



Multiple-status reporting in a Status Notification

August 2015

T2S Programme Office
European Central Bank





Scope of the Presentation

What is the multiple-status principle for instructions in T2S?

In which scenarios and combinations will T2S send multiple statuses within a single status advice message notification (sese.024)?

In which scenarios, changes in counterparty instruction status is notified to the party?

Where to find T2S status information within sese.024 message fields? Which sese.024 elements are relevant for the T2S status reporting?



Table of Contents

- 1 Status Management – An Overview**
- 2 Multiple-status principle
- 3 Scenarios of multiple-status reporting
- 4 Status reporting - change in counter instruction status



Status Management in T2S

Overview (I)

- T2S informs T2S Actors about the results of the processing of Settlement Instructions, Settlement Restrictions, Maintenance Instructions, Liquidity transfers and Static Data updates through a status reporting.
- The communication of statuses to T2S Actors is complemented by the communication of ISO reason codes, and in case of a negative result of a T2S process the communication of error codes.
- The status of an instruction is indicated through a value, which is subject to change through the lifecycle of the instruction. This value provides T2S Actors with information about the **situation of the instruction** with respect to a given T2S process **at a certain point in time**.



Status Management in T2S

Overview (II)

Following are different elements related to statuses presented in a single status advice message notification (sese.024)

- **T2S statuses:** The statuses available for an instruction in T2S as described in UDFS v 2.0 subsection "Statuses and status values in T2S" in page 603
- **ISO statuses:** The statuses available in the ISO messages and defined as such in the message documentation (e.g. in the sese.024 usage guideline document "cancelled" is defined as a status in the message)
- **ISO reason codes:** Further information provided in the message related to a given status (e.g. for the "pending" status there are different reason codes which provide the user with the information why the instruction remains unsettled)



Table of Contents

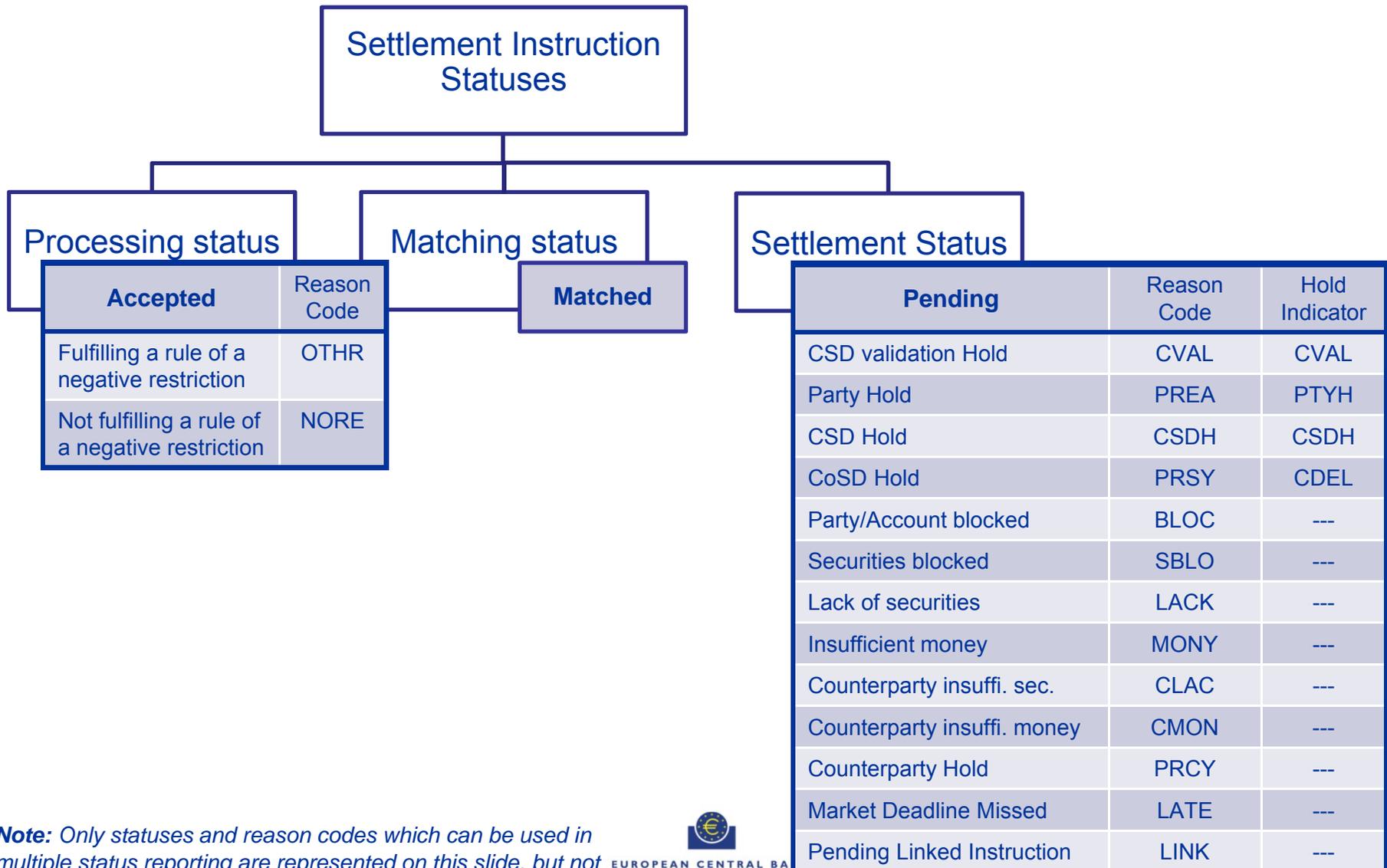
- 1 Status Management – An Overview
- 2 Multiple-status principle
- 3 Scenarios of multiple-status reporting
- 4 Status reporting - change in counter instruction status



Multiple-status Reporting Principle

- T2S has adopted the multiple-status principle for instructions (i.e. settlement instructions, settlement restrictions and maintenance instructions) which will have different statuses maintained for different processes.
- T2S informs the T2S Actor by sending status advice messages if:
 - there is a change in a status value of an instruction in T2S
 - there is no change in a status value of an instruction in T2S but there is a change in the ISO reason code associated to the status value
- In case of settlement instructions, it is possible that multiple statuses or reason codes are changed at the same time. In such scenarios T2S communicates multiple statuses or reason codes within a single status advice message (multiple-status reporting).

Multiple-status Reporting Settlement Instruction Statuses and Status Values



Note: Only statuses and reason codes which can be used in multiple status reporting are represented on this slide, but not all represented codes can be reported together.



Multiple-status Reporting

Reason codes description

	Reason code	Name
Processing status – Accepted SctiesStlImTxStsAdvC/PrcgSts/AckdAccptd/NoSpCfdRsn SctiesStlImTxStsAdvC/PrcgSts/AckdAccptd/Rsn/Cd/Cd	NORE	NoReason
	OTHR	Other
Matched status SctiesStlImTxStsAdvC/MtchgSts/Mtchd	Not applicable	Not applicable
Settlement status SctiesStlImTxStsAdvC/StlImSts/Pdg/Rsn/Cd/Cd	CVAL	CSDValidation
	PREA	YourInstructionOnHold
	CSDH	CSDHold
	PRSY	SystemOnHold
	PRCY	CounterpartyInstructionOnHold
	BLOC	AccountBlocked
	LACK	LackOfSecurities
	CLAC	CounterpartyInsufficientSecurities
	LATE	MarketDeadlineMissed
	LINK	PendingLinkedInstruction
	MONY	InsufficientMoney
	CMON	CounterpartyInsufficientMoney
	SBLO	SecuritiesBlocked
Hold Indicator SctiesStlImTxStsAdvC/TxDtls/StlImParams/HldInd/Rsn/Cd/Cd	CDEL	ConditionalDelivery
	CSDH	CSDHold
	CVAL	CSDValidation
	PTYH	PartyHold



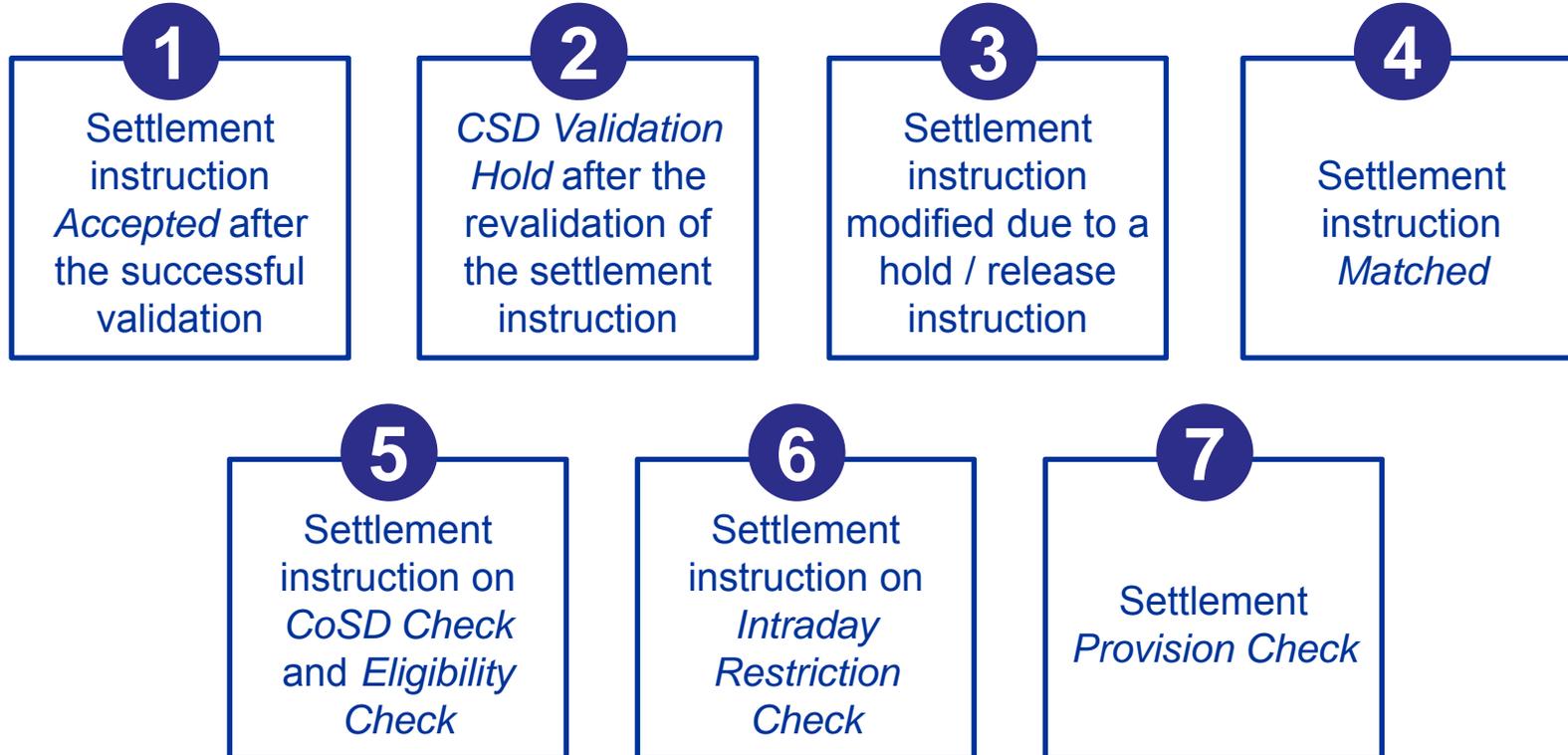
Table of Contents

- 1 Status Management – An Overview
- 2 Multiple-status principle
- 3 Scenarios of multiple-status reporting
- 4 Status reporting - change in counter instruction status

Scenarios of multiple-status reporting

Trigger points for multiple-status reporting

Following are seven trigger points during the lifecycle of the settlement instruction/Maintenance instruction at which T2S could send multiple statuses in a status advice notification message





Scenarios of multiple-status reporting

Multiple statuses during instruction acceptance

1

Settlement instruction *Accepted* after the successful validation

Following are different possible combinations of multiple T2S status related attributes that could be reported in Securities Settlement Transaction Status Advice (sese.024) after the settlement instructions are accepted depending on the scenario

No.	Scenario	Accepted	Settlement Status	
1.1	Send unmatched settlement instruction to T2S with Party Hold**	NORE*	PREA	
1.2	Send unmatched settlement instruction to T2S with CSD Hold	NORE*	CSDH	
1.3	Send unmatched settlement instruction to T2S with CSD Hold and Party Hold	NORE*	CSDH	PREA

* OTHR in case of a negative restriction (rejection and/or CSD Validation Hold)

** Party hold also applies to cases where the securities account is configured with default hold



Scenarios of multiple-status reporting

Multiple statuses during instruction acceptance

No.	Scenario	Accepted	Settlement Status		
1.4	Send unmatched settlement instruction to T2S that fulfils positive case one restriction for CSD Validation Hold	OTHR	CVAL		
1.5	Send unmatched settlement instruction to T2S with CSD Hold that fulfils positive case one restriction for CSD Validation Hold	OTHR	CVAL	CSDH	
1.6	Send unmatched settlement instruction to T2S with the Party Hold that fulfils positive case one restriction for CSD Validation Hold	OTHR	CVAL	PREA	
1.7	Send unmatched settlement instruction to T2S with CSD Hold , Party Hold and fulfils positive case one restriction for CSD Validation Hold	OTHR	CVAL	CSDH	PREA



Scenarios of multiple-status reporting

Multiple statuses during instruction acceptance

No.	Scenario	Accepted	Matched	Settlement Status	
1.8	Send matched settlement instruction to T2S	NORE*	✓		
1.9	Send matched settlement instruction to T2S with the Party Hold	NORE*	✓	PREA	
1.10	Send matched settlement instruction to T2S with the CSD Hold	NORE*	✓	CSDH	
1.11	Send matched settlement instruction to T2S with CSD Hold , Party Hold	NORE*	✓	CSDH	PREA

* OTHR in case of a negative restriction (rejection and/or CSD Validation Hold)



Scenarios of multiple-status reporting

Multiple statuses during instruction acceptance

No.	Scenario	Accepted	Matched	Settlement Status		
1.12	Send matched settlement instruction to T2S that fulfils positive case one restriction for CSD Validation Hold	OTHR	✓	CVAL		
1.13	Send matched settlement instruction to T2S with Party Hold that fulfils positive case one restriction for CSD Validation Hold	OTHR	✓	CVAL	PREA	
1.14	Send matched settlement instruction to T2S with CSD Hold that fulfils positive case one restriction for CSD Validation Hold	OTHR	✓	CVAL	CSDH	
1.15	Send matched settlement instruction to T2S with CSD Hold, Party Hold and fulfils positive case one restriction for CSD Validation Hold	OTHR	✓	CVAL	CSDH	PREA



Scenarios of multiple-status reporting

Multiple statuses during instruction revalidation

2

CSD Validation Hold
after the revalidation
of the settlement
instruction

Following are different possible combinations of multiple T2S status related attributes that could be reported in Securities Settlement Transaction Status Advice (sese.024) during revalidation of the settlement instructions

No.	Scenario	Settlement Status		
2.1	During revalidation, settlement instruction already on Party Hold fulfils positive case one restriction for CSD Validation Hold	CVAL	PREA	
2.2	During revalidation, settlement instruction already on CSD Hold fulfils positive case one restriction for CSD Validation Hold	CVAL	CSDH	
2.3	During revalidation, settlement instruction already on Party Hold and CSD Hold fulfils positive case one restriction for CSD Validation Hold	CVAL	CSDH	PREA



Scenarios of multiple-status reporting

Multiple statuses during instruction maintenance

3

Settlement instruction modified due to a Hold / release instruction

Following are different possible combinations of multiple T2S status related attributes that could be reported in Securities Settlement Transaction Status Advice (sese.024) during maintenance of the settlement instructions

No.	Scenario	Settlement Status	
3.1	1. Maintenance of settlement instruction to add CSD Hold, which is already on Party Hold	CSDH	PREA
	2. Maintenance of settlement instruction to add Party Hold, which is already on CSD Hold		
	3. Settlement Instruction on Party Hold, CSD Hold and CSD validation hold and the latter is released		
	4. Settlement Instruction on Party Hold, CSD Hold and CoSD hold and the latter is released		
3.2	1. Maintenance of settlement instruction to add CSD Hold, which is already on CSD validation hold	CVAL	CSDH
	2. Settlement instruction on CSD Hold, CSD validation hold and Party hold and the latter is released		
	3. Settlement instruction on CSD Hold, CSD validation hold and CoSD hold and the latter is released		



Scenarios of multiple-status reporting

Multiple statuses during instruction maintenance

No.	Scenario	Settlement Status		
		CVAL	PREA	CSDH
3.3	<ol style="list-style-type: none"> Maintenance of settlement instruction to add CSD Hold, which is already on CSD validation hold and Party Hold. Maintenance of settlement instruction to add Party Hold, which is already on CSD validation hold and CSD Hold Removal of CoSD hold from settlement instruction which has all holds possible 	CVAL	PREA	CSDH
3.4	<ol style="list-style-type: none"> Maintenance of settlement instruction to add Party Hold, which is already on CSD validation hold Settlement Instruction on CSD validation Hold, Party Hold and CSD Hold and the latter is released Settlement Instruction on CSD validation Hold, Party Hold and CoSD Hold and the latter is released 	CVAL	PREA	

Note: When instruction is already on multiple holds and one hold is released, T2S will inform with the remaining holds.



Scenarios of multiple-status reporting

Multiple statuses during matching

4

Settlement
instruction *Matched*

Following are different possible combinations of multiple T2S status related attributes that could be reported in Securities Settlement Transaction Status Advice (sese.024) during matching of the settlement instructions in T2S

No.	Scenario	Matched	Settlement Status	
4.1	Already existing unmatched Settlement instruction in T2S having Party Hold and CSD Hold is successfully matched in T2S	✓	PREA	CSDH
4.2	Already existing unmatched Settlement instruction in T2S having Party Hold is successfully matched in T2S	✓	PREA	
4.3	Already existing unmatched Settlement instruction in T2S having CSD Hold is successfully matched in T2S	✓	CSDH	



Scenarios of multiple-status reporting

Multiple statuses during matching

No.	Scenario	Matched	Settlement Status		
4.4	Already existing unmatched Settlement instruction in T2S having CSD Validation hold is successfully matched in T2S	✓	CVAL		
4.5	Already existing unmatched Settlement instruction in T2S having CSD Validation Hold and CSD Hold is successfully matched in T2S	✓	CVAL	CSDH	
4.6	Already existing unmatched Settlement instruction in T2S having CSD Validation Hold and Party Hold is successfully matched in T2S	✓	CVAL	PREA	
4.7	Already existing unmatched Settlement instruction in T2S having CSD Validation hold, Party Hold and CSD Hold is successfully matched in T2S	✓	CVAL	PREA	CSDH



Scenarios of multiple-status reporting

Multiple statuses during CoSD and Eligibility Check

5

Settlement instruction on CoSD Check and Eligibility Check

Following are different possible combinations of multiple T2S status related attributes that could be reported in Securities Settlement Transaction Status Advice (sese.024) during CoSD and Eligibility Check

No.	Scenario	Settlement Status		
5.1	Upon CoSD detection, T2S applies CoSD hold on a settlement instruction which is already on CSD Hold.	PRSY	CSDH	
5.2	Upon CoSD detection, T2S applies CoSD hold on a settlement instruction which is already on CSD Hold and Party Hold.	PRSY	CSDH	PREA
5.3	Upon CoSD detection, T2S applies CoSD hold on a settlement instruction which is already on Party Hold.	PRSY	PREA	



Scenarios of multiple-status reporting

Multiple statuses during CoSD and Eligibility Check

No.	Scenario	Settlement Status			
		PRSY	CVAL	CSDH	PREA
5.4	Upon CoSD detection, T2S applies CoSD hold on a settlement instruction which is already on CSD Validation Hold, CSD Hold and Party Hold.	PRSY	CVAL	CSDH	PREA
5.5	Upon CoSD detection, T2S applies CoSD hold on a settlement instruction which is already on CSD Validation Hold and CSD Hold.	PRSY	CVAL	CSDH	
5.6	Upon CoSD detection, T2S applies CoSD hold on a settlement instruction which is already on CSD Validation Hold and Party Hold.	PRSY	CVAL	PREA	
5.7	Upon Eligibility Check, for unmatched Settlement Instruction already in T2S and counterparty instruction sent after Cut-Off, with linkage to another pending instruction. Note: both parties receive the multiple statuses	LINK	LATE		



Scenarios of multiple-status reporting

Multiple statuses during intraday restriction checks

6

Settlement instruction
on Intraday
Restriction Check

Following are different possible combinations of multiple T2S status related attributes that could be reported in Securities Settlement Transaction Status Advice (sese.024) during intraday restriction check in settlement process

No.	Scenario	Settlement Status		
6.1	For the settlement instruction, multiple Intraday restrictions are active on either party or securities account or cash account, or security in multiple combinations	BLOC	SBLO	
		BLOC	BLOC	
		BLOC	BLOC	SBLO

Note: Reason code BLOC could be for multiple reasons (e.g. account blocked and/or party blocked) and therefore will be communicated by repeating the reason code with a distinct additional reason information for each business rule.



Scenarios of multiple-status reporting

Multiple statuses during provision checks

7

Settlement instruction fails *Provision Check*

Following are different possible combinations of multiple T2S status related attributes that could be reported in Securities Settlement Transaction Status Advice (sese.024) during provision check in settlement process

No.	Scenario	Settlement Status	
7.1	For the settlement instruction (DVP), there are insufficient securities in securities account for DELI leg as well as the counterparty doesn't have sufficient cash in DCA/CMB limits balance for RECE leg.	LACK	CMON
7.2	For the settlement instruction (DWP), there are insufficient securities in securities account for DELI leg as well insufficient cash in DCA/CMB limits balance for DELI leg	LACK	MONY
7.3	For the settlement instruction (RVP), there is insufficient cash in DCA/CMB limits balance for RECE leg as well as counterparty doesn't have sufficient securities in securities account for DELI leg.	CLAC	MONY
7.4	For the settlement instruction (RWP), the counterparty has insufficient cash in DCA/CMB limits balance for DELI leg as well as counterparty has insufficient securities in securities account for DELI leg.	CLAC	CMON



Table of Contents

- 1 Status Management – An Overview
- 2 Multiple-status principle
- 3 Scenarios of multiple-status reporting
- 4 Status reporting - change in counter instruction status



Scenarios of status reporting- Due to change in counter instruction status

No.	Scenario	Status (sese.024 message to interested parties of SI 1)	Status (sese.024 message to interested parties of SI 2)
8.1	SI 1 belonging to T2S Actor 1 is on Party Hold and on/after ISD, the counterparty (T2S Actor 2) sends a hold instruction to put the corresponding SI 2 on Party Hold	Reason Code = PRCY Hold Indicator = PTYH Note: Status of SI 1 (PREA) is already notified earlier when it was put on hold	Message 1: Reason Code = PREA Message 2: Reason Code = PRCY Hold Indicator = PTYH
8.2	SI 1 belonging to T2S Actor 1 is on Party Hold and on/after ISD, the counterparty (T2S Actor 2) sends SI 2 with Party Hold after Cut-Off	Reason Code = PRCY + LATE Hold Indicator = PTYH Note: Status of SI 1 (PREA) is already notified earlier when it was put on hold	Message 1: Reason Code = PREA Message 2: Reason Code = PRCY + LATE Hold Indicator = PTYH



Scenarios of status reporting- Due to change in counter instruction status

No.	Scenario	Status (sese.024 message to interested parties of the Actor 1 instruction)	Status (sese.024 message to interested parties of the Actor 2 instruction)
8.3	SI 1 belonging to T2S Actor 1 is on Party Hold and on/after ISD, the counterparty (T2S Actor 2) sends SI 2 with Party Hold linked to another pending instruction	Reason Code = PRCY + LINK Hold Indicator = PTYH Note: Status of SI 1 (PREA) is already notified earlier when it was put on hold	Message 1: Reason Code = PREA Message 2: Reason Code = PRCY + LINK Hold Indicator = PTYH
8.4	SI 1 belonging to T2S Actor 1 is on Party Hold and on/after ISD, the counterparty (T2S Actor 2) sends SI 2 with Party Hold linked to another pending instruction after Cut-Off	Reason Code = PRCY + LINK + LATE Hold Indicator = PTYH Note: Status of SI 1 (PREA) is already notified earlier when it was put on hold	Message 1: Reason Code = PREA Message 2: Reason Code = PRCY + LINK + LATE Hold Indicator = PTYH



Scenarios of status reporting- Due to change in counter instruction status

No.	Scenario	Status (sese.024 message to interested parties of the Actor 1 instruction)	Status (sese.024 message to interested parties of the Actor 2 instruction)
8.5	Both legs of the transaction are on Party Hold and on/after ISD, the T2S Actor 1 sends a release instruction	Reason Code = PRCY Note: Hold indicator of SI 1 will be set to false	No message
8.6	SI 1 belonging to T2S Actor 1 is on Party Hold and on/after ISD, the T2S Actor 1 sends a release instruction	Reason Code = FUTU Note: Hold indicator of SI 1 will be set to false	Reason Code = FUTU

FUTU - AwaitingSettlementDate

Note: SGMS agreed that FUTU was the most accurate reason code even if ISD would already have been reached.



Thank you for your attention

www.t2s.eu

