

Stock Exchange Transactions Go OTC

Introduction Note CSD Migration (Phase 2)

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April 2022

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Disclaimer

The launch of Stock Exchange Transactions Go OTC (SET-GO) by Clearstream Banking is scheduled for [July 2022](#), therefore Clearstream Banking is committed to inform its customers as early as possible, accepting that the content of this document may have to be updated.

Hence, this Introduction Note represents the state of information available to Clearstream Banking at publication date. The description may be subject to modifications or enhancements at a later stage of the SET-GO project. In the event of modifications, Clearstream Banking will provide the respective updates in due time as further releases of this documentation.

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Contacts

For further information about Clearstream Banking's products and services, customers can visit the [Clearstream website](#), contact Clearstream Banking Client Services or their Relationship Officer. Particular questions regarding the SET-GO project will be routed to the experts of the Stock Exchange Transactions Go OTC (SET-GO) project.

Customers will find the relevant contact details under [Contacts & Client Services](#) or can contact the SET-GO Customer Readiness team via email to T2S-Support@clearstream.com.

Foreword

The main objective of the Stock Exchange Transactions Go OTC (SET-GO) project is to use the standard OTC functionality also for non-cleared stock exchange (non-CCP) instructions instead of keeping today's settlement functionality LION (Lieferfreigabe Online for non-cleared stock exchange instructions).

Since November 2021, Clearstream Banking complies with regulatory requirements by offering real-time gross settlement (RTGS) also for non-cleared stock exchange instructions. The lifecycle management on the settlement platform Creation of Clearstream Banking S.A., Luxembourg (CBL) was upgraded for the processing of trades from German stock exchanges in the custody type non-collective safe-custody (NCSC).

With this project, Clearstream Banking fulfils requests from international market members for harmonised settlement of instructions for both OTC and stock exchange transactions. Hereby, the Creation and TARGET2-Securities (T2S) functionality currently offered for OTC instructions will be made available for settlement of stock exchange transactions where this is not yet the case.

Additionally, modernisation is a driver to start consolidating matured systems after Clearstream Banking AG, Frankfurt (CBF) migrated to T2S. The LION system will be decommissioned, while its functionality will be offered via the Creation and T2S / CASCADE infrastructure.

This document provides customers with information about the SET-GO project. It includes a summary of changes, as well as a description of new and enhanced features that will be introduced by SET-GO in two phases:

- ICSD Migration (Phase 1) – 22 November 2021;
- CSD Migration (Phase 2) – [4 July 2022](#).

Changes are expected in the following business areas:

- Account static data;
- Lifecycle management;
- Connectivity;
- Corporate actions;
- Other value-added services available in CBF.

This document starts with the current timeline of implementation and summary of the key features. It focuses on the CSD Migration (Phase 2), which will be delivered on [4 July 2022](#). Besides the topics listed above, the Introduction Note shows the initial information on the migration approach and the CBF Guided Customer Simulation.

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1. Implementation timeline

The introduction of the Stock Exchange Transactions Go OTC (SET-GO) project follows a three-phased approach. The functional modifications related to securities with the custody type NCSC were introduced in November 2021. In July 2022, the migration for securities with the custody type CSC / NCSC-T (Phase 2) will take place. Finally, an upgraded customer connectivity will be introduced in due time.

CSD Migration (Phase 2) – 4 July 2022, that is

- Instruction and lifecycle management for stock exchange instructions in CSC / NCSC-T securities to be executed and reported via CASCADE / T2S;
- OTC-like processing using the Indirectly Connected Participant (ICP) mode. Today’s OTC instruction management for customers acting in Directly Connected Participant (DCP) mode remains unchanged.

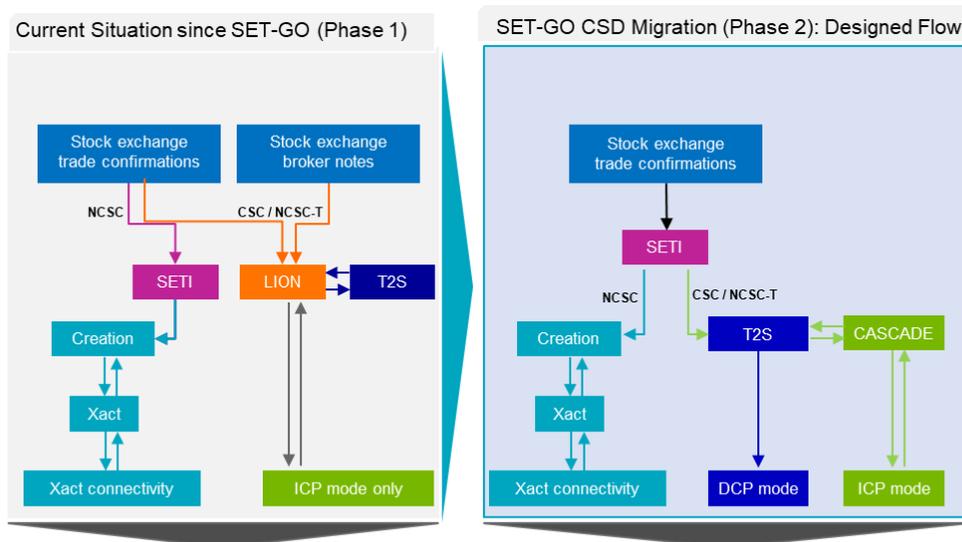
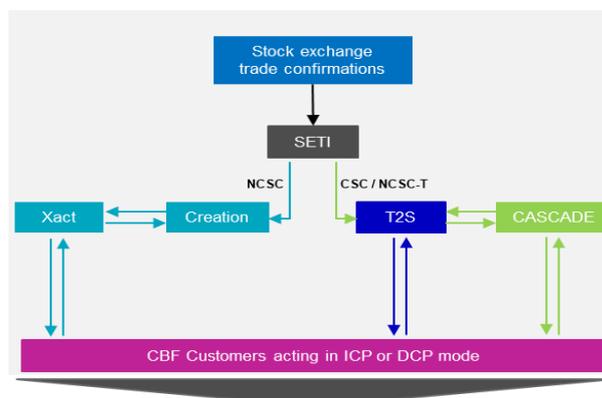


Figure 1: Designed Flow SET-GO CSD Migration (Phase 2)

Upgraded Customer Connectivity, that is

- Instruction and lifecycle management for stock exchange instructions in CSC / NCSC-T securities to be reported via ClearstreamXact functionality; and
- For customers wanting to use the Directly Connected Participant (DCP) mode in future.



Customers can manage OTC instruction via the related settlement platform using various connectivity channels

Figure 2: Targeted Flow SET-GO Customer Connectivity

Since the SET-GO ICSD Migration (Phase 1) on 22 November 2021, instruction and lifecycle management for non-cleared stock exchange instructions in NCSC securities is executed and reported via Creation. The entire processing is OTC-like, using ClearstreamXact connectivity.

On [4 July 2022](#), the SET-GO CSD Migration (Phase 2) will be completed and set productive. The instruction and lifecycle management for non-cleared stock exchange instructions in CSC / NCSC-T securities will be executed and reported via CASCADE / T2S. The entire processing of stock exchanges will be OTC-like using the ICP mode connectivity tools.

2 Summary of SET-GO implementation features

This summary provides an overview of the key implementation features for the SET-GO project of the ICSD Migration (Phase 1) and the CSD Migration (Phase 2).

The goal of the SET-GO project, which is initiated by Clearstream Banking, is a harmonisation of stock exchange lifecycle and reporting with the OTC lifecycle and reporting with the following cornerstones:

- The real-time processing for stock exchange instructions offered via Creation will be applicable for securities in custody type NCSC. The instructions that Clearstream receives from the stock exchanges are immediately processed and subsequently the instructions will be presented to the Creation real-time lifecycle management.
- Modifications of stock exchange instructions will follow the same processes as modifications of OTC instructions, and will be triggered and reported via the same connectivity channels.
- In close cooperation with market members, NCSC securities tradable on a stock exchange location will become T2S eligible (NCSC-T) as far as possible.

The CBF application LION was designed to manage non-cleared stock exchange instructions. After Clearstream Banking has introduced the SET-GO project customers will manage non-cleared stock exchange instructions in an OTC-like mode via the Creation or CASCADE / T2S settlement platform.

The trade confirmations delivered by stock exchanges and their service providers will be transformed by a new component (Stock Exchange Transaction Interface, SETI) into OTC instructions and instructed into the relevant settlement systems Creation (for NCSC) or CASCADE / T2S (for CSC / NCSC-T).

As of [4 July 2022](#), the existing LION functionality will be decommissioned and the lifecycle management and settlement service will be offered via Xact Web Portal and CASCADE, where applicable. Today's LION reporting functionality will no longer be offered.

3 ICSD Migration (Phase 1)

This chapter provides information regarding stock exchange instruction management for the SET-GO ICSD Migration (Phase 1).

Since the go-live of the ICSD Migration (Phase 1) on 22 November 2021 the settlement and related reporting of non-cleared stock exchange (SE) instructions in non-collective safe custody (NCSC) securities is offered via Creation. In the following “non-cleared stock exchange instructions in non-collective safe custody (NCSC) securities” will be referred to as “SE instructions (NCSC)”.

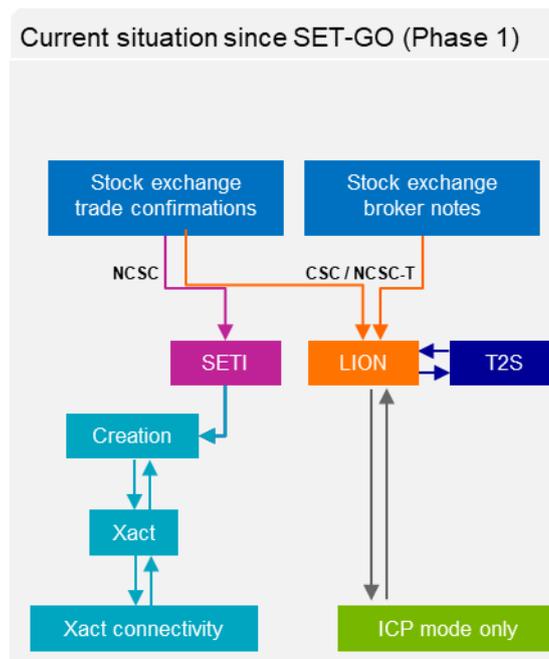


Figure 3: Current flow after ICSD Migration (Phase 1)

Stock exchanges and their service provider present the trade confirmations at around 22:00 on the trade date. Once the information has been received at CBF, SETI will start with the creation of the related delivery and receipt instructions. These instructions will be transmitted to the settlement platform afterwards. With the opening of the next processing cycle at Creation, the life cycle management for SE instructions (NCSC) will start. SE instructions (NCSC) follow the OTC instruction lifecycle of CBL internal instructions (41, 51 / 4F, 5F)

SE instructions (NCSC) can be maintained by the customers only after the instruction has been successfully accepted by Creation, that is, a MT548 is sent. A MT548 is also presented in the case of a rejection, or the recycling of the SE instruction (NCSC). The instruction maintenance, that is, creation of Transaction Linking, modification of the Hold / Release Indicator, Partial Settlement Indicator, Partial Release Request, Creation Settlement Period and Settlement Priority is possible via ClearstreamXact connectivity.

For further information, please refer to the [CBL Customer Handbook and the ClearstreamXact](#) webpage.

3.1 Service Enhancements in 2022 and beyond

With the introduction of SET-GO CSD Migration (Phase 2), the existing service offering for SE instructions NCSC will be upgraded. The following enhancements are planned and will be reported via a separate customer announcement, once the implementation date is confirmed:

- Trade date solution for reorganisation events processed via Custody

Currently, OTC instructions are accepted by Creation if the entry date of the instruction is on or before the maturity date defined in the static data of the ISIN. The business validation does not consider the transformation period for reorganisation events. This leads into a rejection of instructions presented by customers or the Stock Exchange Transaction Interface (SETI) based on the entry date validation even if the trade date is prior to the maturity date. [As of 13 June 2022, a CBL internal instruction received after the maturity date is accepted if the trade date is before the maturity date or the intended settlement is before the maturity date and the transformation period of 20 business days has not finished yet. More details on the updated service can be found in Announcement \[A22048\]\(#\).](#)

- Multi Hold and Release functionality

[With the start of the SET-GO CSD Migration \(Phase 2\) on 4 July 2022](#), the instruction maintenance for Multi Hold and Release will be enhanced allowing a bulk processing. Currently, via Xact Web Portal up to 25 SE instructions (NCSC) can be maintained via the online screen. The new upload file functionality will support the status updates up to 300 instructions. This service offering will be available for ISINs in custody type NCSC, CSC, and NCSC-T. The details will be outlined in a dedicated announcement for Xact Web Portal users.

- Generic CBL recycling period

A harmonised recycling period of 60 days will be introduced on Creation. Pending matched CBL internal instruction types (41, 51 / 4F, 5F) will be cancelled system wise if the intended settlement day (ISD) is 60 business days in the past. A corresponding reporting using MT548 (CAND/CANS) "cancellation by system" will be provided to customers, if the report definition has been set up accordingly. The details about the CBL recycling period will be published in a dedicated CBL announcement as this change is not limited to instructions created by SETI.

- Release of instruction after compliance check

Based on country specific sanction rules, the settlement for dedicated ISINs can be restricted. A list of such securities can be found on Clearstream's website. These rules are also applicable for non-cleared stock exchange instructions (non-CCP SE). These instructions are requested to be validated by customers before the settlement can be achieved. In future, via MT548, CBL will inform about such blocked instructions that can be reconfirmed by customers for settlement using MT599. An automated processing can be achieved if key words are added in the message to CBL. The future service offering will be announced in due time.

4 CSD Migration (Phase 2)

This chapter provides information regarding future stock exchange instruction management for the SET-GO CSD Migration (Phase 2).

With the go-live of the CSD Migration (Phase 2) on 4 July 2022 the settlement and related reporting of non-cleared stock exchange (SE) instructions in collective safe custody (CSC, NCSC-T) securities will be offered via CASCADE. The aim of this phase is that the entire processing of stock exchange instructions in custody type CSC and NCSC-T will be processed in an OTC-like mode using the CASCADE Online functionality (HOST / PC) and/ or the automated CBF connectivity channels (SWIFT, MQ, File Transfer (FT)) in ISO 15022. In the following “non-cleared stock exchange instructions in collective safe custody (CSC and NCSC-T) securities” will be referred to as “SE instructions (CSC)”.

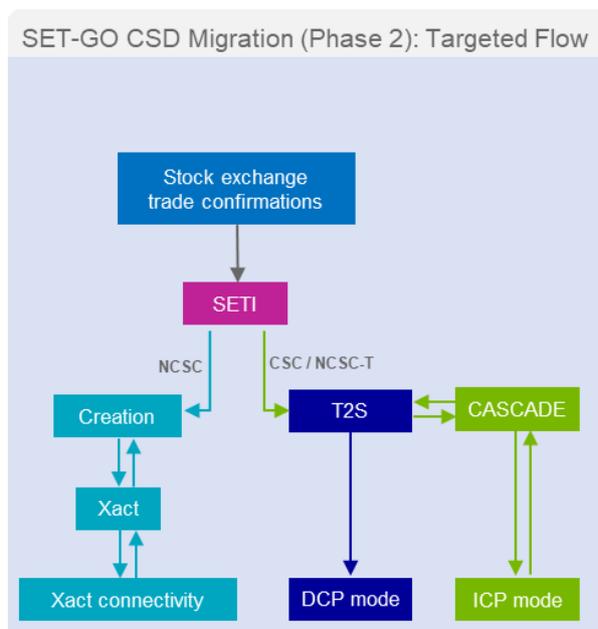


Figure 4: Targeted flow after SET-GO CSD Migration (Phase 2)

As of July 2022, the instruction maintenance for SE instructions (CSC) will be offered in ICP mode using the CASCADE instruction type AA01 / AA02. At present, CBF customers acting in DCP mode can receive a copy of the Security Settlement Transaction Instruction (sese.023) transmitted by CBF. On customer demand, further T2S status and settlement reporting can be subscribed. Whenever not explicitly explained in the upcoming chapters the lifecycle follows the standard TARGET2-Securities (T2S) process for Clearstream Banking OTC instructions.

CBF supports the settlement of domestic and foreign stock exchange tradeable securities. The country specific procedures will not be impacted by the project SET-GO. Customers still need to consider the country-related product settings and tax requirements. For example, the need to provide for Italian bonds the Taxpayers' Identification Number (TIN) is still applicable. Also, the mandatory registration procedure for French registered shares has to be considered.

4.1 Key features

With the introduction of the SET-GO CSD Migration (Phase 2), the instruction and lifecycle management for stock exchange instructions in CSC / NCSC-T securities will be executed and reported via CASCADE and T2S, starting Monday, 4 July 2022 once the instructions have been migrated.

Stock exchanges and their service provider present the trade confirmations at around 22:00 on the trade date. Once the information has been received at CBF, SETI will start with the creation of the related already matched instructions. This procedure covers trades entered as “Platzüberschreitender Effektenverkehr (PÜEV)”. The instructions will be transmitted to the settlement platform afterwards. After acceptance by T2S, the life cycle management for SE instructions (CSC) will start.

Consequently, the information for CSC and NCSC-T securities will no longer be reported in LION. Therefore, customers must use CASCADE / T2S for the reporting of SE Instructions (CSC). The entire maintenance of SE instructions (CSC) will be OTC-like using the CASCADE Online functionality (HOST / PC) and / or the CBF automated connectivity channels (SWIFT, MQ, File Transfer (FT)) in ISO 15022.

The targeted flow for SE instructions (CSC) covering trades entered as "Platzüberschreitender Effektenverkehr (PÜEV)" uses the CBF component for the creation and distribution of OTC settlement instructions called SETI (Stock Exchange Transaction Interface).

In the following chapters, customers find detailed information for the service offering under the SET-GO CSD Migration (Phase 2).

- The following CASCADE / T2S OTC functionalities will be enhanced or modified for the implementation in [July 2022](#). The new services will be made available using the CBF automated connectivity channels (A2A) and CASCADE Online functionality (U2A), if not differently defined:
 - CASCADE instruction number range;
 - Market and reverse claims;
 - OTC Recycling service;
 - Sender Message Reference (SETI SEME concept);
 - Settlement Parties concept;
 - Settlement reporting times for pending instructions;
 - Taxpayers' Identification Number (TIN) procedure;
 - Transformation processing, and
 - T2S Partial Release request;
 - T2S Recycling Period framework¹; and
 - Xact Web Portal Multi Hold / Release functionality¹.
- The following CASCADE / T2S OTC functionality have been investigated and will remain unchanged:
 - Bilateral cancellation principle;
 - CASCADE T2S Hold / Release functionality;
 - CBF Auto-Admission procedure;
 - Liquidity management including T2S Auto-Collateral Management on CBF Main Account.
 - Settlement Priority concept;
 - T2S already matched functionality;
 - T2S Linking functionality; and
 - Usage of Place of Clearing, Safekeeping, Settlement and Trade.
- The following functionality / data will no longer be provided as of [July 2022](#):
 - Reporting of certain additional trade details (such as price differences or accrued interest) via settlement instructions; and
 - Processing of broker notes (Makleraufgaben) with custody type CSC and NCSC-T.

Cash settlement services for price differences and broker commissions are not affected by the SET-GO project. For further information, please refer to [Announcement D20027 "CBF Release Information: T2-T2S consolidation project"](#).

¹ More details will be provided in a separate CBL announcement

4.2 Account static data

Customers being a member of a German Stock exchange are requested to maintain a CBF and CBF-i account ensuring a straight-through processing (STP) with the settlement platforms T2S and Creation. During the migration, pending instructions can only be recreated, if a settlement account is in place.

The SET-GO implementation approach defines that for the creation of the initial settlement instruction of a stock exchange instruction in custody type CSC and NCSC-T, the CBF account setting will apply.

Customers acting as a Reg-Über Zentrale (Head Office, that is being a Settlement Agent) can rely on today's settings. However, with the introduction of SET-GO CSD Migration (Phase 2), the procedure will change. In future, the setting defined for the settlement account will be applicable. This includes the field Lieferfreigabe ("Positiv/Negativ-Verfahren"). The respective data stored for a Branch is not taken into account.

If changes of the static data for the CBF accounts are required, the modification is requested to be advised by latest 24 June 2022.

Customers who wish to make such an adjustment must send:

- A written request with the legally binding signatures of the account holders to Clearstream Banking AG, Account Administration Frankfurt (OSM), 60485 Frankfurt am Main; or
- A MT599 to CBF's SWIFT address DAKVDEFFXXX.

The request must name the CBF account master (four digits).

4.3 Lifecycle management

Starting on 4 July 2022, SE instructions (CSC) will follow the OTC instruction lifecycle of CBF instruction type AA01 and AA02. The existing OTC functionality offered via CASCADE / T2S will be used also for SE instructions (CSC). The following description outlines which dedicated fields of an existing LION instruction will be available for instruction management via CASCADE / T2S and provides information on CASCADE / T2S services available for SE instructions in an OTC-like mode.

As of 4 July 2022, instruction management for SE instructions (CSC) is no longer handled in LION, but via CASCADE using the T2S settlement platform. The [CBF Customer Handbook](#) describes the service offering related to the OTC instruction management.

At present, stock exchanges and their service provider present the trade confirmations at around 22:00 on the trade date. This timeline will not be changed for the project SET-GO. However, once the information has been received at CBF, the new Stock Exchange transaction Interface (SETI) will start with the creation of the related settlement instructions. These instructions will be set up with the flag "already matched" and transmitted to the T2S settlement platform afterwards. The processing is based on the T2S Operational Day. In line with the latest T2S description, the instructions will be immediately validated, and the status is reported in real-time mode. That is, the life cycle management for SE instructions (CSC) will start and the instructions can be modified on customers demand using the CBF A2A and U2A connectivity channels. A modification of the Hold / Release Indicator, Partial Settlement Indicator, and Settlement Priority will be supported. Furthermore, the instruction linking and T2S [Partial Release request](#) functionality can be used following the T2S service descriptions. In future, partial delivery for SE instructions (CSC) can be achieved using the T2S partial release request functionality. The processes in the instruction management are different. Customers who do not yet use the T2S Partial Release, but do use LION partial delivery, shall refer to the functional and organisational details in the corresponding announcement.

In general, SE instructions (CSC) can be maintained by customers, if the instructions have been successfully accepted by T2S. T2S provides a status reporting via sese.024 ("Securities Settlement Transaction Status Advice") which will be converted by CBF in ISO 15022. [According to these details, settlement reporting MT548 \("Settlement Status and Processing Advice"\) is transmitted to customers. If T2S cannot accept an instruction, CBF checks the rejection status and based on the error code, CBF will start the OTC recycling service, when applicable. CBF customers acting in ICP mode will be informed via MT548 and MT537 that the instruction is being recycled.](#) Instructions which are subject to the recycling process can be modified in ICP mode. Allowed is a change of the priority, the Partial Settlement Indicator ("PSI") or the release / hold flag.

CASCADE instruction number range

With the implementation of SET-GO CSD Migration (Phase 2) on 4 July 2022, the current referencing for LION transactions will be decommissioned. In the future, CASCADE instruction references will be assigned for instructions resulting from stock exchange trades. Therefore, CBF will reallocate the number ranges for the setup of instructions via CASCADE as of 4 July 2022. The reallocation of numbers will ensure that the processing of stock exchange instructions can be established and carried out seamlessly in an OTC-like mode.

CBF informed customers about the modification of the CASCADE instruction number range in December 2021. Please refer to the respective [CBF Announcement](#) (D21056).

Input Date

SE instructions (CSC) will be generated for settlement on T2S with additional information from the stock exchanges. Deviating from the trade date, the underlying "Input Date" will be added allowing a correct reconciliation of the trade confirmations. The date information will be reported with the identifier "/IDAY" in the respective CBF message types using the customer preferred connectivity channel. The input date information will not be kept in case of a transformation of the original instruction.

Settlement Parties

SE instructions (CSC) will always be generated with two settlement Party Levels:

Customers acting in ICP mode will be notified with the following details:

- REAG / DEAG contains the CBF settlement account (customer's main account) dedicated for settlement of SE instructions (CSC);
- BUYR / SELL contains the buyer and seller information as delivered by the stock exchange.

Example	Explanation
:95P::DEAG//DEAGDEFFXXX :97A::SAFE//44440000 :95R::SELL/DAKV/4444	If the party that is delivered by the stock exchange as BUYR / SELL is configured as a settlement participant / agent, REAG / DEAG is filled with the T2S Party BIC and provides as additional information the safekeeping account which is displayed as the CBF main account of the party itself.
:95P::REAG//REAGDEFFXXX :97A::SAFE//55550000 :95R::BUYR/DAKV/1234	If the party that is delivered by the stock exchange as BUYR / SELL is not configured as a settlement participant (that is Reg-Über-Filiale (Branch)), REAG / DEAG is filled with the CBF - account of the settlement agent (Reg-Über Zentrale (Head Office)).

Samples of the usage of Party Level 1 and Party Level 2 for SE instructions (CSC) can be found in the [Appendix 2](#).

Customers acting in DCP mode will receive the following details:

- Pty1 contains the T2S Party BIC assigned to the CBF settlement account (customer's main account) dedicated for settlement of SE instructions (CSC);
- Pty2 contains the account information for buyer and seller as delivered by the stock exchange.

Example	Description
<pre><Pty1> <Id><AnyBIC>DEAGDEFFXX</AnyBIC></Id> <SfkpgAcct><Id>DAKV4444000</Id></SfkpgAcct> </Pty1> <Pty2> <Id><PrtryId> <Id>4444</Id><Issr>DAKV</Issr> </PrtryId></Id> </Pty2></pre>	<p>If the party that is delivered by the stock exchange as BUYR / SELL is configured as a settlement participant / agent, Party Level 1 contains the T2S Party BIC and Party Level 2 contains the account information of buyer and seller.</p>
<pre><Pty1> <Id><AnyBIC>DEAGDEFFXX</AnyBIC></Id> <SfkpgAcct><Id>DAKV4444000</Id></SfkpgAcct> </Pty1> <Pty2> <Id><PrtryId> <Id>9999</Id><Issr>DAKV</Issr> </PrtryId></Id> </Pty2></pre>	<p>If the party that is delivered by the stock exchange as BUYR / SELL is not configured as a settlement participant (that is Reg-Über-Filiale (Branch)), Party Level 1 provides the T2S Party BIC and safekeeping account (T2S SAC) details of the of the settlement agent (Reg-Über Zentrale (Head Office)). In Party Level 2 the account details of the buyer / seller are provided.</p>

T2S Partial Release request

Today, LION supports the "Teilbelieferung" (creation of a partial release request) as a supplementary service offering that replaces the initially created settlement instruction. Hereby, customers can define the settlement quantity that is aimed to be settled. Based on this input, CBF initiates the cancellation of the pending instruction at T2S and creates two settlement instructions, one with the quantity to be settled and another one with the remaining quantity set on hold. This LION procedure will be decommissioned. In future, using the OTC-like mode, the T2S Partial Release Request functionality can be used. The CBF offering defined for CASCADE AA01 and AA02 will be applicable. Please refer to the CASCADE User Manual Part 1 for more information.

Xact Web Portal Multi Hold and Release functionality

On 4 July 2022, the Xact Web Portal Multi Hold and Release functionality that was introduced with SET-GO ICSD Migration (Phase 1) will also be available for SE instructions (CSC).

With the launch in July 2022, the Xact file upload functionality for the processing of up to 300 instructions will be enhanced for Multi Hold Release purposes (modification of instruction).

The upgraded functionality will be available for SE instructions regardless of whether the settlement will be executed via Creation or T2S. More details about these enhancements will be published in a separate CBL announcement.

Recycling period for matched instructions

In October 2020, T2S introduced a 60-business day recycling period for matched instructions. For CASCADE OTC instructions (AA01 / AA02) the T2S rule applies. It is valid for all matched instructions, no matter if it is an internal, external or a cross-border OTC instruction. At the time that CBF receives from T2S the cancellation with the code "MMCS001 Matched Settlement Instructions pending and not revoked at the end of the recycling period are cancelled", CBF will remove the instructions from the CASCADE instruction management database and report the deletion with the same details as above using an MT548 (Settlement Status and Processing Advice). Currently, this procedure does not apply for LION instructions (AA10). CBF marks the deliver and the receive instruction as cancelled, but their final cancellation needs to be confirmed in LION by the customer and its counterparty.

With the introduction of SET-GO CSD Migration (Phase 2), SE instructions (CSC) will be processed in an OTC-like mode. The existing rules for instruction type AA10 will be replaced by the definitions for instruction type AA01 respectively AA02. That is, SE instructions (CSC) will follow the T2S settlement conditions and CBF will report the cancellation as defined for plain OTC instructions.

Until SET-GO CSD Migration (Phase 2) is being introduced, CBF recommends customers to finally cancel pending LION instructions avoiding a re-creation of a new (migrated) T2S settlement instruction containing the original trade and settlement date information. Based on these details, T2S will consider the CSDR Penalty Regime and calculate the associated fees.

In contrast to T2S, at present, Creation does not delete a pending matched instruction after 60 business days. However, since the introduction of SET-GO ICSD Migration (Phase 1), this cancellation period is applicable for market claims resulting of SE instructions (NCSC). That is, a system-wide cancellation will be executed for such market claims after 60 business days. Allowing a harmonisation of the settlement procedures, CBL will introduce a 60-business day recycling period for matched instructions using a CBL internal instruction type (41, 51 / 4F, 5F). More details about this modification will be announced in a dedicated customer information.

OTC recycling service

As of 4 July 2022, the CBF recycling service for LION instructions will be aligned with the recycling procedure for CASCADE instruction type AA01 / AA02. That is, if the instruction cannot be setup at T2S because the ISINs not available in T2S static data, CBF will initiate the recycling and reinstruct once the static data is available. For SE instructions (CSC) the service will be offered for predefined T2S rejection codes.

In future, CBF will consider a 60 business days period for the recycling of OTC instructions. This is different to today, as the period for OTC instructions is set to four business days whereas no limitation applies for LION instructions. The 60 business days rule is derived from the T2S procedures.

Customers need to consider that the instruction created from the recycling mode will contain the original trade and settlement date information. Based on these details, T2S will apply the rules defined for the CSDR Penalty Regime and calculate the associated fees. Therefore, customer and its counterparty may commonly agree to bilaterally cancel the instruction in recycling mode. Via MT537, CBF will inform if the instruction is subject to the recycling process in the field :70D::REAS with the value "/PROS 015". The existing error codes that will be displayed in the CASCADE Online functionality (HOST / PC) with updated texts. The table below shows the information that will be in future available.

Error Code	Description (DE)	Description (EN)
KV6631F	Instruktion im Recycling Modus.	Instruction is being recycled.
KV6632F	Recycling-Modus beendet.	Recycling mode terminated.

Furthermore, instructions in recycling mode can be updated. The party hold / release status can be modified, and the TIN can be added, if applicable. Modification requests of other settlement details and the creation of the instruction linking can only be initiated once the instruction has been accepted by T2S.

CBF will harmonise the reinstruction times for instructions in recycling mode. Today, LION instructions are presented to T2S at around 15:15, whereas CASCADE instructions with the type AA01 / AA02 submitted four times:

- 10:20 - after CBF internal check point for Auto-Admission procedure;
- 12:50 - before end of T2S Allegement Delay Period applies on ISD;
- 15:00 - before DvP deadline at 16:00; and
- 17:40 - before FoP deadline at 18:00.

After [4 July 2022](#), the T2S eligibility of ISINs for recycled OTC and SE instructions (CSC) instructions is revalidated at all four points in time and reinstructed, if possible. Please refer to the CASCADE User Manual Part 1 for more information.

Even though the initial instruction was rejected by T2S, the SEME originally created by SETI will remain unchanged if the reinstruction can be executed. The related CBF settlement reporting will be created using today's setup. That is, the usage of the reason codes and reason narratives will be still applicable.

Customers acting in DCP mode can receive a copy of the sese.023. if the reinstruction is successfully accepted by T2S.

Taxpayers' Identification Number (TIN) procedure

Based on the existing procedures for Italian tax, customers are requested to supplement pending SE instructions (CSC) with the Taxpayers' Identification Number (TIN). This procedure is already available in LION and will be transformed allowing the processing of the related instructions in an OTC-like mode.

With the introduction of SET-GO CSD Migration (Phase 2), the TIN can be maintained and will be displayed via the CASCADE Online functionality (HOST / PC). [The updated screens can be found in the following section.](#)

Maintenance of TIN

The CBF service covers the entry, modification and deletion of the TIN.

The TIN can be maintained if the SE instruction (CSC) is flagged for CASCADE OTC recycling (DISPO-Status="015 CBF Recycling") due to one of the following errors:

Role	Error code	Error message
Seller	PM0001F	TIN requested
	PM0003F	Emitter and Counterparty TIN requested
	PM0004F	Incorrect TIN
	PM0006F	Incorrect Emitter and Counterparty TIN
	PM0007F	Emitter TIN requested and incorrect Counterparty TIN
	PM0008F	Incorrect Emitter TIN and Counterparty TIN requested
Buyer	PM0002F	Counterparty TIN requested
	PM0003F	Emitter and Counterparty TIN requested
	PM0005F	Incorrect Counterparty TIN
	PM0006F	Incorrect Emitter and Counterparty TIN
	PM0007F	Emitter TIN requested and incorrect Counterparty TIN
	PM0008F	Incorrect Emitter TIN and Counterparty TIN requested

[In MT537 and MT548, the error codes will be reported in the field :70D::REAS "Reason Narrative". Examples can be found in Appendix 2.](#)

In CASCADE HOST instructions can be retrieved and updated using the transaction "KVAA".

In CASCADE PC the service is available via the function "OTC/pending instructions/modify/delete".

The following examples show the maintenance of the TIN for seller and buyer side in [CASCADE HOST](#):

o Seller

```
TRAN: KVA A FC: AA SB: 000000001

AUFTRAGSABWICKLUNG      WP-UEBERTRAG / AENDERUNG      AUFTRAGSSTATUS

AUFTNR      :          1

LAST        : 1234 000      CBF CUSTOMER SELLER      / DEUCUST1234
GUT         : 9999 000      CBF CUSTOMER BUYER      / DEUCUST9999
WKN         : I IT3456789012 ITALIAN BOND 222

NOMINALE    :          50.000      EINHEIT: ST      DISPO-PRIORITAET:
GEGENWERT   :          49.978,48      WRG      : EUR      VWA      : GS
DCA/REF     :
SET-DAY     : 10.02.2022      EX-TRD :      BATM/ADEA : N
BOERSENPL  : FRAB      OPT-OUT: J      CLRNG PL : EUXCDEFFXXX
TIN        : /TAX/MSTMXA90L01F205

MATCH-STATUS : 02 AUFTRAG BESTAETIGT MIT GEGENAUFTRAG NUMMER 2
PRTYHLD-STATUS: 0 FREIGEgeben
DISPO-STATUS : 4 OFFEN, DA KEIN AUSREICHENDER BESTAND

-- ID-KZ: 7907123444 -- PW: - ----- B79073F5 -- 03/01/- -- 09:00:- --

PF2:Druck PF3:Ruecksprung PF4:Abbruch PF5:Info PF8:Vor
```

o Buyer

```
TRAN: KVA A FC: AA SB: 000000002

AUFTRAGSABWICKLUNG      MATCH-INSTRUKTION / AENDERUNG      AUFTRAGSSTATUS

AUFTNR      :          2

LAST        : 1234 000      CBF CUSTOMER SELLER      / DEUCUST1234
GUT         : 9999 000      CBF CUSTOMER BUYER      / DEUCUST9999
WKN         : I IT3456789012 ITALIAN BOND 222

NOMINALE    :          50.000      EINHEIT: ST      DISPO-PRIORITAET:
GEGENWERT   :          49.978,48      WRG      : EUR      VWA      : GS
DCA/REF     :
SET-DAY     : 10.02.2022      EX-TRD :      BATM/ADEA : N
BOERSENPL  : FRAB      OPT-OUT: J      CLRNG PL : EUXCDEFFXXX
TIN        : /CTX/MSTMXA93L41F205F

MATCH-STATUS : 02 AUFTRAG BESTAETIGT MIT GEGENAUFTRAG NUMMER 1
PRTYHLD-STATUS: 0 FREIGEgeben
DISPO-STATUS : 4 OFFEN, DA KEIN AUSREICHENDER BESTAND

-- ID-KZ: 7907123444 -- PW: ----- B79073F5 -- 03/01/22 -- 09:00:00 --

PF2:Druck PF3:Ruecksprung PF4:Abbruch PF5:Info PF8:Vor
```

The following examples show the maintenance of the TIN for seller and buyer side in CASCADE PC:

o Seller

The screenshot shows the 'CASCADE - PC delivery: full display: pending instructions' window. The 'instruction no.' is 1. The 'debit' field shows 1234 / 000 CBF CUSTOMER SELLER / DEUCUST1234. The 'credit' field shows 9999 / 000 CBF CUSTOMER BUYER / DEUCUST9999. The 'securities' section includes ISIN IT3456789012 and ITALIAN BOND 222. The 'nominal' is 50,000 and 'unit' is ST. The 'cash' is 49,978.48 EUR. The 'settlement date' is 10-02-2022. The 'TIN' is /TAX/MSTMXA90L01F205. The 'trade date' is 10-02-2022. A 'cancel' button is at the bottom.

o Buyer

The screenshot shows the 'CASCADE - PC receipt: full display: pending instructions' window. The 'instruction no.' is 1. The 'debit' field shows 1234 / 000 CBF CUSTOMER SELLER / DEUCUST1234. The 'credit' field shows 9999 / 000 CBF CUSTOMER BUYER / DEUCUST9999. The 'securities' section includes ISIN IT3456789012 and ITALIAN BOND 222. The 'nominal' is 50,000 and 'unit' is ST. The 'cash' is 49,978.48 EUR. The 'settlement date' is 10-02-2022. The 'TIN' is /CTX/MSTMXA93L41F205F. The 'trade date' is 10-02-2022. A 'cancel' button is at the bottom.

As the TIN is required for the customer and the counterparty a key word must be entered to define the buyer (/CTX/) respectively the seller (/TAX/).

The 16-digit character TIN can be entered or modified using the following definition:

- Buyer (GUT-BANK) → /CTX/TIN (example /CTX/MSTMXA93L41F205F); or
- Seller (LAST BANK) → /TAX/TIN (example /TAX/MSTMXA90L01F205F).

It is important that before and after the key word "CTX" and "TAX" a slash is added, and the TIN will be entered without a leading blank.

Once the customer added the TIN, the instruction will be revalidated. Only if the TIN validation was successfully executed, the instruction is transmitted (using sese.023) to T2S for further validation.

Instructions being recycled for TIN procedure cannot be considered for the OTC recycling service at the same time. The CBF service defines, once the instruction has been created by SETI, in the first step the TIN validation is performed. The instruction keeps waiting for the TIN details before it is forwarded to T2S.

Display of TIN

An existing TIN will be displayed in the CASCADE Online functionality. In CASCADE HOST instructions can be retrieved using the transaction "KVAI", in CASCADE PC instructions can be displayed using "OTC/pending instructions/information".

The following examples show the display of the TIN for seller and buyer side in CASCADE HOST:

o Seller

```

TRAN: KVAI FC: AA SB: 01##1234#I#####

AUFTRAGSABWICKLUNG      WP-UEBERTRAG / INFORMATION      AUFTRAGSSTATUS

AUFTNR      :          1

LAST        : 1234 000      CBF CUSTOMER SELLER      / DEUCUST1234
GUT         : 9999 000      CBF CUSTOMER BUYER      / DEUCUST9999
WKN         : I IT3456789012 ITALIAN BOND 222

NOMINALE    :          50.000      EINHEIT: ST      DISPO-PRIORITAET:
GEGENWERT   :          49.978,48      WRG      : EUR      VWA      : GS
DCA/REF     :
SET-DAY     : 10.02.2022      EX-TRD  :      BATM/ADEA : N
BOERSENPL  : FRAB      OPT-OUT: J      CLRNG PL  : EUXCDEFFXXX
TIN        : /TAX/MSTMXA90L01F205F

MATCH-STATUS : 02 AUFTRAG BESTAETIGT MIT GEGENAUFTRAG NUMMER 2
PRTYHLD-STATUS: 1 GESPERRT AUFTRAGGEBER
DISPO-STATUS : 4 OFFEN WEGEN SETTLEMENT-SPERRE (LIEFERER)

-- ID-KZ: 7999999999 -- PW:          ----- B79073R0 -- 12/01/22 -- 09:58:16 --

PF2:Druck  PF3:Rücksprung  PF4:Abbruch  PF5:Info  PF8:Vor

```

o Buyer

```

TRAN: KVAI FC: AA SB: 02##9999

AUFTRAGSABWICKLUNG MATCH-INSTRUKTION / INFORMATION AUFTRAGSSTATUS

AUFTNR      :          2

LAST        : 1234 000      CBF CUSTOMER SELLER      / DEUCUST1234
GUT         : 9999 000      CBF CUSTOMER BUYER       / DEUCUST9999
WKN         : I IT3456789012 ITALIAN BOND 222

NOMINALE    :          50.000      EINHEIT: ST      DISPO-PRIORITAET:
GEGENWERT  :          49.978,48   WRG      : EUR      VWA      : GS
DCA/REF     :
SET-DAY     : 10.02.2022      EX-TRD  :          BATM/ADEA : N
BOERSENPL  : FRAB           OPT-OUT: J          CLRNG PL : EUXCDEFFXXX
TIN         : /CTX/MSTMXA93L41F205F

MATCH-STATUS : 02 AUFTRAG BESTAETIGT MIT GEGENAUFTRAG NUMMER 1
PRTYHLD-STATUS: 1 GESPERRT AUFTRAGGEBER
DISPO-STATUS : 4 OFFEN WEGEN SETTLEMENT-SPERRE (LIEFERER)

-- ID-KZ: 7999999999 -- PW:          ----- B79073R0 -- 12/01/22 -- 13:05:54 --

PF2:Druck PF3:Rücksprung PF4:Abbruch PF5:Info PF8:Vor
    
```

The following examples show the display of the TIN for seller and buyer side in CASCADE PC:

o Seller

The screenshot shows the 'CASCADE - PC delivery: full display: pending instructions' window. The TIN field is highlighted in blue and contains the value '/TAX/MSTMXA90L01F205'. Other fields include instruction no. 1, debit 1234 000 CBF CUSTOMER SELLER / DEUCUST1234, credit 9999 000 CBF CUSTOMER BUYER / DEUCUST9999, ISIN IT3456789012, nominal 50,000, cash 49,978.48 EUR, settlement date 10-02-2022, and trade date 10-02-2022.

○ Buyer

CASCADE - PC receipt: full display: pending instructions

instruction no.: 1 sub-instruction type:

debit: 1234 000 CBF CUSTOMER SELLER / DEUCUST1234

credit: 9999 000 CBF CUSTOMER BUYER / DEUCUST9999

securities:

ISIN IT3456789012

ITALIAN BOND 222

nominal: 50,000 unit: ST

cash: 49,978.48 EUR EUR - Euro

DCA/REF: BATM/ADEA: no

settlement date: 10-02-2022 stock exchange:

opt-out: beneficial owner indicator:

ex-trade:

place of clearing:

TIN: /CTX/MSTMXA93L41F205F partial buy-in indicator:

trade date: 10-02-2022

cancel

4.4 CASCADE Online functionality (HOST / PC)

As part of the preparation for the production launch on 4 July 2022, several CASCADE Online functionalities (HOST / PC) were amended for the processing of exchange trades in an OTC-like mode. These modifications enable customers to separate SE instructions (CSC) from plain OTC instructions in online queries. Mid-October 2021, customers were informed about the changes with a dedicated [CBF Announcement](#) (D21039).

Today's LION online hold and release functionality will not be integrated in CASCADE. Instead, the Multi Hold and Release functionality which was enabled with SET-GO ICSD Migration (Phase 1) can be used via Xact Web Portal whereas the standard Hold and Release functionality is available via CBF settlement functionality supported by the various connectivity channels. That is, this service will also be available for SE instructions (CSC). If Xact Web Portal has not been installed so far, customers are asked to request access by 27 May 2022 via the Clearstream Connectivity Help Desk.

After the successful migration and completion of the post launch activities of SET-GO CSD Migration (Phase 2), the existing access rights of LION are no longer supported in production. CBF will inform in the Customer Migration Guide CBF about the period in which LION instructions can still be retrieved and from when the access of the transactions is no longer possible. Therefore, CBF asks customers to review the existing rights management in the operational areas. This is applicable for CASCADE transaction codes and functions as well as for Xact Web Portal services. The required access rights for CASCADE and Xact Web Portal can already be set up by the designated in-house security administrator. [Clearstream has expanded the ClearstreamXact suite of connectivity solutions with a dedicated Application Programming Interface \(API\) platform available through Xact Web Portal. For more information regarding the installation, please refer to the \[Clearstream API Developer Guide\]\(#\).](#)

4.5 Connectivity – Customers acting in ICP mode

After the introduction of SET-GO CSD Migration (Phase 2), the LION application is not used for stock exchanges business any longer. CBF will decommission the related functionality and provide the services in an OTC-like mode. Customers need to consider that the CBF error and message codes as well as cash booking text keys defined for LION will not be presented after the migration. CBF will operate SE instructions (CSC) in an OTC-like mode therefore information, warnings and errors will be reported using the CASCADE error codes, narratives and cash booking text keys.

The SET-GO implementation approach defines that any non-cleared SE trade confirmation will be provided to the new Stock Exchange Transaction Interface (SETI). This hub will create the SE instructions and route the instructions to the respective settlement platform. In general, any instruction will be created with the technical sender BIC "DAKVDEFFLIO". This value can be used as identifier by Creation as well as by T2S.

All customers maintaining a CBF account for stock exchange instructions in custody type CSC and NCSC-T are requested to verify the existing LIMA connectivity settings. This is important for customers using their own settlement account and third-party management head offices. After the introduction of the SET-GO CSD Migration (Phase 2), the entire settlement reporting will be available only via the CASCADE application and is presented for the settlement accounts, only. Reg-Über-Filialen (Branches) are not configured as a settlement participant. Hence, the lifecycle of the SE instructions (CSC) will be managed via the respective settlement agent of the Branch and can no longer be reported for the Branch itself. Therefore, the Reg-Über-Zentrale (Head Office) has to consider that the Branch(es) may require a reporting.

CBF will use the existing CASCADE settlement reporting to present the results for SE instructions (CSC). In general, the instruction details will be reported using the standard OTC settlement. For further information, please refer to the [connectivity manuals](#) provided for CBF SWIFT, MQ and File Transfer (FT) settings.

If the customer subscribed for settlement confirmations (MT544 - 547) and settlement status reporting (MT548) for CASCADE OTC instructions, stock exchange transactions will be included in these reports. Examples for SE instructions (CSC) have been added in the [Appendix 2](#).

Customers can consider that for SE instructions (CSC) no allegation reporting (MT578 and MT586) will be created as these instructions will be created with the flag "already matched".

Customers need to verify the setting for the "CBF Statement of Pending Transactions" (MT537). Today, customers can request a reporting for "LION" and for "CASCADE". The CBF impact assessment shows that the settings defined by customers for LION and CASCADE are widely divergent. Therefore, customers are requested to check which settings are requested in future. Like the implementation approach for SE instruction (NCSC) via ClearstreamXact, CBF will support report definitions for OTC only, non-CCP SE only and "Both". If no settings will be defined neither for non-CCP SE instructions nor "Both", no reporting for SE instructions (CSC) will be provided after the migration activities have been successfully completed.

In addition, the Xact report definitions allowing a segregation by business type are only available for the settlement via Creation. Clearstream plans to upgrade the Xact functionality providing similar service for CBF accounts.

Today's LION cancellation reporting that is presented in MT537 will be migrated in an OTC-like mode. In future, MT548 will be provided supporting the already used qualifiers "CPRC" and "CAND".

In February 2022, in a dedicated CBF Announcement ([D22006](#)) customers were informed about the changes for CBF Statement of Pending Transactions (MT537) and can start to present orders with the related CBF connectivity form.

Instruction maintenance

In general, the instruction maintenance for SE instructions (CSC) will be offered in ICP mode. Customers can:

- Use Clearstream Online functionalities via CASCADE and Xact Web Portal for (multi) hold / release functionality. These functions can only be used if the necessary user rights are granted. This applies for CASCADE Online functionality (HOST / PC) as well as for Xact Web Portal.
- Transmit MT530 (Transaction Processing Command) via the CBF automated connectivity channels (SWIFT, MQ and File Transfer (FT)) if the technical sender and the related BIC has been enabled for the application CASCADE in Clearstream Banking. The implementation approach for the project SET-GO defines, that the flag "already matched" is used and the modification shall be requested using the "T2S Actor Reference". The underlying reference concept for CASCADE settlement instructions with the instruction types AA01 / AA02 was introduced on 27 September 2021. For more details, please refer to related [CBF Announcement](#) D21021.

SETI SEME Concept

The field :20C::SEME "Sender's Message Reference" is a unique identifier, which is derived from the "Börsengeschäftsnummer" and created by SETI. In general, the SEME concept established for the ICSD Migration (Phase 1) will be re-used. The concept takes into account the unambiguity of the SEME for the respective settlement platform. Due to the already matched instruction procedure, only one SETI instruction is transmitted to T2S. The leg type "A" will be set indicating "already matched". Out of the initial SETI instruction, T2S generates a deliver and receipt leg. In CASCADE, the delivery and receipt leg will have a separate KP-reference. Both the CASCADE delivery (AA01) and receive (AA02) instruction will show the SEME generated by SETI as further reference.

As of July 2022, the transaction reference for SE instructions (CSC) will be structured as follows:

Structure of SEME: 16 Digits															
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
SETI Qualifier	Leg type	WKN				Stock Exchange Code				Function of Date and Trade Number					
S	A (already matched)	1	2	3	4	5	6	M = München G = TradeGate F = Frankfurt E = Xetra X = INVESTRO	7 digits filled with alphanumeric characters (0-9 A-Z), string to be calculated by an algorithm from combination of Input Date and Trade Number						
Sample															
S	A	5	8	1	0	0	5	E	K	Z	B	H	2	4	N

Figure 5: Structure of SEME for SE instructions (CSC)

The characters are defined as follows:

- 1: Clearstream Qualifier "S";
- 2: Leg Type A stands for already matched and is used for delivery or receive instructions;
- 3-8: WKN (alphanumeric);
- 9: Stock exchange code;
- 10-16: Function of Date and Trade Number.

The calculation of "Function of Date and Trade Number" (character 10 - 16) as well as an example can be found in Appendix 3.

Trade specific details

Stock exchanges and their service provider will deliver the trade confirmation to CBF for further processing. In general, all mandatory fields (for example, ISIN, nominal, counter value) required for an OTC instruction are transmitted. In addition, dedicated exchange trading information is available that is relevant for processing in customer systems or applications.

With the introduction of SET-GO, the current LION instruction details have been revisited allowing a seamless creation of an OTC instruction to be processed via T2S settlement platform. The following instruction details will still be reported even though they are not mandatory for a settlement at T2S. CBF will report the details for:

- Deal Price if the trade confirmation shows a currency with a related amount. This information will be provided in the field ":90B::MRKT";
- Input date in the narrative field ":70E::SPRO" with qualifier "/IDAY".

In future, the below instruction details are no longer offered as the content of the fields can have different for buyer and seller:

- Accrued Interest and Days of Accrued Interests ("/DAAC" and "/ACRU");
- Free text as delivered by stock exchange ("/FREE");
- Original Date ("/ORDI") indicating the actual trade date;
- Party Capacity Indicator ("/TRCA") defining the trading as principal or agent;
- Rate Difference ("/RADI") currently used for reporting of "Maklerkursdifferenz";
- Reason Narrative related to LION dedicated information ("REAS"). LION specific values will not be supported in future, for example "Maklerüberweisung" ("MU") and "Maklererhebung" ("ME"). Please refer to Appendix to find the comprehensive list of the values.

Transmission times of CBF Statement of Pending Instructions (MT537)

With the deployment of the SET-GO CSD Migration (Phase 2) on 4 July 2022, the transmission of MT537 of LION and CASCADE applications will be harmonised. Hereby the number of available query times for SE instructions will increase. Therefore, it is necessary to update the transmission time:

- At 19:20 will shift to 21:30; and
- At 21:00 will in future take place at 02:00.

Even though the transmission time will be modified, the name of the related query will remain allowing a continuous reporting after the migration.

The table below shows the future transmission times:

Query	Time
QY0500	05:00
QY0600	06:00
QY0730	07:30
QY0800	08:00
QY0900	09:00
QY1030	10:30
QY1115	11:15
QY1200	12:00
QY1245	12:45
QY1330	13:30
QY1530	15:30
QY1600	16:00
QY1700	17:00
QY1800	18:00
QY1945	21:30
QY2300	02:00

References

The usage of references allows customers to assign instructions to their business processes and to manage internal processing. The SET-GO relevant references are provided through the ISO 15022 reporting, as stated below for CBF instruction types AA01 / AA02 (OTC and non-CCP SE instructions):

Field	MT544-MT547	MT548	MT536	MT537
:20C::COMM	Yes	Yes	Yes	Yes
:20C::CORP	Not applicable	If applicable	If applicable	If applicable
:20C::TRRF	Yes	Yes	Yes	Yes
:20C::MITI	Yes	Yes	Yes	Yes
:20C::PCTI	Yes	Yes	Yes	Yes
:20C::RELA	Yes	Yes	Yes	Yes

Common Reference (:20C::COMM)

The field :20C::COMM "Common Reference" shows further information about the trade concluded. Among others, it contains the reference of the stock exchange trade number (Trade ID; "Börsengeschäftsnummer") as provided by the stock exchange or the service provider. Based on market members request, the string is defined as following:

- LP (identifier for stock exchange trades) plus;
- Input date (format YYMMDD) plus;
- Trade ID (seven-digit trade number).

Corporate Action Event ID (:20C::CORP)

The field :20C::CORP “Corporate Action Event ID” results from KADI processing and is populated on the below logic.

The field Corporate Action Event ID (:20C::CORP) contains:

- For events based on the Wertpapier-Service System (WSS) event segment the 3-digit KADI event type code plus the BID;
- For interest payments the number is composed of:
 - 3-digit KADI event type code plus;
 - 6-digit Wertpapierkennnummer (WKN) plus;
 - 1-digit serial number plus; and
 - 6-digit due date (YYMMDD) for interest payments.

For LMP securities the Custody corporate action reference will be displayed.

Deal Reference (:20C::TRRF)

The field :20C::TRRF “Deal Reference” will present the CASCADE instruction reference (KP-reference).

Market Infrastructure Transaction Identification MITI (:20C::MTI)

The field :20C::MTI “Market Infrastructure Transaction Identification” will present the T2S MITI (Market Infrastructure Transaction Identification).

Processor Transaction Identification (:20C::PCTI)

The field :20C::PCTI “Processor Transaction Identification” is a unique identifier, which is used for the processing with T2S. The underlying T2S Actor Reference presented is based on the SETI SEME Concept.

Related Message Reference (:20C::RELA)

The field :20C::RELA “Related Message Reference” will contain the value of the field :20C::PCTI “Processor Transaction Identification” for the delivery leg. As SETI instructions will be presented with the flag “already matched”, the receive leg will contain the value “NONREF”.

Additional instruction detail information

In this section dedicated information will be outlined that is applicable for SE instructions (CSC).

Beneficial Ownership Indicator (:22F::BENE)

In general, for all instructions created via SETI, no information for the “Beneficial Ownership Indicator” is provided. The field :22F::BENE will not be populated.

Cash Account (:97A::CASH)

In general, for all instructions created via SETI, no information for the “Dedicated Cash Account” is provided. The field :97A::CASH will not be populated.

Delta and Complete flag (:22F::CODE)

As of July 2022, the field :20F::CODE “Delta and Complete flag” will only be populated in MT537 (CBF Statement of Pending Instructions). In Sequence A “General Information” CBF will provide the following information:

- 22F::CODE/DAKV/COMP; or
- 22F::CODE/DAKV/DELT.

Frequency (:22F::SFRE)

The field :22F::SFRE “Frequency” will no longer be populated in MT537 (CBF Statement of Pending Transactions) as SETI instructions are processed in an OTC-like mode.

Linked Message (:13B::LINK)

For SE instructions (CSC), the field :13B::LINK will show the instruction owner BIC DAKVDEFFLIO (:13B::LINK/DAKV/DAKVDEFFLIO).

Market Price (:90B::MRKT)

If applicable, for SE instructions (CSC), the deal price is provided if received from the stock exchange. The field :90B::MRKT will be populated with the qualifier “ACTU” for securities quoted in units (UNIT) or “PRCT” for securities quoted in percent (FAMT).

Partial Settlement Indicator (:22F::PRTL)

All SE instructions (CSC) will be created with the flag “partial settlement allowed” using the value “PART”. This initial setup is independent from the static data of the customer account setting. The default value “partial settlement allowed” is used to ensure that customers and counterparties can initiate T2S Partial Release requests on their demand.

Settlement participants / agents can modify the Partial Settlement Indicator (PSI) initially provided via SETI.

The PSI can be changed via MT530 (Transaction Processing Command). The modification can be requested using the field :22F::PRTL with the values “PART” (Partial Settlement is allowed) or “NPAR” (No partial settlement allowed). Please refer to [Appendix 2 Example MT530 PRTL](#).

Party Level 2 (:95R::BUYR/SELL)

SE instructions (CSC) will always be generated with two settlement Party Levels. In Party Level 2 the actual seller / buyer will be presented. Customers acting as a Reg-Über Zentrale (Head Office) will be notified about their Branch in this field. The buyer and seller information are delivered by the stock exchange.

Message type	Sequence	TAG	Format
MT536	B1a2a	:95R::BUYR or :95R::SELL	:95R::BUYR/DAKV/9999 or :95R::SELL/DAKV/9999
MT537	C2a		
MT544 - MT547	E1		
MT548	B1		
MT566 Non-income (non-LMP)	D1b	:95Q::BUYR or :95Q::SELL	:95Q::BUYR/DAKV/9999 or :95Q::SELL/DAKV/9999
MT566 Income (non-LMP)	D2a	:95Q::BENM	:95Q::BENM/DAKV/9999

Place of Clearing (:94H::CLEA)

According to the SWIFT standard, no value is required to be set by CBF. Therefore, as today, the field :94H::CLEA indicating the "Place of Clearing" will still be empty.

Place of Safekeeping (:94B::SAFE)

For MT535 and MT536, the field :94B::SAFE "Place of Safekeeping" will show the value "COLL" for CSC securities. In the event of NCSC-T securities, the value "TOWN" will be provided.

Customers need to consider that after the introduction of SET-GO, stock exchange business in custody type:

- NCSC is executed via Creation and reported by ClearstreamXact; and
- "Streifbandverwahrung" is not supported any longer.

Place of Settlement (:95P::PSET)

The field :95P::PSET "Place of Settlement" is filled with the default value "DAKVDEFFXXX".

Place of Trade (:94B::TRAD)

CBF provides in the settlement reporting the Market Identifier Codes (MIC) using the field :94B::TRAD "Place of Trade". The definition of the MIC is published as hereafter: "This International Standard specifies a universal method of identifying exchanges, trading platforms, regulated or non-regulated markets and trade reporting facilities as sources of prices and related information in order to facilitate automated processing". This code is provided by the Stock Exchange or its service provider to comply with the CSDR reporting requirements.

The MIC will be reported in the settlement instruction:

- If the MIC is provided, the "Place of Trade" field will be reported as :94B::TRAD//EXCH/ followed by the MIC in ISO standard 10383.
- If no MIC is provided, the "Place of Trade" field will not be reported, even if the field :94B::TRAD//EXCH will be displayed.

Customers need to consider that the MIC does not necessarily represent the stock exchange for which the trade confirmation has been transmitted to CBF. Following the SETI SEME concept, the value at position "9" defines the "Börsenplatz".

Priority Indicator (:22F::PRIR)

For SE instructions (CSC), the field :22F::PRIR "Priority Indicator" will present the value "0002" which can be changed by the customer to the values "0003" or "0004".

The following priority indicators exist:

Code	Description
0001	Reserved priority (can only be assigned by CSD and central bank)
0002	Top priority (can only be assigned by trading platforms and CCP)
0003	High priority
0004	Normal priority

Real-Time Gross Settlement Indicator (:22F::RTGS)

The field :22F::RTGS "Real-Time Gross Settlement Indicator" will no longer be populated as the instructions are processed in an OTC-like mode.

Settlement Instruction Processing Narrative (:70E::SPRO)

Additional information that is relevant for the processing of SE instructions (CSC) and cannot be reported in a standardised field via SWIFT, will be reported as narrative information. The field "SPRO" is used to present the input date presented by the stock exchange location with the qualifier "/IDAY". More information can be found in section [Input Date](#).

Please note that the Settlement Instruction Processing Narrative is only provided in MT54x (Settlement Confirmations) and MT548 (Settlement Status and Processing Advice). For MT536 (Statement of Transactions) and MT537 (CBF Statement of Pending Transactions) the information is provided in field :70E::TRDE.

Settlement Process Indicator (:22F::SETT)

In general, for all instructions created via SETI, the “Party Hold” is presented in CBF settlement reporting. The hold / release flag can be modified by the settlement participants / agents using MT530 (Transaction Processing Command).

The modification can be requested via the field :22F::SETT “Settlement Process Indicator” with the values “NPRE” to block the instruction from settlement (hold) or “YPRE” to present the instruction for settlement (release). Please note that the modification request shall only be presented via CBF automated connectivity channels (SWIFT, MQ and File Transfer (FT)).

Settlement Transaction Condition Indicator (:22F::STCO)

In general, for all instructions created via SETI, the “Partial Settlement Indicator” is presented in Settlement Reporting. The field :22F::STCO provides the values “PART” (Partial Settlement is allowed) or “NPAR” (No partial settlement allowed). For pending LION instructions migrated to T2S, the value “TRAN” can be reported, if the underlying (transformed) instruction resulted from a reorganisation event.

Settlement Transaction Identifier (:22F::SETR)

For SE instructions (CSC), the field :22F::SETR “Settlement Transaction Identifier” is always filled with the default value “TRAD”.

Reason Narrative (:70D::REAS)

In general, the field :70D::REAS “Reason Narrative” will no longer display the LION specific values, because in future all stock exchange trades will be processed in an OTC-like mode. Thus, the OTC specific codes, as stated in the “Connectivity Handbook Part 2” will be reported.

In future, the field :70D::REAS will be set up in each repetition of MT537 as in MT548.

Transaction Details Narrative (:70E::TRDE)

Additional information that is relevant for the processing of SE instructions (CSC) and cannot be reported in a standardised field established by SWIFT, will be reported as narrative information. The field “TRDE” is used to present:

- The input date presented by the stock exchange location with the qualifier “/IDAY”. More information can be found in section [Input Date](#)
- The TIN that will be necessary for the settlement of Italian bonds. More information can be found in section Taxpayers’ Identification Number (TIN) procedure.
- The match quality presented with the label “/MTCH” will always contain the value “XACT” which stands for “The matching was exact”. Hereby, the existing value “WTOL” (“The matching was within the tolerance”) used for LION instructions will be replaced.

At present, LION specific accounting keys displayed with label /ACKY will be replaced by the OTC specific keys (01 “free of payment” and 06 “against payment”).

If both details (Input Date and TIN) need to be reported, the TIN is added after the given “Input Date”. The information will be separated using a slash “/” after the LIMA label /FREE in field :70E::TRDE.

Customers need to consider the following definitions:

- In MT54x (Settlement Confirmations) and MT548 (Settlement Status and Processing Advice) the information is provided in field :70E::SPRO.
- The transaction detail narrative information is only provided in MT536 (Statement of Transactions) and MT537 (CBF Statement of Pending Transactions).
- The information about the TIN is transmitted via MT536 (Statement of Transactions) only.

4.6 Connectivity – Customers acting in DCP mode

At present, CBF validates the usage of the CBF concept for customers acting in DCP mode. The rollout is directly related to the introduction of the Eurosystem Single Market Infrastructure Gateway (ESMIG), which is scheduled by the Eurosystem for July 2022.

Currently, stock exchange instructions created via LION cannot be modified by customers acting in DCP mode. The “Securities Settlement Transaction Instruction (sese.023)” is transmitted to T2S with the flag modification is not allowed. With the introduction of SET-GO CSD Migration (Phase 2), this flagging is not applicable any longer. Based on the T2S concept, customers principally can initiate a “Securities Settlement Condition Modification (sese.030).

CBF recommends to only use this functionality if the underlying roles and privileges concept has been validated in relation to instructions submitted with the instructing BIC “DAKVDEFFLIO”.

CBF customers acting in DCP mode can receive a copy of sese.023 originally transmitted by CBF. On customer demand, further T2S status and settlement reporting can be subscribed. Sese.030 shall only be used by customers already acting in DCP mode. In addition, customers need to consider, that T2S will not present a status reporting if the initial SE instruction (CSC) provided via SETI will be rejected by T2S.

4.7 Corporate actions

As of 4 July 2022, SE instructions (CSC) will be created in an OTC-like mode for CASCADE / T2S processing. That is, the corporate action procedure related to pending and settled CBF instruction type AA01 / AA02 will be applicable.

The following matrix defines the occurrence and the associated corporate action application performing the transaction management. It considers the underlying instruction, the resulting instruction, and the corresponding likelihood. Based on this information, customers can classify from which Clearstream corporate action system (either KADI or Custody) the information is provided:

		Resulting instruction				
		Cash	CSC	CSC (LMP)	NCSC	NCSC-T
Underlying instruction	CSC	KADI		KADI		KADI
	CSC (LMP)	Custody		Custody	Custody	Custody
	NCSC		Custody		Custody	
	NCSC-T			Custody		

Figure 6: Corporate action matrix

For SE instructions (CSC) that are pending after the SET-GO CSD Migration (Phase 2) on 4 July 2022, the corporate action procedure via KADI will be offered for the CBF instruction type AA01 / AA02. The related corporate action reporting (MT56x) will be enabled via the CBF LIMA connectivity channels.

In general, in MT564, the field “branch” currently shows the CBF account master. This detail will no longer be transmitted after the launch of SET-GO CSD Migration (Phase 2). Furthermore, the BIC “DAKVDEFFLIO” will be added allowing the identification of a underlying SE instruction (CSC). Examples of the corporate message types can be found in Appendix 2.

The processing of corporate actions is based on the related event details and requires a consideration of the market-specific tax rules. Tax relief can be only obtained if the entitled party complies with the applicable substantive and procedural requirements.

Further information regarding the processing of LMP securities via Custody can be found in Announcement [C20069](#).

Transformation in securities

Considering the preparation for SET-GO CSD Migration (Phase 2), the KADI transformation procedure will be used for SE instructions (CSC). However, the SEME concept defined by SET-GO will be considered for reorganisation events.

For the newly created instruction (CSC), the unique reference of the underlying SE instruction (Sender's Message Reference, SEME) is copied, and the second character of the reference is set with the next character after the original character following the alphabet.

Security type	Initial (underlying) SE instruction	Cancellation request	Transformation (Reinstruction)	Rule for “Leg type”
non-LMP	SA123456EKZBH24N	Generic ID 1CS-ID	SB123456EKZBH24N	The letter will be continued for further transformations or reversals in alphabetical order.
LMP	SA123456EKZBH24N	Generic ID 1CS-ID	SB123456EKZBH24N	The letter will be continued for further transformations or reversals in alphabetical order, but ‘A’, ‘D’ and ‘R’ will be skipped.

Market and reverse market claim

The generation of market and reserve market claims is based on the existing KADI procedures for OTC instructions (AA01 / AA02). This means that market and reversal market claims are processed based on settled instructions. KADI will use the existing logic for the creation of the market and reverse market claim. That is for non-income distribution events the market claim will be on hold if the customer is flagged in the KUSTA account settings. The partial settlement flag will always be set to “NPAR” (no partial settlement allowed).

KADI Reporting

In future, the MT56x reporting will provide in field :70E::ADTX “Additional text” the BIC

- “DAKVDEFFLIO” for SE instructions (CSC); or
- “DAKVDEFFXXX” for OTC instructions.

This enables the customer to distinguish between the underlying business flows.

The KADI List reporting “Anschreiben Kompensationen” will still be generated separately for SE and OTC instruction. More details on KADI reporting via CBF automated connectivity channels (SWIFT, MQ, File Transfer (FT)) can be found in Appendix 2. The KADI screens via CASCADE Online functionality (HOST / PC) will not be changed but the content will reflect the SE processing in an OTC-like mode. In future, KADI will no longer differentiate between SE and OTC instructions for market claims, reverse market claims and transformations and hence will display them as OTC instructions.

CASCADE HOST

Within the Online functionality "KVGI" the following function codes will have a different content.

```
TRAN: KVGI FC:      SB: #4#01.04.2022####  
  
  C l e a r s t r e a m   B a n k i n g   F r a n k f u r t  
  
DISPOSITION UND ABRECHNUNGSANZEIGE KADI      H A U P T A U S W A H L  
  
KAPITALDIENSTE                                KAPITALVERÄNDERUNGEN  
  
KE ERTRÄGE/RÜCKZAHLUNGEN                      OBLIGATORISCH  
PR PROVISIONEN                                 EI EINRICHTEN  
KO KOMPENSATIONEN                              AU AUSBUCHEN  
KG KOMPENSATIONEN JE GESCHÄFTSART             UM UMTAUSCH  
UE ÜBERSICHT KAPITALDIENSTE                   SO SONSTIGE  
TRANSFORMATIONEN UND STEUERGUTSCHRIFT        AK ALLE OBLIG. KAPITALVERÄND.  
AB AUSMACHENDER BETRAG                        FREIWILLIG  
SG STEUERGUTSCHRIFT                           GE ANGEBOTE  
  
BANK:      ....  ABRECHNUNG/VALUTA: 4 01.04.2022  WÄHRUNG: ...  
ZUSÄTZLICH: TERMINART (BEI KE/PR/KO): ...  AB WKN:  . . . . .  
  
-- ID-KZ:      -- PW:      ----- B79073R0 -- 05/04/22 -- 08:00:00 --  
KV0011F Feld muß 4 Stellen numerisch sein  
PF1:Hilfe PF3:Rücksprung PF4:Abbruch
```

Using the function codes "KO" (KOMPENSATIONEN), "KG" (KOMENSATIONEN JE GESCHÄFTSART) or "AB" (AUSMACHENDER BETRAG), market claims, reverse market claims and transformations, SE instructions will be displayed as OTC instructions.

o KOMPENSATIONEN

```
TRAN: KVGI FC: KO SB: 5555#4#01.04.2022#EUR###  
  
BANK :      5555 CUSTOMER                               SEITE :      1  
  
KOMPENSATIONEN                                ABRECHNUNG/VALUTA :  T2S   /   01.04.2022  
  
WKN          GUTSCHRIFT IN EUR          BELASTUNG IN EUR          SALDO IN EUR  VA  
_ DE0001234567          10.324,00          0,00          10.324,00  O  
_ DE0002345678          1.480,00          0,00          1.480,00  O  
_ DE0003456789          6,00          6,00-          0,00      O  
  
-- ID-KZ:      -- PW:      ----- B79073R0 -- 05/04/22 -- 08:23:13 --  
KV0024I Keine weiteren Daten vorhanden  
PF3:Rücksprung PF4:Abbruch
```

0 (for OTC instructions) instead of B (for SE instructions) will be displayed in the field "VA".

o KOMENSATIONEN JE GESCHÄFTSART

TRAN: KVGI FC: KG SB: 5555#4#01.04.2022#EUR###

BANK : 5555 CUSTOMER SEITE : 1

KOMPENSATIONEN JE GESCHÄFTSART ABRECHNUNG/VALUTA : T2S / 01.04.2022

GESCHÄFTSART	GUTSCHRIFT IN EUR	BELASTUNG IN EUR
BÖRSE	0,00	0,00
OTC	11.810,00	6,00-
CCP DM	0,00	0,00
CCP CM	0,00	0,00
COLLATERAL	0,00	0,00
KONTENUMST.	0,00	0,00

-- ID-KZ: -- PW: ----- B79073R0 -- 05/04/22 -- 08:30:00 --

PF3:Rücksprung PF4:Abbruch

In future, the total amount will be displayed using the "Geschäftsart" OTC (for OTC instructions). As of 4 July 2022, no amount will be displayed for the "Geschäftsart" BÖRSE (for SE instructions).

o AUSMACHENDER BETRAG

TRAN: KVGI FC: AB SB: 5555#4#01.04.2022#EUR###

BANK : 5555 CUSTOMER SEITE : 1

AUSMACHENDER BETRAG ABRECHNUNG/VALUTA : T2S / 01.04.2022

WKN	GUTSCHRIFT IN EUR	BELASTUNG IN EUR	SALDO IN EUR	VA
_ DE0009876543	414,00	431,40-	17,40-	o
_ DE0008765432	0,00	32,32-	32,32-	o
_ DE0007654321	1.900,00	2.050,00-	150,00-	o

-- ID-KZ: -- PW: ----- B79073R0 -- 05/04/22 -- 08:29:49 --

KV0024I Keine weiteren Daten vorhanden

PF3:Rücksprung PF4:Abbruch

O (for OTC instruction) instead of B (for SE instructions) will be displayed in the column "VA".

CASCADE PC

Within the Online functionality “custody/display” the following function codes will have a different content.

selection

- income / redemptions
- provisions
- compensations
- total income
- all compensations per transaction type
- amount to be paid
- tax credit
- non income corporate actions credit
- non income corporate actions debit
- non income corporate actions exchange
- non income corporate actions other
- all mandatory non income corporate actions
- voluntary offers

bank:

value/settlement:

currency:

additional selection

event type:

sec. codes from:

ok cancel

Using the functions “compensation”, “all compensations per transaction type” or “amount to be paid” market claims, reverse market claims and transformations, SE instructions will be displayed as OTC instructions.

o Compensations

bank: page:

value/settlement:

currency:

security code	credit in	debit in	total	kind of transaction
GB0008034695	200.00	0.00	200.00	OTC transaction (key date)

page back next page

display... cancel

“OTC transaction” instead of “SE transaction” will be displayed in the column “kind of transaction”.

o All compensations per transaction types

	credit	debit
stock exchange	0.00	0.00
OTC	200.00	0.00
CCP DM	0.00	0.00
CCP CM	0.00	0.00
collateral	0.00	0.00
conversion of accounts	0.00	0.00

In future, the total amount will be displayed related to the field OTC (for OTC instructions). As of 4 July 2022, no amount will be displayed for "stock exchange" (for SE instructions).

o Amount to be paid

security code	credit in	debit in	total	kind of transaction
DE000VFP3YMB	0.00	-500.00	-500.00	OTC transaction (key date)

"OTC transaction" instead of "SE transaction" will be displayed in the column "kind of transaction".

4.8 Other services

CBF List reporting

After the launch of SET-GO CSD Migration (Phase 2), in the "Depotbuch" provided via the CBF list reporting, SE instructions (CSC) using the instruction type AA01 / AA02 will be flagged with the value "S" in the column labelled "EINGART" (business type). The screenshot below shows the intended layout:

BANK-NUMMER: 5 555										SEITE 1						
DEPOTBUCH PERSOENLICH VOM 01.04. BIS 30.04.2022																
KONTO-NR: 5/555/000				CUSTOMER												
T2S SAC : DAKV5555000																
ISIN / WKN		DE0001234567 / 123456 SECURITY														
BUCH-	MB-	SET-DAY	SCHLUSST	LASTKTO		GUTKTO		AUFTR.		EING						
TAG	ÜBERG			LASTKTO	NIEDERL	GUTKTO	NIEDERL	AA	BS	GES-NR	EIN	NOMINALE	WRG	GEGENWERT	GART	BEMERKUNG
23.04	19:36	23.04.22	19.04.22	5555000		4444000		01	6	1349352	ST	10,000	EUR	1.636,70	S	
23.04	19:36	23.04.22	19.04.22	5555000		4444000		01	6	1349354	ST	87,388	EUR	14.302,79	S	
23.04	07:44	23.04.22	19.04.22	5555000		4444000		01	6	710974	ST	488,000	EUR	79.870,96	S	
24.04	20:00	24.04.22	20.04.22	5555000		4444000		01	6	3002829	ST	2,000	EUR	327,32		

Figure 7: Example CBF Depotbuch

As the LION system will be decommissioned and its functionality will be offered via the Creation and T2S / CASCADE infrastructure, dedicated LION lists will be provided as empty files until their decommissioning. Therefore, following lists are presented without content:

- LISTE DER GÜLTIGEN ÄNDERUNGEN/ RUECKNAHMEN LOESCHUNGEN
(list of accepted modifications and cancellations)
- LISTE DER ZUR LOESCHUNG MARKIERTEN GESCHAEFTE
(list of pending cancellations)
- LISTE DER AUFGABEN
(list of broker notes, please refer to chapter 4.1)
- LISTE DER OFFENEN BOERSENGESCHAEFTE
(list of pending stock exchange trades)

The LION reporting will not be deactivated during the migration weekend, as CBF considers in the SET-GO migration approach a potential fall back scenario. Therefore, CBF is prepared for rollback activities. The empty LION lists will be decommissioned with an upcoming CBF Release. The next release is scheduled in November 2022. If customers intend to cancel the receipt of these empty files before November 2022, they can do so by sending an MT599 to CBF's SWIFT address DAKVDEFFXXX atn. Connectivity mentioning:

- The CBF account masters concerned;
- The related technical receiver address;
- The CBF automated connectivity channel (SWIFT, MQ and/or File Transfer (FT)) used; and
- A contact to be called to agree on the final report provisioning date.

If customers require a list via Xact Web Portal using the "Security Instructions" icon instead, a dedicated query can be set up. On demand, each user can define, store and execute a personal query as well as the results. The query result can be exported as Excel file.

The Xact Web Portal functionality offers the selection of SE instructions using the field "Business Type". The value "Stock Exchange instructions only" will select instructions created by SETI. This identifier has to be applied instead of "SETI" in the field "Input media channel" located in section "Other".

It is mandatory to enter the CBF main account (7 digits; xxxx000) defined as settlement account for stock exchange business. Allowing the reporting by status, the customer can select instructions using the section "Settlement status". It is recommended to check the radio button "Per Status" and filter "All reasons". Regarding the "Intended Settlement Date" (ISD), it needs to be considered, that in Xact Web Portal, with the field "Requested settlement" the information can be requested.

If customers would like to save the query for future reporting, in section "Predefined" using the field "Query Name" a customised description can be entered. The definition is available to the query creator. With the export functionality the results are downloaded as Excel file. Xact Web Portal provides a predefined list of data fields ("available columns"), that can be selected using the button "Configure". The list of available columns already supports dedicated fields for stock exchange business (for example "Trade date", "Trade ID" and "Deal price"). This list will be enhanced with the CBL Release in July 2022. Especially for the maintenance of stock exchange instructions, two new columns "Party 2 DELI" and "Party 2 RECE" are aimed to be offered.

The instruction lifecycle management – regardless of whether pending, settled or rejected – can be accessed via Xact Web Portal. After customers retrieved the instruction, with "View Detail" and "Internal lifecycle" the processing steps are listed.

Query

Predefined

Query name: None Save query

References

Quick Query

Show CA proceeds only

Instruction type = Instruction Safekeeping account = []

Payment = [] Securities movement = []

Credit debit indicator = [] Settlement quantity = []

Settlement currency = [] Financial instrument = []

Settlement amount = [] Description = []

Cash account = [] Safekeeping place = []

Business Type = Stock Exchange instructions only

Settlement status

Across all statuses Per status

Status date * 11/04/2022 23:59:59

Status	Status value*	Reason	Additional reason information
Processing	All Open	Please select...	Reason
Matching	All Open	Please select...	Reason
Settlement	All Open	Please select...	Reason
External Settlement	All Open	Please select...	Reason
Internal	All Open	Please select...	All Additional info.

Dates

Requested settlement = 11/04/2022 Requested value = []

Expected settlement = [] Expected value = []

Effective settlement = [] Effective value = []

Trade = []

Settlement parameters & trade details

Settlement parties

Other

Input media channel = Please select... Created/modified by = Please select...

Message Type = Please select... Technical sender = []

Figure 7: Xact Web Portal – Query

CBF Vaults procedures

The CBF Auto-Admission service is designed to support issuers and their agent. In the "Auto-Admission Report" securities are listed for which an OTC instruction has been created by the customer and / or Stock Exchange trade confirmations have been received but Clearstream has not made the underlying securities eligible.

The auto-admission service is executed twice a day. Hereby, Clearstream will enable newly issued securities and make the ISINs eligible on T2S. With the implementation of the SET-GO CSD Migration (Phase 2) the existing processing timelines will remain unchanged. The run:

- At around 04:30 will consider SE instructions (CSC) created via SETI; and
- At around 14:00 will consider newly presented OTC instructions.

In existing CBF AutoDispo-Service generating the necessary mark-ups and automatically removing all unsold securities from the customer's account at the end of the business day (markdown) will remain unchanged.

CEDAR - Account Transfer service

With the SET-GO CSD Migration (Phase 2) on 4 July 2022, the Account Transfer (CEDAR) service for pending instructions can no longer be offered for pending non-CCP stock exchange instructions. After the migration these instructions are processed in an OTC-like mode.

Makleraufgaben

As of 4 July 2022, Stock Exchanges will no longer deliver broker notes (Makleraufgaben) towards CBF and hence CBF can no longer report such information. However, if a broker note results in "Aufgabenschließung" the respective SE instruction (CSC) will be created. Hence, these instructions will be sent to T2S and processed / reported as SE instruction (CSC). Customers are asked to get the reporting for broker notes directly from the stock exchange or their service provider.

MIS reporting

CBF and CBL acting as the responsible settlement entity create the MIS reports independently. Since the launch of SET-GO ICSD Migration (Phase 1), SE instructions (NCSC) are reported OTC-like. After the SET-GO CSD Migration (Phase 2), the differentiation for SE instructions (CSC) will still be applicable, even if stock exchange instructions are processed in an OTC-like mode.

Settlement times schedule

The settlement times schedule available under AUFTRAGSABWICKLUNG SYSTEM-INFORMATIONEN VEROEFFENTLICHUNGEN in CASCADE HOST (transaction "KVAV" and function "IS") and under "system information" in CASCADE-PC will be updated along with the CBF November 2022 Release.

5 Deployment activities

Clearstream will transform SE instructions in an OTC-like mode with the CSD Migration (Phase 2) during the T2S Release Deployment Weekend. The implementation approach for the CSD Migration (Phase 2) defines that all pending SE instructions (“Restanten”) in custody type CSC and NCSC-T will be cancelled and reinstructed after the necessary software modules has been activated. This procedure is to be seen as a “hard cut-off”.

For any SE instruction that could be migrated successfully, a new “SEME” will be created as defined in section SETI SEME Concept. Allowing for a later reconciliation, migrated instructions will contain the reference of the initial LION instruction as additional information. Customers are requested to clean up instructions that cannot be migrated in due time supporting the migration timeline.

Any pending stock exchange instruction cancelled during the migration will be advised via the standard LION settlement reporting and in a dedicated SET-GO migration reporting, if requested by the customer.

For any SE instruction (CSC) that could be migrated successfully, the instruction lifecycle will restart. This means, the instructions are entered as new instructions and will receive new timestamps for the CSDR relevant fields “accepted” and “matched”. Customers need to consider that because of the requested “hard cut-off” procedure, T2S will take the newly created instruction details into consideration of the CSDR Penalty Regime and calculate the associated fees. As this may lead to late settlement penalties for pending instructions (“Restanten”) which were already failing before the migration, customers are advised to clean up pending instructions in due time.

On the last business day (Friday) before the migration, stock exchange trades (Schlussnoten) concluded on that day will not be processed in LION. These trade confirmations will be processed via SETI and hence initially created at T2S.

Further information on the deployment weekend for the SET-GO CSD Migration (Phase 2) will be provided via separate Customer Migration Guide. In addition, CBF will publish an announcement detailing the deployment activities and the associated indicative timeline that will be aligned with the implementation approach of T2S Release 6.0. Before and during the implementation weekend, Operational News will be published on the Clearstream website. CBF customers can subscribe to be informed about the progress of the migration.

6 Customer simulation

Clearstream will offer a guided customer simulation for the changes induced by SET-GO for the CSD Migration (Phase 2). In total, the testing is executed over a period of nine weeks, split into two stages.

The customer simulation for the CSD Migration (Phase 2) will start in on **25 April 2022**. Right at the beginning migration activities will be executed. After the deployment of the T2S Release 6.0 in the various testing environments, the further test stage will be conducted as of **23 May 2022**. [The guided customer simulation will end on 29 June 2022](#).

During the simulation period, customers will be able to receive settlement reporting for SE instructions (CSC) via CBF Customer Simulation environment "IMS23" and the T2S Pre-Production environment (UTEST). CBF will offer regressing testing for CASCADE OTC instructions in custody type CSC and for securities in custody type NCSC via the Clearstream testing environment named "OCCT".

The test cases setup for securities in custody type CSC are designed by CBF to support customers where specific environment requirements are necessary. Customers wishing to participate in the guided simulation [had](#) to register. For a successful participation in the customer simulation, account and connectivity settings must be available. Based on the information provided in the registration form, CBF will create necessary settings in IMS23.

During the guided customer simulation period the following scenarios for SE instructions (CSC) will be covered:

- Migration procedure based on predefined snapshot days;
- End-to-end testing of stock exchange instructions in custody type CSC and NCSC-T;
- Regression testing of stock exchange instructions in custody type NCSC as well as CASCADE OTC instructions;
- SET-GO migration procedure based on predefined snapshot data;
- Recycling and reinstruction service for CASCADE instructions;
- Taxpayers' Identification Number for Italian bonds;
- Corporate action testing for KADI income and non-income events; and
- Auto-Admission procedures for CBF New Issues.

A detailed description of the simulation activities for the SET-GO CSD Migration (Phase 2) is provided in a [Customer Simulation Guideline](#).

Glossary

Acronym or abbreviation	Description
A2A	Application to Application
AKV	Custody type NCSC
AM	Account Master
BIC	Bank Identifier Code
CA	Corporate Actions
CBF	Clearstream Banking Frankfurt (CSD)
CBF-i	CBF International 6-series account
CBL	Clearstream Banking Luxembourg (ICSD)
CSC	Collective Safe Custody
CSD	Central Securities Depository
CSDR	CSD-Regulation
DCA	Dedicated Cash Account
DCP	Direct Connected Participant
DFoP	Deliver Free of Payment instruction
DvP	Deliver versus Payment instruction
EoD	End of Day
FoP	Free of Payment
ICP	Indirect Connected Participant
ICSD	International Central Securities Depository
ISD	Intended Settlement Date
ISIN	International Securities Identification Number
KADI	Kapitaldienste
KUSTA	Customer Reference Data (Kundenstammdatensystem)
LMP	Local Market Partnership Model (CBF Investor CSD in a foreign CSD)
MIS	Management Information System
MT	Message Type
NCSC	Non-Collective Safe Custody in accordance with German Depository Law
NCSC-T	Non-Collective Safe Custody ISINs eligible for settlement in T2S
OTC	Over the counter
PFOD	Payment Free of Delivery instruction
PÜEV	Platzüberschreitender Effektenverkehr
RFoP	Receive Free of Payment instruction
RTGS	Real-Time Gross Settlement
RvP	Receive versus Payment instruction
SE	Stock Exchange
SETI	Stock Exchange Transaction Interface
SET-GO	Stock Exchange Transactions Go OTC
STR	Streifbandverwahrung
SWIFT	Society for Worldwide Interbank Financial Telecommunication
T2S	TARGET2 Securities
U2A	User to Application
WKN	Wertpapierkennnummer
WPR	Wertpapierrechnung

Appendix 1

Multi Hold and Release functionality

The following table lists the service offering at a glance:

Multi Hold and Release functionality	Description
Scope of instructions	The Multi Hold and Release functionality will be available for CBL internal instruction types (41, 51 / 4F, 5F) and settlement instructions executed via T2S.
Online Functionality	A filter and sort functionality will be available. Stock exchange instructions can be selected. Customers can modify one by one instruction or if the option "All" instructions is used then Xact will select a maximum of 25 instructions for Multi Hold and Release processing. With the launch in July 2022, it will be enhanced to 300 instructions by using the File Upload Procedure.
XLS Export	Customers will be able to create a documentation (XLS) that lists all instructions that are required to be released / set on hold. Once the instructions are selected, there will be an export functionality to store the results.
Modification Feature	The functionality can be used for a modification of instructions either in the hold or in the release status. Instructions that are already partially released cannot be processed. In addition, the Multi Release functionality cannot be used to instruct a partial release.
4-Eyes Principle	The 4-Eyes Principle will be applied on all modifications performed in the Multi Hold and Release functionality (Xact standard). Hold and release actions can be performed on pending instructions anytime but cannot be requested if a pending modification request is in place that requires the authorisation.
Audit Trail	An audit log will be provided for all modifications performed on the Multi Hold and Release functionality. If a modification request was not executed due to a concurrent update (because of change in the status, partial release request or settlement), this will be documented.

The following table depicts the selection criteria for the Multi Hold and Release functionality related to SE instructions (CSC).

Criteria	Filter	Comments
Safe keeping account	'='	Can select up to 50 customer account numbers.
Financial instrument	'='	ISIN Code
Instruction type	'='	DELI, RECE
		APMT, FREE
Settlement currency	'=' and '<>'	Settlement currency of the instruction
Status of instruction	'=' and '<>'	PTYH - Party Hold
Date section	'=', '<>', '<', '<=', '>', '>=', 'between'	Trade in dates section gives the possibility to input trade date.
Expected settlement date	'=', '<>', '<', '<=', '>', '>=', 'between'	Expected settlement date in dates section gives the possibility to input settlement date.
Message type	'='	Message type is available in section "Other" to select different message types.
Settlement party	Dropdown menu	Available for Party Level 1 and 2.

Based on the selection criteria, the number of instructions can exceed several thousands. If the number exceeds 2,000 lines, a warning message "You have exceeded the number of instructions. Use more specific query criteria" will be displayed. Until July 2022, customers can modify 25 instructions which are displayed by selecting 25 instructions one by one. If the customer clicks on "All", ClearstreamXact will select a maximum of 25 instructions for multi hold and release processing. With the launch in July 2022, the functionality will be enhanced to 300 instructions by using the File Upload Procedure.

Input will be limited to the Xact Web Portal opening hours. If a modification request is transmitted via A2A during closing days for a specific market, the instruction will be queued and forwarded once the backend is available.

The Multi Hold and Release functionality will use the modification functionality. Hence, only users having the right to modify an instruction are allowed to execute this functionality. In addition, the modification might be authorised by another user having the necessary right. Depending on the customer setup the two-eyes or four-eyes principle applies on all modifications performed in the multi hold and release window.

The audit log will show all modifications performed on the multi hold and release window. If a modification request was not executed due to a concurrent update (because of change in the status, partial release request or settlement), this will be documented in the audit trail.

Appendix 2

ICP mode - Settlement message type examples

Example MT530 PRTL

Message fields and contents	Comments
:16R: GENL :20C::SEME//R379920196006887 :23G::NEWM :95P::ACOW//DAKVDEFFLIO :97A::SAFE//4444 :16S::GENL :16R::REQD :20C::PREV//SA123456EKZBH24N :22F::PRTL//NPAR :16S::REQD :16R::ADDINFO :35B::ISIN DE0007100000 DAIMLER AG NA O.N. :36B::SETT//UNIT/100, :16S::ADDINFO :16R: ADDINFO :20C::ACOW//DELI :16S: ADDINFO	Based on the SEME concept for stock exchange instructions Change to "Partial settlement is not allowed"

Example MT530 SETT

Message fields and contents	Comments
:16R: GENL :20C::SEME//R379920196006887 :23G::NEWM :95P::ACOW//DAKVDEFFLIO :97A::SAFE//4444 :16S::GENL :16R::REQD :20C::PREV//SA123456EKZBH24N :22F::SETT//YPRE :16S::REQD :16R::ADDINFO :35B::ISIN DE0007100000 DAIMLER AG NA O.N. :36B::SETT//UNIT/100, :16S::ADDINFO :16R: ADDINFO :20C::ACOW//DELI :16S: ADDINFO	Based on the SEME concept for stock exchange instructions Change to "The instruction is to be presented for settlement"

Example MT530 PRIR

Message fields and contents	Comments
:16R: GENL :20C::SEME//R379920196006887 :23G::NEWM :95P::ACOW//DAKVDEFFLIO :97A::SAFE//4444 :16S::GENL :16R::REQD :20C::PREV//SA123456EKZBH24N :22F::PRIR//0002 :16S::REQD :16R::ADDINFO :35B::ISIN DE0007100000 DAIMLER AG NA O.N. :36B::SETT//UNIT/100, :16S::ADDINFO :16R: ADDINFO :20C::ACOW//DELI :16S: ADDINFO	Based on the SEME concept for stock exchange instructions Initial instruction is set up with priority "0002" and can be modified

Example MT536

MT536 example without REG-UEBER:

Message fields and contents	Comments
:16R: GENL :28E: 00001/ONLY :13A::STAT//431 :20C::SEME//1111222233 :23G: NEWM :98C::PREP//20200624120000 :69A::STAT//20200624103000/20200624120000 :22F::SFRE//INDA :22F::CODE/DAKV/COMP :22F::STBA//SETT :97A::SAFE//4444 :17B::ACTI//Y :17B::CONS//Y :16S: GENL :16R: SUBSAFE :16R: FIN :35B: ISIN DE0007100000 DAIMLER AG NA O.N. :93B::FIOP//UNIT/12000, :93B::FICL//UNIT/11000, :16R: TRAN :16R: LINK :20C::RELA//SA125456EKZBH24N :16S: LINK :16R: LINK	

Message fields and contents	Comments
:20C::TRRF//KP4444011234567 :16S: LINK :16R: LINK :20C::COMM//LP2204011234567 :16S: LINK :16R: LINK :13B::LINK/DAKV/DAKVDEFFLIO :20C::PCTI//SA125456EKZBH24N :16S: LINK :16R: TRANSDET :94B::SAFE//DAKV/COLL :94B::TRAD//EXCH/FRAB :36B::PSTA//UNIT/100, :19A::PSTA//EUR1050, :22F::TRAN//SETT :22H::REDE//DELI :22H::PAYM//APMT :22F::SETR/TRAD :22F::STCO//PART :98A::TRAD//20220221 :98A::ESET//20200221 :98A::SETT//20200221 :98C::ASTS//20220221093000 :98C::MTCH//202202214093100 :90B::MRKT/ACTU/EUR10,5 :70E::TRDE///ACKY06/STBLN//RATE 10,5/MTCH XACT/ISTR TRAD/FREE /IDAY 20220221 :16R: SETPRTY :95P::PSET//DAKVDEFFXXX :16S: SETPRTY :16R: SETPRTY :95R::DEAG/DEAGDEFFXXX :97A::SAFE//44440000 :16S: SETPRTY :16R: SETPRTY :95R::SELL/DAKV/4444 :16S: SETPRTY :16R: SETPRTY :95R:: REAG/REAGDEFFXXX :97A::SAFE//55550000 :16S: SETPRTY :16R: SETPRTY :95R::BUYR/DAKV/5555 :16S: SETPRTY :16S: TRANSDET :16S: TRAN :16S: SUBSAFE	CASCADE Reference (KP-reference) "LP" + Input date + Trade ID ("Börsengeschäftsnummer" received from stock exchange) "SEME" is reported in the "PCTI" field "COLL" will be presented for SE instructions (CSC) If the MIC is provided, the "Place of Trade" field will be reported as :94B::TRAD//EXCH followed by the MIC in ISO standard 10383. If no MIC is provided, the "Place of Trade" field will not be reported Input date Party Level 1 (Settlement Party) Party Level 2 (Seller) Party Level 1 (Settlement Party) Party Level 2 (Buyer)

MT536 excerpt with REG-UEBER:

Message fields and contents	Comments
:16R:SETPRTY :95R::DEAG/DEAGDEFFXXX :97A::SAFE//4444000 :16S:SETPRTY :16R:SETPRTY :95R::SELL/DAKV/5678 :16S:SETPRTY :16R:SETPRTY :95R::REAG/REAGDEFFXXX :97A::SAFE//5555000 :16S:SETPRTY :16R:SETPRTY :95R::BUYR/DAKV/1234 :16S:SETPRTY	Party Level 1 (Settlement Party) Party Level 2 (Seller) Party Level 1 (Settlement Party) Party Level 2 (Buyer)

Message fields and contents	Comments
:95R:: DEAG/DEAGDEFFXXX :97A::SAFE//4444000 :16S: SETPRTY :16R: SETPRTY :95R::SELL/DAKV/4444 :16S: SETPRTY :16R: SETPRTY :95R::REAG/REAGDEFFXXX :97A::SAFE//5555000 :16S: SETPRTY :16R: SETPRTY :95R::BUYR/DAKV/5555 :16S: SETPRTY :16S: TRANSDET	

MT537 excerpt with REG-UEBER:

Message fields and contents	Comments
:16R: SETPRTY :95R::DEAG/DEAGDEFFXXX :97A::SAFE//4444000 :16S: SETPRTY :16R: SETPRTY :95R::SELL/DAKV/5678 :16S: SETPRTY :16R: SETPRTY :95R::REAG/REAGDEFFXXX :97A::SAFE//5555000 :16S: SETPRTY :16R: SETPRTY :95R::BUYR/DAKV/1234 :16S: SETPRTY	Party Level 1 (Settlement party) Party Level 2 (Seller) Party Level 1 (Settlement party) Party Level 2 (Buyer)

Example MT537 TIN rejection

MT537 excerpt

Message fields and contents	Comments
:70D: :REAS///SETS000/MATS002/PROS 015/PEND TXST/ERRC PM0003F/ERRT Emitter and Counterparty TIN requested/PRQT0,	Error code as described in section "Maintenance of TIN"

Example MT547

MT547 example with REG-UEBER:

Message fields and contents	Comments
:16R: GENL :20C::SEME//1234567 :23G: NEWM :98C::PREP//20200624090659 :16R: LINK :20C::RELA//SA123456EKZBH24N :16S: LINK :16R: LINK :20C::TRRF//KP4444011234567 :16S: LINK :16R: LINK :20C::COMM//LP2204011234567 :16S: LINK :16S: GENL :16R: LINK :13B::LINK/DAKV/DAKVDEFFLIO :20C::PCTI//SA125456EKZBH24N :16S: LINK :16R: TRADDET :94B::TRAD//EXCH/FRAB :98A::ESET//20220221 :98A::TRAD//20220221 :35B: ISIN DE0007100000 DAIMLER AG NA O.N. :22F::PRIR//0002 :70E::SPRO//IDAY 20200324 :16S: TRADDET :16R: FIAC :36B::ESTT//UNIT/100, :36B::PSTT//UNIT/100, :36B::RSTT//UNIT/13800, :19A::PSST//EUR200, :19A::RSST//EUR27600, :97A::SAFE//4444 :94F::SAFE//DAKV/COLL :16S: FIAC :16R: SETDET :22F::SETR/TRAD :22F::STCO//PART :16R: SETPRTY :95P::PSET//DAKVDEFXXX :16S: SETPRTY :16R: SETPRTY :95R::DEAG/DEAGDEFFXXX :97A::SAFE//4444000 :16S: SETPRTY :16R: SETPRTY	Based on the CBF concept of outbound messages CASCADE Reference (KP-reference) "LP" + Input date + Trade ID ("Börsengeschäftsnummer" received from stock exchange) Stock exchange instruction will be flagged with "DAKVDEFFLIO" "SEME" is reported in the "PCTI" field MIC is provided, the "Place of Trade" field will be reported as :94B::TRAD//EXCH followed by the MIC in ISO standard 10383. If no MIC is provided, the "Place of Trade" field will not be reported Input date "COLL" will be presented for SE instructions (CSC) Party Level 1 (Settlement Party)

Message fields and contents	Comments
:95R::SELL/5678 :16S:SETPRTY :16R:SETPRTY :95R::REAG/REAGDEFFXX :97A::SAFE//5555000 :16S:SETPRTY :16R:SETPRTY :95R::BUYR/DAKV/1234 :16S:SETPRTY :16S:SETDET	Party Level 2 (Seller) Party Level 1 (Settlement Party) Party Level 2 (Buyer)

Example MT548

MT548 example without REG-UEBER:

Message fields and contents	Comments
:16R: GENL :20C::SEME//1234567 :23G: INST :98C::PREP//20200518081710 :16R: LINK :20C::RELA//SA123456EKZBH24N :16S: LINK :16R: LINK :20C::TRRF//KP4444011234567 :16S: LINK :16R: LINK :20C::COMM//LP2204011234567 :16S: LINK :16R: LINK :13B::LINK/DAKV/DAKVDEFFLIO :20C::PCTI//SA125456EKZBH24N :16S: LINK :16R: STAT :25D::MTCH//MACH :16S: STAT :16R: STAT :25D::SETT//PEND :16R: REAS :24B::PEND//BOTH :16S: REAS :16S: STAT :16S: GENL :16R: SETTRAN :94F::SAFE//DAKV/COLL :94B::TRAD//EXCH/FRAB :35B: ISIN DE0007100000 DAIMLER AG NA O.N. USD 1,25 UNITEDHEALTH GRP 20-2026 :36B::SETT//FAMT/500, :19A::SETT//EUR800, :97A::SAFE//4444 :22F::SETR/TRAD :22F::STCO//PART :22H::REDE//DELI :22H::PAYM//APMT :98A::TRAD//20220221 :98A::SETT//20220223 :98C::ASTS//20220221093000 :98C::MTCH//20220221093100 :70E::SPRO//FREE /IDAY 20200324 :22F::PRIR//0002 :16R: SETPRTY	<p>Based on the CBF concept of outbound messages</p> <p>CASCADE Reference (KP-reference)</p> <p>“LP” + Input date + Trade ID (“Börsengeschäftsnummer” received from stock exchange) Stock exchange instruction will be flagged with “DAKVDEFFLIO”</p> <p>“SEME” is reported in the “PCTI” field</p> <p>“COLL” will be presented for SE instructions (CSC) If the MIC is provided, the “Place of Trade” field will be reported as :94B::TRAD//EXCH followed by the MIC in ISO standard 10383. If no MIC is provided, the “Place of Trade” field will not be reported</p> <p>Input date</p>

Message fields and contents	Comments
:95P::PSET//DAKVDEFFXXX :16S: SETPRTY :16R: SETPRTY :95R::DEAG/DEAGDEFFXXX :97A::SAFE//4444000 :16S: SETPRTY :16R: SETPRTY :95R::SELL/DAKV/4444 :16S: SETPRTY :16R: SETPRTY :95R::REAG/REAGDEFFXXX :97A::SAFE//5555000 :16S: SETPRTY :16R: SETPRTY :95R::BUYR/DAKV/5555 :16S: SETPRTY :16S: SETTRAN	Party Level 1 (Settlement party) Party Level 2 (Seller) Party Level 1 (Settlement party) Party Level 2 (Buyer)

MT548 excerpt with REG-UEBER:

Message fields and contents	Comments
:16R: SETPRTY :95R::DEAG/DEAGDEFFXXX :97A::SAFE//4444000 :16S: SETPRTY :16R: SETPRTY :95R::SELL/DAKV/5678 :16S: SETPRTY :16R: SETPRTY :95R::REAG/REAGDEFFXXX :97A::SAFE//5555000 :16S: SETPRTY :16R: SETPRTY :95R::BUYR/DAKV/1234 :16S: SETPRTY	Party Level 1 (Settlement Party) Party Level 2 (Seller) Party Level 1 (Settlement Party) Party Level 2 (Buyer)

Example MT548 TIN rejection

MT548 excerpt

Message fields and contents	Comments
:70D::REAS///SETS000/MATS002/PROS 015/PEND TXST/ERRC PM0003F/ERRT Emitter and Counterparty TIN requested/PRQT 0,	Error code as described in section "Maintenance of TIN"

Xact A2A connectivity – Penalty reporting

Example MT537 PENA

Message fields and contents	Comments
<pre> :16R:GENL :28E:00001/ONLY :13A::STAT//259 :20C::SEME//604028953 :23G:PENA :98C::PREP//20220321103020 :98A::STAT//20220318 :22H::STST//PENA :22F::SFRE//DAIL :22F::CODE//DELT :97A::SAFE//9999 :17B::ACTI//Y :16S:GENL :16R:PENA :22F::CODE//FWIS :95P::ASDP//DAKVDEFFXXX :16R:PENACUR :11A::PECU//EUR :98A::DACO//20220321 :95P::REPA//CUSTDEFF123 :95P::CASD//DAKVDEFFXXX :22F::TRCA//CSDP :19A::GBNT//NEUR10, :16R:PENACOUNT :95P::REPA//CUSTDEFF999 :22F::TRCA//CSDP :19A::AGNT//NEUR10, :16R:PENDET :20C::PREF//PENAEXAMPLE :20C::PCOM//220321000000001 :22H::PNTP//SEFP :22H::CALM//SECU :17B::CMPU//Y :25D::PNST//ACTV :24B::ACTV//NEWP :70D::REAS//New Penalty from Xact :19A::AMCO//NEUR10, :99A::DAAC//010 :16R:CALDET :98A::PEDA//20220321 :17B::MRED//N :16S:CALDET :16R:RELTRAN :20C::PCTI//SA113540F3PUE5AF :20C::ACOW//SA113540F3PUE5AF :20C::ASRF//SA113540F3PUE5AF </pre>	<p>"SEME" is reported in the "PCTI" field</p>

Message fields and contents	Comments
:16R:TRAN :22H::PAYM//APMT :22H::REDE//DELI :22F::SETR//TRAD :22F::TRAN//SETT :98C::MTCH//20220304145957 :98A::SETT//20220304 :98A::TRAD//20220304 :98C::ASTS//20220304145957 :97A::SAFE//99990000 :95P::ACOW//CUSTDEFF123 :36B::PSTA//FAMT/200, :19A::PSTA//EUR700, :16S:TRAN :16S:RELTRAN :16S:PENDET :16S:PENACOUNT :16S:PENACUR :16S:PENA	

Corporate action message type examples

The following examples are relevant for non LMP securities.

Example 564 for market claims

At present in MT564, the field “branch” showing the CBF account master will not be transmitted after the launch of SET-GO CSD Migration (Phase 2)

Income MT564 REPE ACLA and CLAI excerpt

Message fields and contents	Comments
:70E: :ADTX//MARKET CLAIM OF OTC TRADE TR RELA0000253208 TR RELA T2SSA123456E3WKTXC0 REF-OWNER-BICDAKVDEFFLIO TRADE DAY20220414 COUNTERPART99990000 KADI-LFNR 12345 PAYMENT UPON RECEIPT OF FUNDS	Income Market Claim for SE instructions will be reported as OTC Trade in ADTX BIC DAKVDEFFLIO as identification of underlying SE instruction

Non-income MT564 REPE ACLA excerpt

Message fields and contents	Comments
:70E: :ADTX//MARKET CLAIM OF OTC TRADE TR RELA0000260160 TR RELA T2SSA123456E3T3T10G REF-OWNER-BICDAKVDEFFLIO TRADE DAY20220324 COUNTERPART99990000 KADI-LFNR 12345	Non-income Market Claim for SE instructions will be reported as OTC Trade in ADTX BIC DAKVDEFFLIO as identification of underlying SE instruction

Non-income MT564 REPE CLAI excerpt

Message fields and contents	Comments
:70E: :ADTX//MARKET CLAIM OF OTC TRADE TRADE REF0000599025 TRADE-REF T2SC24K0612075CD92 REF-OWNER-BICDAKVDEFFXXX TR RELA0000260160 TR RELA T2SSA123456E3T3T10G REF-OWNER-BICDAKVDEFFLIO TRADE DAY RELA20220324 COUNTERPART99990000 KADI-LFNR 12345	Non-income Market Claim for SE instructions will be reported as OTC Trade in ADTX BIC DAKVDEFFLIO as identification of underlying SE instruction

Example 564 for transformations

At present in MT564, the field “branch” showing the CBF account master will not be transmitted after the launch of SET-GO CSD Migration (Phase 2)

MT564 excerpt transformation in securities

Message fields and contents	Comments
:70E: :ADTX//TRANSFORMATION OF OTC TRADE TRADE REF0000250613 TR RELA T2SSB123456E3VL3V1X REF-OWNER-BICDAKVDEFFLIO TR RELA0000250613 TR RELA T2SSA123456E3VL3V1X REF-OWNER-BICDAKVDEFFLIO TRADE DAY20220408 COUNTERPART99990000 KADI-LFNR 12345	Transformations SE instructions will be reported as OTC Trade in ADTX Transaction ID of new instruction BIC DAKVDEFFLIO as identification of SE underlying instruction Transaction ID of old instruction BIC DAKVDEFFLIO as identification of underlying SE instruction

MT564 excerpt transformation of redemption price

Message fields and contents	Comments
:70E: :ADTX//TRANSFORMATION OF REDEMPTION PRICE TR RELA0000343294 TR RELA T2SSA123456E3W8Z6RI REF-OWNER-BICDAKVDEFFLIO TRADE DAY20220412 COUNTERPART99990000 ACTUAL SETTLEMENT DATE20220414 KADI-LFNR 12345 PAYMENT UPON RECEIPT OF FUNDS	BIC DAKVDEFFLIO as identification of SE underlying instruction

MT564 excerpt transformation of transaction price

Message fields and contents	Comments
:70E: :ADTX//TRANSFORMATION OF TRANSACTION PRICE TR RELA0000343294 TR RELA T2SSA123456E3W8Z6RI REF-OWNER-BICDAKVDEFFLIO TRADE DAY20220412 COUNTERPART99990000 KADI-LFNR 12345 PAYMENT UPON RECEIPT OF FUNDS	BIC DAKVDEFFLIO as identification of SE underlying instruction

Example 566 for market claims

Income MT566 excerpt

Message fields and contents	Comments
:70E: :ADTX//MARKET CLAIM OF OTC TRADE TRADE-REF0000642495 TRADE-REF T2SC24M040849D3E67 TRADE-REF MITI2204222654528040 REF-OWNER-BICDAKVDEFFXXX TR RELA0000253208 TR RELA T2SSA123456E3WKTXC0 REF-OWNER-BICDAKVDEFFLIO TRADE DAY20220414 COUNTERPART99990000 :70E: :ADTX//ACTUAL SETTLEMENT DATE20220421 KADI-LFNR 12345	Income Market Claim for SE instructions will be reported as OTC Trade in ADTX BIC DAKVDEFFLIO as identification of SE underlying instruction

Non-income MT566 excerpt

Message fields and contents	Comments
:70E: :ADTX//MARKET CLAIM OF OTC TRADE TRADE REF0000599025 TRADE-REF T2SC24K0612075CD92 REF-OWNER-BICDAKVDEFFXXX TR RELA0000260160 TR RELA T2SSA123456E3T3T10G REF-OWNER-BICDAKVDEFFLIO TRADE DAY RELA20220324 COUNTERPART99990000 KADI-LFNR 12345	Non-income Market Claim for SE instructions will be reported as OTC Trade in ADTX BIC DAKVDEFFLIO as identification of SE underlying instruction

Example 566 for transformations

MT566 excerpt transformation in securities

Message fields and contents	Comments
:70E: :ADTX//TRANSFORMATION OF OTC TRADE TR RELA T2SSB123456E3VL3V1X REF-OWNER-BICDAKVDEFFLIO TR RELA0000250613 TRADE DAY20220408 COUNTERPART99990000 KADI-LFNR 12345	Transformations SE instructions will be reported as OTC Trade in ADTX Transaction ID of new instruction BIC DAKVDEFFLIO as identification of SE underlying instruction

MT566 excerpt transformation of redemption price

Message fields and contents	Comments
:70E: :ADTX//TRANSFORMATION OF REDEMPTION PRICE TRADE-REF0000638065 TRADE-REF T2SC24L0925565CC4B TRADE-REF MITI2204212618340031 REF-OWNER-BICDAKVDEFFXXX TR RELA0000343294 TR RELA T2SSA123456E3W8Z6RI REF-OWNER-BICDAKVDEFFLIO TRADE DAY20220412 COUNTERPART99990000 :70E: :ADTX//ACTUAL SETTLEMENT DATE20220414 KADI-LFNR 12345	BIC DAKVDEFFLIO as identification of SE underlying instruction

MT566 excerpt transformation of transaction price

Message fields and contents	Comments
:70E: :ADTX//TRANSFORMATION OF TRANSACTION PRICE TRADE-REF0000638607 TRADE-REF T2SC24L092645B3EA5 TRADE-REF MITI2204212618394305 REF-OWNER-BICDAKVDEFFXXX TR RELA0000343294 TR RELA T2SSA123456E3W8Z6RI REF-OWNER-BICDAKVDEFFLIO TRADE DAY20220412 COUNTERPART99990000 :70E: :ADTX//KADI-LFNR 12345	BIC DAKVDEFFLIO as identification of SE underlying instruction

Appendix 3

Composition of Sender's Message Reference ("SEME")

This chapter defined the calculation of "Function of Date and Trade Number" (digit 10-16):

The input parameters for the calculation of digits 10-16 are:

- Input date in YYMMDD format
- Trade Number in *nnnnnnn* format (7-digit number)

Step 1: Transform input date in YYMMDD format into a number DATE

- Formula:
 - o $DATE(YYMMDD) = (DD-1) + 31 * (MM-1) + 372 * (YY \text{ modulo } 20)$

Step 2: Generate a second number RESULT out of DATE and TRADE NUMBER

- Formula:
$$RESULT = 10.000.000 * DATE + TRADE\ NUMBER$$

Step 3: Represent RESULT in base 36

- Represent RESULT in base 36 via 7 coefficients $a_0 - a_6$ so that:
 - $RESULT = a_0 + a_1 * 36 + a_2 * 36^2 + a_3 * 36^3 + \dots + a_6 * 36^6$
 - Where each coefficient can take values between 0 and 35: $a_n = 0, \dots, 35$

Step 4: Fill digits 10 – 16 according to the coefficients from the base 36 representation of RESULT:

Define mapping array to derive the character from coefficient a_n

- Character Set to be used:
 - 0-9 A-Z
 - Where 0-9 are represented as 0-9
 - Where 10, 11, 12, ... is represented as A, B, C, ...
 - Where 35 is represented as Z.
- Then digits 10 – 16 are mapped as follows (note that coefficient are mapped in backward order, i.e. coefficient a_0 is mapped in the last digit 16, then coefficient a_1 is mapped into digit 15, etc., until coefficient a_6 is mapped into digit 10:
 - Mapping logic: $a_n \Rightarrow Value(a_n)$
 - Where $Value = \{0, 1, 2, 3, 4, 5, 6, 7, 8, 9, A, B, \dots, Y, Z\}$
- Fill digits from coefficients a_n in backward order
 - $a_0 \rightarrow Value(a_0)$ mapped to digit 16
 - $a_1 \rightarrow Value(a_1)$ mapped to digit 15
 - $a_2 \rightarrow Value(a_3)$ mapped to digit 14
 - $a_3 \rightarrow Value(a_4)$ mapped to digit 13
 - $a_4 \rightarrow Value(a_5)$ mapped to digit 12
 - $a_5 \rightarrow Value(a_6)$ mapped to digit 11
 - $a_6 \rightarrow Value(a_7)$ mapped to digit 10

Calculation example:

- Trade Number = 1234567
 - Input Date = 11.04.2032, that is, 320411 in YYMMDD format.
 - ⇒ DATE[320411] = $10 + 3 \cdot 31 + 12 \cdot 372 = 10 + 93 + 4464 = 4567$
 - ⇒ RESULT = 45671234567
- = $23 + 4 \cdot 36 + 2 \cdot 36^2 + 17 \cdot 36^3 + 11 \cdot 36^4 + 35 \cdot 36^5 + 20 \cdot 36^6$
i.e. (a0, a1, a2, a3, a4, a5, a6) = (23, 4, 2, 17, 11, 35, 20)

With the array Value = {0, 1, 2, 3, 4, 5, 6, 7, 8, 9, A, B, ..., Y, Z}

We have

- Digit 16 = Value(a0 = 23) = N
- Digit 15 = Value(a1 = 4) = 4
- Digit 14 = Value(a2 = 2) = 2
- Digit 13 = Value(a3 = 17) = H
- Digit 12 = Value(a4 = 11) = B
- Digit 11 = Value(a5 = 35) = Z
- Digit 10 = Value(a6 = 20) = K

⇒ SEME = "SA581005EKZBH24N"

Appendix 4

List of Reason Code Narratives (decommissioned as of 6 July 2022)

With the introduction of SET-GO CSD Migration (Phase 2) for SE instructions (CSC), the below-mentioned "Reason Code Narratives" will not be supported in settlement instruction created by SETI.

The following table provides a list of the currently used "Reason Code Narratives":

Code	Name of label
AS	AUFGABENSCHLIESSUNG
AU	AUFGABE
AW	AUFGABENWEITERGABE
DP	DISPOSITIONS- PRIOTITAET GEANDERT
FW	FREMDWAHRUNG
KO	KOMPENSATION
LB	LOESCHUNG DURCH BEIDE KONTRAHENTEN
LC	LOESCHUNG DURCH CBF
LG	LOESCHUNG DURCH CBF VOM VORTAG
LI	LINKED
LK	LOESCHUNG DURCH KAEUFER
LT	LOESCHUNG DURCH BEIDE VOM VORTAG
LS	LOESCHUNG DURCH T2S
LV	LOESCHUNG DURCH VERKAEUFER
ME	MAKLER ERHEBT
MU	MAKLER UEBERWEIST
NT	NCSC-T ISIN (T2S SETTLEMENT)
OD	OHNE DECKUNG STUECKE
OG	GELD NICHT BEREITGESTELLT
PI	PARTIAL SETTLEMENT INDICATOR GEANDERT
PP	TEILWEISE OFFEN
RC	ABGELEHNT WEGEN ISIN (MVCV205)
RJ	ABGELEHNT
RQ	BEANTRAGT
R3	REGS, KATEGORIE 3
SA	SONDPRO-AENDERUNG (CORP. ACTIONS)
SP	GATTUNGSSPERRE
ST	LIEFERPOSITION STORNIERT
SZ	ZUSATZRECHT EINGERICHTET
TB	TEILBELIEFERUNG
VE	EMISSIONS-VALUTA
VZ	VALUTA ZUG UM ZUG
XE	XETRA-GESCHAEFT
ZR	GESCHAEFT ALS ZUSATZRECHT EINGER.

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