

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: Euroclear	Institute: CSD	Date raised: 26/03/2026
Request title: Parking mechanism for instructions missing ISIN reference data set-up		Request No.: T2S 0873 URD
Request type: Common	Classification: Scope enhancement	Urgency: Normal
1. Legal/business importance parameter ¹ : High	2. Market implementation efforts parameter ² : Medium	
3. Operational/Technical risk parameter ³ : Low	4. Financial impact parameter ⁴ : (provided by 4CB)	
Requestor Category: CSD		Status: Registered

Reason for change and expected benefits/business motivation:

When a T2S Actor sends a settlement instruction or settlement restriction, the business validation process checks the consistency of the instruction and verifies that it successfully passes the applicable validation checks. This validation check is performed comparing the reference data relevant at the Intended Settlement date and additionally on the current Business Day if the Intended Settlement Date is in the past (with CR-835 this will change to be "or at the current business date if the ISD is in the past") with the information fulfilled in the instruction. If reference data is not correctly set-up, the settlement instruction/restriction will be rejected (or cancelled if in revalidation) with a business rule explaining which validation check was not passed.

Normally, T2S Actors ensure that the reference data is properly set-up before submitting settlement instructions. However, there are some cases where the instruction fails to pass ISIN validations checks because the creation of reference data was delayed on user side. Following cases explain this business case:

- Sometimes CCPs receive trades on trade date from trading platforms without prior notification, and following the netting process, the settlement instructions are sent to the investor or issuer CSD on trade date. Down the chain, the investor CSD is not always informed about a new listing of ISINs on the same day and this might delay the creation of the ISIN in T2S.
- Reference data for newly issued securities are often set up in the investor CSD with some delay. This means that even if the Issuer CSD creates the ISIN in CRDM, Investor CSDs might take some time until all the compliance checks are performed on the ISIN before a security CSD link can be set-up.
- Some issuing agents distribute securities via already matched instructions across the issuer CSD and investor CSD via cross-CSD transactions, which operationally can be challenging for the investor CSD to receive the static securities data on time and before the transactions are instructed.

When this situation arises, T2S users need to create the reference data and re-instruct the rejected settlement instructions, which create unexpected operational follow up and queries on both the participant, instructing party and the CSD side before the ISIN is correctly set up in T2S.

In order to address this situation, of which a common denominator is that ISIN has not been created in T2S, T2S shall implement a 'Parking mechanism' for settlement instructions that fail to pass the validation for existence in T2S of the ISIN code indicated in the Settlement Instruction, subjecting them to subsequent validation attempts throughout the business day, thus allowing time for the creation of the ISIN and related reference data by the user in CRDM.

This mechanism should allow, under certain conditions, that a settlement instruction instructed by a participant in

¹ Legal/business importance parameter was set to 'High' because with this change CSD participants will not need to reinstruct instructions for which the ISIN reference data could not be created until the time when they were instructed.

² Market implementation effort parameter was set to 'Medium' since not a long test campaign would be requested on the side of the CSDs, NCBs or 4CB.

³ Operational/technical risk parameter was set to 'Low' because this change does not create operational or technical risk.

⁴ Low < 100kEUR < Low-Medium < 200 kEUR < Medium < 400kEUR < High < 700kEUR < Very high

T2S, that would otherwise be rejected due to missing ISIN reference data set-up, is recycled for a limited period of time, allowing additional time for the reference data to be properly set-up.

The ultimate objective is to avoid having to re-instruct settlement instructions due to security static data issues caused by the delayed creation of reference data which arises in the situations described above, as the CSD will have fixed the static data in the meantime. The parking mechanism will prevent any subsequent processing of the instructions, until the next validation attempt runs without intervention of the instructing party. When the next validation attempt runs, the Settlement Instruction will be validated again and can be either accepted/rejected as usual, or kept parked. If the ISIN has not yet been created, the instruction will remain parked as long as there is still a subsequent validation attempt possible on its ISD (plus the parking recycling period) and there is no other validation errors not related to the ISIN.

Especially in a T+1 context, the time to investigate and set up ISINs and static data will be reduced and so the risk of a settlement delay increases. Static data around securities creation is typically not disseminated immediately from the issuer CSD to the investor CSDs and is not compatible with the need to be able to submit settlement instructions on trade date.

With this enhancement, following the standard process, once an instruction is parked due to missing ISIN reference data set-up, the instructing party will be informed of the outcome of failing business validation checks. Whenever the rejection is the result of the inexistence of the ISIN in CRDM, and a subsequent validation attempt is still possible on the ISD (plus the parking recycling period) of the Settlement Instruction, along with the normally reported business rule, a new particular business rule will be informed, to add that Settlement Instruction remains parked and a subsequent validation attempt will be performed. There will be no action to take on the participant side and the CSD will acknowledge the need to set up the security static data. The specific details on how this will be reported in terms of ISO message compliance will need to be analysed during the assessment.

Description of requested change:

T2S shall implement a **parking mechanism** that will 'park' instructions submitted to T2S and that failed to pass the business validations because the 'Security' or 'Security CSD link' was never set-up. These two reference data objects are referred in the rest of the document as 'ISIN'. This mechanism should have following features:

Parking recycling period:

- A new concept 'Parking recycling period' shall be created in CRDM and initially set to three business days.
- Only the T2S Operator shall be allowed to change it.
- This period determines the number of business days after the ISD until when an instruction would be subject to the parking mechanism.
- Hence, the scope of instructions subject to this mechanism will be those settlement instructions with an ISD equal CBD, minus the 'Parking recycling period' or in the future. For example, an instruction with ISD= D would be subject to the parking mechanism until D+3. Following the same principle, instructions submitted with an ISD=CBD-3 would still be subject to parking, as long as the 'parking recycling period' is 3 days.

Business validation process:

Validation of settlement instruction:

- T2S shall enhance the business validation process in order to:
 - IF the ISIN does not exist, AND there is no other validation error not related to the ISIN, AND at the moment of validation a subsequent validation attempt in the ISD, plus the parking recycling period, of the instruction IS possible, THEN the instruction is parked.
 - IF the ISIN does not exist, AND there is no other validation error not related to the ISIN, AND at the moment of validation a subsequent validation attempt in the ISD, plus the parking recycling period, of the instruction IS NOT possible, THEN the instruction is rejected as usual.
 - IF the ISIN does not exist, AND there is any other validation error not related to the ISIN, THEN the instruction is rejected as usual regardless of whether a subsequent validation attempt in the ISD, plus the parking recycling period, of the instruction is possible or not.
- T2S shall implement a mechanism to trigger subsequent validation attempts for the settlement instructions that have been parked. The frequency of validation attempts shall be set initially to one every hour. During the detailed assessment, another frequency might be considered if this one entailed an impact on performance.
- During each subsequent validation attempt, each instruction will either be:

- Successfully validated if no validation errors are encountered. In this case the instruction will be accepted and further processed as usual.
- Kept parked if the ISIN has not been created yet and there is no other validation error not related to the ISIN, and there is still another attempt possible in the day.
- Rejected if either
 - The ISIN has been created but there are other validation errors.
 - The ISIN has not been created and the ISD plus the 'parking recycling period' of the instruction has been reached and there is no other validation attempt possible in the day.

Reporting of parked instructions.

- T2S shall implement a new business rule to report that an instruction has been parked, and a subsequent validation attempt is possible. This will indicate the user that if the static data is correctly set-up, the settlement instruction should be accepted in the following attempt without needing to reinject it.
- 4CB should provide with the preliminary assessment a proposal on how parked instructions would be reported in the sese.024
- This new business rule shall be reported together with the usual business rule currently reported according to the validation error.
- If the rejection is definite the new business rule will not be present (i.e. the same scenario as a rejection currently), meaning that either
 - The ISIN exists but there is other validation error.
 - The ISIN does not exist but another validation attempt before the end of the business day of the ISD plus the 'parking recycling period' of the instruction is not possible.
- The reporting of the parked instruction should be sent to the same parties as it is done today for rejected instructions. This means that for 3rd parties having a power of attorney to instruct on a participant account in T2S shall also receive this reporting.
- Parked transactions shall be reported in the semt.018 'Report of pending settlement instructions'

Cancellation of parked settlement instructions.

- Parked settlement instructions shall not be subject to 'matching', 'hold/release' or 'amendments' until they are approved and moved out from the parking mechanism.
- Parked settlement instruction shall be subject to cancellation by the user.

Last event within the business day to revalidate Parked settlement instructions.

- The last event to check whether a settlement instruction passes ISIN validation checks shall be within the RTS Closure Period. 4CB should check during the preliminary assessment whether there should be a different phase of the day to schedule this event.

Impact on penalties for 'parked settlement instructions'

- Parked settlement instructions that are revalidated are successfully passes the business validations shall continue to compute penalties when the revalidation takes place after the ISD.
- For example, if a settlement instruction is instructed with ISD=CBD and it is parked on CBD until CBD+3, when it is revalidated successfully, it shall continue to compute LMFP. As a like for like approach with today, it will be up to the CSD participant to request an appeal ex post, considering the reason for not settling would be the absence of reference data setup by the CSD.

Applicability of parking mechanism

The functionality shall apply to all T2S CSDs, which means that it will not be configurable.

Impact on Duplicate check validation.

The duplicate check validation should take into account those instructions that are parked in order to assess whether the newly instructed instruction is duplicated or not. This follows a like-for-like approach to the current checks, where an instruction is rejected if the reference included is the same as any other instruction previously submitted and in status 'Accepted' or 'Awaiting for approval'. The duplicate check validation should also take into account 'parked instructions' together with 'Accepted' and 'Awaiting for approval' instructions to reject a newly submitted instruction if its reference is already used.

Impact on U2A - Screens.

The parked instructions should be queryable via U2A. Impact on screens to be confirmed during the preliminary

assessment.

In practice, depending on the Intended settlement date and the parking recycling period, an instruction for which the security is not created and there is no other validation error not related to the ISIN, could have the following results:

- Future dated instructions (ISD > CBD): Instruction to be parked until ISD.
- Instructions with ISD=CBD - parking recycling period: Instruction to be parked until the last validation attempt, when it will be rejected
- Instruction with ISD < CBD - parking recycling period: Instruction to be rejected and not to be parked.

In summary, after an instruction is parked, only following cases can occur in the next subsequent validation attempt:

- o Instruction remains parked because ISIN does not exist, and there is no other validation error not related to the ISIN, and a subsequent validation attempt in the ISD + parking recycling period of the instruction is possible
- o Instruction is accepted since it passed all business validations.
- o Instruction is rejected because either it did not pass a business validation not related to the ISIN or because there is no validation attempt pending to run in the ISD of the instruction.

Submitted annexes / related documents:

Outcome/Decisions:

*ECB on 26 March 2026: the ECB team checked the completeness of the CR template, assigned change request number CR-0873 and informed the CR initiator.

*CRG on 10 July 2026: the CRG agreed to launch the preliminary assessment for CR-0873.

Documentation to be updated:

Preliminary assessment:

Detailed assessment:
