



Standards

Standards MT Release 2021

Discussion paper and Minutes

Settlement and Reconciliation

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Table of Contents

1	Introduction	3
2	Overview of ISO15022 User Change requests	4
2.1	CR 001639: New Code Word to field 22F	4
2.2	CR 001640: Add code to indicate that settlement has been internalised, add references and & new Buy-In Transaction Type	9
2.3	CR 001641: Add status reason code to indicate that a buy-in procedure may be about to commence	22
2.4	CR 001642: Remove existing duplication for pending failing reason codes	26
2.5	CR 001643: Add On Hold status reason codes to PACK or PPRC	32
2.6	CR 001655: Add Format Option 98E to the Matched and Acknowledged Timestamps	38
2.7	CR 001656: Modify a single leg of already matched instructions	42
2.8	CR 001658: Negative Deal price - Format option B	45
3	Overview of ISO20022 User Change requests	50
3.1	CR 001666: Add a new SettlementTransactionCondition code. (ISO20022 - CR0902)	50
3.2	CR 001667: Addition of Triparty Collateral Transaction instruction identifications. (ISO20022 - CR0917)	57
3.3	CR 001578: Update the pattern of AnyBICIdentifier, BICIdentifier or BICNonFIIdentifier. (ISO20022 - CR0751)	60
4	Overview of SWIFT Change requests	62

1 Introduction

Maintenance working group members:	Representing:	Present
Hiroaki Okumura - Mitsubishi Bank	Japan	X
Annemie Loose - Euroclear	ICSD	X
Jason Brasile – Statestreet	United States of America	X
Robin Leary – Citibank	United Kingdom - IE	X
Denis Andrejew – DB	Germany	X
Ton Van Andel – ABN Amro	Netherlands	X
Stephan Schuetter – UBS	Switzerland	X
Jennifer Chan– HSBC	Honk Kong	X
David Wouters – BNYMellon	Belgium	X
Axelle Wurmser – BNP Paribas	France	X
Arnaud Jochems – Clearstream	ICSD / Luxembourg	X

2 Overview of ISO15022 User Change requests

2.1 CR 001639: New Code Word to field 22F

Origin of request	
Requesting Group:	ISITC
Sponsors	
ISITC	
Message type(s) impacted	
MT 536, MT 537, MT 540, MT 541, MT 542, MT 543, MT 544, MT 545, MT 546, MT 547, MT 548, MT 575 and sese.038.	
Complies with regulation	
None	
Business impact of this request	
MEDIUM - Receivers of messages will need to account for being able to consume and process the new code word as they do now for the FCTA	
Commitment to implement the change	
US-ISITC in 2021	
Business context	
Over the last several years, there has been an increase in the issuance of variable and stepped rate CMO and other Bonds. There is a delay between the effective date and actual date of when the new coupon rate is released. Similar to the mortgage factors, settled trades are impacted by the change in such a way a cancel and rebook needs to be done. This code would tell the Custodian Banks that the Investment Managers intent on the cancel and rebook is to adjust the amount of traded interest and to set up a movement of the money difference.	
Nature of change	
The nature of the change is to add a Code Word, INTA that could be used in field 22F. It would be used to indicate that the traded interest is being changed and that there will be a money difference that needs to be resolved.	
Examples	
Sample Trade format using INTA in field 22F :16R:GENL :20C::SEME//12345-C :23G::CANC :16R:LINK :20C::PREV//12345 :16S:LINK	

:16S:GENL
:16R:TRADDET
:98A::SETT//20200512
:98C::TRAD//20200508141825
:90A::DEAL//PRCT//85,5
:35B::ISIN//US385210AA74// GAMLT 2017-RPL1 A1 144A
:16R:FIA
:12A::CLAS//ISIT//CMO
:98A::MATU//20640825
:92A::CUFC//0,813936
:92A:: INTR//3,25
:16S:FIA
:16S:TRADDET
:16R:FIAC
:36B::SETT//FAMT//375000
:36B::SETT//AMOR//307987,59
:97A::WXYZ
:16S:FIAC
:16R:SETDET
:22F::SETR/INTA
:16R:SETPRTY
:95P::PSET//DTCYUS33
:16S:SETPRTY
:16R:SETPRTY
:95R::REAG//DTCYID//547
:16S:SETPRTY
:16R:SETPRTY
:95R::BUYR//DTCYID//00547
:16S:SETPRTY
:16R:AMT
:19A::DEAL//USD//263329,39
:16S:AMT
:16R AMT
:19A::SETT//USD//263635,24
:16S:AMT
:16R:AMT
:19A::ACRU//USD//305,85
:16S:AMT
:16R:AMT
:19A::EXEC//USD//0
:16S:AMT
:16S:SETDET

Standards Illustration

63. Field 22F: Indicator

FORMAT

Option F :4!c[8c]/4!c (Qualifier)(Data Source Scheme)(Indicator)

PRESENCE

Mandatory in mandatory sequence E

QUALIFIER

(Error code(s) : T89)

70

Message Reference Guide - MT 541 Receive Against Payment

MT 541 Receive Against Payment

Order	M/O	Qualifier	R/N	CR	Options	Qualifier Description
1	O	STCO	R	C15	F	Settlement Transaction Condition Indicator
2	M	SETR	N		F	Type of Settlement Transaction Indicator
3	O	TRCA	N		F	Party Capacity Indicator
4	O	STAM	N		F	Stamp Duty Indicator
5	O	RTGS	N		F	Securities Real-Time Gross Settlement Indicator
6	O	REGT	N		F	Registration Indicator
7	O	BENE	N		F	Beneficial Ownership Indicator
8	O	CASY	N		F	Cash Settlement System Indicator
9	O	DBNM	N	C6, C11, C12	F	Settlement Standing Instruction Database Indicator
10	O	TCPI	N		F	Tax Capacity Party Indicator
11	O	MACL	N		F	Market Side Indicator
12	O	FXCX	N	C10	F	Forex Order Cancellation Indicator
13	O	BLOC	N		F	Block Trade Indicator
14	O	REST	N		F	Restrictions Indicator
15	O	SETS	N		F	Settlement System/Method Indicator
16	O	NETT	N		F	Netting Eligibility Indicator
17	O	CCPT	N		F	CCP Eligibility Indicator
18	O	LEOG	N		F	Letter of Guarantee Indicator
19	O	COLA	N		F	Exposure Type Indicator
20	O	TRAK	N		F	Tracking Indicator
21	O	REPT	N		F	Repurchase Type Indicator
22	O	COLE	N		F	Collateral Pool Indicator
23	O	SSBT	N		F	Securities Sub Balance Type Indicator
24	O	CSBT	N		F	Cash Sub Balance Type Indicator

DEFINITION

This qualified generic field specifies:

BENE	Beneficial Ownership Indicator	Specifies whether there is change of beneficial ownership.
BLOC	Block Trade Indicator	Specifies whether the settlement instruction is a block parent or child.
CASY	Cash Settlement System Indicator	Specifies what cash settlement system is instructed to be used.

Standards MT November 2021

CODES

If Qualifier is SETR and Data Source Scheme is not present, Indicator must contain one of the following codes (Error code(s): K22):

BSBK	Buy Sell Back	Relates to a buy sell back transaction.
BYIY	Buy In	The transaction relates to a buy-in by the market following a delivery transaction failure.
CLAI	Market Claim	Transaction resulting from a market claim.
CNCB	Central Bank Collateral Operation	Relates to a collateral delivery/receipt to a National Central Bank for central bank credit operations.
COLI	Collateral In	Relates to a collateral transaction, from the point of view of the collateral taker or its agent.
COLO	Collateral Out	Relates to a collateral transaction, from the point of view of the collateral giver or its agent.
CONV	DR Conversion	Relates to a depository receipt conversion.
ETFT	Exchange Traded Funds	Relates to an exchange traded fund (ETF) creation or redemption.
FCTA	Factor Update	Relates to a factor update.
INSP	Move of Stock	Relates to a movement of shares into or out of a pooled account.
INTT	Traded Interest Changed	Cash movement related to a change in traded interest pursuant to a coupon rate adjustment.
ISSU	Issuance	Relates to the issuance of a security such as an equity or a depository receipt.
MKDW	Mark-Down	Relates to the decrease of positions held by an ICSD at the common depository due to custody operations (repurchase, pre-release, proceed of corp. event realigned).
MKUP	Mark-Up	Relates to the increase of positions held by an ICSD at the common depository due to custody operations (repurchase, pre-release, proceed of corporate event realigned).
NETT	Netting	Relates to the netting of settlement instructions.
NSYN	Non Syndicated	Relates to the issue of medium and short term paper (CP, CD, MTN, notes ...) under a program and without syndication arrangement.
OWNE	External Account Transfer	Relates to an account transfer involving more than one instructing party (messages sender) and/or account servicer (messages receiver).

SWIFT Comment

- SWIFT would propose to add the new code under the STCO (Settlement Transaction Condition) instead of SETR (Type of Settlement Transaction).
- As INTA already exist in ISO15022, SWIFT created INTT.
- SWIFT propose to add the new code word under the qualifier in all S&R ISO15022 messages.
- SWIFT proposes to update the equivalent messages in ISO20022 for coexistence reasons.

Working Group Meeting

Discussion

It was questioned why the MT 530 is not used. ISITC explained that they don't use the MT 530. SWIFT explained that during the reverse engineering this was put into the ISO 20022 modification message sese.038, not the sese.030 (MT 530 equivalent) as the sese.030 is used to modify non-core information, therefore the MT530 cannot be used.

In Europe a settled transaction cannot be updated. In the US this is used between the custodian and the investment manager. The MT 530 must not be updated with this code if the MT 54x is updated.

Currently the factor update (FCTA) is included in the sese.023 securities transaction type. As this code is used post settlement, it is part of the sese.038 and might not be required in the sese.023.

The removal in the sese.023 should be investigated for SR 2022.

In ISO20022, the new code must be added only to the sese.038 as the modification after settlement cannot be done with a sese.023.

It was agreed to add the code to all MTs 54x under the qualifier SETR for consistency.

Nobody opposed to the CR.

Decision

ACCEPTED

2.2 CR 001640: Add code to indicate that settlement has been internalised, add cash penalty references and new Buy-In Transaction Type.

Origin of request	
Requesting Group:	SMPG
Sponsors	
SMPG	
Message type(s) impacted	
MT 536, MT 537, MT542, MT543, MT 544, MT 545, MT 546, MT 547, MT 548, sese.024, sese.025, semt.017, semt.018, semt.044	
Complies with regulation	
CSDR	
Business impact of this request	
LOW	
Commitment to implement the change	
SMPG in 2021	
Business context	
<p>There are 5 changes in total in the context of CSDR.</p> <ol style="list-style-type: none"> Internalised Settlement <p>The change request is for where a market infrastructure / CSD has an omnibus account structure and client and counterparty use the same custodian in the market and share the same account in the market but don't know that's the case.</p> <p>In this scenario, the instructions would be kept internal to sub custodian (direct participant of the CSD) but the client and counterparty aren't aware of this. These settlements may fail but as we understand it, they would not be subject to penalties (or at least that is TBD) so client / counterparty may be expecting a penalty that doesn't come and questioning why.</p> Cash Penalty Reference and new rules on Party Identifier fields <p>As the 19A GBNT (Global Net Amount) is in Sequence D1 (PENACUR), if the penalty relates to a cross-border instruction, separate global net amounts would be needed in the MT537 if the client CSD is different to that of the counterparty (due to 95a CASD being in the same sequence) You could show this in the D1a PENACOUNT sequence instead but the "either / or" means you can't then show the counterparty ID</p> <p>From a custodian perspective, they will likely just pay one net amount for all the penalties in one CSD</p> <p>Therefore, there may be two or more global net amounts in the MT537 but only one payment in the MT9xx cash messages</p> <p>Added to this, although there are individual penalty references, if there's one global net amount, one penalty reference to appear on the MT9xx cash message reporting would be needed</p> <p>There is a potential workaround but it's not the best solution</p> TRTR vs SETR / CAEV Indicator fields 	

In a MT537 Status Report, the SETR and CAEV qualifiers, are an “either / or” and if you had :22F::TRAN//SETT present, you would then normally include :22F::SETR (and conversely, if :22F::TRAN//CORP was present, you would have :22F::CAEV)

In the MT537 Penalty Report, in Sequence D1a1B1 (Transaction Details), REDE, PAYM and TRAN are again mandatory (however, TRAN only has codes SETT and CORP, which is OK for the purposes of penalties)

However, rather than the optional either / or being between SETR and CORP, it’s between TRTR (Trade Transaction Type). This is also a mandatory either / or.

This leads to a situation whereby if you have :22F::TRAN//SETT, you pick between TRTR and SETR (SETR would be expected but you could get TRTR) but if :22F::TRAN//CAEV is present, you still have to have TRTR or SETR and CAEV is optional. Hence you could have a Corporate Action event related transaction but you don’t have to indicate what the event is but have to specify a code that doesn’t relate to it being a CA event type

TRTR also does not appear in other MT messages with this similar structure

Furthermore, in the semt.044, the elements are an either / or between the settlement transaction type or the CA event type and the trade transaction type does not exist as an element

4. Penalty Status and Reason fields

The Penalty Status (25D) and Reason (24B) fields in the Penalty Details Sequence D1a1 (PENADET) seem to have a number of codes that appear to do the same thing but in different fields

For example, :25D::PNST//RLOC and :25D::PNST//ACTV with :24B::ACTV//RALO both indicate reallocated penalties or :25D::PNST//SWIC and :25D::PNST//ACTV with :24B::ACTV//SWIC both represent a switch.

Also, both the Status and Reason fields are optional which, in theory, means you could have a reason without a status. Or, even worse, you can have a Reason Narrative without actually having a status or reason.

5. Buy In Settlement Transaction Type

Currently only the MT540 and MT541 contain the :22F::SETR//BYIY settlement transaction type code. We believe buy-in is the reason for the settlement transaction, i.e. similar to SETR//TRAD, OWNE, BSBK, etc. and hence should be available as a SETR code for all settlement instruction messages. Both the delivering and receiving party is settling a buy-in, after all.

RPOR is for reporting indications, but the settlement agents and the CSDs will not perform any reporting due to this. Compare BYIY with the other RPOR codes:

CODES

If Qualifier is RPOR and Data Source Scheme is not present, Indicator must contain one of the following codes (Error code(s): K22):

BYIY	Buy In	The transaction relates to a buy-in by the market following a delivery transaction failure.
DEFR	Deferred Report	The report is deferred, for example, because the order was executed in partial fills.
EXCH	Stock Exchange	Trade details are to be reported to a stock exchange. This stock exchange is identified in the Other Parties sequence.
TRRE	Trade Details Reported	Trade details are to be reported to a regulatory organisation. This regulatory organisation is identified in the Other Parties sequence.

Nature of change**1. Internalised Settlement**

The initial workaround / market practice will be to use field :22F::STCO/SMPG/INTS (or REGL instead of SMPG as DSS) on MT 548's and MT 54y confirmations to indicate the settlement was been internalised. This change request will be to make INTS an official SWIFT code so it becomes :22F::STCO//INTS from SR2021.

The change must also be applied to the MT 536 and MT 537 statements and the ISO 20022 equivalent messages for co-existence purposes.

The change will benefit clients and counterparties who currently would not be aware when a settlement has been internalised.

The short name of the new INTS code should be "Internalised Settlement". The long definition needs to be specific as such that it distinguishes the fact the this is a settlement that has been internalised at the sub-custodian / direct participant of the CSD and is the same as the "OWNI" process which clearly identifies this is a separate, own account transfer (or OWNE as an external account transfer). For example,

"The settlement has been internalised at the sub-custodian / direct participant of the CSD (receiving or delivering agent) as the client of the receiving and delivering agents shares uses the same sub-custodian which maintains an omnibus account at the CSD / Market Infrastructure. This differs from a regular "account transfer" settlement instruction which can be identified as an internal settlement through the settlement transaction type code OWNI."

2. Cash Penalty Reference and new rules on Party Identifier fields

In order to meet the needs of custodians whilst not impacting any CSD development of the report, the following change requests are proposed

- i. Change the 95a REPA and 95a ASDP field logic so that the field is mandatory so that one party at least has to be present but change the logic so it allows both REPA and ASDP to be present
- ii. Add a new optional 20C Reference field to Sequence D1 PENACUR to represent the reference of the penalty payment as it will pertain to the cash statements / messages

This would then allow one global net amount to be sent to the client from a custodian perspective on both the MT537 and MT9xx, aligning the reporting of payments and referencing of them where penalties for the client on one CSD may relate to transactions where the counterparty is settling through a different CSD

As the reference addition would be optional, it would not need to be used if not required Making the 95a field mandatory but with a rule that means one qualifier should be present but allows for both allows for both existing developments and new developments to be considered

3. TRTR vs SETR / CAEV Indicator fields

- i. Remove qualifier TRTR (Trade Transaction Type) from Sequence D1a1B1 (Transaction Details) to align with the semt.044 (and other MT message types)
- ii. Make the mandatory either / or between SETR and CAEV

4. Penalty Status and Reason Fields

Remove the 25D Penalty Status codes where they duplicate another code already available as a status / reason combination. For example,

Delete :25D::PNST//RLOC as same as :25D::PNST//ACTV with :24B::ACTV//RALO

Delete :25D::PNST//SWIC as same as :25D::PNST//ACTV with :24B::ACTV//SWIC

Delete :25D::PNST//OTHR as same as the use of the OTHR in all 24B Reason qualifiers

Delete :25D::PNST//REIC as same as :25D::PNST//ACTV with :24B::ACTV//UPDT (which includes "reincluded" in the definition)

Add a Network Validation Rule that states 24B Reason and 70D REAS* should not be present unless 25D Penalty Status is present first.

*or Add network validation rule that states 70D REAS should not be present unless 24B Reason is present

5. Buy In Settlement Transaction Type

- i. Add the BYIY (or something similar) settlement transaction type code to the :22F::SETR settlement transaction type indicator field in the MT542 and MT543
- ii. Remove the BYIY reporting indicator code from the :22F::RPOR field in MT54x.

Workaround

Any current workaround would involve the use of the :70E::SPRO or ADTX narrative

Examples**1. Internalised Settlement**

Client A and B instruct to their global or direct (sub) custodian with a MT543 and MT541 respectively.

The global custodian's sub-custodian or the direct custodian is the same party, ie the REAG field in the MT 543 and DEAG field in the MT 541 identify the same institution.

Unbeknown to Client A and B, the receiving / delivering agent institution maintains an omnibus account in the CSD. Hence, the settlement can remain internalised at the sub-custodian.

When the sub-custodian provides status updates and settlement confirmations (and associated statements) back to Client A and B, there is no way of indicating that the settlement has been internalised. If there's any issue with settlement, Clients A and B may be expecting penalties but because the settlement has been internalised, there wouldn't be any.

Therefore, to inform Clients A and B that the settlement has been internalised, field :22F::STCO//INTS can (optionally) be included on the MT 548 and MT5 44-7 settlement confirmations back to them (:22F::STCO/SMPG/INTS (or REGL as an alternative DSS) as an interim solution until SR 2021).

2. Cash Penalty Reference and new rules on Party Identifier fields

MT537 Change
Request.xlsx

Standards Illustration

ISO15022 ILLUSTRATION

1. Internalised Settlement

61. Field 22F: Indicator

FORMAT

Option F :4!c[8c]/4!c (Qualifier)(Data Source Scheme)(Indicator)

PRESENCE

Mandatory in mandatory sequence E

QUALIFIER

(Error code(s) : T89)

68

Message Reference Guide - MT 544 Receive Free Confirmation

MT 544 Receive Free Confirmation

Order	M/O	Qualifier	R/N	CR	Options	Qualifier Description
1	O	STCO	R		F	Settlement Transaction Condition Indicator
2	M	SETR	N		F	Type of Settlement Transaction Indicator
3	O	TRCA	N		F	Party Capacity Indicator
4	O	STAM	N		F	Stamp Duty Indicator
5	O	RTGS	N		F	Securities Real-Time Gross Settlement Indicator
6	O	REGT	N		F	Registration Indicator
7	O	BENE	N		F	Beneficial Ownership Indicator
8	O	CASY	N		F	Cash Settlement System Indicator
9	O	DBNM	N	C4	F	Settlement Standing Instruction Database Indicator
10	O	TCPI	N		F	Tax Capacity Party Indicator
11	O	MACL	N		F	Market Side Indicator
12	O	BLOC	N		F	Block Trade Indicator
13	O	REST	N		F	Restrictions Indicator
14	O	SETS	N		F	Settlement System/Method Indicator
15	O	NETT	N		F	Netting Eligibility Indicator
16	O	CCPT	N		F	CCP Eligibility Indicator
17	O	LEOG	N		F	Letter of Guarantee Indicator
18	O	COLA	N		F	Exposure Type Indicator
19	O	REPT	N		F	Repurchase Type Indicator
20	O	COLE	N		F	Collateral Pool Indicator
21	O	SSBT	N		F	Securities Sub Balance Type Indicator
22	O	CSBT	N		F	Cash Sub Balance Type Indicator

DEFINITION

This qualified generic field specifies:

BENE Beneficial Ownership Indicator Specifies whether there is change of beneficial ownership.

CODES

If Qualifier is STCO and Data Source Scheme is not present, Indicator must contain one of the following codes (Error code(s) : K22):

ASGN	Assignment	Transfer of ownership of the asset to another party during the closing of an option.
BSSP	Partial successful buy-in	Identification of settlement instructions created as a result of a partial successful buy-in.
BUTC	Buy to Cover	Transaction is a buy to cover.
CLEN	Clean	Tax-exempt financial instruments are to be settled.

70

Message Reference Guide - MT 544 Receive Free Confirmation

MT 544 Receive Free Confirmation

DIRT	Dirty	Taxable financial instruments are to be settled.
DLWM	Delivery Without Matching	Matching receipt instruction not required (only for concerned ICSD and CSD).
DRAW	Drawn	Settlement transactions relates to drawn securities.
EXER	Exercised	Settlement transaction relates to options, futures or derivatives that are exercised.
FRCL	Free Clean Settlement	Delivery will be made free of payment but a clean payment order will be sent.
INTA	Cash Interest on Long Cash Balance	Cash movement relates to interest on a long cash balance.
INTS	Internalised Settlement	The settlement has been internalised at the sub-custodian / direct participant of the CSD (receiving or delivering agent) as the client of the receiving and delivering agents shares uses the same sub-custodian which maintains an omnibus account at the CSD / Market Infrastructure. This differs from a regular "account transfer" settlement instruction which can be identified as an internal settlement through the settlement transaction type code OWN1.
KNOC	Knocked Out	Settlement transaction relates to options, futures or derivatives that are expired worthless.
NACT	Not Accounting Related	Security transaction is not for accounting.
NOMC	No Automatic Market Claim	No market claim should be automatically generated.
NPAR	No Partial Settlement Allowed	Partial settlement is not allowed.
PART	Partial Settlement	Partial settlement is allowed.
PHYS	Physical	Securities are to be physically settled.
RESI	CSD Payment Only	Relates to transaction on a security that is not eligible at the Central Securities Depository (CSD) but for which the payment will be enacted by the CSD.

2. Cash Penalty Reference and new rules on Party Identifier fields

Statement of Pending Transactions

Content

REPA

Name	Gr	M...	R/N	Code
16R				
69a Period		O	N	
22F Indicator		M	N	
95a Party		O	R	
Account Servicer/Depository [ASDP]	1	O	N	
Alternate Identification [ALTE]	2	O	N	
Field Network Validated Rules				
Penalties per Currency for a Party (D1)		O	R	PENACUR
16R				
11A Currency		O	N	
98a Date/Time		O	R	
97a Account		O	N	
20C Reference		O	N	
Cash Penalty Reference [CPRF]	1	M	N	
20C				
Qualifier				
Reference				
Field Network Validated Rules				
95a Party		M	R	
22F Indicator		M	N	
19A Amount		O	R	
Penalties per Counterparty (D1a)		O	R	PENACOUNT
16R				
95a Party		M	R	
Account Servicer/Depository [ASDP]	1	O	N	
Related Party [REPA]	2	O	N	
Alternate Identification [ALTE]	3	O	N	
Related Party Alternate Identification [ALRP]	4	O	N	
Field Network Validated Rules				
22F Indicator		M	N	
19A Amount		M	N	
Penalty Details (D1a1)		O	R	PENDET
70E Narrative		O	N	
16S				
70E Narrative		O	N	
16S				

3. TRTR vs SETR / CAEV Indicator fields

Statement of Pending Transactions

▼ Content

Local Search

Name	Gr	M...	R/N	Code	Form
▶ 22F Indicator		M	N		:4!c/
▶ 95a Party		O	R		
▶ Penalties per Currency for a Party (D1)		O	R	PENACUR	
▶ 16R					[]
▶ 11A Currency		O	N		:4!c/
▶ 98a Date/Time		O	R		
▶ 97a Account		O	N		
▶ 20C Reference		O	N		:4!c/
▶ 95a Party		M	R		
▶ 22F Indicator		M	N		:4!c/
▶ 19A Amount		O	R		
▶ Penalties per Counterparty (D1a)		O	R	PENACOUNT	
▶ 16R					[]
▶ 95a Party		M	R		
▶ 22F Indicator		M	N		:4!c/
▶ 19A Amount		M	N		:4!c/
▶ Penalty Details (D1a1)		O	R	PENDET	
▶ 16R					[]
▶ 20C Reference		M	R		
▶ 22H Indicator		M	R		
▶ 17B Amount Computed Flag		O	N		:4!c/
▶ 25D Status Code		O	N		:4!c/
▶ 24B Reason Code		O	R		
▶ 70D Status Narrative		O	N		:4!c/
▶ 19A Amount		M	N		:4!c/
▶ 99A Number Days		M	N		:4!c/
▶ Calculation Details (D1a1A)		O	R	CALDET	
▶ Related Transaction (D1a1B)		O	N	RELTRAN	
▶ 16R					[]
▶ 20C Reference		M	R		
▶ Transaction Details (D1a1B1)		O	N	TRAN	
▶ 16R					[]
▶ 22a Indicator		M	R		
▶ Receive/Deliver Indicator [REDE]	1	M	N		:4!c/
▶ Payment Indicator [PAYM]	2	M	N		:4!c/
▶ Type of Settlement Transaction Indicator [SETR]	3	M	N		:4!c/
▶ Corporate Action Event Indicator [CAEV]		Or	N		:4!c/
▶ Transaction Indicator [TRAN]	4	M	N		:4!c/
▶ Business Day Event [BDEV]	5	O	N		:4!c/
◆ SETR xor CAEV					

4. Penalty Status and Reason Fields

Statement of Pending Transactions

▼ Content

Name	Gr	M...	R/N	Code	Form
▶ 95a Party		M	R		
▶ 22F Indicator		M	N		:4!c/
▶ 19A Amount		O	R		
▶ Penalties per Counterparty (D1a)		O	R	PENACOUNT	
▶ 16R					[]
▶ 95a Party		M	R		
▶ 22F Indicator		M	N		:4!c/
▶ 19A Amount		M	N		:4!c/
▶ Penalty Details (D1a1)		O	R	PENDET	
▶ 16R					[]
▶ 20C Reference		M	R		
▶ 22H Indicator		M	R		
▶ 17B Amount Computed Flag		O	N		:4!c/
▶ 25D Status Code		M	N		:4!c/
▶ Penalty Status [PNST]	1	O	N		:4!c/
▶ 25D (25D_96)					:4!c/
<input type="checkbox"/> Qualifier					4!c
<input type="checkbox"/> Data Source Scheme					8c
▶ Status Code					4!c
▶ Active [ACTV]				ACTV	
▶ Not Computed [NCOM]				NCOM	
▶ Removed [REMO]				REMO	
▶ 24B Reason Code		O	R		
▶ 70D Status Narrative		O	N		:4!c/
▶ 19A Amount		M	N		:4!c/

5. Buy In Settlement Transaction Type

Deliver Free

Content

Local Search

Name	Gr	M...	R/N	Code
General Information (A)		M	N	GENL
Trade Details (B)		M	N	TRADEDET
Financial Instrument/Account (C)		M	N	FIAC
Two Leg Transaction Details (D)		O	N	REPO
Settlement Details (E)		M	N	SETDET
16R				
22F Indicator		M	R	
Settlement Transaction Condition Indicator [STCO]	1	O	R	
Type of Settlement Transaction Indicator [SETR]	2	M	N	
22F (22F_551)				
Qualifier				
Data Source Scheme				
Indicator				
Buy Sell Back [BSBK]				BSBK
Market Claim [CLAI]				CLAI
Central Bank Collateral Operation [CNCB]				CNCB
Collateral In [COLI]				COLI
Collateral Out [COLO]				COLO
DR Conversion [CONV]				CONV
Exchange Traded Funds [ETFT]				ETFT
Factor Update [FCTA]				FCTA
Move of Stock [INSP]				INSP
Issuance [ISSU]				ISSU
Mark-Down [MKDW]				MKDW
Mark-Up [MKUP]				MKUP
Netting [NETT]				NETT
Non Syndicated [NSYN]				NSYN
External Account Transfer [OWNE]				OWNE
Internal Account Transfer [OWNI]				OWNI
Pair-Off [PAIR]				PAIR
Placement [PLAC]				PLAC
Portfolio Move [PORT]				PORT
Realignment [REAL]				REAL
Withdrawal [REDI]				REDI
Redemption (Funds) [REDM]				REDM
DR Release/Cancellation [RELE]				RELE
Repo [REPU]				REPU
Return of Delivery Without Matching [RODE]				RODE
Reverse Repo [RVPO]				RVPO
Sell Buy Back [SBBK]				SBBK
Borrowing Reallocation [SBRE]				SBRE
Securities Borrowing [SECB]				SECB
Securities Lending [SECL]				SECL
Lending Reallocation [SLRE]				SLRE
Subscription (Funds) [SUBS]				SUBS
Switch From [SWIF]				SWIF
Switch To [SWIT]				SWIT
Syndicate of Underwriters [SYND]				SYND
TBA Closing [TBAC]				TBAC
Trade [TRAD]				TRAD
Triparty Repo [TRPO]				TRPO
Triparty Reverse Repo [TRVO]				TRVO
Turnaround [TURN]				TURN
Traded Interest Changed [INTT]				INTT
Buy In [BYIV]				BYIV

Receive Free

▼ Content

Name	Gr	M...	R/N	Code
General Information (A)		M	N	GENL
Trade Details (B)		M	N	TRADEDET
16R				
94a Place		O	R	
98a Date/Time		M	R	
90a Price		O	N	
99A Number Count		O	N	
35B Identification of the Financial Instrument		M	N	
Financial Instrument Attributes (B1)		O	N	FIA
22F Indicator		O	R	
Processing Indicator [PROC]	1	O	N	
Reporting Indicator [RPOR]	2	O	R	
22F (22F_380)				
<input type="checkbox"/> Qualifier				
<input type="checkbox"/> Data Source Scheme				
Indicator				
Deferred Report [DEFR]				DEFR
Stock Exchange [EXCH]				EXCH
Trade Details Reported [TRRE]				TRRE
Priority Indicator [PRIR]	3	O	N	
Automatic Borrowing Indicator [BORR]	4	O	N	
Trade Transaction Condition Indicator [TTCO]	5	O	R	
Investor Capacity Indicator [INCA]	6	O	N	
Party Capacity Indicator [TRCA]	7	O	N	
Type of Price Indicator [PRIC]	8	O	N	
Field Usage Rules				
11A Currency		O	N	
25D Status Code		O	R	
70E Narrative		O	R	
16S				

ISO20022 ILLUSTRATION

This ISO20022 will be shown here at a later stage. SWIFT Comment

- SWIFT agrees that only confirmation/status messages (as requested) must be updated in ISO15022 and ISO20022.
- The semt.044 is not under SWIFT's responsibility, please take contact with 4CB's / T2S.

Working Group Meeting

Discussion

1. Internalised Settlement

Even if CSDR and the penalties reporting applies to Europe, in cross-border trades this has also an impact on JP, US and CH global players.

The group could not reach a direct consensus.

As long as it is optional and none of the clients request it, Switzerland is in favour of the CR.

JP is against the CR because sub-custodians in JP only copy the content of the STCO, if they have to use the new code they have to change their systems. It was explained that JP does not need to adopt immediately. It is also an optional field.

After some explanations, only japan rejected the Internalised Settlement CR.

From a general point of view of the group, a better definition needs to be drafted and be part of the final minutes.

The cr will be applied to the MT542, MT543, MT 544, MT 545, MT 546, MT 547, MT 548, MT 536, MT 537, sese.024, sese.025, semt.017, semt.018, semt.044 as requested.

2. Cash Penalty Reference and new rules on Party Identifier fields

The group reached an agreement directly and did not have any comments.

Impact only the MT 537

3. TRTR vs SETR / CAEV Indicator fields

The group reached an agreement directly and did not have any comments.

Impact only the MT 537 and MT 548

4. Penalty Status and Reason Fields

The group reached an agreement directly and did not have any comments.

Impact only the MT 537 and MT548

5. Buy In Settlement Transaction Type

The group reached an agreement directly.

The group mentioned that the SMPG market practices require updates because it refers to the RPOR qualifier.

Impact only the MT 542 MT 543 MT 546 MT 547

Global Custodian or any institution that will use one single Global Net can do it as long as they will honor the obligation towards the CSD/ICSD. If the CSD put multiple PFODs (see below in the example), the CSD participant cannot delay their payments obligation as their underlying client has not paid the full amount because they have used one single Global Net. Failing to fund their account until the underlying has paid may result in deadlock scenario that will prevent a smooth collection and distribution process.

Decision

The CR was accepted, after a vote, only JP rejected the first part (Internalised Settlement)

ACCEPTED

2.3 CR 001641: Add status reason code to indicate that a buy-in procedure may be about to commence

Origin of request	
Requesting Group:	SMPG
Sponsors	
SMPG	
Message type(s) impacted	
MT 548, MT 537, MT 549, sese.024, semt.018, sese.022, semt.044	
Complies with regulation	
CSDR	
Business impact of this request	
LOW - It is a new code within an existing, optional field	
Commitment to implement the change	
SMPG in 2021	
Business context	
<p>Currently there is a Pending Failing Status Reason code BYIY that indicates that a buy-in process HAS started.</p> <p>BYIY</p> <p>Buy-in Procedure</p> <p>A buy-in procedure has started on the market (on your behalf if your instruction is a receipt, by the counterparty if your instruction is a delivery).</p> <p>However, it is felt that it may be beneficial to be able to advise parties in a settlement that a buy-in procedure is also about to start and not just when it has started. The change would benefit clients of custodians etc as it would provide a specific status / reason to indicate a buy-in procedure is about to start.</p> <p>Additional Reason Code narrative could optionally be used to indicate when the buy-in procedure is expected to start.</p>	

Nature of change

Currently there is a Pending Failing Status Reason code BYIY that indicates that a buy-in process HAS started.

BYIY**Buy-in Procedure**

A buy-in procedure has started on the market (on your behalf if your instruction is a receipt, by the counterparty if your instruction is a delivery).

However, it is felt that it may be beneficial to be able to advise parties in a settlement that a buy-in procedure is also about to start and not just when it has started.

The change request is to add a PENF (pending failing) reason code of BYIS to indicate a buy-in procedure is about to start

BYIS**Buy-in Procedure Pending**

A buy-in procedure is imminent on the market (on your behalf if your instruction is a receipt, by the counterparty if your instruction is a delivery).

Workaround

Any current work around would involve the use of the PENF/NARR reason update

Examples

Participant A's settlement instruction is failing settlement in the market. As per CSDR guidelines, a buy-in procedure can be invoked if the instruction does not settle.

In order to inform Participant A that the buy-in procedure is about to commence, a PENF reason code with optional narrative would be helpful to identify when this may occur.

For example, on contract settlement date +1, a MT 548 could be sent with

```
:16R:STAT  
:25D::SETT//PENF  
:16R:REAS  
:24B::PENF//BYIS  
:70D::REAS//THE BUY-IN PROCEDURE WILL BE  
INITIATED IN 5 DAYS  
:16S:REAS  
:16S:STAT
```

On csd +2, the following could be sent

```
:16R:STAT  
:25D::SETT//PENF  
:16R:REAS  
:24B::PENF//BYIS  
:70D::REAS//THE BUY-IN PROCEDURE WILL BE  
INITIATED IN 4 DAYS  
:16S:REAS  
:16S:STAT
```

Etc.

Standards Illustration

ISO15022 ILLUSTRATION

ISO20022 ILLUSTRATION

SWIFT Comment

- SWIFT would propose to add the new code for all S&R ISO15022 messages under the qualifier PENF (Pending/Failing reason) where only the current BYIY (Buy-in Procedure) is already present.
- SWIFT proposes to update the equivalent messages in ISO20022 for coexistence reasons.
- The semt.044 is not under SWIFT's responsibility, please take contact with 4CB's / T2S.

Working Group Meeting

Discussion
The group agreed this CR is related to a service that is not yet offered by everyone, it might be simpler to keep the information in the narrative for now and to rethink when the service will be offered.
Decision
REJECTED

2.4 CR 001642: Remove existing duplication for pending failing reason codes

Origin of request	
Requesting Group:	SMPG
Sponsors	
SMPG	
Message type(s) impacted	
MT 549, MT 548, MT 537, sese.024, sese.022, semt.018, semt.044	
Complies with regulation	
None	
Business impact of this request	
MEDIUM - Depending on the option selected as part of the MWG (if accepted), this could impact how some institutions report pending / pending failing updates	
Commitment to implement the change	
SMPG in 2021	
Business context	
<p>There are currently two pending / pending failing reason codes that effectively describe the same thing.</p> <p>CYCL Awaiting Next Settlement Cycle Instruction is confirmed in the local market or is ready for settlement, awaiting next settlement cycle.</p> <p>is available with both PEND and PENF</p> <p>FUTU Awaiting Settlement Date Awaiting settlement date. No settlement problems to be reported.</p> <p>is available with PEND only.</p> <p>Although it's obvious why FUTU is used only with PEND (it can't be awaiting settlement date if past settlement date, which is when PENF is used), the two updates are similar and could either be merged into one, or CYCL is made available only for PENF updates. This would help harmonise the use of the codes (for example, some may use CYCL with PEND with others may use FUTU).</p>	

Nature of change

Three options are proposed for the change:

1. Remove the CYCL code from PEND so that FUTU can only be used in a PEND update and CYCL is then used when PENF becomes the status
2. Delete FUTU as a PEND reason code and redefine CYCL to the following:

CYCL

Awaiting Next Settlement Cycle / Settlement Date

Instruction is confirmed in the local market or is ready for settlement, no settlement problems to be reported. Awaiting settlement date or next settlement cycle.

3. (From Denmark)

CR for new reason code for unmatched pending failing, PEND/PENF:

Since CSDR demands that a settlement status is send in disregard of match status, an indication of unmatched is needed. Therefore we suggest the following reason codes implemented:

PEND//NMAT

PENF//NMAT

Examples

A settlement instruction is awaiting settlement pre contract settlement date. (I)CSD A sends a status update SETT/PEND/PEND/FUTU to the delivering / receiving agent who in turn sends this on to their client.

(I)CSD B has the same scenario but sends SETT/PEND/PEND/CYCL.

It's the same situation but two different status updates can be used.

Standards Illustration

ISO15022 ILLUSTRATION



12. Field 24B: Reason Code

FORMAT

Option B :4!c/[8c]/4!c (Qualifier)(Data Source Scheme)(Reason Code)

PRESENCE

Mandatory (referenced in rule C6) in optional subsequence A2a

24

Message Reference Guide - MT 548 Settlement Status and Processing Advice

MT 548 Settlement Status and Processing Advice

QUALIFIER

(Error code(s) : T89)

Order	M/O	Qualifier	R/N	CR	Options	Qualifier Description
1	M	CAND	N	C6	B	Cancellation Reason
	or	CANP	N	C6	B	Pending Cancellation Reason
	or	CACK	N	C6	B	Repo Call Acknowledgement Reason
	or	CGEN	N	C6	B	Generated Reason
	or	DEND	N	C6	B	Denied Reason
	or	MOPN	N	C6	B	Pending Modification Reason
	or	NMAT	N	C6	B	Unmatched Reason
	or	PACK	N	C6	B	Acknowledged/Accepted Reason
	or	PEND	N	C6	B	Pending Reason
	or	PENF	N	C6	B	Pending/Failing Reason
	or	PPRC	N	C6	B	Pending Processing Reason
	or	REJT	N	C6	B	Rejection Reason
	or	REPR	N	C6	B	Repair Reason

DEFINITION

This qualified generic field specifies:

CACK	Repo Call Acknowledgement Reason	Specifies additional information on the repo call request acknowledgement.
CAND	Cancellation Reason	Specifies the reason why the instruction is cancelled.
CANP	Pending Cancellation Reason	Specifies the reason why a cancellation request sent for the related instruction is pending.
CGEN	Generated Reason	Specifies the reason why the transaction was generated.
DEND	Denied Reason	Specifies the reason why the request was denied.
MOPN	Pending Modification Reason	Specifies the reason why the modification request is pending.

CODES

If Qualifier is PEND and Data Source Scheme is not present, Reason Code must contain one of the following codes (Error code(s) : K24):

ADEA	Account Servicer Deadline Missed	Instruction was received after the account servicer's deadline. Processed on best effort basis.
AWMO	Awaiting Money	Financial instruments are delivered, but still awaiting money from the counterparty.
AWSH	Awaiting Securities from Counterparty	Financial instruments have not yet been received from the counterparty.
BATC	Processing Batch Difference	Processing batch differs in the counterparty's instruction, for example, daytime/real-time versus overnight.
BENO	Beneficial Ownership Disagreement	Disagreement in beneficial ownership.
BLOC	Account Blocked	Your account is blocked, no instruction can settle over the account.
BOTH	Both Instructions on Hold	Counterparty's instruction and your instruction are on hold/frozen/in a preadvice mode.

MT 548 Settlement Status and Processing Advice

CAIS	Awaiting Securities	Awaiting financial instruments from a corporate action issue or other procedure, for example, conversion, dematerialisation, exchange, registration, stamping, splitting.
CDLR	Conditional Delivery Awaiting Release	Instruction is in a hold/frozen/preadvice mode - infrastructure platform is awaiting release.
CERT	Wrong Certificate Numbers	Certificate number error.
CHAS	Enquiry Sent	A chaser/enquiry has been sent.
CLAC	Counterparty Insufficient Securities	Insufficient deliverable financial instruments in counterparty's account or counterparty does not hold financial instruments.
CLHT	Clearing House Trade	Instructed settlement date does not agree with the settlement date on the Clearing House trade, that is, a specific type of trade in India.
CMON	Counterparty Insufficient Money	Insufficient money in counterparty's account.
COLL	Securities Pledged as Collateral	Financial instruments are not deliverable as they are pledged as collateral.
CPEC	Counterparty In Receivership	Counterparty is in receivership (form of bankruptcy where a court appointed person, the receiver, manages the affairs of the business).
CSDH	CSD Hold	Central securities depository has set the instruction in a hold/frozen/preadvice mode.
CVAL	CSD Validation	Instruction is in a hold/frozen/preadvice mode as it fulfils predefined conditions of a restriction processing type in the market infrastructure platform.
CYCI	Awaiting Next Settlement Cycle	Instruction is confirmed in the local market or is ready for settlement, awaiting next settlement cycle.
DENO	Unavailable Deliverable Denominated Quantity	Quantity instructed does not match the denomination available/deliverable. Physical securities need to be obtained in deliverable denominated quantities.
DEPO	Refused Deposit for Issue of Depositary Receipts	Deposit of shares for the issuing of depositary receipts has been refused. The allotment for depositary receipts granted by the issuer is exceeded by your transaction.

ISO20022 ILLUSTRATION

SecuritiesSettlementTransactionStatusAdviceV10

Content

This section describes the content of this repository item.

Transaction Identification [1,1] : TransactionIdentifications31

Linkages [0,1] : Linkages41

Processing Status [0,1] : ProcessingStatus74Choice

Acknowledged Accepted [1,1] : AcknowledgedAcceptedStatus21Choice

Pending Processing [1,1] : PendingProcessingStatus11Choice

Rejected [1,1] : RejectionStatus21Choice

Repair [1,1] : RepairStatus12Choice

Cancelled [1,1] : CancellationStatus24Choice

Pending Cancellation [1,1] : PendingStatus30Choice

Proprietary [1,1] : ProprietaryStatusAndReason6

Cancellation Requested [1,1] : ProprietaryReason4

Modification Requested [1,1] : ProprietaryReason4

Inferred Matching Status [0,1] : MatchingStatus24Choice

Matching Status [0,1] : MatchingStatus24Choice

Settlement Status [0,1] : SettlementStatus17Choice

Pending [1,1] : PendingStatus37Choice

No Specified Reason [1,1] : NoReasonCode

Reason [1,*] : PendingReason15

Code [1,1] : PendingReason27Choice

Code [1,1] : PendingReason2Code

Account Blocked [BLOC]

Account Servicer Deadline Missed [ADEA]

Awaiting Documents Or Endorsements From Counterparty [DOCC]

Awaiting Documents Or Endorsements From You [DOCY]

Awaiting Money [AWMO]

Awaiting Next Settlement Cycle [CYCL]

Awaiting Other Transaction [LAAW]

Awaiting Securities [CAIS]

Awaiting Securities From Counterparty [AWSH]

Awaiting Settlement Date [FUTU]

Beneficial Ownership Disagreement [RFNO1]

Code Details

Name **Awaiting Next Settlement Cycle**

Documentation **Your instruction is confirmed in the local market and is ready for settlement, awaiting next settlement cycle.**

CodeName **CYCL**

CMP Information

Registration Information

Registration Status **Provisionally Registered**

Removal Date

Registration Status (SWIFT) **Provisionally Registered**

Removal Date (SWIFT)

Constraints

All the constraints contained in this object (other constraints - such as constraints defined on type - may apply).

Name	Definition	Expression ...	Expression	

SWIFT Comment

- SWIFT is not in favour to merge the two codes.
- SWIFT proposes to remove CYCL (Awaiting Next Settlement Cycle) from PEND (Pending Reason) only.
- SWIFT proposes to update the equivalent messages in ISO20022 for coexistence reasons.
- **The semt.044 is not under SWIFT's responsibility, please take contact with 4CB's / T2S.**

Working Group Meeting

Discussion

The MWG does not support option 2 proposed.

The MWG does not support option 3 as it would duplicate the match / unmatched statuses, and create more confusion.

The group agreed on the proposed solution from SWIFT and also to update the semt.044.

The CR was rejected by the US, who indicated that this is not an urgent change and that there are other codes clean up to be done. Moreover it will disrupt how people work today with no real added value to the process.

Decision

The CR was accepted, after a vote, only US rejected.

ACCEPTED

2.5 CR 001643: Add On Hold status reason codes to PACK or PPRC

Origin of request	
Requesting Group:	SMPG
Sponsors	
SMPG	
Message type(s) impacted	
MT 548, MT 549, MT 537, sese.024, sese.022, semt.018, semt.044	
Complies with regulation	
Although not necessarily directly linked to a regulatory requirement, this CR is being raised following discussions in relation to CSDR.	
Business impact of this request	
MEDIUM - This could impact how some institutions report unmatched updates that also require a pending settlement update.	
Commitment to implement the change	
SMPG in 2021	
Business context	
<p>The SMPG MT548 documentation currently indicates that pending settlement updates should only happen once an instruction has been matched (where there is a matching process in the market). However, it does also state that matching and settlement processes can occur at the same time.</p> <p>However, most CSD participants (eg custodians) would expect a settlement pending / failing update to come after an instruction has been matched in the market. There are instances, however, where a settlement instruction may be unmatched in the market but the instruction has also been put on hold, for example. It is important to identify that both status updates apply but identifying an instruction has been put on hold can only be done through the PEND or PENF status update, therefore indicating that the instruction is pending or failing settlement but at the same time being unmatched.</p> <p>The change is needed to allow institutions to continue to be able to report that an instruction is both unmatched and on hold, for example, but to be able to do this in a way that means an instruction isn't both unmatched and pending / failing settlement in the same update. It would also bring some clarity to the SMPG documentation and less ambiguity around the two statements highlighted at the beginning of this rationale. The main reason why an instruction may be impacted by penalties in relation to CSDR, for example, is because it is unmatched, not because it is on hold.</p>	
Nature of change	
The proposed change is to add the "on hold" reason codes to either the IPRC//PACK (Instruction Acknowledged / Accepted) or IPRC//PPRC (Pending Processing) status updates.	

These status updates, in line with SMPG guidelines, come prior to the matching process and hence it would make sense to be able to indicate that an instruction is both on hold and unmatched without having to indicate that the instruction is pending / failing settlement.

The PEND / PENF reason updates have the following "on hold" codes.

BOTH

Both Instructions on Hold

Counterparty's instruction and your instruction are on hold/frozen/in a preadvice mode.

CSDH

CSD Hold

Central securities depository has set the instruction in a hold/frozen/preadvice mode.

PRCY

Counterparty Instruction on Hold

Counterparty's instruction is on hold/frozen/in a preadvice mode.

PREA

Your Instruction on Hold

Your instruction is on hold/frozen/in a preadvice mode.

PRSY

On Hold by System

The transaction was put on hold by the system.

These codes should be added to PACK or PPRC to be able to indicate that an instruction is both on hold and unmatched.

Examples

A (I)CSD / Market Infrastructure has received a settlement instruction that is both unmatched but also on hold. The (I)CSD / MI wishes to indicate this through one MT548. They currently send

```
:16R::STAT
:25D::MTCH//NMAT
:16R:REAS
:24B::NMAT//DSEC
:16S:REAS
:16S:STAT
:16R::STAT
:25D::SETT//PENF
:16R:REAS
```

:24B::PENF//PREA

:16S:REAS

:16S:STAT

However, this indicates that the instruction is both unmatched yet pending (failing) settlement, which goes against best market practice. Instead, a better update would be, for example, to indicate that the instruction has been accepted but is on hold, and is unmatched, eg

:16R::STAT

:25D::IPRC//PACK

:16R:REAS

:24B::PACK//PREA

:16S:REAS

:16S:STAT

:16R::STAT

:25D::MTCH//NMAT

:16R:REAS

:24B::NMAT//DSEC

:16S:REAS

:16S:STAT

Standards Illustration

ISO15022 ILLUSTRATION



12. Field 24B: Reason Code

FORMAT

Option B :4!c/[8c]/4!c (Qualifier)(Data Source Scheme)(Reason Code)

PRESENCE

Mandatory (referenced in rule C6) in optional subsequence A2a

24

Message Reference Guide - MT 548 Settlement Status and Processing Advice

MT 548 Settlement Status and Processing Advice

QUALIFIER

(Error code(s) : T89)

Order	M/O	Qualifier	R/N	CR	Options	Qualifier Description
1	M	CAND	N	C6	B	Cancellation Reason
	or	CANP	N	C6	B	Pending Cancellation Reason
	or	CACK	N	C6	B	Repo Call Acknowledgement Reason
	or	CGEN	N	C6	B	Generated Reason
	or	DEND	N	C6	B	Denied Reason
	or	MOPN	N	C6	B	Pending Modification Reason
	or	NMAT	N	C6	B	Unmatched Reason
	or	PACK	N	C6	B	Acknowledged/Accepted Reason
	or	PEND	N	C6	B	Pending Reason
	or	PENF	N	C6	B	Pending/Failing Reason
	or	PPRC	N	C6	B	Pending Processing Reason
	or	REJT	N	C6	B	Rejection Reason
	or	REPR	N	C6	B	Repair Reason

DEFINITION

This qualified generic field specifies:

CACK	Repo Call Acknowledgement Reason	Specifies additional information on the repo call request acknowledgement.
CAND	Cancellation Reason	Specifies the reason why the instruction is cancelled.
CANP	Pending Cancellation Reason	Specifies the reason why a cancellation request sent for the related instruction is pending.
CGEN	Generated Reason	Specifies the reason why the transaction was generated.
DEND	Denied Reason	Specifies the reason why the request was denied.
MOPN	Pending Modification Reason	Specifies the reason why the modification request is pending.

Settlement Status and Processing Advice

▼ Content

Local Search

Name	Gr	M...
16R		
24B Reason Code		M
Cancellation Reason [CAND]	1	M
Pending Cancellation Reason [CANP]		Or
Repo Call Acknowledgement Reason [CACK]		Or
Generated Reason [CGEN]		Or
Denied Reason [DEND]		Or
Pending Modification Reason [MOPN]		Or
Unmatched Reason [NMAT]		Or
Acknowledged/Accepted Reason [PACK]		Or
Pending Reason [PEND]		Or
Pending/Failing Reason [PENF]		Or
Pending Processing Reason [PPRC]		Or
24B (24B_87)		
Qualifier		
Data Source Scheme		
Reason Code		
Account Servicer Deadline Missed [ADEA]		
Account Blocked [BLOC]		
Awaiting Securities [CAIS]		
Wrong Certificate Numbers [CERT]		
Securities Pledged as Collateral [COLL]		
Unavailable Deliverable Denominated Quantity [DENO]		
Awaiting Documents/Registration Instruction/Endorsements from You [DOCY]		
Maximum Foreign Limit Reached [FLIM]		
Global Form Securities [GLOB]		
Lack of Securities [LACK]		
Securities are Loaned Out [LALO]		
Insufficient Central Bank Liquidity [LIQU]		
Minimum Settlement Quantity [MINO]		
Insufficient Money [MONY]		
Multiple Settlement Quantity [MUNO]		
Narrative Reason [NARR]		
Next Process [NEXT]		
No Foreign Exchange Instruction [NOFX]		
Collateral Shortage [YCOL]		
CSD Hold [CSDH]		
On Hold by System [PRSY]		
Your Instruction on Hold [PREA]		

General Information Content

Compare Search Problems Tasks

ISO20022 ILLUSTRATION

This ISO20022 will be shown here at a later stage.

SWIFT Comment

- SWIFT would propose to add the new code under the PPRC (Pending Procession Reason) instead of PACK (Acknowledge/Accepted Reason).
- SWIFT propose to add the new code words under the qualifier in all S&R ISO15022 messages.
- SWIFT proposes to update the equivalent messages in ISO20022 for coexistence reasons.
- The semt.044 is not under SWIFT's responsibility, please take contact with 4CB's / T2S.

Working Group Meeting

Discussion

The group acknowledged the business case and SWIFT recommendation to add the "on hold" reason codes to IPRC//PPRC (pending processing) and not to IPRC/PACK .

The group agreed to add codes PREA, PRSY and CSDH but not BOTH and PRCY as the matching process has not started yet and therefore the counterparty information is not known.

CSDH - CSD Hold

Central securities depository has set the instruction in a hold/frozen/preadvice mode.

PRSY - On Hold by System

The transaction was put on hold by the system.

PREA - Your Instruction on Hold

Your instruction is on hold/frozen/in a preadvice mode.

The group decided not to update the semt.044.

Decision

ACCEPTED

2.6 CR 001655: Add Format Option 98E to the Matched and Acknowledged Timestamps

Origin of request	
Requesting Group:	UK&IE NMPG
Sponsors	
AFME	
Message type(s) impacted	
MT 548, MT 537, sese.024, semt.018, semt.044	
Complies with regulation	
CSDR	
Business impact of this request	
LOW - The 98C format option will still exist and it will be up to each individual institution as to whether or not 98E will be implemented	
Commitment to implement the change	
AFME, UK&IE in 2021	
Business context	
<p>Generally, the date / timestamps in SWIFT messages are reflected in the time zone of the account servicer, ie the entity sending the statement, who services the account referenced in the statement.</p> <p>Will it be confusing to now have a timestamp that references a time zone that could be different to the account servicer's time zone (in the case of CSD / Sub-Custodian / Global Custodian / Client that is 4 steps removed).</p> <p>If they need to, how will the receiver of the statement understand what time zone the CSD operates in, as this is not referenced anywhere.</p> <p>While the group may not feel that this is relevant, a CR is being submitted just in case.</p>	
Nature of change	
<p>Addition of format Option 98E to the Matched (MTCH) and Acknowledged Timestamps (ASTS) in the MT548 and MT537.</p> <p>Format option 98E</p> <p>:4!c//8!n6!n[,3n][/[N]2!n[2!n]] (Qualifier)(Date)(Time)(Decimals)(UTC Indicator)</p> <p>The change is required to be able to easily identify the timezone in which the matching and acknowledged timestamps are being applied.</p>	

Examples

A settlement is instructed in the German market. The sub-custodian is based in Ireland. However, the Global Custodian is based in New York and the end investor is in the San Francisco.

That's 4 timezones and, in theory, a possible 3 timezones in which the timestamp could apply.

Although generally the matching etc. will be taking place in the CSD (eg. Germany), settlements could be internalised, in which case the timestamp could apply to a different timezone but that may not be known further down the chain.

Standards Illustration

ISO15022 ILLUSTRATION

25. Field 98a: Date/Time

FORMAT

Option A	:4!c/8!n	(Qualifier)(Date)
Option B	:4!c/8!c/4!c	(Qualifier)(Data Source Scheme)(Date Code)
Option C	:4!c/8!n8!n	(Qualifier)(Date)(Time)
Option E	:4!c/8!n8!n[.3n]/[N]2!n[2!n]	(Qualifier)(Date)(Time)(Decimals)(UTC Indicator)

PRESENCE

Mandatory in optional sequence B

QUALIFIER

(Error code(s) : T89)

Order	M/O	Qualifier	R/N	CR	Options	Qualifier Description
1	O	ADEL	N		A, C	Late Delivery Date/Time
2	O	ASTS	N		C, E	Acknowledged Status Timestamp
3	O	EXSE	N		A, C	Expected Settlement Date/Time
4	O	EXVA	N		A, C	Expected Value Date/Time
5	O	MTCH	N		C, E	Matched Status Timestamp
6	M	SETT	N		A, B, C	Settlement Date/Time
7	O	TRAD	N		A, B, C, E	Trade Date/Time

DEFINITION

This qualified generic field specifies:

59

Standards MT November 2020

ADEL	Late Delivery Date/Time	Date/time after the settlement date specified in the trade, used for pool trades resulting from the original To Be Assigned (TBA) securities.
ASTS	Acknowledged Status Timestamp	The timestamp of acceptance or acknowledgement of the instruction by the account servicer.
EXSE	Expected Settlement Date/Time	Date/time at which the Sender expects settlement.
EXVA	Expected Value Date/Time	For against payment transactions, the value date/time at which the Sender expects the settlement amount to be credited or debited.
MTCH	Matched Status Timestamp	The timestamp of matching of the instruction by the account servicer.

ISO20022 ILLUSTRATION

SecuritiesSettlementTransactionStatusAdviceV10

Content
This section describes the content of this repository item.

timest

- Transaction Identification [1,1] : TransactionIdentification31
- Linkages [0,1] : Linkages41
- Processing Status [0,1] : ProcessingStatus74Choice
- Inferred Matching Status [0,1] : MatchingStatus24Choice
- Matching Status [0,1] : MatchingStatus24Choice
- Settlement Status [0,1] : SettlementStatus17Choice
- Transaction Details [0,1] : TransactionDetails113
 - Trade Identification [0,*] : Max35Text
 - Pool Identification [0,1] : Max35Text
 - Corporate Action Event Identification [0,1] : Max35Text
 - Triparty Agent Service Provider Collateral Transaction Identification [0,1] : Max35Text
 - Client Triparty Collateral Transaction Identification [0,1] : Max35Text
 - Client Collateral Instruction Identification [0,1] : Max35Text
 - Triparty Agent Service Provider Collateral Instruction Identification [0,1] : Max35Text
 - Account Owner [0,1] : PartyIdentification144
 - Safekeeping Account [1,1] : SecuritiesAccount19
 - Safekeeping Place [0,1] : SafeKeepingPlace3
 - Place Of Trade [0,1] : PlaceOfTradeIdentification1
 - Place Of Clearing [0,1] : PlaceOfClearingIdentification2
 - Financial Instrument Identification [1,1] : SecurityIdentification19
 - Settlement Quantity [1,1] : Quantity6Choice
 - Settlement Amount [0,1] : AmountAndDirection51
 - Late Delivery Date [0,1] : DateAndDateTime2Choice
 - Expected Settlement Date [0,1] : DateAndDateTime2Choice
 - Expected Value Date [0,1] : DateAndDateTime2Choice
 - Settlement Date [1,1] : SettlementDate19Choice
 - Trade Date [0,1] : TradeDate8Choice
 - Acknowledged Status Time Stamp [0,1] : ISODateTime**
 - Matched Status Time Stamp [0,1] : ISODateTime**
 - Securities Movement type [1,1] : ReceiveDelivery1Code

Message Building block Details
General Information

Name: AcknowledgedStatusTimeStamp

Documentation: Time stamp on when the transaction is acknowledged.

Min Occurs: 0 Max Occurs: 1

XML Tag: AckdStsTmStmp Edit

Type: ISODateTime (Date Time)

Derived: ☐

Composite: ☒

API element: ☐

CMP Information

Synonyms

Constraints
All the constraints contained in this object (other constraints - such as constraints defined on type - may apply).

Name	Definition	Expression ...	Expression

ISODateTime (Date Time)

General Information
This describes general information about this datatype

Development Status: APPROVED

Name: ISODateTime

Documentation: A particular point in the progression of time defined by a mandatory date and a mandatory time component, expressed in either UTC time format (YYYY-MM-DDThh:mm:ss.sssZ), local time with UTC offset format (YYYY-MM-DDThh:mm:ss.sss+/-hh:mm), or local time format (YYYY-MM-DDThh:mm:ss.sss). These representations are defined in "XML Schema Part 2: Datatypes Second Edition - W3C Recommendation 28 October 2004" which is aligned with ISO 8601.

Note on the time format:

- beginning / end of calendar day
00:00:00 = the beginning of a calendar day
24:00:00 = the end of a calendar day
- fractions of second in time format
Decimal fractions of seconds may be included. In this case, the involved parties shall agree on the maximum number of digits that are allowed.

SWIFT Comment

- SWIFT propose to add the format E for those status timestamps in all S&R ISO15022 messages.
- ISO20022 messages that already include this field have the data type "ISODateTime" which already compatible with UTC. Therefore, there is no update required.

Working Group Meeting

Discussion

As no consensus could be reached, the MWG voted: with the result of 9 in favour 3 against (CH, HK, JP)

US mentioned that they also need this functionality, they would even be in favour of removing completely option C for field :98:: as option E allows to include just date and time, however the impact would be huge across all the messages and the business areas.

HK and JP explained that they were not in favour of the change request as even though it is optional, their client could request to receive it as it will be then possible and this would have a huge impact on the back office system.

Decision

The CR was accepted, after a vote, CH, HK, JP rejected.

ACCEPTED

2.7 CR 001656: Modify a single leg of already matched instructions

Origin of request	
Requesting Country:	LU Luxembourg
Sponsors	
Clearstream Group	
Message type(s) impacted	
MT 530	
Complies with regulation	
None	
Business impact of this request	
MEDIUM	
Commitment to implement the change	
Number of messages sent and received: 100000	
Percentage of messages impacted: 30	
Commits to implement and when: Clearstream Group in 2021	
Business context	
<p>Various CSDs in Europe (e.g.T2S CSDs) offer already matched instructions where both legs of the transactions are generated at the same time by the instructing party.</p> <p>Today, it is not possible in ISO15022 through a MT 530 (except for T2S where the MITI can be used) to change only one leg of the already matched transaction (e.g. to process a linkage or flag the instruction as "on hold"). The field 20a in sequence B needs to be populated with the reference of the instruction that needs to be modified. However, the PREV, RELA or COMM do not allow to isolate one single leg and only make reference to both legs</p> <p>For example, in sequence B of the MT530, the field :22F::SETT/NPRE could be used to put the full transaction on "hold". This could be problematic especially in the context of CSDR cash penalties where if both legs have the "hold" indicator, they will be both charged with cash penalties. This problematic could be avoided if one single leg could be amended via MT530</p> <p>This change will benefit to all parties using already matched instructions and that cannot today do an update on a single side of the transaction</p> <p>Already matched instructions typically refer to accounts of two independent clients, and one of the clients might want to apply a modification of one leg, e.g. hold/release or change of partial settlement flag.</p>	
Nature of change	

Introduce additional optional 22F qualifier in sequence B that determines the type of leg (e.g. qualifier "Movement Type" with values "DELI" and "RECE")

New qualifier MOTY with the following code "DELI" or "RECE".

If "DELI" is used, the action of the message should be done on the delivery side of the already matched transaction

If "RECE" is used, the action of the message should be done on the receipt side of the already matched transaction

Workaround

Today, the MITI reference in field 20a of sequence B can be used but this solution would be limited to infrastructure using the MITI (not ideal).

In any case, this workaround cannot be applied in all cases even when the MITI reference exist. E.g. clients might want to modify an instructions already BEFORE a MITI is assigned to it. This is the case for some stock exchange trades already intraday, but in the flows from stock exchanges to the CSD and then to T2S, those are collected over the day and only instructed late in the evening of the current BD. But clients start the hold/release processing on their side already intraday, i.e. BEFORE the instructions are even sent to T2S, and thus BEFORE they even have a MITI.

So, in addition to infrastructures using MITI, we have the aspects where a MITI is not yet available but clients want to modify nevertheless.

Examples

1. In a buy-in context, the failing transaction reaches the end of its extension period and needs to be put on hold to avoid settlement while the buy-in is executed. The failing party will be penalized with cash penalties and not the non-failing party. There is a necessity to only flag one leg (the delivery leg)

=> MT 530 example:

:22F::MOTY//DELI,

:22F::SETT//NPPE,

2. Later on, the instruction needs to be released as the buy-in was not possible and that deliverer was able to cover his position

=> MT 530 example:

:22F::MOTY//DELI,

:22F::SETT//YPPE,

3. Only one side of the already matched transaction needs to be linked(the receipt leg)

=> MT 530 example:

:22F::MOTY//RECE,

:22F::LINK//WITH

:20A::RELA//XXXXXX

Standards Illustration

ISO15022 ILLUSTRATION

SWIFT Comment

- SWIFT have the feeling this is a business request to support a technical issue.

In the status received by the client from the CSD there is the reference of the CSD in the PREV field, therefore the receipt and delivery legs should have their own identification included in the PREV field.
RELA will be NONREF as the instruction was generated by the CSD.
When the client sends the MT530 he should send the reference of the CSD in RELA.
- to avoid the creation of a new Qualifier SWIFT will use the qualifier RECE already present in ISO15022 messages like the MT548.

Working Group Meeting

Discussion
<p>The group acknowledged the need (more technical than business) for the addition of an indicator.</p> <p>SWIFT stressed the fact that normally it is against standard to add elements in the message due to technical constraint of the user even if the change is optional and the impact is low.</p> <p>As no consensus was reached. a vote took place. As per weight of messages, we have 45,4% against the CR and 54.6% voted in favor.</p> <p>Seeing the reluctances to the CR from SWIFT and other countries (BE, CH, IE, UK, US, Euroclear), LU decided to withdraw the CR after finding an internal workaround.</p>
Decision
WITHDRAWN

2.8 CR 001658: Negative Deal price - Format option B

Origin of request	
Requesting Group:	ISITC
Sponsors	
ISITC	
Message type(s) impacted	
MT 540, MT 541, MT 542, MT 543, MT 544, MT 545, MT 546, MT 547 + ISO20022 corresponding	
Complies with regulation	
None	
Business impact of this request	
MEDIUM - Receivers of messages will need to account for being able to consume and process the Negative indicator in their systems as is coded today for the format option 90A::	
Commitment to implement the change	
US - ISITC in 2021	
Business context	
Due to recent market conditions, oil futures which are priced as actual per contract have gone negative. Currently Inv Mgrs instructing their custodians aren't able to note the deal price as a negative amount on a price per contract 90B::DEAL//ACTU due to SWIFT rule that only the 90A::DEAL//YIEL allow for the negative indicator.	
Nature of change	
Currently the SWIFT standard only allows a negative indicator on the format option A applicable for 90A::DEAL//YIEL. Due to recent market conditions, oil futures which are priced as actual per contract aren't able to be instructed as a yield. The expectation is volumes will be significant in near term, and want to avoid reverting to fax due to the SWIFT limitation preventing prices in the format option B of the 90a::DEAL field within seq. B of the MT 54x instruction. Priority is focused on this 90B::DEAL qualifier within the Seq. B, but alignment likely need across the B1 FIA sequence 90B qualifiers as well. Also alignment across other 5 series messages types noted in the impacted section above beyond the instruction MT 540/541/542/543 as the priority.	
Workaround	
Proposed workaround from SWIFT standards is to populate the 90B::DEAL//ACTU as a positive amount, then provide the negative amount in the narrative field 70E::SPRO as follows: 70E::SPRO//NEGP//DEAL/ACTU/USD1000,	

Concern is this field is disregarded if received by custodians across various asset types today unless the additional field 22F::STCO//SPDL field is also populated. By including the 22F::STCO//SPDL and 70E::SPRO content, there is no opportunity for recipients to build automation to address this immediate spike in volumes occurring. Reverting to fax would accomplish the same level of automation of a SPDL codeword usage.

Examples

Sample trade format where the price needs to be negative, but not possible due to the 90B::DEAL//ACTU/ unable to contain an negative indicator:

```
:16R:GENL
:20C::SEME//123456789
:23G:NEWM
:16S:GENL
:16R:TRADDET
:98A::SETT//20200421
:98A::TRAD//20200420
:35B:/TS/AGDK20
FIN FUT DTD BRT-BRT LIN SWP ICE 05-
//29-20
:16R:FIA
:12A::CLAS/ISIT/FUT
:11A::DENO//USD
:98A::EXPI//20200530
:36B::SIZE//UNIT/1000,
:16S:FIA
:22F::PROC//CLOP
:16S:TRADDET
:16R:FIAC
:36B::SETT//UNIT/6,
:97A::SAFE//ABCD
:16S:FIAC
:16R:SETDET
:22F::SETR//TRAD
:16R:SETPRTY
:95Q::PSET//XX
:16S:SETPRTY
:16R:SETPRTY
:95P::REAG/ABCDUS33XXX
:16S:SETPRTY
:16R:SETPRTY
:95P::BUYR//ABCDUS33XXX
:16S:SETPRTY
:16R:AMT
:19A::DEAL//USD31800,
:16S:AMT
:16R:AMT
```

:19A::EXEC//USD10,14
:16S:AMT
:16R:AMT
:19A::SETT//USD10,14
:16S:AMT
:16S:SETDET

Workaround agreed by ISITC and SWIFT standards:

:16R:GENL
:20C::SEME//123456789
:23G:NEWM
:16S:GENL
:16R:TRADDET
:98A::SETT//20200421
:98A::TRAD//20200420
:35B:/TS/AGDK20
FIN FUT DTD BRT-BRT LIN SWP ICE 05-
//29-20
:16R:FIA
:12A::CLAS/ISIT/FUT
:11A::DENO//USD
:98A::EXPI//20200530
:36B::SIZE//UNIT/1000,
:16S:FIA
:22F::PROC//CLOP
:70E::SPRO//NEGP//DEAL/ACTU/NUSD5,3
:16S:TRADDET
:16R:FIAC
:36B::SETT//UNIT/6,
:97A::SAFE//ABCD
:16S:FIAC
:16R:SETDET
:22F::SETR//TRAD
:22F::STCO//SPDL

Standards Illustration

ISO15022 ILLUSTRATION

Receive Free

Content

Local Search

Name	Gr	M...	R/N	Code	Format
General Information (A)		M	N	GENL	
Trade Details (B)		M	N	TRADET	
16R					[]
94a Place		O	R		
98a Date/Time		M	R		
90a Price		O	N		
Deal Price [DEAL]	1	O	N		
90A (90A_2)					:4!c//4!c/[N]15d
90B (90B_9)					:4!c//4!c/3!a15d
Qualifier					4!c
Amount Type Code					4!c
Actual Amount [ACTU]				ACTU	
Discount [DISC]				DISC	
Negative Actual Amount [NEGA]				NEGA	
Premium [PREM]				PREM	
Currency Code					3!a
Price					15d
Field Network Validated Rules					
Field Usage Rules					
99A Number Count		O	N		:4!c//[N]3!n
35B Identification of the Financial Instrument		M	N		(See MTField details sec...
Financial Instrument Attributes (99)		O	N	99A	

Code Value Details

Name: Negative Actual Amount

Value: NEGA

Definition: All For Answercode only

Price must be interpreted as a negative amount of currency per unit or per share.

Development Status: DEVELOPMENT

ISO20022 ILLUSTRATION

This ISO20022 will be shown here at a later stage.

SWIFT Comment

- SWIFT do not recommend to update the current format because of the impact in other business area (TIC, CA ...).
- SWIFT suggest creating a new format (N) for the field 98 that will be identical to the format B with an optional negative sign.
- Question to the group: As the format N is richer than format B, could the format B be replaced at the CR's requested location?
The replacement would have some impact for sure.
- SWIFT propose that corresponding messages in ISO20022 be updated for the coexistence.

Working Group Meeting

Discussion

The group rejected the creation of a new format option N, but wanted a change to the format option B. This requires discussion with all impacted MWGs and a new common cat5 CR can be proposed for SR2022.

The group accepts the CR with the proposed workaround solution (addition of the “NEGA” code for the format B) for the limited requested number of MTs.

Given the potential impact on financial institutions, the group agreed to consider the impact of the CR on community of users, and changing an existing format option 90B in ALL category 5 messages would be a huge effort for all financial institutions and vendors. As the back office systems are not prepared to received and deal with negative deal prices.

Decision

ACCEPTED with alternative solution

3 Overview of ISO20022 User Change requests

3.1 CR 001666: Add a new SettlementTransactionCondition code (ISO20022 - CR0902)

Origin of request	
Requesting Group:	Deutsche Bundesbank on behalf of the Eurosystem / 4CB
Sponsors	
TARGET2-Securities Community	
Message type(s) impacted	
<ul style="list-style-type: none"> - Settlement Instruction (sese.023) - Settlement Instruction Status Advice (sese.024) - Securities Settlement Transaction Confirmation (sese.025) - Allegement notification (sese.028) - Securities Transaction posting Report (semt.017) - Securities Transaction Pending Report (semt.018) - Securities Settlement Transaction Query Response (semt.027) 	
Complies with regulation	
None	
Business impact of this request	
<p>Some exemptions from the application of cash penalties are mandated by the CSDR. In the T2S penalty mechanism, these exemptions from cash penalties are performed in two ways:</p> <ul style="list-style-type: none"> - Ex ante [prior to the calculation process] on an automated basis by the system, e.g. for Corporate Actions on stock identified by "CORP" ISO transaction type code as these transactions are deemed out of scope of the T2S penalty mechanism; - Ex post [after the calculation of cash penalties] based on the removal request of already computed cash penalties sent by CSDs. <p>In the context of discussions around the buy-in process, CSDR TF members have identified a specific scenario whereby:</p> <ol style="list-style-type: none"> A buy-in procedure is triggered, e.g. to deliver 100 securities. The settlement instructions [original transaction] that led to trigger the buy-in are put on [party] hold; The buy-in is initiated by the trading parties but cannot be executed in full, e.g. only 70 securities can successfully be bought in. The resulting instructions for the buy-in for the partial quantity are instructed to T2S. I.e. settlement instructions with 'BYIY' code in the 	

ISO transaction type code (sese.023, Settlement Parameters/Securities Transaction Type/Code) and with ISD equal to the business day when they are entered in T2S. Upon successful settlement of the buy-in for the partial quantity, the settlement instructions [original transaction] that led to trigger the buy-in are cancelled¹;

- iii. New settlement instructions with the same ISO transaction type code as the one of the original transaction must be entered by both parties to settle the remaining quantity, i.e. 30 securities.

As per CSDR requirements, Article 16.3 of Commission Delegated Regulation (EU) 2018/1229, where settlement instructions are entered into a securities settlement system as a result of a partially successful buy-in, cash penalties shall only apply as from the day those instructions are entered into the securities settlement system.

The initial assumption from the CSDR TF was that, similarly to the settlement instructions of the buy-in, also the new settlement instructions resulting from the partially successful buy-in can contain the ISD of the business day they are entered in T2S to avoid undue computation of cash penalties.

However, following further interactions with market participants, CSDR TF members are of the view that the new settlement instructions should be entered with the same ISD as the one of the original transaction, in order to avoid operational complexities for the processing of corporate actions and to facilitate reconciliation.

As a result, after a partially successful buy-in, when the new settlement instructions for the remaining quantity would be entered in T2S with the ISD of the original transaction, an undue Late Matching Fail Penalty (LMFP) would be computed by T2S for the business days between the ISD of the original transaction and the business day the settlement instructions are entered. Upon reporting of such cash penalties, CSD participants should appeal to their CSD and request an ex post removal of the relevant LMFP.

The CSDR TF has identified a solution to automate such exemption. If both settlement instructions of a transaction contain the buy-in code 'BSSP' in the Settlement Transaction Condition code, the T2S penalty mechanism shall not compute LMFP for those instructions because T2S identifies they are resulting from a partially successful buy-in.

Commitment to implement the change

Business context

According to CSDR Regulatory Technical Standards (RTS) on Settlement Discipline, in the case where a buy-in is only partially successful (i.e. the full quantity could not be bought-in / settled), "new settlement instructions are entered into the securities settlement system for any non-delivered financial instruments and the CSD receives the information necessary to identify such new settlement instructions accordingly."

In order to satisfy this requirement, the securities settlement system needs to identify, store, and report settlement information related to settlement instructions created as a result of partially successful buy-in across its messages. In order to do that a new SettlementTransactionCondition code is required.

¹ The cancellation instruction message, sese.020, is populated with the cancellation reason code BYIY that will be added with CR-688

The above solution does not impact the ISO transaction type code (which, accordingly, can still inform the same ISO transaction type code as the one of the original transaction).

The settlement instruction messages should contain the 'BSSP' settlement transaction condition code allowing to identify that the settlement instruction has been created as a result of a partial successful buy-in.

For further information, please rely on T2S change requests [T2S-0717_URD](#) and [T2S-0728_SYS](#).

Nature of change

Add a new SettlementTransactionCondition code:

Code	Code Name	Definition
BSSP	Partial successful buy-in	Identification of settlement instructions created as a result of a partial successful buy-in

Examples

Standards Illustration

ISO15022 ILLUSTRATION

63. Field 22F: Indicator



FORMAT

Option F :4!c/[8c]/4!c (Qualifier)(Data Source Scheme)(Indicator)

PRESENCE

Mandatory in mandatory sequence E

QUALIFIER

(Error code(s) : T89)

Order	M/O	Qualifier	R/N	CR	Options	Qualifier Description
1	O	STCO	R		F	Settlement Transaction Condition Indicator
2	M	SETR	N	C12	F	Type of Settlement Transaction Indicator
3	O	TRCA	N		F	Party Capacity Indicator
4	O	STAM	N		F	Stamp Duty Indicator
5	O	RTGS	N		F	Securities Real-Time Gross Settlement Indicator


70

Message Reference Guide - MT 540 Receive Free

MT 540 Receive Free

Order	M/O	Qualifier	R/N	CR	Options	Qualifier Description
6	O	REGT	N		F	Registration Indicator
7	O	BENE	N		F	Beneficial Ownership Indicator
8	O	CASY	N		F	Cash Settlement System Indicator
9	O	DBNM	N	C5, C10, C11	F	Settlement Standing Instruction Database Indicator
10	O	TCPI	N		F	Tax Capacity Party Indicator
11	O	MACL	N		F	Market Side Indicator
12	O	FXCX	N	C9	F	Forex Order Cancellation Indicator
13	O	BLOC	N		F	Block Trade Indicator
14	O	REST	N		F	Restrictions Indicator
15	O	SETS	N		F	Settlement System/Method Indicator
16	O	NETT	N		F	Netting Eligibility Indicator
17	O	CCPT	N		F	CCP Eligibility Indicator
18	O	LEOG	N		F	Letter of Guarantee Indicator
19	O	COLA	N		F	Exposure Type Indicator
20	O	TRAK	N		F	Tracking Indicator
21	O	REPT	N		F	Repurchase Type Indicator
22	O	COLE	N		F	Collateral Pool Indicator
23	O	SSBT	N		F	Securities Sub Balance Type Indicator

CODES

If Qualifier  STCO and Data Source Scheme is not present, Indicator must contain one of the following codes (Error code(s) : K22):

ASGN	Assignment	Transfer of ownership of the asset to another party during the closing of an option.
BSSP	Partial successful buy-in	Identification of settlement instructions created as a result of a partial successful buy-in.
BUTC	Buy to Cover	Transaction is a buy to cover.
CLEN	Clean	Tax-exempt financial instruments are to be settled.
DIRT	Dirty	Taxable financial instruments are to be settled.

72

Message Reference Guide - MT 540 Receive Free

MT 540 Receive Free

DLWM	Delivery Without Matching	Matching receipt instruction not required (only for concerned ICSD and CSD).
DRAW	Drawn	Settlement transactions relates to drawn securities.
EXER	Exercised	Settlement transaction relates to options, futures or derivatives that are exercised.
FRCL	Free Clean Settlement	Delivery will be made free of payment but a clean payment order will be sent.
INTA	Cash Interest on Long Cash Balance	Cash movement relates to interest on a long cash balance.
INTS	Internalised Settlement	The settlement has been internalised at the sub-custodian / direct participant of the CSD (receiving or delivering agent) as the client of the receiving and delivering agents shares uses the same sub-custodian which maintains an omnibus account at the CSD / Market Infrastructure. This differs from a regular "account transfer" settlement instruction which can be identified as an internal settlement through the settlement transaction type code OWN1.
KNOC	Knocked Out	Settlement transaction relates to options, futures or derivatives that are expired worthless.
NACT	Not Accounting Related	Security transaction is not for accounting.
NOMC	No Automatic Market Claim	No market claim should be automatically generated.

ISO20022 ILLUSTRATION

SecuritiesSettlementTransactionStatusAdviceV10

Content
This section describes the content of this repository item.

dealprice

- Pool Identification [0,1] : Max35Text
- Corporate Action Event Identification [0,1] : Max35Text
- Triparty Agent Service Provider Collateral Transaction Identification [0,1] : Max35Text
- Client Triparty Collateral Transaction Identification [0,1] : Max35Text
- Client Collateral Instruction Identification [0,1] : Max35Text
- Triparty Agent Service Provider Collateral Instruction Identification [0,1] : Max35Text
- Account Owner [0,1] : PartyIdentification144
- Safekeeping Account [1,1] : SecuritiesAccount19
- Safekeeping Place [0,1] : SafeKeepingPlace3
- Place Of Trade [0,1] : PlaceOfTradeIdentification1
- Place Of Clearing [0,1] : PlaceOfClearingIdentification2
- Financial Instrument Identification [1,1] : SecurityIdentification19
- Settlement Quantity [1,1] : Quantity6Choice
- Settlement Amount [0,1] : AmountAndDirection51
- Late Delivery Date [0,1] : DateAndDate2Choice
- Expected Settlement Date [0,1] : DateAndDate2Choice
- Expected Value Date [0,1] : DateAndDate2Choice
- Settlement Date [1,1] : SettlementDate19Choice
- Trade Date [0,1] : TradeDate8Choice
- Acknowledged Status Time Stamp [0,1] : ISODateTime
- Matched Status Time Stamp [0,1] : ISODateTime
- Securities Movement Type [1,1] : ReceiveDelivery1Code
- Payment [1,1] : DeliveryReceiptType2Code
- Settlement Parameters [1,1] : SettlementDetails166
 - Hold Indicator [0,1] : HoldIndicator6
 - Settlement Transaction Condition [0,*] : SettlementTransactionCondition16Choice
 - Code [1,1] : SettlementTransactionCondition10Code
 - Accept After Regular Settlement Deadline [ADEA]
 - Assignment [ASGN]
 - Buyto Cover [BUTC]
 - Clean [CLEN]
 - Delivery Without Matching [DLWM]
 - Dirty [DIRT]
 - Drawn [DRAW]
 - Exercised [EXER]
 - Expired [EXPI]
 - Free Clean Settlement [FRCL]
 - Internalised Settlement [INTS]
 - Knocked Out [KNOC]
 - No Automatic Market Claim [NOMC]
 - Not Accounting Related [INACT]
 - Partial successful buy-in [BSSP]

Code Details

Name: Partial successful buy-in

Documentation: Identification of settlement instructions created as a result of a partial successful buy-in

CodeName: BSSP

CMP Information

Registration Information

Registration Status: Provisionally Registered

Removal Date:

Registration Status (SWIFT): Provisionally Registered

Removal Date (SWIFT):

Constraints

All the constraints contained in this object (other constraints - such as constraints defined on type - r apply).

Name	Definition	Expression ...	Expression

SWIFT Comment

- SWIFT propose to update the equivalent messages in ISO15022 for coexistence reasons.
- The SecuritiesSettlementTransactionQueryResponse (semt.027) is not under SWIFT's responsibility, please take contact with 4CB's / T2S.

Working Group Meeting

Discussion

The proposed codes have already been implemented in MT 530 for SR 2020 but is also needed in MT 54x to indicate that the reinstruction of the trade after a buy in is due to partial successful buy. As this is slightly different, ideally another code “BSSP” must be used.

MWG agrees to accept the CR for ISO 20022 and also in ISO 15022 in all MTs 54n, except the confirmations.

Euroclear questioned whether there would not be other scenarios outside Europe that could use it in the confirmation.

Finally it was agreed to add the code to the proposed ISO20022 and to the equivalent messages in ISO15022 for coexistence reasons. The code will be added under the STCO qualifier in all MT54x.

Decision

ACCEPTED

3.2 CR 001667: Addition of Triparty Collateral Transaction instruction identifications. (ISO20022 - CR0917)

Origin of request	
Requesting Group:	Banco de España on behalf of 4CB for ECMS; SWIFT.
Sponsors	
<p>The Eurosystem's Advisory Group on Market Infrastructures for Securities and Collateral (AMI-SeCo) agreed to introduce a single, harmonised triparty model for Europe that would be based on the global ISO20022 messaging standard.</p> <p>There is broad endorsement of the Standards by all TPAs, central banks and other market participants.</p>	
Message type(s) impacted	
semt.020 (Securities Message Cancellation Advice)	
Complies with regulation	
None	
Business impact of this request	
Commitment to implement the change	
Business context	
<p>In the context of the reverse engineering of the ISO 15022 Triparty Collateral Management messages, the MT558 and MT569 cancellation functions will be done through the existing ISO 20022 existing message semt.020. Therefore, the colr.020 Triparty Collateral Transaction Instruction Processing Status Advice, the colr.023 Triparty Collateral Status Advice and the colr.022 Triparty Collateral And Exposure Report will be cancelled with the semt.020. Despite the fact that this message is generic, some changes are required in order to meet the requirements of Triparty Collateral Management business.</p> <ul style="list-style-type: none"> At the Reference level the following identifications must be added: <ul style="list-style-type: none"> Triparty Collateral Transaction Instruction Processing Status Advice Identification Triparty Collateral Status Advice Identification Triparty Collateral and Exposure Report Identification. 	
Nature of change	
The Eurosystem's Advisory Group on Market Infrastructures for Securities and Collateral (AMI-SeCo) agreed to introduce a single, harmonised triparty model for	

Europe that would be based on the global ISO20022 messaging standard. In the light of the harmonisation needs identified by the AMI-SeCo in December 2017, a harmonised triparty model (the Single Triparty Model for Europe) was developed in June 2018 covering all relevant business processes and workflows. Key data elements were then mapped to ISO20022-compliant messages.

The Standards cover the communication of the triparty agents (TPAs) with relevant stakeholders based solely on the latest ISO20022-compliant messaging. The Triparty Collateral Management Standards defined requirements cover all existing triparty business processes and workflows and introduce enhanced features that will facilitate improved reporting capabilities to support the needs of treasurers and to meet regulatory requirements.

The Triparty Collateral Management Standards cover triparty processes offered to commercial and central banks. There is a single set of processes applicable for central banks and commercial banks. A few processes are more relevant in the context of the collateralisation of central bank operations (e.g. unilateral increase), while a number of other processes are more relevant for commercial banks (e.g. future-dated processing or customised baskets).

Implementation of the Triparty Collateral Management Standards will be mandatory for all TPAs (regardless of whether they are regulated as an (international) central securities depository ((I)CSD) or as a bank). (I)CSDs and custodian banks acting as TPAs are key stakeholders and are obliged to comply. It will also be mandatory for Eurosystem central banks and central counterparties (CCPs) as key users to implement the Triparty Collateral Management Standards. For collateral givers and collateral takers (unless they are Eurosystem central banks or CCPs), the use of existing messaging standards other than those based on ISO20022 remains possible.

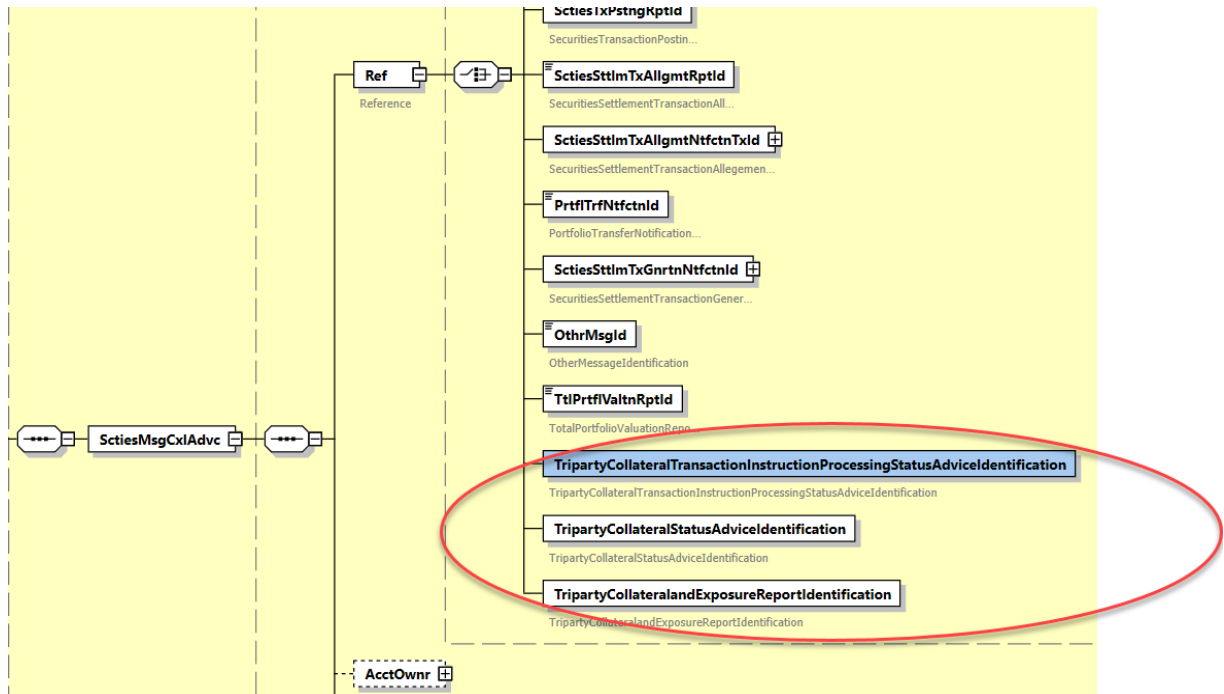
The Triparty Collateral Management Standards should be implemented by November 2022 by all TPAs, CCPs and Eurosystem central banks (for triparty activities between key stakeholders in AMI-SeCo markets covered by the Standards). Timely implementation of the Triparty Collateral Management Standards by other actors (e.g. custodians not acting as TPAs but as collateral takers/givers) is also greatly encouraged in order to foster broader harmonisation across the industry.

Examples

Not provided.

Standards Illustration

ISO20022 ILLUSTRATION



SWIFT Comment

- This should not be harmonised in ISO15022 as we have the concept of PREV and RELA to be able to link to the original instruction to cancel (to cancel a MT548 NEWN, use a MT548 CANC with the PREV is sent).

Working Group Meeting

Discussion

No comments were raised, so accepted.

Decision

ACCEPTED

3.3 CR 001578: Update the pattern of AnyBICIdentifier, BICIdentifier or BICNonFIIdentifier. (ISO20022 - CR0751)

Origin of request	
Requesting Group:	ISO 20022 Registration Authority
Sponsors	
N/A	
Message type(s) impacted	
All message definitions that use the AnyBICIdentifier or the BICIdentifier or the BICNonFIIdentifier.	
Complies with regulation	
None	
Business impact of this request	
The patterns of the current datatypes AnyBICIdentifier , BICFIIdentifier and BICNonFIIdentifier are not fully aligned with the patterns described in ISO 9362.	
Commitment to implement the change	
Business context	
Nature of change	
<ul style="list-style-type: none"> - Change the pattern of datatype AnyBICIdentifier from: <ul style="list-style-type: none"> ➤ [A-Z]{6,6}[A-Z2-9][A-NP-Z0-9]([A-Z0-9]{3,3}){0,1} 	
To:	
<ul style="list-style-type: none"> ➤ [A-Z0-9]{4,4}[A-Z]{2,2}[A-Z0-9]{2,2}([A-Z0-9]{3,3}){0,1} 	
<ul style="list-style-type: none"> - Change the pattern of datatype BICFIIdentifier from: <ul style="list-style-type: none"> ➤ [A-Z]{6,6}[A-Z2-9][A-NP-Z0-9]([A-Z0-9]{3,3}){0,1} 	
To:	
<ul style="list-style-type: none"> ➤ [A-Z0-9]{4,4}[A-Z]{2,2}[A-Z0-9]{2,2}([A-Z0-9]{3,3}){0,1} 	
<ul style="list-style-type: none"> - Change the pattern of datatype BICNonFIIdentifier from: <ul style="list-style-type: none"> ➤ [A-Z]{6,6}[A-Z2-9][A-NP-Z0-9]([A-Z0-9]{3,3}){0,1} 	
To:	
<ul style="list-style-type: none"> ➤ [A-Z0-9]{4,4}[A-Z]{2,2}[A-Z0-9]{2,2}([A-Z0-9]{3,3}){0,1} 	

For this purpose, the RA has created three new datatypes:

- AnyBICDec2014Identifier
- BICFIDec2014Identifier
- BICNonFIDec2014Identifier

And, to avoid further re-use of the current datatypes, the RA has changed the registration status of the current AnyBICIdentifier , BICFIIdentifier and BICNonFIIdentifier to “Obsolete”.

Examples

SWIFT Comment

No comment.

Working Group Meeting

Discussion

NA

Decision

ACCEPTED in SR2019

4 Overview of SWIFT Change requests

None

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