD rule left to be released.
- Partial COSD Release can only be applied if there is only one COSD rule to be released, or if there are several COSD rules but all except one have been already released.
    - Then the configuration of this (single or remaining) COSD rule determines whether Partial Release of Instruction subject to COSD and Partial COSD Release is possible or not.
        - If the partial release flag it not ticked, partial release attempts of the instruction subject to COSD hold or of the COSD hold are rejected.
        - If the partial release flag is ticked, then partial release of instructions subject to COSD hold and partial COSD release is possible.
    - The configuration of COSD rules which were previously released is not considered in this evaluation.
    - The COSD Administering Party must ensure that the COSD rules are released in the correct order to achieve the expected outcome.
- Default logic should be that COSD rule sets are not configured for partial release. This will limit cutover impact, and shield COSD Administering Parties that do not want to benefit from this feature from the change.

Partial Party Hold Release for instructions subject to COSD hold: Partial Party Hold release shall be enabled for instructions subject to COSD hold., i.e.

- If the COSD rule set is enabled for partial release, then the delivering party can apply, in addition to the full release of party hold, also a partial release of party hold for a sub-quantity.
    - Currently, T2S would prevent this scenario via business rule MMRI208 "*If the quantity present in a Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction, no other holds must apply neither on the referenced Settlement Instruction nor on the counterpart.*" This logic must be adjusted to enable Partial Release of Party Hold also in cases where there is still a (single) COSD hold on the instruction.
- In case of partial release of party hold, T2S shall attempt a blocking of the partially released securities quantity.
    - In line with current blocking logic, this blocking attempt shall only be done for the complete partially released securities quantity.
    - This blocking is done via an Intra-Position Movement with the partially released quantity. It can settle independent from any partial settlement window and can be attempted immediately after the partial release of the instruction subject to COSD is applied.
    - If the blocking of the partially released quantity is successful, then T2S informs the T2S Actor via sese.024 with reason CDLR, including the information about the blocked quantity.
- Once an instruction subject to COSD hold is partially released, it is not possible for a T2S Actor to put such partially released instruction back on party hold. Similarly, it is also not possible to apply another partial release request or to fully release the instruction.
    - The Party Hold remains partially released until the partially released quantity has settled (and the remaining quantity equals original quantity minus settled partially released quantity). Then the Partial Release Indicator of the instruction is set to FALSE for the Party Hold by T2S.
    - Once the instruction is back on full Party Hold, then the T2S Actor can apply another partial release request, or he can fully release the Party Hold (for the remaining quantity).
- Once an instruction subject to COSD hold is partially released, this status must not be reverted by T2S.
    - Partial Release for instruction subject to COSD which has resulted in the blocking of securities shall not be cancelled at cutoff. Instead, the partial release shall be kept.
    - Partial Release for instruction subject to COSD which doesn't result in the blocking of securities due to lack of resources, shall be cancelled at cutoff and the instruction must be put back on party hold.
    - In addition, in case the Intra-Position Movement to block the position cannot be generated, or it is cancelled during revalidation, then T2S shall revert the partial release, and put the instruction back on party hold.

- Other conditions that could lead to cancellation of the partial release (new hold, linkage, etc.) need to be prevented by corresponding business rules.

Partial Party Hold Release for instructions subject to COSD hold serves as a trigger to block the partially released security positions, but otherwise it does not trigger any partial settlement activity on the instruction. This is only done once the partial COSD release is applied.

- It should be noted that Partial Release of Party Hold for instructions subject to COSD will never lead to any cash blocking. First, COSD rule sets which would block cash cannot be enabled for this logic. And second, to apply a partial release of party hold all COSD rule sets applying must block securities. This implies there can only be securities blocking (if there would be additional COSD rule sets with cash blocking, those could only be released after cash blocking, and this would not occur without prior release of party hold).

Partial COSD Release of COSD blocked position: To be able to replicate a partial fulfilment of the external condition in T2S, partial release of COSD Hold shall be enabled for the COSD administering party.

- Partial COSD release is only possible for instructions subject to COSD rules that are enabled for partial release.
- Partial COSD release can only be applied on the securities quantity.
- The securities quantity to be partially COSD released must be less or equal to the securities quantity that is COSD blocked (whereby this can be the full quantity, or a partially released quantity, or a remaining blocked quantity after a partial settlement).
- Once a securities quantity is partially COSD released by the COSD Administering Party, T2S will attempt the settlement for the securities quantity that was partially COSD released, using the COSD blocked securities positions for this purpose. T2S will unblock the quantity that was partially COSD released and conclude the settlement of the underlying instruction with this quantity. This follows the logic implemented for full settlement after COSD Release, with the only difference that it is applied now for the partially released quantity only.
  - T2S will always settle the entire quantity that was partially COSD released.
  - In case the quantity that was partially COSD released and then settled is less than the quantity that is blocked, then the blocked quantity that was not used for the settlement shall remain blocked.
- Partial COSD Release might also occur in a situation where both securities and cash were (fully) blocked before, and then the COSD rule for the cash blocking was already released, so that only the COSD rule for the securities blocking remains to be released. If a partial COSD release is applied in this case, T2S shall apply attempt the settlement for the securities quantity that was partially released, and for the cash amount corresponding to the partially released securities quantity. T2S shall use blocked securities positions and corresponding blocked cash positions for this purpose.
  - In case the securities quantity that was partially COSD released and then settled is less than the securities quantity that is blocked, then the blocked quantity that was not used for the settlement shall remain blocked. The same applies for the blocked cash amount, i.e. the blocked cash amount not used for the settlement shall remain blocked.

Settlement in T2S will be triggered by the partial COSD release, and such partial COSD releases shall be treated similarly to the standard partial release case, i.e.:

- With current T2S logic, a settlement attempt after a partial release can only occur in the next partial settlement windows. With T2S CR-827 "*T2S should submit partially released instruction to settlement independent from T2S partial settlement windows*", settlement attempts are executed immediately after the partial release. The same logic shall also apply to instructions subject to partial COSD release, i.e., they shall be attempted immediately for a first settlement attempt, independently from any partial settlement window.
- After the partially COSD released quantity was settled, the remaining instruction is on COSD hold.
- If the partially COSD released quantity was not fully settled at the cutoff, the pending partial COSD release is cancelled and the instruction is put back on COSD hold, and can be partially COSD released again on the next business day.

In summary, COSD logic shall be enhanced to support partial release in the following way:

- Partial Release of Party Hold on instructions subject to COSD triggers that the partially released quantity is blocked, thus enabling the process step to fulfil the external condition for a partial quantity.
- Once the external condition is fulfilled for a partial quantity, then partial COSD release allows to reflect this on the instructions in T2S.

Submitted annexes / related documents:

Outcome/Decisions:

*ECB on 9 November 2022: the ECB team checked the completeness of the CR template, assigned change request number CR-0798 and informed the CR initiator.
*CRG on 3 July 2024: the CRG agreed to request the preliminary assessment of CR-0798.
*CRG on 13 November 2024: the CRG agreed to recommend CR-0798 for authorisation by the T2S Steering Level.
*AMI-SeCo on 26 November 2024: the AMI-SeCo agreed with the CRG recommendation of CR-0798 for T2S Steering Level Authorisation.
*CSG on 26 November 2024: the CSG agreed to authorise CR-0798.
*NECSG on 26 November 2024: the NECSG agreed to authorise CR-0798.
*MIB on 5 December 2024: the MIB agreed to authorise CR-0798.
*PMG on 10 December 2024: the PMG agreed to launch the detailed assessment of CR-0798 with a view of scoping in R2026.JUN.
*CRG on 8 April 2025: the CRG agreed to recommend to the PMG the inclusion of CR-0798 in the scope of R2026.NOV.
*PMG on 10 April 2025: the PMG agreed to recommend the inclusion of CR-0798 in the scope of R2026.NOV.
*CSG on 27 April 2025: the CSG approved the implementation of CR-0798 with R2026.NOV.
*NECSG on 27 April 2025: the NECSG approved the implementation of CR-0798 with R2026.NOV.
*MIB on 7 May 2025: the MIB approved the implementation of CR-0798 with R2026.NOV.

Documentation to be updated:

Proposed wording for the change request:

URDs:

Partial <u>party hold</u> release mechanism

Reference ID	T2S.05.355

T2S shall allow CSD participants to partially release their matched delivery settlement instructions with a securities quantity higher than zero.

The settlement instructions to be released should allow partial settlement~~. and should not be linked or have not been part of a conditional securities delivery~~. Besides, it should be on hold following the request from a CSD participant~~. and no other hold types apply.~~

CSD participants shall indicate the quantity to be released, which should be lower than the remaining-to-be settled securities quantity and in compliance with the minimum/multiple/deviating settlement unit check.

CSD participants may initiate the partial release on or after their intended settlement date. A partial release is only valid from the start of day period until the relevant end-of day cut-off of the settlement instruction. Once the cut-off is reached, the partially released settlement instruction is automatically set back on hold fully, <u>unless the CoSD blocking after the partial party hold release has taken place, in which case it won't be reverted</u>.

9.2.4 Conditional securities deliveries

Conditional securities deliveries (CoSD) should serve as a special functionality in order to settle a small number of exceptional instructions that require the fulfilment of a settlement condition outside T2S before allowing the securities settlement to take place in T2S. This type of settlement allows, for instance, a CSD to coordinate an exceptional Free of Payment delivery in T2S with a cash settlement outside T2S on behalf of its participants.

T2S shall be able to block securities, cash or both and put the instruction on hold in order to make sure that these securities or cash can only be delivered to the receiving T2S Party, when the latter fulfils the relevant conditions outside T2S. The fulfilment of the external settlement conditions shall be managed by an administering party, which will trigger the release of the instruction and depending on the type of CoSD, the delivery of the blocked securities, cash or both in T2S, once the condition is fulfilled.

Only when the CoSD rule fulfilled is on securities only and allows partial release, T2S shall be able to block for CoSD only the part partially released from Party Hold, and also to allow partial CoSD release for a quantity of the securities blocked for this purpose.

The condition can relate to cash settlement in a CoBM or CeBM currency not eligible in T2S, but could also be any other condition that would need to be fulfilled prior to settlement. Hence the functionality can be widely used for the treatment of exceptions where the delivery of securities settlement is dependent on actions outside T2S.

The activation of the CoSD functionality will be automatic, based on rules defined, created and maintained by the CSDs in T2S. These rules will also identify the administering party, i.e. the CSD in charge of organising/ managing the fulfilment of the external conditions and triggering the securities delivery to the receiver once these external conditions are fulfilled.

CoSD settlement process

Reference ID	T2S.09.220

T2S shall automatically block the securities position, cash or both and put the settlement instruction on hold. Once the relevant securities, cash or both are blocked, T2S shall inform the administering party (i.e. the CSD defined by the rules previously mentioned) that the securities, cash or both have been blocked. Other parties (i.e. instructing parties, account holders) shall also be informed, as per T2S interface user requirements. Securities, cash or both shall remain blocked and the delivery instruction shall remain pending until T2S receives from the administering party:

- a release instruction, requesting that all the securities or part of them are freed and delivered to the receiving party (based on the information contained in the initial instruction);
- or a cancellation request to free the securities and cancel their delivery to the receiving party.

If a CoSD involves more than one administering party, the CoSD settlement instruction will remain pending unless T2S receives a release or cancellation request from each administering party in conditional settlement of the instruction. When T2S has received the release from all administering parties, then T2S will settle the instruction. When T2S has received the cancellation request from all administering parties, then T2S will process the cancellation

CoSD Partial release

Reference ID	T2S.09.251

T2S shall be able to allow partial release of CoSD hold only for instructions subject to CoSD rules that are enabled for partial release. Partial CoSD release can only be applied for securities quantity.

Once a securities quantity is partially COSD released by the COSD Administering Party, T2S will attempt the settlement for the securities quantity that was partially COSD released, using the COSD blocked securities positions for this purpose. T2S will unblock the quantity that was partially COSD released and conclude the settlement of the underlying instruction with this quantity. This follows the logic implemented for full settlement after COSD Release, with the only difference that it is applied now for the partially released quantity only. o T2S will always settle the entire quantity that was partially COSD released. o In case the quantity that was partially COSD released and then settled is less than the quantity that is blocked, then the blocked quantity that was not used for the settlement shall remain blocked.

UDFS:

1.6.1.8.3 Eligibility check process

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200 Exception for partial releases where the underlying settlement instruction remains on Party Hold with only a portion eligible for settlement. No other holds may be present, except CoSD hold if the CoSD rule set allows for partial release.

1.6.1.9.3 Partial Settlement

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Partial settlement eligibility

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Partial settlement of Partially Released Settlement Instructions
The following two cases can be distinguished.

- Partial release when only a party hold is present on the instruction
- Partial release when both a party hold and a CoSD hold are present on the instruction

~~A Settlement Instruction on Party Hold~~ In the case where only a party hold is present on the instruction, it may be partially released to allow the partial settlement of a specified quantity. This Partially Released Settlement Instruction must conform to all the conditions of partial settlement as for any other Settlement Instruction. During the real-time period the partial settlement of Partially Released Settlement Instructions will only occur during a partial settlement window and until the relevant cut-off time (partial release is only valid for the current business day) at which point the partial release will be cancelled and the underlying Settlement Instruction set back on Party Hold for the full unsettled quantity.

In the case where both a party hold and a CoSD hold are present on the instruction, the party hold may be partially released which will trigger the blocking of securities. If the blocking of the securities is successful, the partial release will be kept pending even at cut-off, until the corresponding blocked quantity is partially CoSD released and settled. At this time the partial release is considered settled, and an additional release is possible. If the attempt to block the securities is unsuccessful (in case the available quantity is lower than the quantity to be blocked), it is recycled until the applicable cut-off, after which the partial release will be cancelled, and the underlying Settlement Instruction is set back on Party Hold for the full unsettled quantity.

For partial release to be considered during sequence C2SX of the nighttime settlement the partial release must occur as of the start of day.

…

Partial settlement procedure

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For partially released Settlement Instructions:

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- In case there is only a Party Hold on the Settlement Instruction, ~~T~~the partial release process is cancelled when the released quantity has not fully settled by the relevant cut-off time. The underlying Settlement Instruction is set back on Party Hold for the full unsettled quantity.
- In case there is both a Party Hold and a CoSD Hold on the Settlement Instruction, the partial release process is not cancelled at the relevant cut-off time. The partial release process is only cancelled, and the Settlement Instruction is put back on hold if the activation of the CoSD rule set is still unsuccessful (the securities cannot be blocked) at cut-off or if the related Settlement Restriction is cancelled during revalidation.

1.6.1.12 Conditional Settlement

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1.6.1.12.2 Overview

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When the external conditions managed by the administering parties are fulfilled outside of T2S, these administering parties send instruction releases. If the CoSD rule set is flagged to allow for partial release, it is also possible for the administering parties to perform a partial CoSD release. The partial CoSD release is only allowed for rule sets which block securities only. It cannot be applied on COSD rule sets which block securities and cash or cash only.

1.6.1.12.3 Conditional settlement process

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Conditional settlement detection

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Setting up CoSD rule set. A CSD can set-up set up several CoSD rule sets which contain one or several CoSD rules which are defined with one or several group(s) of parameters:

- A "CoSD rule set" has validity dates and administering parties. Furthermore an "Administration type" identifies which res~~o~~urces are subject to the conditional settlement: securities, cash or both. A "CoSD rule set" has one or several CoSD rule(s), which are ordered in sequence. It is recommended to start with the more specific CoSD rules and end with the more general.
- A “CoSD rule set” can be flagged in order to allow for partial release of instructions subject to CoSD hold and for partial release of CoSD hold. Only CoSD rule sets that block only securities can be flagged to allow for partial release.

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Execution of releases instruction maintenance

When T2S has processed all release instructions received from all administering parties involved, one per CoSD rule and per Settlement Instruction:

- If the reason code of the settlement status of the Settlement Instruction on which applies a CoSD rule is “CoSD release awaiting from Administering Party”, then the Settlement Instruction previously held is released through the update of the CoSD hold status to “No” If the last CoSD rule to be released belongs

to a rule set that is flagged to allow for partial release, the administering party can also choose to do a partial CoSD release. In this case part of the instruction will remain on CoSD hold;

I If this reason code is different (e.g. the corresponding cash CoSD blocking cannot be regenerated due to missing cash on the involved T2S Dedicated cash account), T2S rejects the release with the reason code "CoSD blocking of the referenced Settlement Instruction not settled yet".

1.6.1.14.4 Penalty Eligibility

(…)

Eligibility for a Settlement Fail Penalty (SEFP)
(…)

***TABLE 1* - FAILING REASONS DICTIONARY**

Reason Code	Description of the Error	Eligibility Result
…	…	…
~~OTHR~~	~~SPSA019 - At least one associated realignment Settlement Instruction is on hold.~~	~~TRUE~~
CDLR	SPSA020 - CoSD awaiting from administering party due to the settlement of a partially released instruction	TRUE
PRCY	SPSA021 - CoSD awaiting from counterparty administering party due to the settlement of a partially released instruction	FALSE
CDLR	SPSA022 - Partial CoSD release process is cancelled because the relevant cut-off has been reached. Awaiting CoSD release from administering party	TRUE
PRCY	SPSA023 - Counterparty Partial CoSD release process is cancelled because the relevant cut-off has been reached.	FALSE

2.10.3.2 Referenced Settlement Instruction Status Check

…
[Referenced Settlement Instruction Status Check OK] If the Referenced Settlement Instruction does not fulfil any of the conditions above, or Partial Release Process is activated[357]
…
357 In case the Referenced Settlement Instruction is under Partial Release Process the Hold Instruction is executed and the Partial Release Process is cancelled~~.~~, except if the partial release relates to a Settlement Instruction that is also under CoSD hold. In this specific case, the hold instruction is rejected.

3.2.1.6 Business validation

EXAMPLE 173 - EXTRACT OF THE LIST OF T2S BUSINESS RULES

BUSINESS RULE ID	BUSINESS RULE DESCRIPTION	INBOUND MESSAGE	OUTBOUND MESSAGE	STATUS	REASON CODE	ERROR INFORMATION
…	…	…	…	…	…	…
MMPR207	Unless the Settlement Instruction is under a partial party release process, the Hold statuses, except the CoSD Hold Status, of a Settlement Instruction referenced by a CoSD Release Instruction or its matched Settlement Instruction, must be "No".	sese.030	sese.031	Processing Status=<Dnd>	OTHR	Any other Hold Status apart from the CoSD Hold Status is "Yes", and the referenced Settlement Instruction is not under a partial party release process.

3.3.6.5.1 Overview and scope of the message

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l Execution of a Partial Party release;
l Partial Settlement (unsettled part) of a settlement instruction partially party released;
l Settlement of a Partial Party release;
l Cancellation of a Partial Party release;
l Execution of a Partial CoSD release;
l Settlement of a Partial CoSD release;
l Cancellation of a Partial CoSD release;

…

Message usage: Execution of a partial party release

This message usage relates to the usage of a status advice message, sent by T2S, when a settlement instruction is partially released from Party Hold. A settlement instruction is partially released if a release instruction indicating a quantity lower than the quantity stated in the referenced Settlement Instruction is executed.

Specific message requirements.

To inform about the execution of a partial party release, the SecuritiesSettlementTransactionStatusAdviceV12 includes the following information:

l Pending/Failing – status that corresponds to 'Pending' or 'Failing' (depending on whether the partial party release was executed on its ISD or not) with one reason code to inform about the partial settlement release;
l 'PREL' ISO code for Pending and for Failing, which indicates that the instruction is no longer on Hold just for the quantity partially released.
l HoldIndicator – set to "True" if the securities movement type of the settlement instruction is 'DELI'
l HoldIndicator/Code – 'PTYH' ISO Code that indicates that the instruction is on Party Hold only if the securities movement type of the settlement instruction is 'DELI'.
l Partially released quantity – quantity released. Only present if the instruction is under partial release process
l ReceivingSettlementParties – Account Owner reference and T2S reference of the counterparty if the securities movement type is DELI;
l DeliveringSettlementParties – Account Owner reference and T2S reference of the counterparty if the securities movement type is RECE;

…

Message usage example: sese.024.001.14_T2S_PendingPartialPartyRelease execution_Example01.xml

Firstly CSD Participant A (PRTAFRPPXXX) with a securities account ‘1000000123’’ in T2S has instructed the delivery of 100000 securities ISIN000001 to its counterparty CSD Participant B (CSDPBBICXXX) and its CSD B (CSDBBIC1XXX) versus a payment of 575000, Euros for settlement on the 3/1/2015. The instruction is matched and on party hold. On the Intended Settlement Date, CSD Participant A requests a partial party release of 20000 securities of its instruction ‘T1290’. T2S sends a pending status advice related to the Settlement Instruction informing the partially party released quantity providing the references of the counterparty’s instruction (T2S reference and the Account owner reference) and the corresponding T2S Matching Reference (Supplementary Data).

Message usage example: sese.024.001.14_T2S_PendingPartialPartyRelease execution_Example02.xml

Firstly CSD Participant B (CSDPBBICXXX) with a securities account ‘1000000456’’ in T2S has instructed the reception of 100000 securities ISIN000001 from its counterparty CSD Participant A (PRTAFRPPXXX) and its CSD A (CSDABIC1XXX) versus a payment of 575000, Euros for settlement on the 3/1/2015. The instruction is matched. On the Intended Settlement Date, CSD Participant A requests a partial party release of 20000 securities of its instruction ‘T1290’. T2S sends a pending status advice to the counterpart Settlement Instruction with T2S reference ‘T1291’ informing the partially party released quantity providing the references of the counterparty’s instruction (T2S reference and the Account owner reference) and the corresponding T2S Matching Reference (Supplementary Data)

…

Message usage: Partial Settlement (unsettled part) of a settlement instruction partially party released.

…

Specific message requirements

…

I Pending/Failing – status that corresponds to ‘Pending’ or ‘Failing’ (depending on whether the partial party release was partially settled on its ISD or not) with one reason code to inform about the partial settlement;

…

MESSAGE ITEM	DATA TYPE / CODE	UTILISATION
Code Document/SctiesSttlmTxStsAdvc/SttlmSts/Pdg/Rsn/Cd/Cd	PendingReason2Code	When a partial party release is partially settled on its ISD, the only possible value is: I PART

Code Document/SctiesSttlmTxStsAdvc/SttlmSts/Flng/Rsn/Cd/Cd	FailingReason2Code	When a partial party release is partially settled after its ISD the only possible value is: I PART
…	…	…

Message usage example: sese.024.001.14_T2S_PartialSettlement_of_partially_party_released_quantity_Example01.xml

… On the Intended Settlement Date, CSD Participant A requests a partial party release … the remaining part to be settled and the partially party released quantity, and providing…

Message usage example: sese.024.001.14_T2S_PartialSettlement_of_partially_party_released_quantity_Example02.xml

… On the Intended Settlement Date, CSD Participant A requests a partial party release … the remaining part to be settled and the partially party released quantity, and providing…

…

Message usage: Settlement of a partial party release

This message usage relates to the usage of a status advice message, sent by T2S, when a partially party released quantity is fully settled.

Specific message requirements

…

I Code – ‘PREA’ ISO code that indicates that the instruction is on Party Hold if the securities movement type of the settlement instruction is ‘DELI’. ‘PRCY’ ISO code that indicates that the counterparty is on hold if the securities movement type of the settlement instruction is ‘RECE’.

…

MESSAGE ITEM	DATA TYPE / CODE	UTILISATION

Code Document/SctiesSttlmTxStsAdvc/SttlmSts/Pdg/Rsn/Cd/Cd	PendingReason2Code	When a partial party release is settled on its ISD the possible values are: PREA if the securities movement type of the settlement instruction is 'DELI' PRCY if the securities movement type of the settlement instruction is 'RECE'
Code Document/SctiesSttlmTxStsAdvc/SttlmSts/Flng/Rsn/Cd/Cd	FailingReason2Code	When a partial party release is settled after its ISD the possible values are: PREA if the securities movement type of the settlement instruction is 'DELI' PRCY if the securities movement type of the settlement instruction is 'RECE'
…	…	…

Message usage example: sese.024.001.14_T2S_PartialPartyRelease_settlement_Example01.xml

Firstly CSD Participant A requested a partial party release of 20000 securities of its instruction 'T1290'. During the settlement process the partially party released quantity is fully settled.
…

Message usage example: sese.024.001.14_T2S_PartialPartyRelease_settlement_Example02.xml

Firstly CSD Participant A requested a partial party release of 20000 securities of its instruction 'T1290'. During the settlement process the partially party released quantity is fully settled.
…

…

Message usage: Cancellation of a Partial Party release

This message usage relates to the usage of a status advice message, sent by T2S, when a partial party released process is cancelled.

Specific message requirements

To inform about the cancellation of a partial party release, the SecuritiesSettlementTransactionStatusAdviceV12 includes the following information for the delivering side of the transaction:

l Pending/Failing – status that corresponds to 'Pending' or 'Failing' (depending on whether the partial party release was cancelled on its ISD or not) with one reason code to inform about the settlement of the partial party release;

…

MESSAGE ITEM	DATA TYPE / CODE	UTILISATION
Code Document/SctiesSttlmTxStsAdvc/SttlmSts/Pdg/Rsn/Cd/Cd	PendingReason2Code	When a partial party release is cancelled on its ISD the possible values are: PREA if the securities movement type of the settlement instruction is 'DELI' PRCY if the securities movement type of the settlement instruction is 'RECE'
Code Document/SctiesSttlmTxStsAdvc/SttlmSts/Flng/Rsn/Cd/Cd	FailingReason2Code	When a partial party release is cancelled after its ISD the possible values are: PREA if the securities movement type of the settlement instruction is 'DELI' PRCY if the securities movement type of the settlement instruction is 'RECE'
…	…	…

Message usage example: sese.024.001.14_T2S_PartialPartyRelease _ cancellation Example01.xml

Firstly CSD Participant A requested a partial party release of 20000 securities of its instruction 'T1290'. When the relevant cut-off is reached the partially party released quantity remains unsettled, therefore the partial party release process is automatically cancelled by T2S. …

Message usage example: sese.024.001.14_T2S_PartialPartyRelease cancellation _Example02.xml

Firstly CSD Participant A requested a partial party release of 20000 securities of its instruction 'T1290'. When the relevant cut-off is reached the partially party released quantity remains unsettled, therefore the partial party release process is automatically cancelled by T2S. …

Message usage: Execution of a partial CoSD release

This message usage relates to the usage of a status advice message, sent by T2S, when a settlement instruction is partially released from CoSD Hold. A settlement instruction is partially released if a release instruction indicating a quantity lower than the quantity stated in the referenced Settlement Instruction is executed.

Specific message requirements.

To inform about the execution of a partial CoSD release, the SecuritiesSettlementTransactionStatusAdviceV12 includes the following information:

l Pending/Failing – status that corresponds to 'Pending' or 'Failing' (depending on whether the partial CoSD release was executed on its ISD or not) with one reason code to inform about the partial release;
l 'PREL' ISO code for Pending and for Failing, which indicates that the instruction is no longer on Hold just for the quantity partially released.
l HoldIndicator – set to "True" if the securities movement type of the settlement instruction is 'DELI'

l HoldIndicator/Code – 'CDEL' ISO Code that indicates that the instruction is on CoSD Hold only if the securities movement type of the settlement instruction is 'DELI'.
Additional Information – CoSD rule id pending to be released, rule set name and the description;
l Partially released quantity – quantity released. Only present if the instruction is under partial release process
l ReceivingSettlementParties – Account Owner reference and T2S reference of the counterparty if the securities movement type is DELI;
l DeliveringSettlementParties – Account Owner reference and T2S reference of the counterparty if the securities movement type is RECE;

MESSAGE ITEM	DATA TYPE / CODE	UTILISATION
Code Document/SctiesSttlmTxStsAdvc/SttlmSts/Pdg/Rsn/Cd/Cd	PendingReason2Code	When the instruction can settle on its ISD, the only possible value is: l PREL
Code Document/SctiesSttlmTxStsAdvc/SttlmSts/Flng/Rsn/Cd/Cd	FailingReason2Code	When the instruction can no longer settle on its ISD, the only possible value is: l PREL
Indicator Document/SctiesSttlmTxStsAdvc/TxDtls/SttlmParams/HldInd/Ind	YesNoIndicator	TRUE if the securities movement type of the settlement instruction is 'DELI' Not present if the securities movement type of the settlement instruction is 'RECE'
Code Document/SctiesSttlmTxStsAdvc/TxDtls/SttlmParams/HldInd/Rsn/Cd/Cd	Registration2Code	"CDEL" if the securities movement type of the settlement instruction is 'DELI'. Not present if the securities movement type of the settlement instruction is 'RECE'
Additional Information Document/SctiesSttlmTxStsAdvc/TxDtls/SttlmParams/HldInd/Rsn/AddtlInf	RestrictedFINXMax210Text	CoSD rule id pending to be released, rule set name and the description
Unit Document/SctiesSttlmTxStsAdvc/TxDtls/PrtlyRlsdQty/Qty/Unit	RestrictedFINDecimalNumber	Partially released quantity

Receiving Settlement Parties Depository Proccesing id Document/SctiesSttlmTxStsAdvc/ RcvgSttlmPties/Dpstry/PrcgId	RestrictedFINXMax16 Text	T2S Market Infrastructure reference of the counterparty's instruction if the securities movement type is DELI.
Receiving Settlement Parties Party 1 Processing id Document/SctiesSttlmTxStsAdvc/ RcvgSttlmPties/Pty1/PrcgId	RestrictedFINXMax16 Text	Account Owner reference of the counterparty's instruction if the securities movement type is DELI. Information contained in the field SctiesSttlmTxInstr/RcvgSttlmPties /Pty1/PrcgId of the sese.023, if any, will be overwritten by the Account Owner reference of the counterparty´s instruction and therefore not reported in this field
Delivering Settlement Parties Depository Processing id Document/SctiesSttlmTxStsAdvc/ DlvrgSttlmPties/Dpstry/PrcgId	RestrictedFINXMax16 Text	T2S Market Infrastructure reference of the counterparty's instruction if the securities movement type is RECE.
Delivering Settlement Parties Party 1 Processing id Document/SctiesSttlmTxStsAdvc/ DlvrgSttlmPties/Pty1/PrcgId	RestrictedFINXMax16 Text	Account Owner reference of the counterparty's instruction if the securities movement type is RECE. Information contained in the field SctiesSttlmTxInstr/DlvrgSttlmPties /Pty1/PrcgId of the sese.023, if any, will be overwritten by the Account Owner reference of the counterparty´s instruction and therefore not reported in this field
RelatedTransactionIdentification Document/SctiesSttlmTxStsAdvc/SplmtryData/Envlp/ RltdTxId	SupplementaryData1	T2S Matching Reference assigned by T2S to both Settlement Instructions.

Message usage example: sese.024.001.14_T2S_PendingPartial CoSDRelease execution_Example01.xml

Firstly CSD Participant A (PRTAFRPPXXX) with a securities account '1000000123' in T2S has instructed the delivery of 100000 securities ISIN000001 to its counterparty CSD Participant B (CSDPBBICXXX) and its CSD B (CSDBBIC1XXX) versus a payment of 575000, Euros for settlement on the 3/1/2015. The instruction is matched and on CoSD hold. On the Intended Settlement Date, CSD Participant A requests a partial CoSD release of 20000 securities of its instruction 'T1290'. T2S sends a pending status advice related to the Settlement Instruction informing the partially CoSD released quantity providing the references of the counterparty's instruction (T2S reference and the Account owner reference) and the corresponding T2S Matching Reference (Supplementary Data).

Message usage example: sese.024.001.14_T2S_PendingPartialCoSDRelease execution_Example02.xml

Firstly CSD Participant B (CSDPBBICXXX) with a securities account '1000000456' in T2S has instructed the reception of 100000 securities ISIN000001 from its counterparty CSD Participant A (PRTAFRPPXXX) and its CSD A (CSDABIC1XXX) versus a payment of 575000, Euros for settlement on the 3/1/2015. The instruction is matched and its counterparty leg is on CoSD Hold. On the Intended Settlement Date, CSD Participant A requests a partial CoSD release of 20000 securities of its instruction 'T1290'. T2S sends a pending status advice to the counterpart Settlement Instruction with T2S reference 'T1291' informing the partially CoSD released quantity providing the references of the counterparty's instruction (T2S reference and the Account owner reference) and the corresponding T2S Matching Reference (Supplementary Data).

Message usage: Settlement of a Partial CoSD release;

This message usage relates to the usage of a status advice message, sent by T2S, when a partially CoSD released quantity is fully settled.

Specific message requirements

To inform about the settlement of a partial CoSD release, the SecuritiesSettlementTransactionStatusAdviceV12 includes the following information for the delivering side of the transaction:

l Pending/Failing – status that corresponds to 'Pending' or 'Failing' (depending on whether the partial CoSD release was settled on its ISD or not) with one reason code to inform about the settlement of the partial CoSD release;
l Code – 'CDLR' ISO code that indicates that the instruction is on CoSD Hold if the securities movement type of the settlement instruction is 'DELI'. 'PRCY' ISO code that indicates that the counterparty is on hold if the securities movement type of the settlement instruction is 'RECE'.
l Additional Reason Information: Business rule, error description informing that the instruction is on hold due to the settlement of a partially CoSD released quantity
l SettlementQuantity– Quantity remaining to be settled
l HoldIndicator – set to "True"
l HoldIndicator/Code – 'CDEL' ISO Code that indicates that the instruction is on CoSD Hold only if the securities movement type of the settlement instruction is 'DELI'.
l Additional Information – CoSD rule id pending to be released, rule set name and the description;
l ReceivingSettlementParties – Account Owner reference and T2S reference of the counterparty if the securities movement type is DELI
l DeliveringSettlementParties – Account Owner reference and T2S reference of the counterparty if the securities movement type is RECE

MESSAGE ITEM	DATA TYPE / CODE	UTILISATION
Code Document/SctiesSttlmTxStsAdvc/SttlmSts/Pdg/Rsn/Cd/Cd	PendingReason2Code	When a partial release is settled on its ISD the possible values are: CDLR if the securities movement type of the settlement instruction is 'DELI' PRCY if the securities movement type of the settlement instruction is 'RECE'
Code Document/SctiesSttlmTxStsAdvc/SttlmSts/Flng/Rsn/Cd/Cd	FailingReason2Code	When a partial release is settled after its ISD the possible values are: CDLR if the securities movement type of the settlement instruction is 'DELI' PRCY if the securities movement type of the settlement instruction is 'RECE'

Additional Reason Information Document/SctiesSttlmTxStsAdvc/SttlmSts/Pdg/Rsn/AddtlRsnInf	RestrictedFINXMax210Text	Business rule, error description
Indicator Document/SctiesSttlmTxStsAdvc/TxDtls/SttlmParams/HldInd/Ind	YesNoIndicator	TRUE if the securities movement type of the settlement instruction is 'DELI' Not present if the securities movement type of the settlement instruction is 'RECE'
Code Document/SctiesSttlmTxStsAdvc/TxDtls/SttlmParams/HldInd/Rsn/Cd/Cd	Registration2Code	"CDEL" if the securities movement type of the settlement instruction is 'DELI'. Not present if the securities movement type of the settlement instruction is 'RECE'
Additional Information Document/SctiesSttlmTxStsAdvc/TxDtls/SttlmParams/HldInd/Rsn/AddtlInf	RestrictedFINXMax210Text	CoSD rule id pending to be released, rule set name and the description
Receiving Settlement Parties Depository Proccesing id Document/SctiesSttlmTxStsAdvc/RcvgSttlmPties/Dpstry/PrcgId	RestrictedFINXMax16Text	T2S Market Infrastructure reference of the counterparty's instruction if the securities movement type is DELI.

Receiving Settlement Parties Party 1 Processing id Document/SctiesSttlmTxStsAdvc/ RcvgSttlmPties/Pty1/PrcgId	RestrictedFINXMax 16Text	Account Owner reference of the counterparty's instruction if the securities movement type is DELI. Information contained in the field SctiesSttlmTxInstr/RcvgSttlmPties /Pty1/PrcgId of the sese.023, if any, will be overwritten by the Account Owner reference of the counterparty´s instruction and therefore not reported in this field
Delivering Settlement Parties Depository Processing id Document/SctiesSttlmTxStsAdvc/ DlvrgSttlmPties/Dpstry/PrcgId	RestrictedFINXMax 16Text	T2S Market Infrastructure reference of the counterparty's instruction if the securities movement type is RECE.
Delivering Settlement Parties Party 1 Processing id Document/SctiesSttlmTxStsAdvc/ DlvrgSttlmPties/Pty1/PrcgId	RestrictedFINXMax 16Text	Account Owner reference of the counterparty's instruction if the securities movement type is RECE. Information contained in the field SctiesSttlmTxInstr/DlvrgSttlmPties /Pty1/PrcgId of the sese.023, if any, will be overwritten by the Account Owner reference of the counterparty´s instruction and therefore not reported in this field
RelatedTransactionIdentification Document/SctiesSttlmTxStsAdvc/SplmtryDat a/Envlp/RltdTxId	SupplementaryData 1	T2S Matching Reference assigned by T2S to both Settlement Instructions.

Message usage example: sese.024.001.14_T2S_PartialCoSDRelease settlement_Example01.xml

Firstly the Administering Party A partially released for 2000 securities the CoSD rule named 'rule01' which is the last

CoSD rule to be released and allows Partial Release. During the settlement process the partially CoSD released quantity is fully settled. In this example T2S informs Participant A about the current pending status of the Settlement Instruction, with T2S reference 'T1290', and the remaining part to be settled providing the references of the counterparty's instruction (T2S reference and the Account owner reference) and the corresponding T2S Matching Reference (Supplementary Data).

Message usage example: sese.024.001.14_T2S_PartialCoSDRelease settlement_Example02.xml

Firstly the Administering Party A partially released for 2000 securities the CoSD rule named 'rule01' which is the last CoSD rule to be released and allows Partial Release. During the settlement process the partially CoSD released quantity is fully settled. In this example T2S informs Participant B about the current pending status of the Settlement Instruction, with T2S reference 'T1291', and the remaining part to be settled providing the references of the counterparty's instruction (T2S reference and the Account owner reference) and the corresponding T2S Matching Reference (Supplementary Data).

Message usage: Cancellation of a Partial CoSD release;

This message usage relates to the usage of a status advice message, sent by T2S, when a partial CoSD release process is cancelled.

Specific message requirements

To inform about the cancellation of a partial CoSD release, the SecuritiesSettlementTransactionStatusAdviceV12 includes the following information for the delivering side of the transaction:

l Pending/Failing – status that corresponds to 'Pending' or 'Failing' (depending on whether the partial CoSD release was cancelled on its ISD or not) with one reason code to inform about the settlement of the partial release;
l Code – 'CDLR' ISO code that indicates that the instruction is on CoSD Hold.
l Additional Reason Information: Business rule, error description informing the reason why the partial CoSD release process has been cancelled
l SettlementQuantity– Quantity remaining to be settled
l HoldIndicator – set to "True"
l HoldIndicator/Code – ISO Code that indicates that the instruction is on CoSD Hold ("CDEL").
Additional Information – CoSD rule id pending to be released, rule set name and the description;
l ReceivingSettlementParties – Account Owner reference and T2S reference of the counterparty if the securities movement type is DELI
l DeliveringSettlementParties – Account Owner reference and T2S reference of the counterparty if the securities movement type is RECE

MESSAGE ITEM	DATA TYPE / CODE	UTILISATION
Code Document/SctiesSttlmTxStsAdvc/SttlmSts/Pdg/Rsn/Cd/Cd	PendingReason2Code	When a partial release is settled on its ISD the possible values are: CDLR if the securities movement type of the settlement instruction is 'DELI' PRCY if the securities movement type of the settlement instruction is 'RECE'

Code Document/SctiesSttlmTxStsAdvc/SttlmSts/Flng/Rsn/Cd/Cd	FailingReason2Code	When a partial release is settled after its ISD the possible values are: CDLR if the securities movement type of the settlement instruction is 'DELI' PRCY if the securities movement type of the settlement instruction is 'RECE'
Additional Reason Information Document/SctiesSttlmTxStsAdvc/SttlmSts/Pdg/Rsn/AddtlRsnInf	RestrictedFINXMax210Text	Business rule, error description
Indicator Document/SctiesSttlmTxStsAdvc/TxDtls/SttlmParams/HldInd/Ind	YesNoIndicator	TRUE if the securities movement type of the settlement instruction is 'DELI' Not present if the securities movement type of the settlement instruction is 'RECE'
Code Document/SctiesSttlmTxStsAdvc/TxDtls/SttlmParams/HldInd/Rsn/Cd/Cd	Registration2Code	"CDEL" if the securities movement type of the settlement instruction is 'DELI'. Not present if the securities movement type of the settlement instruction is 'RECE'
Additional Information Document/SctiesSttlmTxStsAdvc/TxDtls/SttlmParams/HldInd/Rsn/AddtlInf	RestrictedFINXMax210Text	CoSD rule id pending to be released, rule set name and the description

Receiving Settlement Parties Depository Proccesing id Document/SctiesSttlmTxStsAdvc/ RcvgSttlmPties/Dpstry/PrcgId	RestrictedFINXMax 16Text	T2S Market Infrastructure reference of the counterparty's instruction if the securities movement type is DELI.
Receiving Settlement Parties Party 1 Processing id Document/SctiesSttlmTxStsAdvc/ RcvgSttlmPties/Pty1/PrcgId	RestrictedFINXMax 16Text	Account Owner reference of the counterparty's instruction if the securities movement type is DELI. Information contained in the field SctiesSttlmTxInstr/RcvgSttlmPties /Pty1/PrcgId of the sese.023, if any, will be overwritten by the Account Owner reference of the counterparty´s instruction and therefore not reported in this field
Delivering Settlement Parties Depository Processing id Document/SctiesSttlmTxStsAdvc/ DlvrgSttlmPties/Dpstry/PrcgId	RestrictedFINXMax 16Text	T2S Market Infrastructure reference of the counterparty's instruction if the securities movement type is RECE.
Delivering Settlement Parties Party 1 Processing id Document/SctiesSttlmTxStsAdvc/ DlvrgSttlmPties/Pty1/PrcgId	RestrictedFINXMax 16Text	Account Owner reference of the counterparty's instruction if the securities movement type is RECE. Information contained in the field SctiesSttlmTxInstr/DlvrgSttlmPties /Pty1/PrcgId of the sese.023, if any, will be overwritten by the Account Owner reference of the counterparty´s instruction and therefore not reported in this field

RelatedTransactionIdentification Document/SctiesSttlmTxStsAdvc/SplmtryData/Envlp/RltdTxId	SupplementaryData 1	T2S Matching Reference assigned by T2S to both Settlement Instructions.

Message usage example: sese.024.001.14_T2S_PartialCoSDRelease_cancellation Example01.xml

Firstly the Administering Party A partially released for 2000 securities the CoSD rule named 'rule01' for the Settlement Instruction 'T1290'. When the relevant cut-off is reached the partially CoSD released quantity remains unsettled, therefore the partial CoSD release process is automatically cancelled by T2S. In this example T2S informs Participant A about the current failing status of the Settlement Instruction, with T2S reference 'T1290', informing the remaining part to be settled and providing the references of the counterparty's instruction (T2S reference and the Account owner reference) and the corresponding T2S Matching Reference (Supplementary Data).

Message usage example: sese.024.001.14_T2S_PartialCoSDRelease cancellation_Example02.xml

Firstly the Administering Party A partially released for 2000 securities the CoSD rule named 'rule01' for the Settlement Instruction 'T1290'. When the relevant cut-off is reached the partially CoSD released quantity remains unsettled, therefore the partial CoSD release process is automatically cancelled by T2S. In this example T2S informs its counterpart (Participant B) about the current failing status of the Settlement Instruction, with T2S reference 'T1291', informing the remaining part to be settled and providing the references of the counterparty's instruction (T2S reference and the Account owner reference) and the corresponding T2S Matching Reference (Supplementary Data).

Message usage: Execution of a Partial Party release of a Settlement Instruction on Party Hold and CoSD Hold
This message usage relates to the usage of a status advice message, sent by T2S, when a settlement instruction on Party Hold and CoSD Hold is partially released from Party Hold. A settlement instruction on Party Hold and CoSD Hold is partially released from Party Hold if a Party release instruction indicating a quantity lower than the quantity stated in the referenced Settlement Instruction is executed.
Specific message requirements.
To inform about the execution of a Partial Party release of a Settlement Instruction on Party Hold and CoSD Hold, the SecuritiesSettlementTransactionStatusAdviceV12 includes the following information:
l Pending/Failing – status that corresponds to 'Pending' or 'Failing' (depending on whether the partial release was executed on its ISD or not) with one reason code to inform about the partial release and one reason code to inform that the instruction is on CoSD Hold;
l Code – 'PREL' ISO code for Pending and for Failing, which indicates that the instruction is no longer on Party Hold just for the quantity partially released.
l Code – 'PRSY' ISO Code that indicates that the instruction is on CoSD Hold;
l HoldIndicator – set to "True"
l HoldIndicator/Code – 'PTYH' ISO Code that indicates that the instruction is on Party Hold only if the securities movement type of the settlement instruction is 'DELI'.
l HoldIndicator/Code – 'CDEL' ISO Code that indicates that the instruction is on CoSD Hold only if the securities movement type of the settlement instruction is 'DELI'.
l Partially released quantity – quantity released from Party Hold. Only present if the instruction is under partial release process

MESSAGE ITEM	DATA TYPE / CODE	UTILISATION
Code Document/SctiesSttlmTxStsAdvc/SttlmSts/Pdg/Rsn/Cd/Cd	PendingReason2Code	When the instruction can settle on its ISD: l PREL l PRSY

Code Document/SctiesSttlmTxStsAdvc/SttlmSts/Flng/Rsn/Cd/Cd	FailingReason2Code	When the instruction can no longer settle on its ISD: I PREL I PRSY
Indicator Document/SctiesSttlmTxStsAdvc/TxDtls/SttlmParams/HldInd/Ind	YesNoIndicator	The only possible value is TRUE
Code Document/SctiesSttlmTxStsAdvc/TxDtls/SttlmParams/HldInd/Rsn/Cd/Cd	Registration2Code	"CDEL" if the securities movement type of the settlement instruction is 'DELI'. Not present if the securities movement type of the settlement instruction is 'RECE'
Additional Information Document/SctiesSttlmTxStsAdvc/TxDtls/SttlmParams/HldInd/Rsn/AddtlInf	RestrictedFINXMax210Text	CoSD rule id pending to be released, rule set name and the description
Code Document/SctiesSttlmTxStsAdvc/TxDtls/SttlmParams/HldInd/Rsn/Cd/Cd	Registration2Code	"PTYH" if the securities movement type of the settlement instruction is 'DELI'. Not present if the securities movement type of the settlement instruction is 'RECE'
Unit Document/SctiesSttlmTxStsAdvc/TxDtls/PrtlyRlsdQty/Qty/Unit	RestrictedFINDecimalNumber	Partially Party released quantity

Message usage example: sese.024.001.14_T2S_PendingPartialPartyRelease_InstructionOnPartyHoldAndCoSDHold_execution_Example01.xml
Firstly CSD Participant A (PRTAFRPPXXX) with a securities account '1000000123' in T2S has instructed the delivery of 100000 securities ISIN000001 to its counterparty CSD Participant B (CSDPBBICXXX) and its CSD B (CSDBBIC1XXX) versus a payment of 575000, Euros for settlement on the 3/1/2015. The instruction is matched, on Party Hold and on CoSD Hold. On the Intended Settlement Date, CSD Participant A requests a partial party release of 20000 securities of its instruction 'T1290'. T2S sends a pending status advice related to the Settlement Instruction informing the partially party released quantity providing the references of the counterparty's instruction (T2S reference and the Account owner reference) and the corresponding T2S Matching Reference (Supplementary Data).

Message usage example: sese.024.001.14_T2S_PendingPartialPartyRelease_InstructionOnPartyHoldAndCoSDHold_execution_Example02.xml
Firstly CSD Participant B (CSDPBBICXXX) with a securities account '1000000456' in T2S has instructed the reception of 100000 securities ISIN000001 from its counterparty CSD Participant A (PRTAFRPPXXX) and its CSD A (CSDABIC1XXX) versus a payment of 575000, Euros for settlement on the 3/1/2015. The instruction is matched and its counterparty leg is on Party Hold and on CoSD Hold. On the Intended Settlement Date, CSD Participant A requests a partial party release of 20000 securities of its instruction 'T1290'. T2S sends a pending status advice related to the Settlement Instruction informing the partially party released quantity providing the references of the counterparty's instruction (T2S reference and the Account owner reference) and the corresponding T2S Matching Reference (Supplementary Data)

Message usage: Execution of a Partial CoSD release of a Settlement Instruction on Party Hold and CoSD Hold
This message usage relates to the usage of a status advice message, sent by T2S, when a settlement instruction on Party Hold and CoSD Hold is partially released from CoSD Hold. A settlement instruction on Party Hold and CoSD Hold is partially released from CoSD Hold if a CoSD release instruction indicating a quantity lower than the quantity stated in the referenced Settlement Instruction is executed.
Specific message requirements.
To inform about the execution of a Partial CoSD release of a Settlement Instruction on Party Hold and CoSD Hold, the SecuritiesSettlementTransactionStatusAdviceV12 includes the following information:
I Pending/Failing – status that corresponds to 'Pending' or 'Failing' (depending on whether the partial release was executed on its ISD or not) with one reason code to inform about the partial release and one reason code to inform that the instruction is on CoSD Hold;
I Code – 'PREL' ISO code for Pending and for Failing, which indicates that the instruction is no longer on Party Hold just for the quantity partially released.
I HoldIndicator – set to "True"
I HoldIndicator/Code – 'PTYH' ISO Code that indicates that the instruction is on Party Hold only if the securities movement type of the settlement instruction is 'DELI'.
I HoldIndicator/Code – 'CDEL' ISO Code that indicates that the instruction is on CoSD Hold only if the securities movement type of the settlement instruction is 'DELI'.
I Partially released quantity – quantity released from CoSD Hold. Only present if the instruction is under partial release process

MESSAGE ITEM	DATA TYPE / CODE	UTILISATION
Code Document/SctiesSttlmTxStsAdvc/SttlmSts/Pdg/Rsn/Cd/Cd	PendingReason2Code	When the instruction can settle on its ISD: I PREL
Code Document/SctiesSttlmTxStsAdvc/SttlmSts/Flng/Rsn/Cd/Cd	FailingReason2Code	When the instruction can no longer settle on its ISD: I PREL
Indicator Document/SctiesSttlmTxStsAdvc/TxDtls/SttlmParams/HldInd/Ind	YesNoIndicator	The only possible value is TRUE
Code Document/SctiesSttlmTxStsAdvc/TxDtls/SttlmParams/HldInd/Rsn/Cd/Cd	Registration2Code	"CDEL" if the securities movement type of the settlement instruction is 'DELI'. Not present if the securities movement type of the settlement instruction is 'RECE'

Additional Information Document/SctiesSttlmTxStsAdvc/TxDtls/ SttlmParams/HldInd/Rsn/AddtlInf	RestrictedFINXMax210 Text	CoSD rule id pending to be released, rule set name and the description
Code Document/SctiesSttlmTxStsAdvc/TxDtls/SttlmParams/HldInd/Rsn/Cd/Cd	Registration2Code	"PTYH" if the securities movement type of the settlement instruction is 'DELI'. Not present if the securities movement type of the settlement instruction is 'RECE'
Unit Document/SctiesSttlmTxStsAdvc/TxDtls/ PrtlyRlsdQty/Qty/Unit	RestrictedFINDecimalNumber	Partially CoSD released quantity

Message usage example: sese.024.001.14_T2S_PendingPartialCoSDRelease_InstructionOnPartyHoldAndCoSDHold_execution_Example01.xml
Firstly CSD Participant A (PRTAFRPPXXX) with a securities account '1000000123' in T2S has instructed the delivery of 100000 securities ISIN000001 to its counterparty CSD Participant B (CSDPBBICXXX) and its CSD B (CSDBBIC1XXX) versus a payment of 575000, Euros for settlement on the 3/1/2015. On the Intended Settlement Date before its corresponding cut-off, T2S detects that the Settlement Instruction fulfils a CoSD rule. The instruction is matched and partially party released for 20000 securities. CSD Participant A requests a partial CoSD release of 20000 securities of its instruction 'T1290'. T2S sends a pending status advice related to the Settlement Instruction informing the partially CoSD released quantity providing the references of the counterparty's instruction (T2S reference and the Account owner reference) and the corresponding T2S Matching Reference (Supplementary Data).

Message usage example: sese.024.001.14_T2S_PendingPartialCoSDRelease_InstructionOnPartyHoldAndCoSDHold_execution_Example02.xml
Firstly CSD Participant B (CSDPBBICXXX) with a securities account '1000000456' in T2S has instructed the reception of 100000 securities ISIN000001 from its counterparty CSD Participant A (PRTAFRPPXXX) and its CSD A (CSDABIC1XXX) versus a payment of 575000, Euros for settlement on the 3/1/2015. On the Intended Settlement Date before its corresponding cut-off, T2S detects that the counterpart Settlement Instruction fulfils a CoSD rule. The instruction is matched and partially party released for 20000 securities. CSD Participant A requests a partial CoSD release of 20000 securities of its instruction 'T1290'. T2S sends a pending status advice related to the Settlement Instruction informing the partially CoSD released quantity providing the references of the counterparty's instruction (T2S reference and the Account owner reference) and the corresponding T2S Matching Reference (Supplementary Data).

Message usage: Settlement of a Partial CoSD release of a Settlement Instruction on Party Hold and CoSD Hold (some quantity remains blocked)
This message usage relates to the usage of a status advice message, sent by T2S, when a partially CoSD released quantity is fully settled and some quantity remains CoSD blocked.
Specific message requirements
To inform about the settlement of a partial CoSD release, , after which some quantity remains blocked, the SecuritiesSettlementTransactionStatusAdviceV12 includes the following information for the delivering side of the

transaction:
l Pending/Failing – status that corresponds to 'Pending' or 'Failing' (depending on whether the partial CoSD release was settled on its ISD or not) with one reason code to inform about the settlement of the partial CoSD release;
l Code – 'CDLR' ISO code that indicates that the instruction is on CoSD Hold if the securities movement type of the settlement instruction is 'DELI'. 'PRCY' ISO code that indicates that the counterparty is on hold if the securities movement type of the settlement instruction is 'RECE'.
l Additional Reason Information: Business rule, error description informing that the instruction is on hold due to the settlement of a partially CoSD released quantity
l SettlementQuantity– Quantity remaining to be settled
l HoldIndicator – set to "True"
l HoldIndicator/Code – 'PTYH' ISO Code that indicates that the instruction is on Party Hold only if the securities movement type of the settlement instruction is 'DELI'.
l HoldIndicator/Code – 'CDEL' ISO Code that indicates that the instruction is on CoSD Hold only if the securities movement type of the settlement instruction is 'DELI'.
Additional Information – CoSD rule id pending to be released, rule set name and the description;

MESSAGE ITEM	DATA TYPE / CODE	UTILISATION
Code Document/SctiesSttlmTxStsAdvc/ SttlmSts/Pdg/Rsn/Cd/Cd	PendingReason2Code	When a partial release is settled on its ISD the possible values are: CDLR if the securities movement type of the settlement instruction is 'DELI' PRCY if the securities movement type of the settlement instruction is 'RECE'
Code Document/SctiesSttlmTxStsAdvc/ SttlmSts/Flng/Rsn/Cd/Cd	FailingReason2Code	When a partial release is settled after its ISD the possible values are: CDLR if the securities movement type of the settlement instruction is 'DELI' PRCY if the securities movement type of the settlement instruction is 'RECE'
Additional Reason Information Document/SctiesSttlmTxStsAdvc/ SttlmSts/Pdg/Rsn/AddtlRsnInf	RestrictedFINXMax210Text	Business rule, error description

Indicator Document/SctiesSttlmTxStsAdvc/ TxDtls/SttlmParams/HldInd/Ind	YesNoIndicator	TRUE if the securities movement type of the settlement instruction is 'DELI' Not present if the securities movement type of the settlement instruction is 'RECE'
Code Document/SctiesSttlmTxStsAdvc/ TxDtls/SttlmParams/HldInd/Rsn/Cd/Cd	Registration2Code	"PTYH" if the securities movement type of the settlement instruction is 'DELI'. Not present if the securities movement type of the settlement instruction is 'RECE'
Code Document/SctiesSttlmTxStsAdvc/ TxDtls/SttlmParams/HldInd/Rsn/Cd/Cd	Registration2Code	"CDEL" if the securities movement type of the settlement instruction is 'DELI'. Not present if the securities movement type of the settlement instruction is 'RECE'
Additional Information Document/SctiesSttlmTxStsAdvc/ TxDtls/SttlmParams/HldInd/Rsn/AddtlInf	RestrictedFINXMax210Text	CoSD rule id pending to be released, rule set name and the description
RelatedTransactionIdentification Document/SctiesSttlmTxStsAdvc/ SplmtryData/Envlp/RltdTxId	SupplementaryData1	T2S Matching Reference assigned by T2S to both Settlement Instructions.

Message usage example: sese.024.001.14_T2S_PartialCoSDRelease_InstructionOnPartyHoldAndCoSDHold_settlement_qtyRemains_Example01.xml
Firstly the Administering Party A partially released for 2000 securities the CoSD rule named 'rule01' which is the last CoSD rule to be released and allows Partial Release. During the settlement process the partially CoSD released

quantity is fully settled. In this example T2S informs Participant A about the current pending status of the Settlement Instruction, with T2S reference 'T1290', and the remaining part to be settled providing the references of the counterparty's instruction (T2S reference and the Account owner reference) and the corresponding T2S Matching Reference (Supplementary Data).

Message usage example: sese.024.001.14_T2S_PartialCoSDRelease_InstructionOnPartyHoldAndCoSDHold_settlement_qtyRemains _Example02.xml
Firstly the Administering Party A partially released for 2000 securities the CoSD rule named 'rule01' which is the last CoSD rule to be released and allows Partial Release. During the settlement process the partially CoSD released quantity is fully settled. In this example T2S informs Participant B about the current pending status of the Settlement Instruction, with T2S reference 'T1291', and the remaining part to be settled providing the references of the counterparty's instruction (T2S reference and the Account owner reference) and the corresponding T2S Matching Reference (Supplementary Data).

l Settlement of a Partial CoSD release of a Settlement Instruction on Party Hold and CoSD Hold (no quantity remains blocked);
This message usage relates to the usage of a status advice message, sent by T2S, when a partially CoSD released quantity is fully settled and no quantity remains CoSD blocked.
Specific message requirements
To inform about the settlement of a partial CoSD release, after which no quantity remains blocked, the SecuritiesSettlementTransactionStatusAdviceV12 includes the following information for the delivering side of the transaction:
l Pending/Failing – status that corresponds to 'Pending' or 'Failing' (depending on whether the partial CoSD release was settled on its ISD or not) with one reason code to inform about the settlement of the partial CoSD release;
l Code – 'PREA' ISO code that indicates that the instruction is on Party Hold if the securities movement type of the settlement instruction is 'DELI'. 'PRCY' ISO code that indicates that the counterparty is on hold if the securities movement type of the settlement instruction is 'RECE'.
l Code – 'PRSY' ISO code that indicates that the instruction is on CoSD Hold if the securities movement type of the settlement instruction is 'DELI'. 'PRCY' ISO code that indicates that the counterparty is on hold if the securities movement type of the settlement instruction is 'RECE'.
l Additional Reason Information: Business rule, error description informing that the instruction is on hold due to the settlement of a partially CoSD released quantity
l SettlementQuantity– Quantity remaining to be settled
l HoldIndicator – set to "True"
l HoldIndicator/Code – 'PTYH' ISO Code that indicates that the instruction is on Party Hold only if the securities movement type of the settlement instruction is 'DELI'.
l HoldIndicator/Code – 'CDEL' ISO Code that indicates that the instruction is on CoSD Hold only if the securities movement type of the settlement instruction is 'DELI'.
Additional Information – CoSD rule id pending to be released, rule set name and the description;

MESSAGE ITEM	DATA TYPE / CODE	UTILISATION
Code Document/SctiesSttlmTxStsAdvc/ SttlmSts/Pdg/Rsn/Cd/Cd	PendingReason2Code	When a partial release is settled on its ISD the possible values are: PRSY if the securities movement type of the settlement instruction is 'DELI' PRCY if the securities movement type of the settlement instruction is 'RECE'

Code Document/SctiesSttlmTxStsAdvc/ SttlmSts/Flng/Rsn/Cd/Cd	FailingReason2Code	When a partial release is settled after its ISD the possible values are: PRSY if the securities movement type of the settlement instruction is 'DELI' PRCY if the securities movement type of the settlement instruction is 'RECE'
Additional Reason Information Document/SctiesSttlmTxStsAdvc/ SttlmSts/Pdg/Rsn/AddtlRsnInf	RestrictedFINXMax210Text	Business rule, error description
Indicator Document/SctiesSttlmTxStsAdvc/ TxDtls/SttlmParams/HldInd/Ind	YesNoIndicator	TRUE if the securities movement type of the settlement instruction is 'DELI' Not present if the securities movement type of the settlement instruction is 'RECE'
Code Document/SctiesSttlmTxStsAdvc/ TxDtls/SttlmParams/HldInd/Rsn/Cd/Cd	Registration2Code	"PTYH" if the securities movement type of the settlement instruction is 'DELI'. Not present if the securities movement type of the settlement instruction is 'RECE'
Code Document/SctiesSttlmTxStsAdvc/ TxDtls/SttlmParams/HldInd/Rsn/Cd/Cd	Registration2Code	"CDEL" if the securities movement type of the settlement instruction is 'DELI'. Not present if the securities movement type of the settlement instruction is 'RECE'

Additional Information Document/SctiesSttlmTxStsAdvc/ TxDtls/SttlmParams/HldInd/Rsn/AddtlInf	RestrictedFINXMax210Text	CoSD rule id pending to be released, rule set name and the description
RelatedTransactionIdentification Document/SctiesSttlmTxStsAdvc/ SplmtryData/Envlp/RltdTxId	SupplementaryData1	T2S Matching Reference assigned by T2S to both Settlement Instructions.

Message usage example: sese.024.001.14_T2S_PartialCoSDRelease_InstructionOnPartyHoldAndCoSDHold_settlement_NoQtyRemains_Example01.xml
Firstly the Administering Party A partially released for 2000 securities the CoSD rule named 'rule01' which is the last CoSD rule to be released and allows Partial Release. During the settlement process the partially CoSD released quantity is fully settled. In this example T2S informs Participant A about the current pending status of the Settlement Instruction, with T2S reference 'T1290', and the remaining part to be settled providing the references of the counterparty's instruction (T2S reference and the Account owner reference) and the corresponding T2S Matching Reference (Supplementary Data).

Message usage example: sese.024.001.14_T2S_PartialCoSDRelease_InstructionOnPartyHoldAndCoSDHold_settlement_NoQtyRemains_Example02.xml
Firstly the Administering Party A partially released for 2000 securities the CoSD rule named 'rule01' which is the last CoSD rule to be released and allows Partial Release. During the settlement process the partially CoSD released quantity is fully settled. In this example T2S informs Participant B about the current pending status of the Settlement Instruction, with T2S reference 'T1291', and the remaining part to be settled providing the references of the counterparty's instruction (T2S reference and the Account owner reference) and the corresponding T2S Matching Reference (Supplementary Data).

3.3.6.10.2 The T2S-specific schema

…

MESSAGE ITEM	DATA TYPE/ CODE	BUSINESS RULES
Code Document/SctiesSttlmCondsModReq/ReqDtls/Lkg/Cd	LinkageType1Code	IIMP112 MVCM952 MVCM957 MVCM958 MVCM959 MVCM960 MVLI809 MVLI810 MVLI811 MVLI825 MVLI826 MVLI827 MVLI828 MVLI829 MVLI830 MVLI837 MVLI838 MVLI839

		MVLI853 MVLI856 MVLI859 MVLI862 MVLI871
…		
PartialSettlementIndicator /Document/SctiesSttlmCondsModReq/ReqDtls/PrtlSttlmInd	SettlementTransactionCondition5Code	IIMP112
…		
Indicator /Document/SctiesSttlmCondsModReq/ReqDtls/HldInd/Ind	YesNoIndicator	IIMP112 IIMP131 MMRI206 MMRI207 MMRI208 MMRI209 MMRI210 MMRI211 MMRI212 MMPR210 MMPR211 MMPR212 MMPR213 MMPR214 MMPR215 MMPR216 MVCP021 MVCP025 MVCP026 MVCP093 MVCP094 MVCP106 MVCP107 MVCP111 MVCP112 MVCP113 MVCP114 MVCP115 MVCP116 MVCP117 MVCP118 MVCP129 MVRI584 MVRI598 MVRI599 MVRI600 MVRI601 MVRI602 MVRI603 MVRI604 SPSA001 SPSA002 SPSA019 SPSA028
Code /Document/SctiesSttlmCondsModReq/ReqDtls/HldInd/Rsn/Cd/Cd	Registration2Code	IIMP112 IIMP131 MMRI206 MMRI207 MMRI208 MMRI209 MMRI210 MMRI211 MMRI212 MMPR209 MMPR210

		MMPR211 MMPR212 MMPR213 MMPR214 MMPR215 MMPR216 MVCP021 MVCP025 MVCP026 MVCP093 MVCP094 MVCP106 MVCP107 MVCP111 MVCP112 MVCP113 MVCP114 MVCP115 MVCP116 MVCP117 MVCP118 MVCP129 MVRI584 MVRI598 MVRI599 MVRI600 MVRI601 MVRI602 MVRI603 MVRI604 SPSA001 SPSA002 SPSA019 SPSA028
…		
Unit /Document/SctiesSttlmCondsModReq/AddtlInf/Qty/Unit	RestrictedFINDecimalNumber	MMRI206 MMRI207 MMRI208 MMRI209 MMRI210 MMRI211 MMRI212 MMPR210 MMPR211 MMPR212 MMPR213 MMPR214 MVRI565 MVRI566 MVRI598 MVRI599 MVRI600 MVRI601 MVRI602 MVRI603 MVRI604 SPSA001 SPSA002 SPSA019 SPSA028
FaceAmount /Document/SctiesSttlmCondsModReq/AddtlInf/Qty/FaceAmt	RestrictedFINImpliedCurrencyAndAmount	MMRI206 MMRI207 MMRI208 MMRI209 MMRI210

		MMRI211 MMRI212 MMPR210 MMPR211 MMPR212 MMPR213 MMPR214 MVRI565 MVRI566 MVRI598 MVRI599 MVRI600 MVRI601 MVRI602 MVRI603 MVRI604 SPSA001 SPSA002 SPSA019 SPSA028
…		

4.1 Index of Business Rules and Error Codes

…

SPSA019	If the quantity present in a Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction, none of the associated realignment Settlement Instruction must be submitted to any hold.	Sese.030	Sese.031	<DND>	OTHR	At least one associated realignment Settlement Instruction is on hold.
SPSA020	If the quantity settled is lower than the CoSD blocked quantity, a new CoSD release will have to be done by the administering party.	n/a	Sese.024	<PDG> or <FIng>	CDLR	CoSD awaiting from administering party due to the settlement of a partially released instruction.
SPSA021	If the quantity settled is lower than the CoSD blocked quantity, a new CoSD release will have to be done by the administering party of the counterparty.	n/a	Sese.024	<PDG> or <FIng>	PRCY	CoSD awaiting from counterparty administering party due to the settlement of a partially released instruction.
SPSA022	Partial CoSD release process is stopped when the related cut-off has been reached.	n/a	Sese.024	<FIng>	CDLR	Partial CoSD release process is cancelled because the relevant cut-off has been reached. Awaiting CoSD release from administering party
SPSA023	Partial CoSD release process on the counterparty settlement instruction is	n/a	Sese.024	<FIng>	PRCY	Counterparty Partial CoSD release process

	stopped when the related cut-off has been reached.					is cancelled because the relevant cut-off has been reached
SPSA028	If the quantity present in a partial CoSD release instruction is higher than the CoSD blocked position, the CoSD release will be denied.	sese.030	sese.031	<DND>	OTHR	CoSD release is denied since the quantity stated is higher than the available blocked quantity.
SPSA029	A CoSD blocking Settlement Restriction on securities generated by a partial party release is cancelled if it has not settled when the relevant cut-off is reached.	n\a	semt.014	<CANC>	CANS	Cancellation by the system. CoSD blocking Settlement Restriction on securities generated by a partial party release is cancelled because the relevant cut-off is reached.
SPSA030	A full party hold release is not allowed if a partial party hold release is ongoing and the instruction is also under CoSD hold.	sese.030	sese.031	DND	OTHR	Party hold release denied since a partial party hold release is ongoing and the instruction is under CoSD hold
MMPR207	Unless the Settlement Instruction is under a partial party release process, the Hold statuses, except the CoSD Hold Status, of a Settlement Instruction referenced by a CoSD Release Instruction or its matched Settlement Instruction, must be 'No'.	sese.030	sese.031	<Dnd>	OTHR	Any other Hold Status apart from the CoSD Hold Status is 'Yes', and the referenced Settlement Instruction is not under a partial party release process.
MMPR210	If the quantity present in a CoSD Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction, the CoSD Rule reference specified in a CoSD Release Instruction must be the only rule left to be released in the business transaction.	sese.030	sese.031	<Dnd>	OTHR	Referenced CoSD Rule is not the only rule left and the quantity present in the CoSD Release Instruction is lower than the Settlement Quantity stated

						in the referenced Settlement Instruction.
MMPR211	If the quantity present in a CoSD Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction, the CoSD Rule reference specified in a CoSD Release Instruction must have the "Partial Release Allowed" flag set to YES.	sese.030	sese.031	<Dnd>	OTHR	Referenced CoSD Rule does not allow Partial Release.
MMPR212	If the quantity present in a CoSD Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction, there must not be any other CoSD Partial Release process ongoing for the referenced Settlement Instruction and no other pending CoSD Release Instruction must be present in the system.	sese.030	sese.031	<Dnd>	OTHR	The referenced Settlement Instruction is already partially released from CoSD or there is a pending CoSD Release Instruction in the system.
MMPR213	If the quantity present in a CoSD Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction, the Hold statuses of the referenced Settlement Instruction must be 'No', except for the CoSD Hold and the Party Hold if the referenced instruction is partially released from Party Hold. In addition, the counterparty instruction must not have any hold.	sese.030	sese.031	<DND>	OTHR	Other holds, except for CoSD Hold and the Party Hold if the referenced instruction is partially released from Party Hold, apply to the referenced Instruction or any hold applies to the counterpart.
MMPR214	If the quantity present in a CoSD Release Instruction is	sese.030	sese.031	<Dnd>	OTHR	Either the referenced

	lower than the Settlement Quantity stated in the referenced Settlement Instruction, the referenced Settlement Instruction and its counterpart must allow partial settlement					Settlement Instruction or its counterpart do not allow partial settlement.
MMPR215	The last CoSD rule pending to be released cannot be fully released if the Settlement Instruction is only partially released from Party Hold.	sese.030	sese.031	<Dnd>	OTHR	The last CoSD rule pending to be released cannot be fully released if the Settlement Instruction is only partially released from Party Hold.
MMPR216	If the Settlement Instruction is under a partial party release process, a CoSD rule cannot be fully released unless there is at least another CoSD rule pending to be released with the "Partial Release Allowed" flag set to YES.	sese.030	sese.031	<Dnd>	OTHR	CoSD Rule cannot be fully released if referenced instruction is under partial party release process and there is no other CoSD rule pending to be released with Partial Release Allowed set to YES.
MMRI206	If the quantity present in a Party Hold Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction, neither the referenced Settlement Instruction must be partially released nor a pending Release Instruction of the same Hold type must be present in the system.	sese.030	sese.031	<Dnd>	OTHR	The referenced Settlement Instruction is already partially released from party hold or there is a pending Party Hold Release Instruction ~~of the same Hold type~~ in the system.
MMRI208	If the quantity present in a Party Hold Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction, ~~no other holds~~ neither CSD Hold nor CSD Validation Hold must apply ~~neither on~~ to the referenced	sese.030	sese.031	<DND>	OTHR	~~Other holds~~ CSD Hold or CSD Validation Hold applies ~~apply either on~~ to the referenced Settlement Instruction or any hold applies

	Settlement Instruction ~~nor on~~ nor any hold must apply to the counterpart.					to ~~on~~ the counterpart.
…						
MMRI212	If the quantity present in a Party Hold Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction, ~~neither~~ the referenced Settlement Instruction ~~nor its counterpart~~ must not be on CoSD hold, unless all the CoSD rules fulfilled by the transaction are rules on securities and at least one of them has the flag "Partial Release Allowed" set to YES. In addition, the counterparty instruction must not be on CoSD Hold.	sese.030	sese.031	<DND>	OTHR	~~The r~~ Referenced ~~Settlement~~ instruction ~~of a~~ in partial Party Hold release ~~instruction or its counterpart~~ is on CoSD hold~~,~~ and ~~the~~ conditions to allow a party partial release for an instruction subject to CoSD are not met or the counterparty is on CoSD Hold
MVRI565	If present, the Settlement Quantity indicated in a Condition Modification Instruction (that is not a party release or a CoSD release) must be the same as the Settlement Quantity stated in the referenced Settlement Instruction.	sese.030	Sese.031	<Rjctd>	INVM	The Settlement Quantity of the Condition Modification Instruction is not the same as the Settlement Quantity of the referenced instruction ~~in T2S~~ and the condition modification is not a party or a CoSD release.
MVRI598	If present, the Settlement Quantity indicated in a Party Release Instruction, or a CoSD Release Instruction, must be equal or lower than the Settlement Quantity stated in the referenced Settlement Instruction.	sese.030	sese.031	<Rjctd>	INVM	The Settlement Quantity of a Party Release Instruction, or a CoSD Release Instruction, is zero or higher than the Settlement Quantity of the referenced instruction.
MVRI599	If present, the Settlement Quantity indicated in a Party Release Instruction, or a CoSD Release Instruction, must be a multiple of the Settlement Unit Multiple.	sese.030	sese.031	<Rjctd>	INVM	The Settlement Quantity of a Party Release Instruction, or a CoSD Release Instruction, is not a multiple of the Settlement Unit Multiple.
MVRI600	If present, the number of decimals of the Settlement Quantity of a Party Release or a CoSD Release Instruction must be equal or lower than the number of decimals of the Settlement Unit Multiple of the related	sese.030	sese.031	<Rjctd>	INVM	The number of decimals of the Settlement Quantity of a Party or CoSD Release Instruction, is greater than the

	Security					number of decimals of the Settlement Multiple of the related security.
MVRI601	If present, the Settlement Quantity stated in a Party Release Instruction, or a CoSD Release Instruction, must be expressed using the same Settlement Type as the one specified in T2S Reference Data for the ISIN Code of the referenced Settlement Instruction.	sese.030	sese.031	<Rjctd>	INVM	The Settlement Quantity stated in the Party Release Instruction, or the CoSD Release Instruction, is not expressed using the same Settlement Type specified in T2S Reference Data.
MVRI603	If the quantity present in a Party Release Instruction, or a CoSD Release Instruction, is lower than the Settlement Quantity stated in the referenced Settlement Instruction, the Securities Movement Type of the referenced Settlement Instruction must be 'DELI'.	sese.030	sese.031	<Rjctd>	INVM	The Securities Movement type of Referenced Settlement Instruction is not 'DELI'.
MVRI604	If the quantity present in a Party Release Instruction, or a CoSD Release Instruction, is lower than the Settlement Quantity stated in the referenced Settlement Instruction, the referenced Settlement Instruction must not be a T2S generated Settlement Instruction.	sese.030	sese.031	<Rjctd>	INVM	The referenced Settlement Instruction of a Party Release Instruction, or a CoSD Release Instruction, is a T2S generated Settlement Instruction.

GFS:

2.3.3 Lifecycle Management and Matching

2.3.3.3 Instruction Maintenance

The Instruction Maintenance module handles maintenance instructions that:

- Cancel, hold, release or partially release a *Settlement Instruction* and amend its process indicator;
- Cancel, hold or release a *Settlement Restriction*;
- Release, partially release or cancel a *Settlement Instruction* for Conditional Securities Delivery purpose.

3.4 Lifecycle Management and Matching

3.4.1 General Introduction

- Cancel, hold, release or partially release a *Settlement Instruction* or amend its process indicator;
- Cancel or release a *Settlement Restriction* or amend its process indicator;
- Release, partially release or cancel a *Settlement Instruction* for Conditional Securities Delivery purpose.

3.4.3 Instruction Validation

3.4.3.2 Description of the module

Referenced LCMM Instruction Validation

(…)

In the specific case of a Release Instruction that intends to Partially Release the Party Hold or the CoSD Hold for a Settlement Instruction the following checks are performed:

- The Settlement Quantity indicated in a ~~Party~~ Release Instruction must be higher than zero and equal to or lower than the Settlement Quantity stated in the referenced Settlement Instruction
- The Settlement Quantity indicated in a ~~Party~~ Release Instruction must be a multiple of the Settlement Unit Multiple.
- The number of decimals of the Settlement Quantity of a ~~Party~~ Release Instruction must be equal or lower to the number of decimals of the Settlement Multiple of the related security
- The Settlement Quantity stated in the ~~Party~~ Release Instruction must be expressed using the same Settlement Type specified in T2S Reference Data.
- The Intended Settlement Day of the referenced Settlement Instruction must have been reached. *
- The Securities Movement type of Referenced Settlement Instruction must be 'DELI'
- The referenced Settlement Instruction of a ~~Party~~ Release instruction must not be a T2S generated Settlement Instruction.

* Only applies for Partial Release of Party Hold. For Partial Release of CoSD Hold the referred underlying Settlement Instruction would not be in CoSD Hold yet, so the Release would have already been rejected.

3.4.4 Instruction Maintenance

3.4.4.2 Description of the module

(…)

- *Hold / Release Instruction*: maintenance instructions intended to hold, release, or partially release *Settlement Instructions*. *Hold / Release Instructions* also include those sent by *Administering Parties* with the purpose of releasing or partially releasing *Settlement Instructions* identified as CoSD (*CoSD Release Instructions*).

3.4.4.3 Description of the functions of the module

5 – Instruction Hold/Release

"Release Instructions to be Denied"

BUSINESS RULES	RESULTING HOLD INSTRUCTION'S REASON CODE REFERENCE
If the quantity present in a Party Hold Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction, neither the referenced Settlement Instruction must be partially released, nor a pending Release Instruction of the same Hold type must be present in the system	The referenced Settlement Instruction is already partially released from Party Hold or there is a pending Party Hold Release Instruction in the system.
…	…
If the quantity present in a Party Hold Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction, ~~no other holds~~ neither CSD Hold nor CSD Validation Hold must apply ~~neither on~~ to the referenced Settlement Instruction ~~nor on~~ nor any hold must apply to the counterpart.	~~Other holds~~ CSD Hold or CSD Validation Hold applies ~~apply either on~~ to the referenced Settlement Instruction or any hold applies to ~~on~~ the counterpart.
…	…
If the quantity present in a Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction, the referenced Settlement Instruction and its counterpart must allow partial settlement	Either the referenced Settlement Instruction or its counterpart do not allow partial settlement.
If the quantity present in a Party Hold Release Instruction is lower than the Settlement Quantity stated	Referenced Settlement Instruction in Party Hold release is on CoSD hold and conditions to allow a party partial release for an instruction subject to CoSD are not met or the counterparty is on CoSD Hold.

in the referenced Settlement Instruction, referenced Settlement Instruction must not be on CoSD hold, unless all the CoSD rules fulfilled by the transaction are rules on securities and at least one of them has the flag "Partial Release Allowed" set to YES. In addition, the counterparty instruction must not be on CoSD Hold.	

6 – Conditional Securities Delivery (CoSD) Instruction Release

"CoSD Release Instruction to be Denied"

BUSINESS RULES	RESULTING HOLD INSTRUCTION'S REASON CODE REFERENCE
…	…
Unless the Settlement Instruction is under a partial party release process, ~~T~~the Hold statuses, except the CoSD Hold Status, of a *Settlement Instruction* referenced by a *CoSD Release Instruction* or its matched *Settlement Instruction*, must be "No".	*"Any other Hold Status apart from the CoSD Hold Status is "Yes"* and the referenced Settlement Instruction is not under a partial party release process."
The last CoSD rule pending to be released cannot be fully released if the Settlement Instruction is only partially released from Party Hold.	*The last CoSD rule pending to be released cannot be fully released if the Settlement Instruction is only partially released from Party Hold.*
If the Settlement Instruction is under a partial party release process, a CoSD rule cannot be fully released unless there is at least another CoSD rule pending to be released with the "Partial Release Allowed" flag set to YES.	*CoSD Rule cannot be fully released if referenced instruction is under partial party release process and there is no other CoSD rule pending to be released with Partial Release Allowed set to YES.*

In the specific case of a Release Instruction that intends to Partially CoSD Release a Settlement Instruction (i.e. a CoSD Release Instruction informing a quantity lower than the original settlement quantity stated in the underlying Settlement Instruction), additionally to the business rules described above, this step denies the execution of the Partial CoSD Release Instruction when one of the following business rules is met:

BUSINESS RULES	RESULTING HOLD INSTRUCTION'S REASON CODE REFERENCE
If the quantity present in a CoSD Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction, the CoSD Rule reference specified in a CoSD Release Instruction must be the only rule left to be released in the business transaction	*Referenced CoSD Rule is not the only rule left and the quantity present in the CoSD Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction.*
If the quantity present in a CoSD Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction, the CoSD Rule reference specified in a CoSD Release Instruction must have the "Partial Release Allowed" flag set to YES	*Referenced CoSD Rule does not allow Partial Release.*
If the quantity present in a CoSD Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction, there must not be any other CoSD Partial Release process ongoing for the referenced Settlement Instruction and no other pending CoSD Release Instruction must be present in the system	*The referenced Settlement Instruction is already partially released from CoSD or there is a pending CoSD Release Instruction in the system.*

If the quantity present in a CoSD Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction, the Hold statuses of the referenced Settlement Instruction must be 'No', except for the CoSD Hold and the Party Hold if the referenced instruction is partially released from Party Hold. In addition, the counterparty instruction must not have any hold.	*Other holds, except for CoSD Hold and the Party Hold if the referenced instruction is partially released from Party Hold, apply to the referenced Instruction or any hold applies to the counterpart.*
If the quantity present in a CoSD Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction, the referenced Settlement Instruction and its counterpart must allow partial settlement	*Either the referenced Settlement Instruction or its counterpart do not allow partial settlement.*
If the quantity present in a partial CoSD release instruction is higher than the CoSD blocked position, the CoSD release will be denied.	CoSD release is denied since the quantity stated is higher than the available blocked quantity.

3.4.6 Status Management

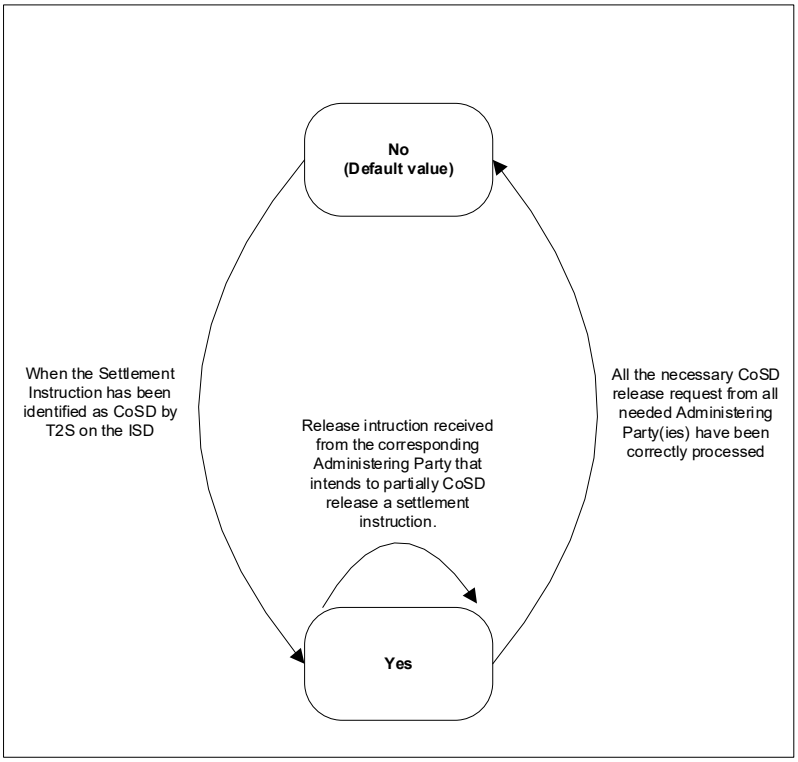
3.4.6.2 Description of the module

(…)

CoSD Hold Status (Settlement Instruction):

Indicates if the *Settlement Instruction* has been identified as a *CoSD instruction* by T2S and if it has been released by the Administering Parties. *Settlement Instructions* with the CoSD Hold Status "*Yes*" are not submitted for

settlement, except for those Settlement Instructions Partially Released from CoSD which are submitted for partial settlement.



STATUS	DEFINITION	FROM MODULE (SET BY)	TO MODULE (USED BY)
…	…	…	…
Yes	Settlement Instruction has been identified as a CoSD instruction by T2S on the ISD. It remains unchanged while there is no release request from all relevant Administering Parties for all applicable CoSD Rules. It also remains unchanged while the Instruction has been Partially Released from the CoSD Hold.	SPS	IMA / STM

(…)

Reason Codes

Release Instruction reason codes:

- Denied Status reason codes:

(…)

- *Instruction under Four-Eyes principle cancelled due to revocation.*
- *The last CoSD rule pending to be released cannot be fully released if the Settlement Instruction is only partially released from Party Hold.*
- *CoSD Rule cannot be fully released if referenced instruction is under partial party release process and there is no other CoSD rule pending to be released with Partial Release Allowed set to YES.*

Additionally, if the release instruction intends to Partially Release a settlement instruction, the following Denied Status reason codes are applicable:

- *The referenced Settlement Instruction is already partially released from Party Hold or there is a pending Party Hold Release Instruction ~~of the same Hold type~~ in the system.*
- The referenced Settlement Instruction is already partially released from CoSD or there is a pending CoSD Release Instruction in the system.
- (…)
- ~~Other holds~~ CSD Hold or CSD Validation Hold applies ~~apply either on~~ to the referenced Settlement Instruction or any hold applies to ~~on~~ the counterpart.
- Other holds, except for CoSD Hold and the Party Hold if the referenced instruction is partially released from Party Hold, apply to the referenced Instruction or any hold applies to the counterpart.
- (…)
- Partial release instruction is denied because the relevant cut-off has been reached.
- Partial CoSD release instruction is denied because the referenced CoSD Rule is not the only rule left and the quantity present in the CoSD Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction.
- Partial CoSD release instruction is denied because the referenced CoSD Rule does not allow Partial Release.
- CoSD release is denied since the quantity stated is higher than the available blocked quantity.

3.5.5.3 Description of the module

…

3-Settlement transaction manager

…

Links

…

Additionally, when the link creation was possible, any ongoing partial Party Hold release is cancelled. However, if the partial Party Hold release relates to a Settlement Instruction that is also under CoSD hold, no linking is created and the partial release will not be cancelled.

…

6-Transaction Maintenance

…

Management of Release

…

- In case of a release applying on a Settlement Transaction under ongoing Partial Party Hold Release, cancels the ongoing Partial Party Hold Release, except if the Partial Party Hold Release relates to a Settlement Transaction that is also under CoSD hold. In this specific case, the release instruction is rejected and the Partial Party Hold Release is kept;

…

Management of Hold, Amendment and Cancellation

…

The function allows either holding, amending or cancelling the settlement transaction, updating the Settlement Transaction Status and cancelling the ongoing partial Party Hold release of the settlement transaction if relevant:

- In the case of a hold, the function holds the settlement transaction; the Settlement Transaction Status is not updated and any ongoing partial Party Hold release of the settlement transaction is cancelled, except if the transaction is also under CoSD hold. In this specific case the hold is rejected and the Partial Party Hold release is kept;
- In the case of amendment or cancellation, the function updates the relevant attributes of the settlement transactions, concerning either the settlement transaction's status, priority, partial settlement and/or links information;
- In the case of amendment concerning links, any ongoing partial Party Hold release of the settlement transaction is cancelled, except if the transaction is also under CoSD hold. In this specific case the amendment is rejected and the Partial Party Hold release is kept;
- In the case of amendment concerning partial, rendering the settlement transaction not allowed to partial settlement anymore, any ongoing partial Party Hold release of the settlement transaction is cancelled, except if the partial Party Hold release relates to a Settlement Transaction that is also under CoSD hold. In this specific case, the amendment is rejected and the Partial Release is kept.

…

Management of Partial Party Hold Release

…

In the case of a partial Party Hold release instruction which should result in the release of part of the quantity of the associated settlement transaction, the function:

- I Receives the Transaction Partial Party Hold Release including the reference number of the Settlement Transaction to be partially released and the quantity to be released;
- I Checks if the partial Party Hold release is applicable;

If partial Party Hold release is not applicable, the partial Party Hold release is denied.

…

7-Cut-Off Processing

…

Specific events

…

When a cut-off is reached, the Cut-Off Processing function cancels all the ongoing partial releases regarding the transactions submitted to this cut-off, except if the partial Party Hold release relates to a Settlement Transaction that is also under CoSD hold for which the resources have been blocked. In this specific case the Partial Release is not cancelled.

3.5.6.2 Description of the module

…

Management of the partial settlement (settlement instructions)

…

A Settlement Instruction on Party Hold may be partially released to allow the partial settlement of a specified quantity. This Partially Released Settlement Instruction must conform to all the conditions of partial settlement as for any other Settlement Instruction. The partial settlement of Partially Released Settlement Instructions can occur outside a partial settlement window for the total quantity of the released instruction, as well as during a partial settlement window for the total or partial quantity of the released instruction and until the relevant cut-off time (partial release is only valid for the current business day) at which point the partial release will be cancelled and the underlying Settlement Instruction set back on Party Hold for the full unsettled quantity. For the specific case of a partial release under CoSD hold for which the resources have been blocked, the partial release will be kept at the relevant cut-off and can be presented for settlement during the next business day.

3.5.10.1 Selection of representative settlement instructions and liquidity transfers use cases for Settlement

…

UC-SI-9	Settlement of a corporate action with associated liquidity transfer	Intra-CSD	No	Settlement Instruction	No	Not Required	No	Deliverable
UC-SI-10a	Cross CSD settlement	Cross-CSD	No	Settlement Instruction	No	Not Required	No	Deliverable
UC-SI-10b	In-out T2S settlement	In-outCSD	No	Settlement Instruction	No	Not Required	No	Deliverable
UC-SI-10c	Partial Party Hold Release	Intra-CSD	No	Settlement Instruction	No	Not Required	Yes	Deliverable
UC-SI-10d	Partial CoSD release	Intra-CSD	Yes	Settlement Instruction	No	Already Matched	Yes	Deliverable

…

3.5.10.13 Processing of UC-SI-10c Partial Party Hold Release
Diagram 40 – Settlement Process Partial Party Hold Release

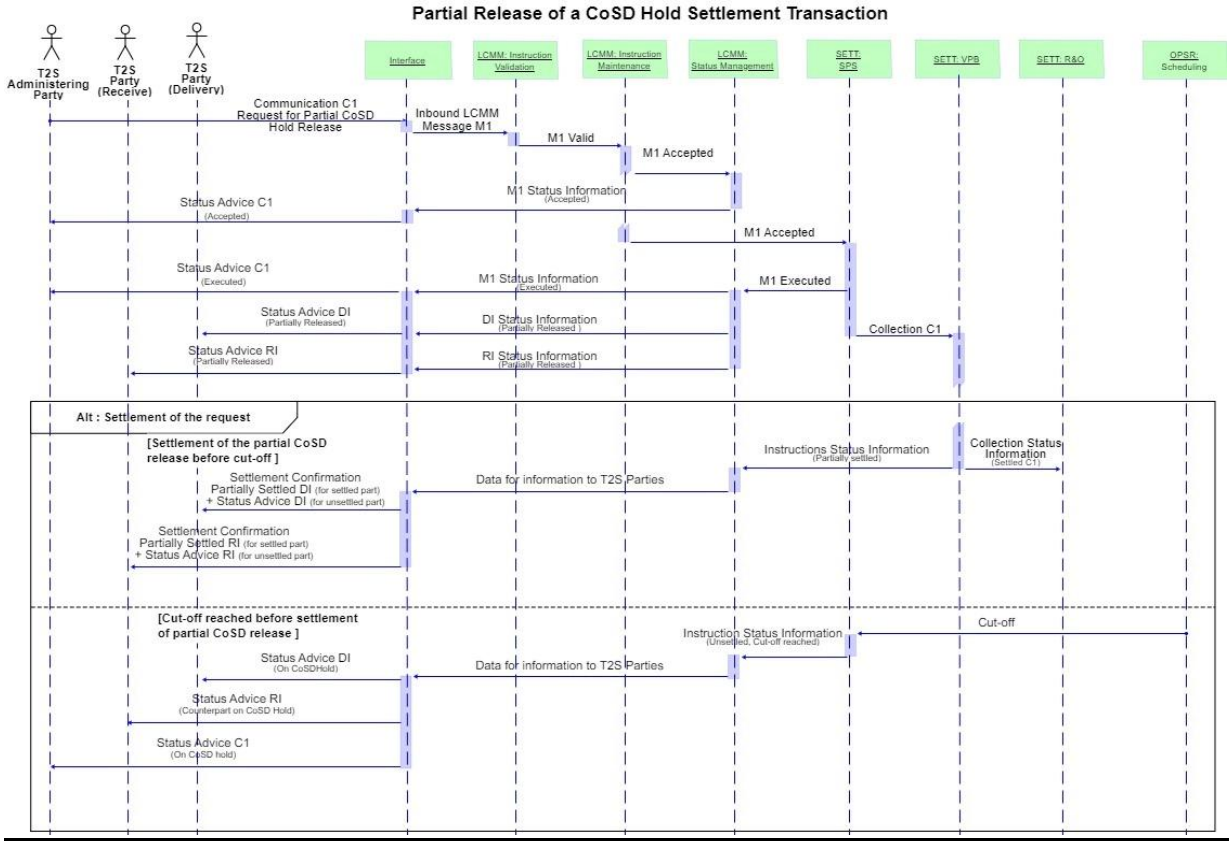
…

T2S Parties (Delivery) and (Receive) are informed of the "Hold" status (depending on their message subscriptions) with a status advice messages for respectively DI and RI.

In case the partial party hold release is also under CoSD hold, the release instruction will not be cancelled, and the DI and RI will not be put back on "Party Hold".

3.5.10.14 Processing of UC-SI-10d Partial CoSD release

DIAGRAM 41 – Settlement process Partial CoSD Release



Business assumption

This description relates to a Communication C1 which contains a Partial CoSD Release Instruction M1 communicated by a T2S administering Party, requesting a partial CoSD release related to a previously blocked quantity of securities. For descriptions related to the preceding full party hold release and blocking of securities, please refer to previous Use Cases.

Processing

Once the format and syntax validations for Communication C1 are successfully passed, the Inbound LCMM Message M1 enters successively the Instruction Validation module and the Instruction Maintenance module which create the Partial Release Instruction and perform the following checks in order to identify if it can be processed:
l Underlying DI exists;
l Underlying DI is not awaiting approval / revoked;
l Underlying DI is not an internally generated instruction;
l No other hold applies neither on DI nor on RI (except possibly a partial party hold on DI);
l Quantity to be released complies with SUM check;
l DI is delivering securities, matched and its ISD has been reached.

When these checks are successful, (i) the Status Management module is informed on the acceptance of MI1 to be reported to the T2S Administering Party, via the Interface domain and (ii) the Partial Release Instruction is forwarded to the SPS module of Settlement domain, which performs the following checks in order to identify if it can be executed:

l Quantity to be released complies with partial settlement rules regarding MSU & SUM;
l DI is neither settled nor cancelled;
l No other hold applies neither on delivering nor on receiving instruction (except possibly a partial party hold on the delivering instruction);
l DI and RI allow partial settlement;
l Neither DI nor RI is involved in any pool or any business link;
l Quantity must be lower than the original quantity of DI;
l ST resulting from matching of DI and RI has not reached its cut-off time

When these checks are successful, the Status Management module is informed on the execution of the Partial

Release Instruction to be reported to the T2S Administering Party, via the Interface domain and a collection C1 is created containing the settlement transaction. Then, a collection C1 containing ST1 to be settled up to the Quantity required by the Partial Release Instruction is sent to VPB module for settlement attempt.

Alternative 1 - Settlement of the request: Settlement of the partially released Settlement Transaction before cut-off;
If the collection is settled, the Daytime Validation, Provisioning and Booking module informs the Status Management module with the settlement result by sending an Instruction Status Information. T2S Parties (Delivery) and (Receive) are informed of the partially settled status (depending on their message subscriptions) with messages for the delivering and receiving instruction respectively: a settlement confirmation for the settled part and a status information for the unsettled part.

Alternative 2 – Settlement of the request: Cut-off is reached before settlement of partial release**;**
If the collection is unsettled when the cut-off applying to ST1 is reached, the Standardisation and Preparation to Settlement module informs the Status Management module by sending an Instruction Status Information.
The Partial CoSD Hold Release Instruction is cancelled. The delivering and receiving and are put back on “Party Hold” and submitted to an eligibility check. T2S Parties (Delivery) and (Receive) as well as the Administering Party are informed of the “Hold” status (depending on their message subscriptions) with a status advice messages for respectively DI and RI.
…

3.6.7.1 Processing of UC-LT-1: Execution of Immediate Liquidity Transfers within T2S
DIAGRAM 4~~1~~2 - EXECUTION OF IMMEDIATE LTs WITHIN T2S
…

3.6.7.2 Processing of UC-LT-2: Execution of Immediate Liquidity Transfers from T2S to RTGS
DIAGRAM 4~~2~~3 - EXECUTION OF IMMEDIATE LTS FROM T2S TO RTGS
…

3.6.7.3 Processing of UC-LT-3: Execution of Liquidity Transfers from RTGS to T2S
DIAGRAM 4~~3~~4 - EXECUTION OF LIQUIDITY TRANSFERS FROM RTGS TO T2S
…

3.6.7.4 Processing of UC-LT-4: Execution of Standing and Predefined Liquidity Transfer Orders from T2S to RTGS
DIAGRAM 4~~4~~5 - EXECUTION OF STANDING AND PREDEFINED LIQUIDITY TRANSFER ORDERS FROM T2S TO RTGS
…

3.6.7.5 Processing of UC-LT-5: End-of-Day Liquidity transfer
DIAGRAM 4~~5~~6 - END-OF-DAY LIQUIDITY TRANSFER
…

3.7.3.3 Processing of Queries use cases
Processing of UC-QU-1: Query on Settlement Instructions
…
DIAGRAM 4~~6~~7 - UC-QU-1: QUERY ON SETTLEMENT INSTRUCTIONS
…

3.7.4.4 Processing of Reports Use Cases
…
DIAGRAM 4~~7~~8 - PROCESSING OF UC-RE-1: CURRENT SETTLEMENT DAY CASH INFORMATION REPORT
…

3.8.5.7 Processing of Billing use cases
…
DIAGRAM 4~~8~~9 - GENERATION, CONFIRMATION/CANCELLATION OF BILLING DATA AND SEND INVOICE
…

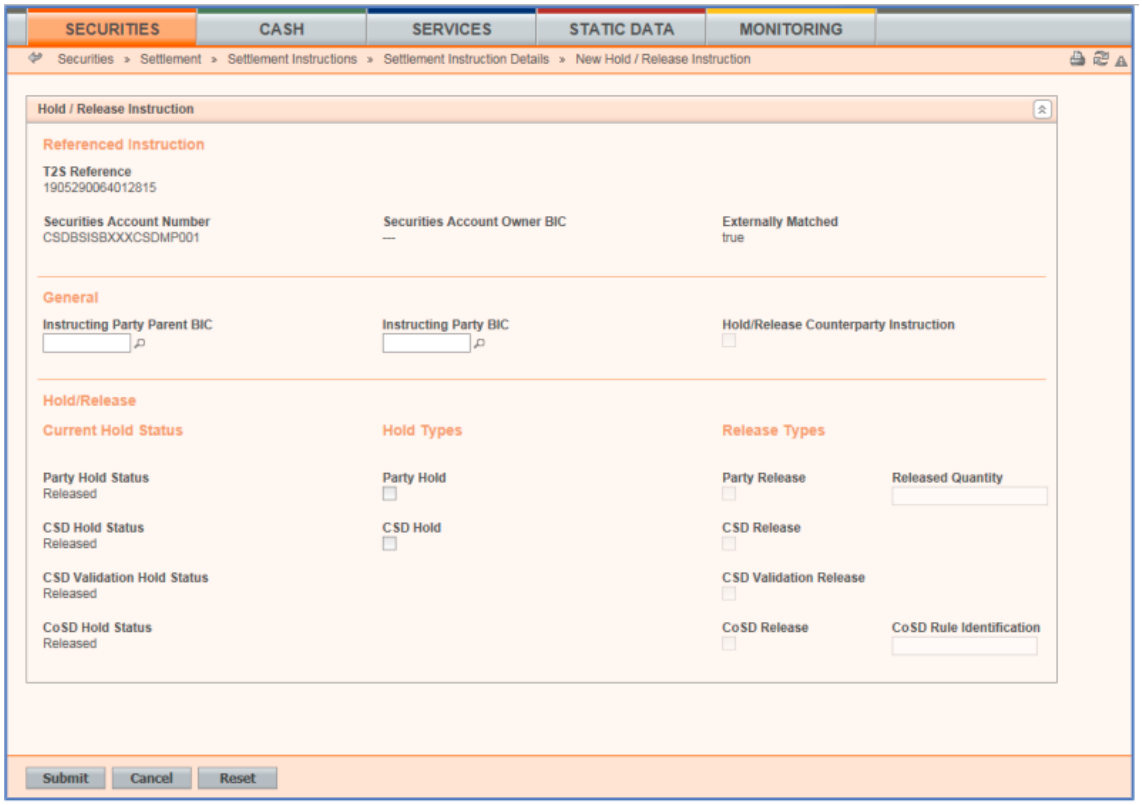
UHB

2.2.2.10 Hold/Release Instruction – New Screen
References
User Instructions Part

This screen is part of the following business scenarios:
…
I Release a settlement instruction from CoSD hold [} 720]
I Partially release a settlement instruction from CoSD hold [} XXX]

Business Functionality Document
This screen corresponds to the following business function:
I Hold/release instruction (T2S.GUI.SESE.INX.0060)

Screenshot



…

Field Description

Hold / Release Instruction	
Current Hold Status	
Party Hold Status	Shows the current status of the party hold of the referenced settlement instruction as set by the T2S party. References for error messages [} 966]: I MMPR213

CSD Hold Status	Shows the current CSD hold status of the referenced settlement instruction as set by the CSD. References for error messages [} 966]: **I** MMPR213
CSD Validation Hold Status	... References for error messages [} 966]: **I** MMPR207 **I** MMPR213 **I** MVRI575
…	…
Release Types	
…	…
CoSD Release	… References for error messages [} 966]: **I** MMPR201 **I** MMPR202 **I** MMPR203 **I** MMPR204 **I** MMPR207 **I** MMPR208 **I** MMPR209 **I** MMPR213 **I** MMPR216 …
CoSD Rule Identification	... References for error messages: [} 966] **I** MMPR203 **I** MMPR204 **I** MMPR208 **I** MMPR209 **I** MMPR210 **I** MMPR211 **I** MMPR215 …

Quantity	
Party Released Quantity	... This field is only available in case the released instruction is on 'Party Hold' and it is the delivering side of the transaction. If ~~any other hold~~ CSD Hold or CSD Validation Hold applies to the instruction, the released instruction is the receiving part of the transaction, it is unmatched, it is an internally generated instruction or its intended settlement date has not been reached, the field is greyed out. .. References for error messages: [} 966] **I** MVRI598 **I** MVRI599 **I** MVRI600 **I** MVRI601 **I** MVRI602 **I** MVRI603 **I** MVRI604 **I** SPSA001 **I** SPSA002 **I** SPSA019 In case the party released quantity is not populated and the party release is selected, the party release instruction will be for the total quantity of the settlement instruction, or for the remaining to be settled quantity in case the settlement instruction has been already partially settled.

CoSD Released Quantity	Enter the quantity to be released if you want to partially release a delivering settlement instruction which has been previously put on CoSD hold. This field is only available in case the released instruction is on 'CoSD Hold' and it is the delivering side of the transaction. If CSD Hold or CSD Validation Hold applies to the instruction, the released instruction is the receiving part of the transaction, or it is an internally generated instruction, the field is greyed out. Required format is: For settlement type = Unit, max.15 digit(s) incl. decimal point (thereof max. 14 decimal places) For settlement type = Face amount, max. 15 digit(s) incl. decimal point (thereof max. 5 decimal places) References for error messages: [} XXX] **I** MVRI598 **I** MVRI599 **I** MVRI600 **I** MVRI601 **I** MVRI603 **I** MVRI604 **I** MMPR207 **I** MMPR210 **I** MMPR211 **I** MMPR212 **I** MMPR213 **I** MMPR214 **I** MMPR215 **I** MMPR216 **I** SPSA001 **I** SPSA002 **I** SPSA019 **I** SPSA028 In case the CoSD released quantity is not populated and the CoSD release is selected, the CoSD release instruction will be for the total quantity of the settlement instruction, or for the remaining to be settled quantity in case the settlement instruction has been already partially settled.

2.2.2.17 Settlement Instructions – Search/List Screen

References
User Instructions Part
This screen is part of the following business scenarios:
…
I Release a settlement instruction from CoSD hold [} 720]
I Partially release a settlement instruction from CoSD hold [} XXX]

2.2.2.18 Settlement Instruction - Details Screen
References
User Instructions Part
This screen is part of the following business scenarios:
…
I Release a settlement instruction from CoSD hold [} 720]
I Partially release a settlement instruction from CoSD hold [} XXX]

3.5.3.4 Partially Release a Settlement Instruction from Party Hold

Context of usage

(…)

Before you create a new partial release instruction for party hold, check whether the settlement instruction is eligible for the release from party hold. A business settlement instruction is eligible to be partially released for party hold if it is the delivering leg of the transaction, it is matched, its ISD has been reached, it is not cancelled, settled, already released for party hold and no other hold applies to the transaction, except for the CoSD Hold if the conditions required to allow Partial release of Party Hold when the instruction is subject to CoSD are met (all the rules must be on securities and at least one of them must allow partial release). You can check the status of your settlement instruction before creating the partial release instruction through the details screen as described in the business scenario View Settlement Instruction Details [} 741].

(…)

Instructions

…
9. Insert the quantity to be released in the 'Party Released quantity' field.

3.5.3.7 Partially Release a Settlement Instruction from CoSD Hold

Context of usage

This business scenario describes how to partially release a settlement instruction from CoSD hold. This process is necessary if you want to partially release a settlement instruction that was previously put on CoSD hold, in order to partially settle it. Settlement instructions put on CoSD hold are not eligible for settlement until they are released or partially released.

Before you create a new partial release instruction for CoSD hold, check whether the Settlement Instruction is eligible for the partial release of CoSD hold. A business Settlement Instruction is eligible to be partially released from CoSD hold if it is the delivering leg of the transaction, it is matched, it is not cancelled, settled, already released for CoSD hold or if it is under any other hold except for the CoSD Hold and, additionally, the Party Hold if the referenced instruction is partially released from Party Hold. In addition, to partially release a Settlement Instruction from CoSD, only one CoSD rule must be left to be released in the business transaction and this rule must be enabled for Partial Release. You can check the status of your settlement instruction before creating the release instruction through the details screen as described in the business scenario View Settlement Instruction Details [} XXX].

This business scenario is not relevant for CB users.

Privileges

To carry out this business scenario, you need the following privileges:
- Settlement instruction query
- Settlement instruction current status query
- Settlement instruction status audit trail query
- Release CoSD rule of settlement instruction on behalf of administering party
- Send new instruction using a specific instructing party

Reference

Further information on screens involved can be found in the screen reference part:
- *Settlement instructions – search/list screen [} XXX]*
- *Settlement instruction – details screen [} XXX]*
- *Hold/release instruction - new screen [} XXX]*

Instructions

1. Go to the settlement instructions – search/list screen:
Securities >> Settlement >> Settlement Instructions
2. Enter at least one general search criterion known to you about the settlement instruction you want to partially release from CoSD hold.
3. Click on the search button.
→ A list containing the search results is displayed on the screen.
→ If the search retrieves only one settlement instruction, the settlement instruction - details screen is displayed directly. Proceed with step 6.
4. Select the settlement instruction you want to release from CoSD hold by clicking on an entry in the list.
5. Click on the details button.
→ The settlement instruction – details screen is displayed.
6. Check the details of the settlement instruction and click on the hold/release button.
→ The hold/release instruction – new screen is displayed.
7. Enter all mandatory information in the 'General' subframe.
8. Select the 'CoSD Release' check box and enter the reference of the relevant CoSD rule to be released in the 'Hold/Release' subframe.
9. Insert the quantity to be released in the 'CoSD Released quantity' field.

Alternative

To set all fields to default value and blank out all optional fields, click on the reset button.
To cancel the process and return to the previous screen, click on the cancel button.

10. Click on the submit button.
11. Enter your PIN for digital signature purposes (NRO).
→ A new partial release instruction for CoSD hold has been created.

(…)

3.5.3.~~7~~8 Release a Settlement Instruction from CSD Validation Hold
(…)

3.5.3.~~8~~9 View Hold/Release Instruction Details
(…)

5.4.2.46 Hold/Release Instruction - New Screen

Reference for error message	**Field or Button**	**Error Text**	**Description**
…	…	…	…
MMPR207	CSD Validation Hold Status Party Hold CoSD Release field Submit button	Any other Hold Status apart from the CoSD Hold Status is 'Yes', and the referenced Settlement Instruction is not under a partial party release process.	Unless the Settlement Instruction is under a partial party release process, the Hold statuses, except the CoSD Hold Status, of a Settlement Instruction referenced by a CoSD Release Instruction or its matched Settlement Instruction, must be 'No'.

MMPR210	CoSD Released Quantity CoSD Rule Identification field Submit button	Referenced CoSD Rule is not the only rule left and the quantity present in the CoSD Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction.	If the quantity present in a CoSD Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction, the CoSD Rule reference specified in a CoSD Release Instruction must be the only rule left to be released in the business transaction.
MMPR211	CoSD Released Quantity CoSD Rule Identification field Submit button	Referenced CoSD Rule does not allow Partial Release.	If the quantity present in a CoSD Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction, the CoSD Rule reference specified in a CoSD Release Instruction must have the “Partial Release Allowed” flag set to YES.
MMPR212	CoSD Released Quantity Submit button	The referenced Settlement Instruction is already partially released from CoSD or there is a pending CoSD Release Instruction in the system.	If the quantity present in a CoSD Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction, there must not be any other CoSD Partial Release process ongoing for the referenced Settlement Instruction and no other pending CoSD Release Instruction must be present in the system.

MMPR213	CoSD Released Quantity CSD Validation Hold Status Party Hold Status CSD Hold Status CoSD Release field Submit button	Other holds, except for CoSD Hold and the Party Hold if the referenced instruction is partially released from Party Hold, apply to the referenced Instruction or any hold applies to the counterpart.	If the quantity present in a CoSD Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction, the Hold statuses of the referenced Settlement Instruction must be 'No', except for the CoSD Hold and the Party Hold if the referenced instruction is partially released from Party Hold. In addition, the counterparty instruction must not have any hold.
MMPR214	CoSD Released Quantity Submit button	Either the referenced Settlement Instruction or its counterpart do not allow partial settlement.	If the quantity present in a CoSD Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction, the referenced Settlement Instruction and its counterpart must allow partial settlement
MMPR215	CoSD Rule Identification field Submit button	The last CoSD rule pending to be released cannot be fully released if the Settlement Instruction is only partially released from Party Hold.	The last CoSD rule pending to be released cannot be fully released if the Settlement Instruction is only partially released from Party Hold.

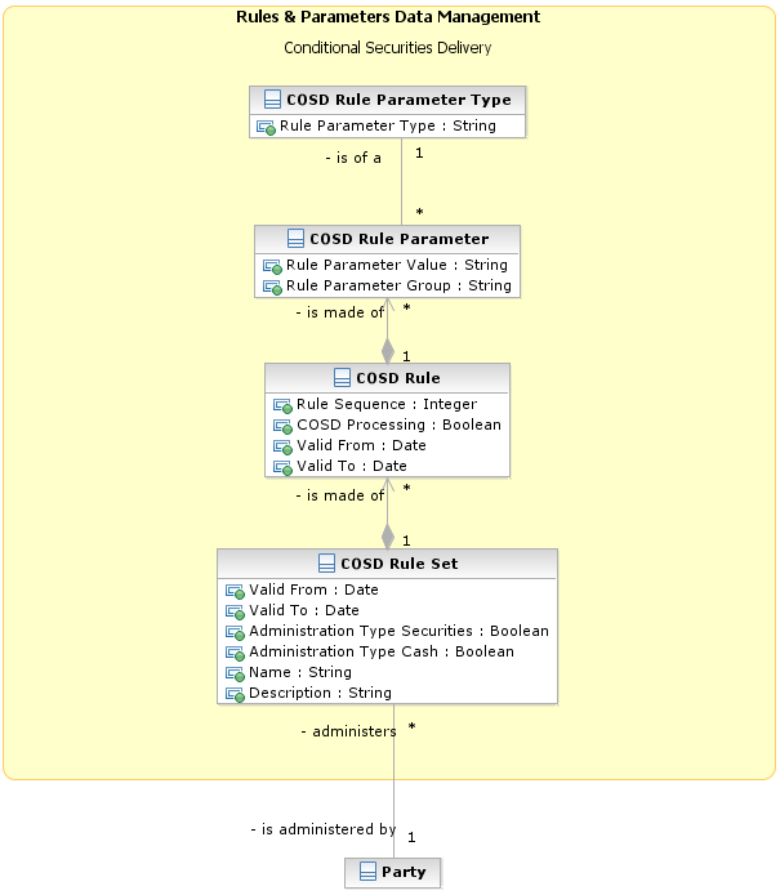
MMPR216	CoSD Release field Submit button	CoSD Rule cannot be fully released if referenced instruction is under partial party release process and there is no other CoSD rule pending to be released with Partial Release Allowed set to YES.	If the Settlement Instruction is under a partial party release process, a CoSD rule cannot be fully released unless there is at least another CoSD rule pending to be released with the "Partial Release Allowed" flag set to YES.
…	…	…	…
MVRI598	Party Released Quantity CoSD Released Quantity Submit button	The Settlement Quantity of a Party Release Instruction, or a CoSD Release Instruction, is zero or higher than the Settlement Quantity of the referenced instruction.	If present, the Settlement Quantity indicated in a Party Release Instruction, or a CoSd Release Instruction, must be equal or lower than the Settlement Quantity stated in the referenced Settlement Instruction.
MVRI599	Party Released Quantity CoSD Released Quantity Submit button	The Settlement Quantity of a Party Release Instruction, or a CoSD Release Instruction, is not a multiple of the Settlement Unit Multiple.	If present, the Settlement Quantity indicated in a Party Release Instruction, or a CoSD Release Instruction, must be a multiple of the Settlement Unit Multiple.
MVRI600	Party Released Quantity CoSD Released	The number of decimals of the Settlement Quantity of a Party or CoSD Release Instruction is greater than the number of decimals of the Settlement Multiple of the related security	If present, the number of decimals of the Settlement Quantity of a Party Release or a CoSD Release Instruction must be equal or lower than the number of decimals of the Settlement Unit Multiple of the related Security

	Quantity Submit button		
MVRI601	 Party Released Quantity CoSD Released Quantity Submit button	The Settlement Quantity stated in the Party Release Instruction, or the CoSD Release Instruction, is not expressed using the same Settlement Type specified in T2S Reference Data.	If present, the Settlement Quantity stated in a Party Release Instruction, or a CoSD Release Instruction, must be expressed using the same Settlement Type as the one specified in T2S Reference Data for the ISIN Code of the referenced Settlement Instruction
MVRI602	Party Released Quantity Submit button	The Intended Settlement Day of the referenced Settlement Instruction has not been reached yet.	If the quantity present in a Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction, the Intended Settlement Date of the referenced Settlement Instruction must have been reached
MVRI603	Party Released Quantity CoSD Released Quantity Submit button	The Securities Movement type of Referenced Settlement Instruction is not 'DELI'	If the quantity present in a Party Release Instruction, or a CoSD Release Instruction, is lower than the Settlement Quantity stated in the referenced Settlement Instruction, the Securities Movement Type of the referenced Settlement Instruction must be 'DELI'
MVRI604	Party Released Quantity CoSD Released Quantity	The referenced Settlement Instruction of a Party Release instruction is a T2S generated Settlement Instruction	If the quantity present in a Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction, the referenced Settlement Instruction must not be a T2S generated Settlement Instruction

	Submit button		
SPSA001	Party Released Quantity CoSD Released Quantity Submit button	Partial release instruction is denied because the relevant cut-off has been reached.	If the quantity present in a release Instruction is lower than the settlement quantity stated in the referenced settlement instruction, the related cut-off must not have been reached.
SPSA002	Party Released Quantity CoSD Released Quantity Submit button	Partial release instruction is denied because it does not comply with partial settlement rules.	If the quantity present in a release instruction is lower than the settlement quantity stated in the referenced settlement instruction, it must comply with partial settlement rules.
SPSA019	Party Released Quantity CoSD Released Quantity Submit button	At least one associated realignment Settlement Instruction is on hold.	If the quantity present in a Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction, none of the associated realignment Settlement Instruction must be submitted to any hold

1.3.11 Conditional Securities Delivery

The following diagram shows the conceptual data model for Conditional Securities Delivery management.



[…]

CoSD Rule Set

This entity defines the set of CoSD rules defined by each CSD.

ATTRIBUTE	DESCRIPTION
Valid From	It specifies the date from which the rule set is valid.
Valid To	It specifies the date to which the rule set is valid.
Name	The name of the Conditional Securities Delivery Rule Set.
Description	It specifies the description of the Conditional Securities Delivery Rule Set.
Administration Type Securities	It defines whether T2S shall block securities when an instruction is marked for conditional delivery.
Administration Type Cash	It defines whether T2S shall block cash when an instruction is marked for conditional delivery.
Partial Release Allowed	It defines whether partial release of instructions subject to COSD hold and partial COSD release shall be supported or not.

Each *CoSD Rule Set* is linked to the relevant CSD and to a set of *CoSD Rules*.

4.5.3.24 Conditional Securities Delivery Rule Set - New

- Record Type: “CoSD Rule Set”

The record is used to create a conditional securities delivery rule set.

The function is available for T2S only.

Flat file	Excel	Column Name	Format	Description	Rules	Occurs per Record	Occurs per Group
2	B	Record Id	NUMERIC (10)	Unique identifier of the record.	Must occur in each line of the record.	1..n	
						1..1	
3	C	Name	VARCHAR (35)	Name of the conditional securities delivery rule set.			1..1
4	D	Description	VARCHAR (350)	Description of the conditional securities delivery rule set.			1..1
5	E	Administering Parent BIC	CHAR (11)	BIC of the parent of the administering party.			1..1
6	F	Administering Party BIC	CHAR (11)	BIC of the administering party			1..1
7	G	Valid From	DATE	Valid from date of the conditional securities delivery rule set.	Must be equal or greater than the current date.		1..1

Flat file	Excel	Column Name	Format	Description	Rules	Occurs per Record	Occurs per Group
8	H	Valid To	DATE	Valid to date of the conditional securities delivery rule set.	Must be greater than the Valid From date.		0..1
9	I	Block on Cash Side	BOOLEAN	true = T2S shall block cash when an instruction is marked for conditional delivery			1..1
10	J	Block on Securities Side	BOOLEAN	true = T2S shall block securities when an instruction is marked for conditional delivery			1..1
10	K	Partial Release Allowed	BOOLEAN	true = T2S shall support partial release of instructions subject to COSD hold and partial COSD release.			1..1

CRDM UHB

2.3.2.1 CoSD Rule Sets - Search/List Screen

[…]

Screenshot

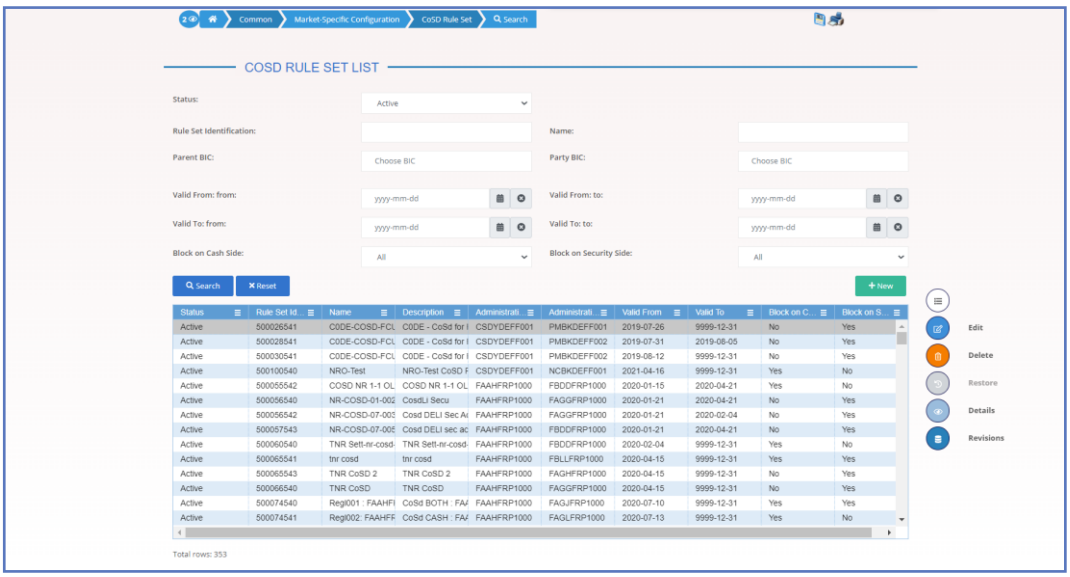


Illustration 1: CoSD Rule Sets – search/list screen

Fields Description

CoSD Rule Set - Search Criteria	
[…]	
Block on Cash Side	Select whether T2S shall block cash when an instruction is marked for conditional delivery from the possible values: – All (default value) – Yes – No
Block on Security Side	Select whether T2S shall block securities when an instruction is marked for conditional delivery from the possible values: – All (default value) – Yes – No
Partial Release Allowed	Select whether T2S shall support partial release of instructions subject to COSD hold and partial COSD release from the possible values: – All (default value) – Yes – No

CoSD Rule Set – List	
[…]	
Block on Cash Side	Shows whether T2S shall block cash when an instruction is marked for conditional delivery.
Block on Security Side	Shows whether T2S shall block securities when an instruction is marked for conditional delivery.
Partial Release Allowed	Shows whether T2S shall support partial release of instructions subject to COSD hold and partial COSD release.

[…]
2.3.2.2 CoSD Rule Sets - Details Screen
[…]

Screenshot

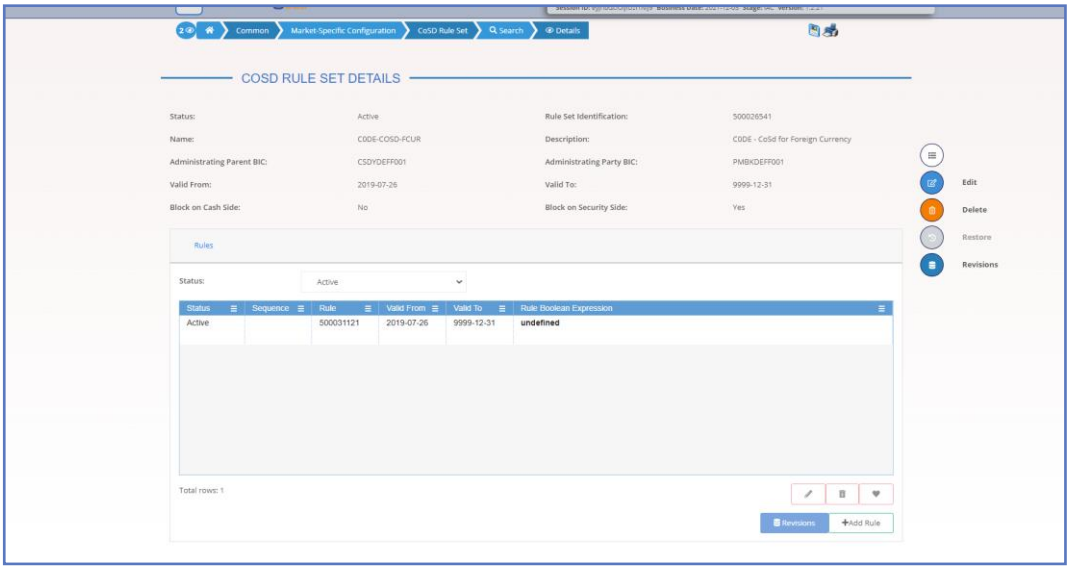


Illustration 2: CoSD Rule Sets – details screen

Fields Description

CoSD Rule Set	
[…]	
Block on Cash Side	Shows whether T2S shall block cash when an instruction is marked for conditional delivery.
Block on Security Side	Shows whether T2S shall block securities when an instruction is marked for conditional delivery.
Partial Release Allowed	Shows whether T2S shall support partial release of instructions subject to COSD hold and partial COSD release.

[…]

2.3.2.3 CoSD Rule Sets - New/Edit Screen
[…]

Screenshot

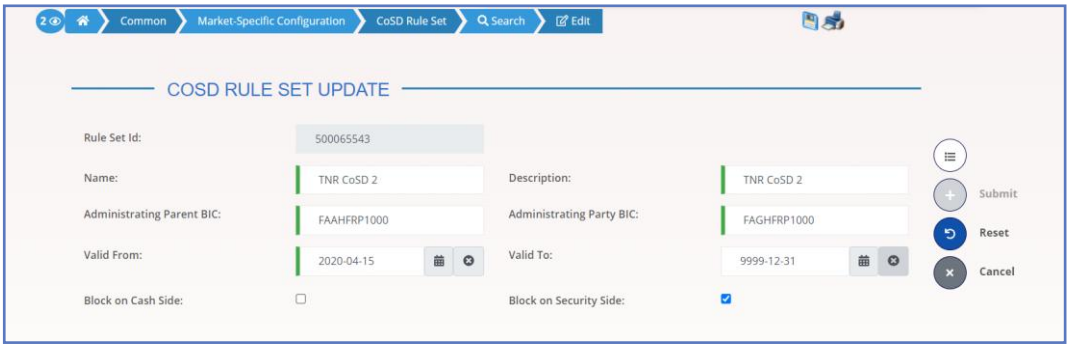


Illustration 3: CoSD Rule Sets – new/edit screen

Fields Description

CoSD Rule Set	
[…]	
Block on Cash Side	Select whether T2S shall block cash when an instruction is marked for conditional delivery or not. References for error messages [ ]: IDRCY040 IDRUY040
Block on Security Side	Select whether T2S shall block securities when an instruction is marked for conditional delivery or not. References for error messages [ ]: IDRCY040 IDRUY040
Partial Release Allowed	Shows whether T2S shall support partial release of instructions subject to COSD hold and partial COSD release. References for error messages [ ]: IDRCY050 IDRUY050

Buttons

Submit	This function enables the user to create or edit a conditional securities delivery rule set. References for error messages [ ]: IDRCY001 IDRCY005 IDRCY006 IDRCY010 IDRCY030 IDRCY040 IDRCY040 IDRUY001 IDRUY003 IDRUY005 IDRUY006 IDRUY010 IDRUY030 IDRUY040 IDRUY050
Reset	This function enables the user to set all fields to default value and blanks out all optional fields.
Cancel	This function enables the user to cancel the process and return to the previous screen.

4.3.2.16 CoSD Rule Set - New/Edit Screen

Reference for error message	Field or Button	Error Text	Description
DRCY050	!Partial Release Allowed field !Block on Cash Side field !Block on Securities Side field !Submit button	Invalid use of Partial Release Allowed	When performing a Conditional Securities Delivery Rule Set create request Partial Release Allowed can be set to True only when Administration Type Securities is set to true and Administration Type Cash is set to false.
DRCY050	!Partial Release Allowed field !Block on Cash Side field !Block on Securities Side field !Submit button	Invalid use of Partial Release Allowed	When performing a Conditional Securities Delivery Rule Set update request Partial Release Allowed can be set to True only when Administration Type Securities is set to true and Administration Type Cash is set to false.

Preliminary assessment:

- **Financial impact: Very High**
- **Impacted modules: DWH (tbc), CRDM, INTF, LCMM, SETT**
- **Impact on other Eurosystem Services or Projects:** No impact on other Eurosystem Services (T2, TIPS) or projects (ECMS)
- **Risk analysis:** No risks have been identified during PA

- **Findings:**

LCMM/SETT (common understanding):

- CoSD rules on cash and CoSD rules on BOTH (cash and securities) are out of scope. Party Hold Partial Release for instructions subject to CoSD will never lead to any cash blocking.
- CoSD rules are configured with "Partial Release flag" set to NO by default.
- The partially party hold released quantity must be fully blocked at once. It won't be blocked in partials.
- Once the securities have been blocked, the partial party hold release can't be reverted, even after the cut-off.
- The partial CoSD release for instructions fully released from party hold can be performed for cash. It will be managed through a CoSD rule on Securities with "Partial Release flag" set to YES. The cash will be unblocked and settled proportionally to the partially CoSD release quantity
- T2S will always settle the entire quantity that was partially COSD released.
- A partial CoSD release will be cancelled at the cut-off if the transaction has not settled due to lack of cash. The securities remain blocked.

LCMM:

Validation of Party Hold Partial Release of instructions on CoSD Hold:

- A Party Hold Partial Release, where the referenced Settlement Instruction or its counterpart is on CoSD hold will be accepted if all the CoSD rules fulfilled by the transaction are CoSD rules on securities, and at least one has the flag «Partial Release» set to YES. (see related open point 2).
- A new Party Hold Partial Release of an instruction on CoSD Hold will be rejected until the current Partial Release process has finished, i.e. until the quantity partially released has settled. The rejection is done in LCMM by using the value of the Partially Party Hold Release flag which is updated via an ad-hoc Status Update flow coming from SETT.

Validation of CoSD Partial Release:

- Partial CoSD release will be allowed only if there is just one CoSD rule left to be released, and it is flagged as "Partial Release" Yes.
- A new partial CoSD release will be rejected until the current partial release process has finished, i.e. until the quantity partially CoSD released has settled. The rejection is done in LCMM by using the value of a new 'Partially CoSD Hold Release Flag' to be created, which will be updated via an ad-hoc Status Update flow coming from SETT.
- In a Partial CoSD Release, the quantity indicated must be equal or less than the securities position of the referenced Settlement Instruction that is CoSD blocked. This check will be performed in the SETT domain.

Cancellation of the Party Hold Partial Release of instructions on CoSD Hold:

- After the blocking of the securities has taken place, it won't be possible to cancel the partial release.
- See open point 6.

Impacts in T2S

CRDM

- Data model of Conditional Securities Delivery has to be updated including the new flag
- DMT of CoSD rule has to be updated including the new flag
- New business rules must be introduced for CoSD rule set and rule in order to allow "Partial Release Allowed" as Yes only for rule sets with "Block on Security Side" set to Yes and "Block on Cash Side" set to No.

LCMM

- The logical data model has to be enhanced to be able to identify that the settlement instruction is under partial CoSD release process.
- The existing Partial Release functionality will be adapted so that Partial Release of the Party Hold of a Settlement Instruction on CoSD Hold is allowed under certain conditions.
- The existing CoSD Instruction Release functionality will be adapted so that Partial Release of CoSD is allowed under certain conditions.
- A new sub-function will be created in order to handle the validation and the processing of all the CoSD Release Instructions that come into the Maintenance Module with the intention of partial releasing from the CoSD Hold Settlement Instructions.
- Certain BRs which apply to a regular Partial Release of the Party Hold will need to be adapted in order to allow the Partial Release of instructions on CoSD Hold.
- Certain BRs which apply to the Partial Release of Party Hold, will be extended to also apply to the Partial CoSD Release.
- Some new BRs will need to be created specifically for Partial CoSD Release.
- The flows between LCMM and SETT will need to be updated to address the new possibilities in Partial Releases.
- T2S messages need to be updated in line with the messaging aspects agreed.
- U2A screens need to be updated accordingly

Messaging aspects:

- The logic requested by CR-823 for PREL reporting will be used:
  - Status Reason PREL will be used to report partial release.
    - If reported with PRSY, the partial release has been applied to the party hold.
    - If reported alone and the hold indicator CDEL appears, the partial release has been applied to the CoSD hold.
  - The partially released quantity will be informed in the PrtlyRlsdQty field. Depending on the scenario, this can either be the quantity partially released from Party Hold or the quantity partially released from COSD hold. If two quantities are partially released (from Party and from COSD Hold), then the quantity partially released from COSD hold will be reported.
- The quantity that remains pending to settle will always be informed in the usual SttlmQty field.
- The full flow of messages will be defined in during the DA.

SETT

- Add CoSD partial settlement indicator on settlement transaction in logical data model
- Add CoSD partially released indicator on settlement transaction in logical data model
- Add CoSD on hold quantity on settlement transaction in logical data model
- Add CoSD on hold amount on settlement transaction in logical data model
- Add the above attributes to relevant flows
- Verify if a CoSD hold is active on the instruction in case a partial party hold release is received from LCMM.
- Check if the settled CoSD released (partially or fully) quantity is equal or lower than the CoSD blocked quantity
- Prevent cancellation of pending partial party hold release for instructions subject to CoSD hold when triggered by link, new hold, change of partial settlement indicator
- Prevent cancellation of pending party hold release (partially or fully) for instructions subject to COSD hold at cut-off.
- Cancel pending CoSD hold release (full or partial) that remains pending at cut-off (e.g. due to lack of cash) and put the released quantity back on CoSD hold.

T2S DWH

A potential impact for T2S DWH AE can only be verified during the detailed assessment.

- **Open issues/ questions to be clarified by the originator:**

LCMM:

1. In the CR it is mentioned: "It cannot be applied on COSD rules which block securities and cash, cash only, or which do not block any resource." Could you please clarify to which scenario refers the COSD rules which do not block any resource?

   Clearstream feedback: in our understanding, it is possible to configure COSD rule sets where neither cash nor securities are blocked. We are not using this option, however. When Clearstream is defining COSD rule sets, there will always be a blocked resource, either securities or cash or both. But in our understanding, the option not to block any resource exists in T2S, and could be used, therefore we mentioned it in the CR798.

2. In the CR it says: "*Partial Release of instructions subject to COSD and Partial COSD Release is rejected in case there is more than one COSD rule left to be released*" but we propose to implement it slightly different: Partial CoSD Release is rejected in case there are more than one CoSD rule left to be released. Partial party hold Release of instructions subject to CoSD is accepted if at least one of the rules applying has the flag « Partial release » set to yes. In addition, all the rules applying must be on securities. In any other case, the partial release will be rejected. Could you please confirm it is ok? (Another option could be to not allow partial release of party hold for instructions subject to CoSD if <u>any</u> of the rules applying has the flag « partial release » set to NO, which would be more restrictive.)

   Clearstream feedback: we confirm the proposed implementation is fine.

3. In the CR it says: *Partial Release of instructions subject to COSD and Partial COSD Release can only be applied if there is only one COSD rule to be released, or if there are several COSD rules but all except one have been already released*" but it will be implemented a slightly different, in line with point 2. Partial party hold Release of instructions subject to COSD can only be applied if at least one of the rules applying has the flag « Partial release » set to yes. In addition, all the rules applying must be on securities. Partial COSD Release can only be applied if there is only one COSD rule to be released and has the flag « Partial release » set to yes. Could you please confirm it is ok?

   Clearstream feedback: Confirmed.

4. In the CR it says: "*Only in case the Intra-Position Movement to block the position <u>cannot be generated</u>, or it is cancelled during revalidation, then T2S shall revert the partial release, and put the instruction back on party hold."* Could you please clarify what you mean with «cannot be generated»? Is it that the SR remains unsettled?

   Clearstream feedback: we are referring to the step where T2S generates the Intra-Positions movement to block the securities. Theoretically, this step can fail, and this theoretical scenario is what we refer to. In reality, we do not expect that this step fails, and we are not even aware in which particular configuration it could fail. So this wording refers to the theoretical case that this step fails.
   We are not referring to the scenario where the Intra-Position Movement remains unsettled. In this case, T2S should attempt further the settlement, e.g. in case new incoming resources become available.

5. In the CR it says: "*…And second, to apply a partial release of party hold there can be only one COSD rule to be released".* But in line with points 2 and 3, this should be "*And second, to apply a partial release of party hold all the rules applying must be on securities.* Could you please confirm?

   Clearstream feedback: Confirmed.

6. If, when reaching the cut-off, the Settlement Restriction which attempts to block the securities doesn't settle due to lack of resources, what should be the expected result? Should a cancellation of the Partial Release take place following the same rules as for the current partial release (i.e. automatically cancelled at the cut-off)?

Clearstream feedback: Confirmed, in the particular case that the attempt to block the securities was not successful at the applicable cutoff, then the partial release of party hold (of an instruction subject to COSD) can be cancelled.
In this particular scenario, the securities were not blocked yet, and this means that the condition for Clearstream to initiate the external activities has not been reached yet.
Normally, this would be the sese.024 PEND/CLDR to confirm the blocking. But in this scenario, this message was not set yet. So it should be fine to cancel the partial release, and also the pending Intra Position Movement to block the securities. The client then needs to initiate the partial release again on the next business day, similar to the existing partial release logic.
However, in the scenario where the securities were blocked already, and the sese.024 PEND/CDLR was already sent, then it is not possible to cancel the partial release of party hold at cutoff. Then it must be kept also during cutoff. Background is that Clearstream has initiated the external activities already based on the confirmation of the blocking (via sese.024 PEND/CDLR), and then the blocked positions must be kept and must not be reverted. Else we would have a processing issue on Clearstream side that we initiate the external activity based on the confirmation of the blocking, but this precondition is no longer given in case of cancellation of partial release of party hold.
So, fine to proceed as suggested in the scenario where the blocking was not successful yet, and under the assumption that we have the same understanding on the items outlined in the bullets above.

SETT:

- In the CR it is mentioned: "The Party Hold remains partially released until the partially released quantity has **settled**. Then the instruction is put back on **full** Party Hold by T2S."
    - With **settled**, we assume that it means that the partial release has settled on the business transaction for the released quantity. Could you please confirm this assumption?

Clearstream feedback: Confirmed. The released quantity has settled, and the not yet released quantity is still to be settled.

    - With **full**, we assume that it is meant that the partial release indicator will be set to false, and that the remaining quantity on hold equals [original quantity - settled partially released quantity]. Is our understanding correct?

Clearstream feedback: Confirmed.

CRDM:

- Do we have to add the "Partial Release Allowed" flag (possible value Yes/No) in the CoSD rule? Is this intended as a flag (checkbox) in the upper part of the rule and not as a new parameter type?

Clearstream feedback: this flag should be added on COSD rule set level, on the same level as the "block on cash side" and "block on securities side" check boxes. So indeed a check box in the upper part (and not a new parameter in the rules table).

- For all the existing rules before the introduction of this change request, we assume that the value 'No' should be used.

Clearstream feedback: confirmed.

- The introduction of this flag on Rule side would cause dependency with the attributes 'Block on Security Side' and 'Block on Cash Side' of CoSD rule set. It would be also possible to add this flag at rule set level meaning that this new attribute would apply to all the rules under that rule set.

Clearstream feedback: as clarified under point 8, the partial release flag shall be defined on COSD rule set level. Then we need validations that the partial release flag can only be ticked if "block on securities side" is ticked, and "Block on Cash side" is not ticked.
The flag would not be part of the parameters in the rules table, as clarified under 8.

Detailed assessment:

EUROSYSTEM ANALYSIS – GENERAL INFORMATION

T2S Specific Components		Common Components	
LCMM			
X	Instructions validation		
X	Status management		
	Instruction matching		
X	Instructions maintenance		
X	Penalty Mechanism		
Settlement			
X	Standardisation and preparation to settlement		
X	Night-time Settlement		
	Daytime Recycling and optimisation		
X	Daytime Validation, provisioning & booking		
	Auto-collateralisation		
Liquidity Management			
	Outbound Information Management		
	NCB Business Procedures		
	Liquidity Operations		
T2S Interface		**Eurosystem Single Market Infrastructure Gateway** (from R6.0 June 2022)	
	Communication		Communication
	Outbound Processing		Outbound Processing
	Inbound Processing		Inbound Processing
Static Data Management *(until June 2022)*		**Common Reference Data Management** *(from R6.0 June 2022)*	
	Party data management		Party data management
	Securities data management		Securities data management
	Cash account data management		Cash account data management
	Securities account data management		Securities account data management
	Rules and parameters data management	X	Rules and parameters data management
Statistics and archive		**Statistics and archive**	
	Statistical information (until June 2022)		Short term statistical information
	Legal archiving (until June 2022)		Legal archiving (from R6.0)
		X	Data Warehouse (from R6.0)
Information *(until June 2022 containing reference data)*		**CRDM business interface** *(from R6.0 June 2022)*	
	Report management		Report management
X	Query management		Query management
			Communication
			Outbound Processing
			Inbound Processing
Operational Services			
	Data Migration (T2S DMT)		Data Migration (CRDM DMT, from R6.0)
	Scheduling (until June 2022)		Business Day Management (from R6.0)
			Business Day Management business interface (from R6.0)
	Billing (until June 2022)		Billing (from R6.0)
			Billing business interface (from R6.0)
	Operational Monitoring		Operational and Business Monitoring
	MOP Contingency Templates		

Impact on major documentation		
Document	**Chapter**	**Change**
Impacted GFS chapter	3.5.5	Change how management of links, release, hold, amendment and cancellation will be done for the case of partial CoSD release.
	3.5.6	Change cut-off processing for partial release under CoSD hold
	2.3.3.3 Instruction Maintenance	Consider that instructions under CoSD Hold can be partially released.
	3.4.1 General Introduction	Consider that instructions under CoSD Hold can be partially released.
	3.4.3.2 Description of the module	Include the checks that will be done for the partial release of the CoSD.
	3.4.4.2 Description of the module	Consider that instructions under CoSD Hold can be partially released.
	3.4.4.3 Description of the functions of the module	Adapt the BRs which deny the partial release of party hold to the new behaviour in which it is allowed for instructions subject to CoSD under certain circumstances.
	3.4.6.2 Description of the module	Include that Settlement Instructions with the CoSD Hold Status set to “yes” that are partially released from CoSD are submitted for partial settlement.
Impacted UDFS chapter	1.6.1	Update partial settlement with CoSD case.
	2.10.3	Do not cancel partial release if also under CoSD
	4.1	Add/update business rules
	1.6.1.6 Hold and Release	General adaptations to describe the new Partial CoSD Hold along the whole section, and in detail description of the associated processes in a new dedicated section.
	1.6.1.14.4 Penalty Eligibility	Include the new Error Descriptions associated to Reasons Codes ‘CDLR’ and ‘PRCY’ with eligibility ‘TRUE’ in the Failing Reasons Dictionary.
	3.2.1.6 Business validation	Update BR MMPR207 in Example 173
	3.3.6.5 SecuritiesSettlementTransactionStatusAdviceV10 (sese.024.001.10)	General adaptations and new message usages.
	4.1 Index of Business Rules and Error Codes	Include new business rules and error codes and adapt existing ones when needed.
	1.3.11 Conditional Securities Delivery 4.5.3.24 Conditional Securities Delivery Rule Set - New	Introduction of new field Partial Release Allowed for CoSD Rule Set data Model and DMT

Additional deliveries for Message Specification (UDFS, MyStandards, MOP contingency templates)	Securities Settlement Transaction Status Advice (sese.024.001.12) Usage Guideline	The T2S use of the *PrtlyRlsdQty* tag must be updated to describe its new uses. New examples will be added to reflect the cases of Partial Release of Party Hold of a SI under CoSD and Partial Release of CoSD
UHB	2.2.2.10 Hold/Release Instruction - New Screen 2.2.2.17 Settlement Instructions – Search/List Screen 2.2.2.18 Settlement Instruction - Details Screen 3.5.3.4 Partially Release a Settlement Instruction from Party Hold 3.5.3.7 Partially Release a Settlement Instruction from CoSD Hold 2.3.2.1 CoSD Rule Sets - Search/List Screen 2.3.2.2 CoSD Rule Sets - Details Screen 2.3.2.3 CoSD Rule Sets - New/Edit Screen 4.3.2.16 CoSD Rule Set - New/Edit Screen 5.4.2.46 Hold/Release Instruction - New Screen	Update according to the new possibilities. Update according to the new possibilities. Update according to the new possibilities. Update according to the new possibilities. Add new section to explain the Partial Release from CoSD Hold. Introduction of field “Partial Release Allowed” for Search/List, Details and New/Edit Screens and Business rules DRCY050 and DRUY050
External training materials	--	No impact
Other impacted documentation (FA Sch. 05, FA Sch. 07)	--	No impact
Impacted GDPR message/ screen fields	--	No impact

Links with other requests				
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

SETT:

The introduction of partial CoSD release will impact several functions in T2S.
When it comes to information exchanged, several flows that exchange information between LCMM and SETT will need to add information related to the partial CoSD release. Since the expected behaviour when it comes to cancelling a Party Hold Release is different whether the instruction is under CoSD hold or not, the functionality needs to be updated and modified. Specifically, it will be possible to cancel a party hold release that is subject to CoSD hold up until the blocking of the securities have been done. After the blocking has been executed, it will no longer be possible to cancel the partial party hold release. The process for partial CoSD release also needs to be described. New business rules also need to be created. Update of logical data model needed as well.

LCMM:

Enabling under certain conditions the Partial Release of the Party Hold of a Settlement Instruction on CoSD Hold and the Partial Release of CoSD will have the following functional impacts on LCMM:

Instruction Validation:

- **Check Privileges**
  - No new privileges will be defined for the new scenarios enabled; they will be covered by the privileges currently applying to regular release of either Party Hold or CoSD Hold.
- **Referenced LCMM Instruction Validation**
  - The Referenced LCMM Instruction Validation function needs to be adapted, in its sub-functions in charge of **Partial Release validations** and **Common Condition Modification Instruction validations** to also apply for Partial CoSD Releases when applicable.
  - The following business rules, which currently apply to the Party Hold Release, will be adapted to also apply to the CoSD Release:
    - **MVRI598** - If present, the Settlement Quantity indicated in a Party Release Instruction, or a CoSD Release Instruction, must be equal or lower than the Settlement Quantity stated in the referenced Settlement Instruction.
    - **MVRI599** - If present, the Settlement Quantity indicated in a Party Release Instruction**,** or a CoSD Release Instruction, must be a multiple of the Settlement Unit Multiple.
    - **MVRI600** - If present, the number of decimals of the Settlement Quantity of a Party Release Instruction**,** or a CoSD Release Instruction, must be equal or lower than the number of decimals of the Settlement Unit Multiple of the related Security.
    - **MVRI601** - If present, the Settlement Quantity stated in a Party Release Instruction, or a CoSD Release Instruction, must be expressed using the same Settlement Type as the one specified in T2S Reference Data for the ISIN Code of the referenced Settlement Instruction.
    - **MVRI603** - If the quantity present in a Party Release Instruction, or a CoSD Release Instruction, is lower than the Settlement Quantity stated in the referenced Settlement Instruction, the Securities Movement Type of the referenced Settlement Instruction must be 'DELI'.
    - **MVRI604** - If the quantity present in a Party Release Instruction, or a CoSD Release Instruction, is lower than the Settlement Quantity stated in the referenced Settlement Instruction, the referenced Settlement Instruction must not be a T2S generated Settlement Instruction
  - The following business rule which was adapted for the introduction of the Partial Party Release, will need to be further adapted for the introduction of the Partial CoSD Release:
    - **MVRI565** - If present, the Settlement Quantity indicated in a Condition Modification Instruction (that is not a party release or a CoSD release**)** must be the same as the Settlement Quantity stated in the referenced Settlement Instruction.
  - Logic will be added to map the Original Settlement Quantity to the new field Partially CoSD Released Quantity when applicable (similar to what is done in sub-function PartialReleaseInstructionValidations, but for the CoSD Partial Release).

Instruction Maintenance:

- **Maintenance Instruction Routing**
  - The Maintenance Instruction Routing function needs to be adapted to be able to differentiate PTYH Partial Releases from CoSD Partial Releases and route the latter to the Instruction Conditional Securities Delivery (CoSD) Release function.

- **Instruction Hold/Release**

  - **Processing Release Instructions**
    - The function Processing Release Instructions needs to be adapted in its **Partial Release Instructions Management** sub-function.
    - The following business rules that apply to a regular Partial Release of the Party Hold will need to be adapted to allow the execution of the new specific case of Partial Release of the Party Hold of a Settlement Instruction on CoSD Hold:
      - **MMRI206 -** If the quantity present in a Party Hold Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction, neither the referenced Settlement Instruction must be partially released, nor a pending Release Instruction of the same Hold type must be present in the system.
      - **MMRI208 -** If the quantity present in a Party Hold Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction, neither CSD Hold nor CSD Validation Hold must apply to the referenced Settlement Instruction nor any hold must apply to the counterpart.
      - **MMRI212** - If the quantity present in a Party Hold Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction, referenced Settlement Instruction must not be on CoSD hold, unless all the CoSD rules fulfilled by the transaction are rules on securities and at least one of them has the flag "Partial Release Allowed" set to YES. In addition, the counterparty instruction must not be on CoSD Hold.
        - Error text: Referenced Instruction in Party Hold release is on CoSD hold and conditions to allow a party partial release for an instruction subject to CoSD are not met or the counterparty is on CoSD hold.

  - **Processing Hold Instructions**
    - The function Processing Hold Instructions needs to be adapted in its **Hold Instructions Management** sub-function to ensure that an instruction subject to COSD hold that has been partially released from party hold **cannot** be put back on party hold (unless the CoSD blocking has not been possible). This means that if an instruction subject to CoSD hold has been partially released from Party Hold, the partial release of Party Hold cannot be cancelled.

- **Conditional Securities Delivery (CoSD) Instruction Release**
  - The following BR will need to be adapted, to not apply if the settlement instruction is also on Party Hold and under a partial party hold release process:
    - **MMPR207** - Unless the Settlement Instruction is under a partial party release process, the Hold statuses, except the CoSD Hold Status, of a Settlement Instruction referenced by a CoSD Release Instruction or its matched Settlement Instruction, must be 'No'.
  - Two new BRs will need to be created to **prevent undesirable scenarios:**
    - **MMPR215** - The last CoSD rule pending to be released cannot be fully released if the Settlement Instruction is only partially released from Party Hold.
    - **MMPR216 -** If the Settlement Instruction is under a partial party release process, a CoSD rule cannot be fully released unless there is at least another CoSD rule pending to be released with the "Partial Release Allowed" flag set to YES.
  - **A new sub-function** will be created inside the Conditional Securities Delivery (CoSD) Instruction Release function, which will be in charge of the processing of all **Partial** CoSD Release Instructions.
    - This new function will work in a similar way to the sub-function Partial Release Instructions Management (of the Processing Release Instructions function), by first performing the corresponding validations, then checking if there is any CoSd Hold/Release Instruction whose execution is pending of a response from SETT, and as a result of this check, triggering or not a new request to SETT.
    - The following business rules, that currently apply for the regular (full) CoSD Release, will **also** be checked for the Partial CoSD Releases:
      - **MMPR201** - The Settlement Status of a Settlement Instruction referenced by a CoSD Release Instruction must not be 'Settled'.
      - **MMPR202** - The Cancellation Status of a Settlement Instruction referenced by a CoSD Release Instruction must not be 'Cancelled'.
    - The following **new** Business Rules, that apply **specifically to Partial CoSD Release** will be **created** and they will be checked in the new sub-function:
      - **MMPR210** - If the quantity present in a CoSD Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction, the

CoSD Rule reference specified in a CoSD Release Instruction must be the only rule left to be released in the business transaction.

- **MMPR211** - If the quantity present in a CoSD Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction, the CoSD Rule reference specified in a CoSD Release Instruction must have the "Partial Release Allowed" flag set to YES.
- **MMPR212** - If the quantity present in a CoSD Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction, there must not be any other CoSD Partial Release process ongoing for the referenced Settlement Instruction and no other pending CoSD Release Instruction must be present in the system.
- **MMPR213** - If the quantity present in a CoSD Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction, the Hold statuses of the referenced Settlement Instruction must be 'No', except for the CoSD Hold and the Party Hold if the referenced instruction is partially released from Party Hold. In addition, the counterparty Instruction must not have any hold.
- **MMPR214** - If the quantity present in a CoSD Release Instruction is lower than the Settlement Quantity stated in the referenced Settlement Instruction, the referenced Settlement Instruction and its counterpart must allow partial settlement.

- If any of the applicable business rule is not met, this function will deny the execution of the Partial CoSD Release, by setting the Cancellation Status of the Release Instruction to "Denied" with the relevant Reason Code.
- If all validations required for Partial CoSD Releases are passed, this function will request **SETT** for the execution of the partial CoSD release. The Settlement Instructions will remain with their CoSD Status to 'YES'.
- If the partial CoSD release is executed by **SETT**, **LCMM** will update an internal **'partial CoSD release'** flag of the instruction from 'False' to 'True' and set the Execution Status of the Partial CoSD Release Instruction to "Executed".
- Additionally, **SETT** will inform **LCMM** to be able to change the flag from 'True' to 'False' in the following scenarios:
  - When the partial CoSD release instruction is fully settled and therefore the release process is cancelled.
  - When the relevant cut-off is reached and therefore the partial CoSD release process is cancelled.

Status Management:

- **Life Cycle Track**
  - The Life Cycle Track needs to be updated in order to carry out the Partially CoSD Released Quantity, Remaining CoSD Released Quantity and Remaining Quantity On CoSD Hold.
- **Data Collection for Messages**
  - The Data Collection for Messages function needs to be updated, when necessary, according to the Messaging aspects described below.
- **Status Update Technical Service**
  - The Status Update Technical Service needs to be updated in order to update the new flag and quantities.

Penalty Mechanism:

- **Penalty Eligibility**
  - Include the new Error Descriptions associated to Reason Codes 'CDLR' and 'PRCY' with eligibility 'TRUE' and 'FALSE' respectively in the Failing Reasons Dictionary.

LCMM Logical Data Model:

- The logical data model must be enhanced to be able to identify that the settlement instruction is under partial CoSD release process.
- New fields must be created in the Settlement instruction entity to identify if it is under a partial release process and to keep record of the execution and cancellation of a partial release.

Messaging Aspects:

The following messaging aspects are presented in a theoretical sequential order following scenario 2 described

in this CR. Finally, as conclusions, the principles that guide the new use cases enabled by this CR are described.

- Suppose a Settlement Instruction on Party Hold and CoSD Hold.
- A Partial Release of the Party Hold of a Settlement Instruction on CoSD Hold will be instructed in the same way as it is done today for a S.I. that is not on CoSD Hold **(sese.030)**.
- "Accepted" and "Executed" SecuritiesSettlementConditionModificationStatusAdvice **(sese.031)** for a Partial Release of the Party Hold of a Settlement Instruction on CoSD Hold will be the same as those sent today for the Partial Release of the Party Hold.
- Once a Partial Release of the PTYH of a SI in CoSD is executed, the Settlement Instruction Status Advice **(sese.024)** sent will inform the Settlement Status **"PREL"** (to report partial release) **together** with the Settlement Status **"PRSY"** (the presence of "PRSY" indicates that the partial release has been applied to the Party Hold). The quantity partially released from Party Hold will be informed in the **PrtlyRlsdQty** field. The quantity that remains pending to settle will always be informed in the usual **SttlmQty** field.
- Once the quantity partially released from Party Hold has been blocked, the Settlement Instruction Status Advice **(sese.024)** sent to the interested parties and the Administering Parties, will inform the Settlement Status **"CDLR"**.
- A Partial Release of the CoSD Hold will be instructed in the same way as it is done today for a full CoSD Release **(sese.030)**, except that the quantity for which the partial CoSD release should be executed will be informed in the field 'Quantity' in the Additional Information block, **AddtlInf/Qt**. T2S will differentiate between a full CoSD Hold release and a partial CoSD release if the quantity informed in this field is lower than the quantity remaining to be settled of the underlying Settlement Instruction.
- "Accepted" and "Executed" SecuritiesSettlementConditionModificationStatusAdvice **(sese.031)** for a Partial Release of the CoSD Hold will be similar to those sent today for the Partial Release of the Party Hold.
- Once a Partial Release of the CoSD Hold is executed, the Settlement Instruction Status Advice **(sese.024)** sent will inform the Settlement Status **"PREL"** (to report partial release) **without** the Settlement Status **"PRSY"** (the absence of "PRSY" indicates that the partial release has been applied to the CoSD Hold). The Hold Indicators **CDEL** and **PTYH** are informed. The partially CoSD released quantity will be informed in the **PrtlyRlsdQty** field. The quantity that remains pending to settle will always be informed in the usual **SttlmQty** field.
- In case the cut-off is reached **before** the quantity partially released from CoSD Hold has settled, a Settlement Instruction Status Advice **(sese.024)** is sent to the interested parties and the Administering Parties, informing the Settlement Status **"CDLR"**, together with Reason Code **SPSA022 – "**Partial CoSD release process is cancelled because the relevant cut-off has been reached. Awaiting CoSD release from administering party*",* indicating that the instruction is now again pending of a release from Administering Party.
- Once the quantity partially released from CoSD Hold has settled (informed by sese.025), a Settlement Instruction Status Advice **(sese.024)** is sent with the Settlement Status **"PART"** indicating the partial settlement of the transaction. The partially released quantity informed with "PART" will always refer to the quantity remaining partially released from Party Hold (after the quantity partially released from CoSD Hold has settled, the quantity partially released from CoSD can only be zero). Because the Settlement Instruction is still on Party Hold, the quantity partially released from Party Hold (which coincides with the quantity pending to be released form CoSD) is informed. In case the Settlement Instruction is **not** on Party Hold, the quantity will be zero (because it refers to the remaining quantity released from CoSD Hold).
- Additionally, a Settlement Instruction Status Advice **(sese.024)** is sent to the interested parties and the Administering Parties, informing:
    - **If there is still some quantity CoSD blocked**, the Settlement Status **"CDLR"**, together with Reason Code **SPSA020 – "**CoSD awaiting from administering party due to the settlement of a partially released instruction*."*.
    - **If there is nothing more CoSD blocked**, the Settlement Status **"PRSY",** indicating that the Partial CoSD Release process has ended. Additionally, if the Settlement Instruction is on Party Hold, the Settlement Status **"PREA",** together with the Reason Code **SPSA003 –** "*Settlement Instruction is on hold due to the settlement of a partially released instruction",* indicating that the Partial Party Hold Release process has ended.
- In **conclusion**, the messaging related to the new scenarios that arise from this change request is based on the following **principles**:
    - The logic requested by CR-823 for PREL and Partially Released Quantity reporting will be used:
        - If PREL is informed together with PRSY, it refers to a Partial Release of Party Hold. Otherwise, it refers to a Partial Release of CoSD.
        - Regarding the Partially Released Quantity, it is reported with PREL and with PART:
            - With PREL, if informed together with PRSY it refers to the quantity partially released from Party Hold. Otherwise, it refers to the quantity partially released from CoSD.
            - With PART,

- If the Settlement Instruction is on Party Hold and CoSD Hold, it refers to the remaining quantity partially released from Party Hold (blocked and pending to be released from CoSD Hold).
- If the Settlement Instruction is only on CoSD Hold, it refers to the remaining quantity partially released from CoSD (which will be zero, because it settles all or nothing).

- New business rules are included along with Reason Code CDLR to indicate the reason why the instruction is back to CDLR after a Partial CoSD Release, which can be either that:
  - The Partial CoSD Release has been cancelled because the relevant cut-off has been reached, or
  - The partial CoSD Release has been cancelled because the quantity partially released from CoSD has settled.
- No business rules are included with Reason Code PRSY. If the instruction is back to PRSY and the instruction is also on Party Hold, PREA will be informed too, along with the corresponding existing business rule to indicate that the Settlement Instruction is on hold due to the settlement of a partially released instruction.

- New message usages and examples of sese.024 will be created.

LCMM Screens:

- The "New Hold and Release Instruction" screen must be updated with a new field to input the CoSD released quantity in case of CoSD partial release. This field should only be available when it is allowed to perform a partial CoSD release (i.e. the released instruction is on 'CoSD Hold', it is the delivering side of the transaction and it is not an internally generated instruction). Otherwise, the field should be greyed out.

CRDM:

Introduction of field "Partial Release Allowed" for CoSD Rule Set object.
This field is introduced in the following channels:

- CRDM GUI:
  - Search/List Screen: New Search Criterion and column in list
  - Details Screen: New field
  - New/Edit screen: New field
- DMT: new field

New Business rules are introduced in order to use this new field only when "Block on Security Side" is selected and "Block on Cash Side" is unselected:

- Create Mode: Business Rule DRCY050
- Update Mode: Business Rule DRUY050

DWH:

- Changes in the data models of SETT and LCMM need to be incorporated in the DWH data models.
- Respective load jobs need to be adapted accordingly.
- Adapt Cognos framework manager where necessary.

QUM:

- Add new fields "**CoSD Remaining hold quantity"** and **"CoSD released quantity"** to the Settlement Instruction Audit Trail Query.
- Change the current fields "Remaining released quantity" and "Remaining on hold quantity" to **"Remaining released quantity for Party Hold"** and **"Remaining Party hold quantity".**

Main Cost Drivers:

- Update of the internal and external documentation for the implementation of the above described changes: 19%;
- Development of the above described functionalities: 39%
- Execution of functional and non-regression tests: 34%

Impact on other TARGET Services and projects

No impact on other Eurosystem services (T2, TIPS) or projects (ECMS).

Summary of project risk

No risks have been identified during detailed assessment.

Security analysis

No adverse effect has been identified during detailed assessment.

DG - MARKET INFRASTRUCTURE & PAYMENTS

24 March 2025

Cost assessment on Change Requests

T2S-0798-URD – T2S COSD logic should support partial release of instructions subject to COSD and partial COSD release			
One-off	Assessment costs* - Preliminary - Detailed	 2,000.00 10,000.00	 Euro Euro
One-off	Development costs	1,638,842.21	Euro
Annual	Operational costs - Maintenance costs - Running costs	 171,434.76 0.00	 Euro Euro

*The relevant assessment costs will be charged regardless of whether the CR is implemented (Cf. T2S Framework Agreement, Schedule 7, par. 5.2.3).