



Standards

Standards MT Release 2022

Discussion paper and Minutes

Settlement and Reconciliation

Distribution: Settlement and Reconciliation Maintenance Working Group

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1 Introduction

ISO 15022 – 20022 Maintenance Process

As from the year 2012, a joint maintenance process has been put in place for ISO 20022 and 15022 and Settlement & Reconciliation messages with the support of the ISO 20022 RMG and of the SWIFT Board.

This joint maintenance will ensure interoperability between the two standards and a more efficient maintenance process.

Standards Illustrations in this document

Standards illustrations are provided by SWIFT Standards. They are not part of the original request.

Any standard illustrations (rules, codes, qualifiers, wordings) are **only for illustration purposes**. It does not mean SWIFT Standards is in agreement with the maintenance request or that the final standards solutions (for accepted maintenance requests) will be as shown in this document.

The MT Standards Release Guide (+ potential erratum) and the ISO 20022 message definition reports are the **ONLY** source of reliable information based on which implementation of changes should be made. Any other documentation (including this one) is subject to change.

SR 2022 change requests

This document contains all S&R MT/MX CRs for MT category 5 and equivalent MX messages investigated this year for implementation in SR 2022.

The requests originator is indicated as follows:

- Requesting Country; Country code of requesting NMPG or UG; eg. BE
- Requesting Group: a SWIFT User Group or a National (Securities) Market Practice Group with the acknowledgement of the UGC or Recognized industry group eg. SMPG (the global Securities Market Practice Group)

Contact persons regarding this document

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CR Title Colour notation (**for minutes¹ only**)

In **GREEN** are items that are approved or approved with comments or approved with alternative solution.

In **RED** are items that are rejected, withdrawn or linked to agreed items

In **GREY** are items that are postponed for review and implementation at the next release.

¹ MWG maintenance meeting minutes are distributed around first week of September.

S&R MWG Members for SR2022

The following people are part of the S&R MWG for SR2022.

Maintenance working group members:	Representing:	Present
Takaya Hamamura - Mitsubishi Bank	Japan	X
Jean-François Schleck - Euroclear	ICSD	X
Jason Brasile – Statestreet Aundrea Jarvis - BBH	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	Hong Kong	X
David Wouters – BNYMellon	Belgium	X
Stephanie Clark Fischer – BNP Paribas	France	X
Arnaud Jochems – Clearstream	ICSD / Luxembourg	X

2 Overview of User Change requests

2.1 CR 001727: Add code to cancel a forex instructed only for the unsettled portion of a partial settlement

Origin of request	
Requesting Country:	UK United Kingdom
Sponsors	
UK&IE S&R NMPG	
Message type(s) impacted	
MT 540, MT 541, MT 542, MT 543, sese.020	
Complies with regulation	
None	
Business impact of this request	
HIGH	
Commitment to implement the change	
Number of messages sent and received: Not provided	
Percentage of messages impacted: Not provided	
Commits to implement and when: SMPG 2022	
Business context	
Partial FX Settlement to Support Partial Securities Settlement.	
Currently, within the :22F::FXCX field in sequence E (SETDET) of the MT540-3 settlement instructions, there are three codes.	
FXNO - FX not to be cancelled	
FXYE - FX to be cancelled	
SINO - SI does not apply	
Network validation rules state that FXNO and FXYE can only be used in cancellation instructions (:23G:CANC) and SINO is in the NEWM.	
In the context of partial settlements, there may be a portion of the original settlement instruction that has already been settled. Hence, if the remaining pending part of the transaction needs to be cancelled, and there is also a FX as part of the transaction, using :22F::FXCX//FXYE would imply that the whole of the FX from the original instruction is also to be cancelled whereas, in	

reality, the already settled FX should remain settled and it's just the remaining partial FX that should be cancelled.

There is no code to indicate that the remaining part of the FX is the only part to be cancelled and the rest (on the settled portion of the transaction) should remain.

Nature of change

In order to support a clean and transparent process for clients whose Security trades have partially settled as a result of the change CSDR has introduced to the Industry, we suggest to create an additional code word.

Message Type – MT540 - MT543

Message sequence – Cancels only (:23G:CANC)

Field - :22F::FXCX//

New tag – FXPA

Usage - The forex instructed in the original instruction is to be cancelled for the unsettled portion of the trade and not cancelled for the settled portion.

Updates to network validation rule C9 (MT540 & MT542) and C10 (MT541 & MT543) should also occur to include new code FXPA

If field :22F::FXCX//FXNO or FXYE or FXPA is present in sequence E, then the message must be a cancellation, that is, Function of the Message in sequence A (field 23G) is CANC.

If field :22F::FXCX//SINO is present in sequence E, then the message must be new, that is, Function of the Message in sequence A (field 23G) is NEWM. (Error code(s): E14).

Changes will also need to occur to the ISO 20022 sese.020 Securities Transaction Cancellation Request. However, the "FX Cancellation" element is a Yes / No Indicator so the whole structure may need to change

Workaround

As this will become more prominent with CSDR go live in February 2022, the interim workaround will be to use the SMPG data source scheme, ie :22F::FXCX/SMPG/FXPA

The workaround also applies to ISO 20022

Examples

Example 1 - Purchase

Scenario: Full amount of trade is 100. Only 20 has settled but FX requested for 100

Cash Entries: Trade = Debit of 20, FX = Credit of 100

If FXNO were to be used: FXNO defined in SWIFT as "The forex instructed in the original instruction is not to be cancelled" so a literal approach would be to retain/keep the entire FX order of 100. As only 20 has settled this leaves the account long by 80

If FXYE were to be used: FXYE defined in SWIFT as "The forex instructed in the original instruction is also to be cancelled" so a literal approach would be to cancel/reverse the entire FX order of 100. As 20 has settled this leaves the account short by the 20.

If FXPA were to be used: FXPA proposed to be defined as "The forex instructed in the original instruction is to be cancelled for the unsettled portion of the trade and not cancelled for the settled portion" so a literal approach would be to retain/keep the FX order for 20 and cancel/reverse the 80. As 20 has settled this will match the FX of 20 which has been kept/retained

Example 2 - Sale

Scenario: Full amount of trade is 100. Only 20 has settled but FX requested for 100

Cash Entries: Trade = Credit of 20, FX = Debit of 100

If FXNO were to be used: FXNO defined in SWIFT as "The forex instructed in the original instruction is not to be cancelled" so a literal approach would be to retain/keep the entire FX order of 100. As only 20 has settled this leaves the account short by 80

If FXYE were to be used: FXYE defined in SWIFT as "The forex instructed in the original instruction is also to be cancelled" so a literal approach would be to cancel/reverse the entire FX order of 100. As 20 has settled this leaves the account long by the 20.

If FXPA were to be used: FXPA proposed to be defined as "The forex instructed in the original instruction is to be cancelled for the unsettled portion of the trade and not cancelled for the settled portion" so a literal approach would be to retain/keep the FX order for 20 and cancel/reverse the 80. As 20 has settled this will match the FX of 20 which has been kept/retained

Standards Illustration

ISO15022

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)

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Message Reference Guide - MT 540 Receive Free

MT 540 Receive Free

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
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
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.
CCPT	CCP Eligibility Indicator	Specifies whether the settlement transaction is CCP (Central Counterparty) eligible.

CODES

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

FXNO	FX not to be Cancelled	Forex instructed in the original instruction is not to be cancelled.
FXPA	FX to be Partially Cancelled	The forex instructed in the original instruction is to be cancelled for the unsettled portion of the trade and not cancelled for the settled portion.
FXYE	FX to be Cancelled	Forex instructed in the original instruction is also to be cancelled.
SINO	SI does not Apply	Forex standing instruction in place does not apply. This instruction is an amendment to a previously cancelled instruction for which the FX order has not been cancelled.

- C9 If field :22F::FXCX//FXNO or FXYE or FXPA is present in sequence E, then the message must be a cancellation, that is, Function of the Message in sequence A (field 23G) is CANC.

If field :22F::FXCX//SINO is present in sequence E, then the message must be new, that is, Function of the Message in sequence A (field 23G) is NEWM. (Error code(s) : E14).

Sequence E if field :22F::FXCX is ... ⁽¹⁾	In sequence A then field :23G:4!c is ...
FXNO	CANC
FXPA	CANC
FXYE	CANC

Message Reference Guide - MT 540 Receive Free

MT 540 Receive Free

Sequence E if field :22F::FXCX is ... ⁽¹⁾	In sequence A then field :23G:4!c is ...
SINO	NEWM
Not present	Not applicable

(1) if the Data Source Scheme is present in field :22F::FXCX// then the conditional rule does not apply.

ISO20022

SecuritiesTransactionCancellationRequestV07

Content

This section describes the content of this repository item.

Local Search

- Account Owner Transaction Identification [1,1]: References45Choice
 - Account Servicer Transaction Identification [0,1]: Max35Text
 - Market Infrastructure Transaction Identification [0,1]: Max35Text
 - Processor Transaction Identification [0,1]: Max35Text
- Account Owner [0,1]: PartyIdentification144
- Safekeeping Account [1,1]: SecuritiesAccount19
- Transaction Details [0,1]: TransactionDetails117
- Cancellation Reason [0,1]: CancellationReason23
- FX Cancellation [0,1]: FXCancellation5Choice
 - Indicator [1,1]: YesNoIndicator
 - Partial Cancellation [1,1]: YesNoIndicator
 - Proprietary [1,1]: GenericIdentification30
 - Identification [1,1]: Exact4AlphaNumericText
 - Issuer [1,1]: Max35Text
 - Scheme Name [0,1]: Max35Text
 - Supplementary Data [0,1]: SupplementaryData1
- Textual : NoAccountOwnerTransactionIdentificationRule
- CrossElementComplexRule : TransactionIdentificationPresence2Rule

Message Building block Details

General Information

Name: PartialCancellation

Documentation: The forex instructed in the original instruction is to be cancelled for the unsettled portion of the trade and not cancelled for the settled portion.

Min Occurs: 1 Max Occurs: 1

XML Tag: Ind

Type: YesNoIndicator

Derived: ☐

Composite: ☒

API element: ☐

SWIFT Comment

No comment

Working Group Meeting

To be completed by Standards after the meeting in August.

Discussion

The group questioned the fact that the principle is to cancel the FX when the trade itself is cancelled.

“Cancelling” a FX is to recreate a reverse one with the same currencies reversed, and generally the day after the cancelation of the trade.

The group would like that the institutions explain how it is happening today and have a SMPG discussion on it. The result of this discussion might lead to a market practice.

As the business case is not clear, the group asked the submitter to postpone the CR and resubmit it when the CSDR situation around FX is clearer.

Decision

POSTPONED

2.2 CR 001778: Add new information to report partial release request

Origin of request	
Requesting Group:	SMPG
Sponsors	
Clearstream Group	
Message type(s) impacted	
MT548, MT537 in ISO15022 and sese.024 and semt.018 in ISO 20022	
Complies with regulation	
None	
Business impact of this request	
MEDIUM As the MT548 is the most used message, any change has an impact. However, the new fields are not new mandatory fields in the message and just making an existing field repetitive (:36B:: of optional sequence B)	
Commitment to implement the change	
Number of messages sent and received: 100000 Percentage of messages impacted: 1 Commits to implement and when: Clearstream Group in SR 2022	
Business context	
<p>Partial release is a new functionality that will allow a participant to release a delivery instruction for part of the original/remaining quantity. Usually, the instruction can only settle in a partial settlement window provided that both participants have the partial settlement indicator. This service has been created and designed for institutions that work with an omnibus structure. Without the partial release service, any participant working with an omnibus structure in the institution where they have an account, will only release an instruction for settlement once it has been provisioned in their books otherwise there is a risk of short selling/drawing from the pool and using another underlying client position. In order to allow these participants to be able to benefit as well from partial settlement and release their instructions even if not fully provisioned, the partial release service has been created allowing these participants to control the quantity that will settle partially (depending of the position in their books).</p> <p>The partial release is becoming a must to improve the usage of partial settlement in Europe and is prerequisite for many industry stakeholders using an omnibus account. This new functionality was introduced in T2S more than a year ago and will soon become a standard for all CSDs/ICSDs in Europe. Many industry bodies (ICMA, AFME) support the introduction of partial release in Europe as one of the key change to improve the usage of partial settlement and, de facto, improving the settlement efficiency.</p>	

Currently, the structure of the ISO15022 message does not allow to provide a status on an instruction which is partially hold and partially release. Institutions have to use a narrative to indicate that a partial release is taking place.

As this service will become a standard settlement service, some structure fields should be created to enable institutions to do a proper reporting.



SMPG partial release
CR SR2022 (final).pdf

Nature of change

From a business stand point, we need to find a solution to avoid using the narrative to report all the information regarding the partial release (hold + release quantity).

The proposal would consist of two changes in the MT548 and MT537 (but potentially as well to the corresponding ISO20022 messages):

1) A new reason code (:24B::) in the PENx (PEND or PENF) of the MT548. For example a reason code PREL - Transaction has been partially released

2) To make the :36B:: repetitive in optional sequence B with different qualifier.

- :36B:: PREA

- :36B:: PREL

The qualifiers would be used to mention the quantity that is 'on hold'(PREA) and 'release'(PREL). The two new qualifiers would only be used for instructions that have been partially released

An alternative could be as well to only use the :36B:: PREL and not to implement the :36B:: PREA. The logic would be that the :36B:: PREA is not needed as with only the :36B:: PREL and :36B:: SETT, you can deduct and find the hold quantity.

Workaround

Here is an example, of an instruction of 5000 UNIT that partially settled for 4000 UNIT and is pending for 1000 UNIT. On this remaining 1000, client has sent a MT530 to partial release for 300 (700 on hold)

:16R:STAT

:25D::SETT//PEND

:16R:REAS

:24B::PEND//FUTU

:70D::REAS///PRQT 300 + HOLD 700,

...

:36B::SETT//UNIT/1000,

Examples

Example 1 : Here is an example, of an instruction of 5000 UNIT that partially settled for 4000 UNIT and is pending for 1000 UNIT. On this remaining 1000, client has sent a MT530 to partial release for 300 (700 on hold)

```
:16R:STAT
:25D::SETT//PEND
:16R:REAS
:24B::PEND//PREL
...
:36B::SETT//UNIT/1000,
:36B::PREA//UNIT/700, (Optional depending if we go for solution 1 or 2)
:36B::PREL//UNIT/300,
```

Note: Counterparty receives the same reporting

Example 2: The same instruction as mentioned in example 1 cannot settle partially as the counterparty is short of cash

Client

```
:16R:STAT
:25D::SETT//PEND
:16R:REAS
:24B::PEND//CMON
...
:36B::SETT//UNIT/1000,
:36B::PREA//UNIT/700, (Optional depending if we go for solution 1 or 2)
:36B::PREL//UNIT/300,
```

Counterparty

```
:16R:STAT
:25D::SETT//PEND
:16R:REAS
:24B::PEND//MONY
...
:36B::SETT//UNIT/1000,
:36B::PREA//UNIT/700, (Optional depending if we go for solution 1 or 2)
:36B::PREL//UNIT/300,
```

Example 3: Still the same instruction as example 1 but this time the instruction is put back on hold completely (cancellation of the partial release)

Client

:16R:STAT
:25D::SETT//PEND
:16R:REAS
:24B::PEND//PREA
...
:36B::SETT//UNIT/1000,

Counterparty

:16R:STAT
:25D::SETT//PEND
:16R:REAS
:24B::PEND//PRCY
...
:36B::SETT//UNIT/1000,

Standards Illustration

ISO15022

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

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	CAACK	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:

CAACK	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

[.....]

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.
------	-------------------------------------	---

Message Reference Guide - MT 548 Settlement Status and Processing Advice

MT 548 Settlement Status and Processing Advice

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.
[.....]		
PHSE	Physical Delivery Delay	Settlement is physical. Financial instruments are being delivered.
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.
PREL	Partially Released	Transaction has been partially released
PRSY	On Hold by System	The transaction was put on hold by the system.
REFS	Not In Good Order	Delivery/receipt was refused because physical financial instruments are not in good order.
REFU	Instruction Refused/Not Recognised	Instruction has been refused or not recognised and is represented automatically.
REGT	Certificates Rejected	Certificates have been lodged with the registrar but rejected due to incomplete documentation or foreign ownership limitation reached.
SBLO	Securities Blocked	Financial instruments are blocked due to a corporate action event, realignment, etc.
[.....]		

20. Field 36B: Quantity of Financial Instrument

FORMAT

Option B :4!c//4!c/15d (Qualifier)(Quantity Type Code)(Quantity)

PRESENCE

Mandatory in optional sequence B

QUALIFIER

(Error code(s) : T89)

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Standards MT November 2021

Order	M/O	Qualifier	R/N	CR	Options	Qualifier Description
1	M	SETT	R	C8	B	Quantity of Financial Instrument to be Settled
2	O	PREL	N		B	Quantity of Financial Instrument to be Re-leased

DEFINITION

This qualified generic field specifies:

PREL	Quantity of Financial Instrument to be Re-leased	Quantity of Financial Instrument to be Released
SETT	Quantity of Financial Instrument to be Settled	Quantity of financial instrument to be settled.

CODES

Quantity Type Code must contain one of the following codes (Error code(s) : K36):

AMOR	Amortised Value	Quantity expressed as an amount representing the current amortised face amount of a bond, for example, a periodic reduction/increase of a bond's principal amount.
FAMT	Face Amount	Quantity expressed as an amount representing the face amount, that is, the principal, of a debt instrument.
UNIT	Unit Number	Quantity expressed as a number, for example, a number of shares.

NETWORK VALIDATED RULES

The integer part of Quantity must contain at least one digit. A decimal comma is mandatory and is included in the maximum length (Error code(s) : T40, T43).

ISO20022

SecuritiesSettlementTransactionStatusAdviceV12

Content
This section describes the content of this repository item.

quantity

- Transaction Identification [1,1] : TransactionIdentification31
- Linkages [0,1] : Linkages41
- Processing Status [0,1] : ProcessingStatus80Choice
- Inferred Matching Status [0,1] : MatchingStatus24Choice
- Matching Status [0,1] : MatchingStatus24Choice
- Settlement Status [0,1] : SettlementStatus28Choice
- Transaction Details [0,1] : TransactionDetails147
 - 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
 - Quantity [1,1] : FinancialInstrumentQuantity1Choice
 - Original And Current Face [1,1] : OriginalAndCurrentQuantities1
 - Settlement Amount [0,1] : AmountAndDirection51
 - Partially Released Quantity [0,1] : Quantity6Choice**
 - Quantity [1,1] : FinancialInstrumentQuantity1Choice
 - Original And Current Face [1,1] : OriginalAndCurrentQuantities1
 - Late Delivery Date [0,1] : DateAndDateTime2Choice
 - Expected Settlement Date [0,1] : DateAndDateTime2Choice

Message Building block Details

General Information

Name: **PartiallyReleasedQuantity**

Documentation: Total quantity of securities to be Partially Released.

Min Occurs: **0** Max Occurs: 1

XML Tag: SttlmQty

Type: **Quantity6Choice**

Derived: ☐

Composite: ☒

API element: ☐

CMP Information

Synonyms

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

Name	Definition	Expression ...	Expression

SWIFT Comment

For SWIFT, the usage of a new reason code “Transaction has been partially released “ (PREL) in a MT 548 will refer to an already settled transaction, even partially.

Therefore we suggest to use the reason code ‘Trade Settles in Partials’ (PART) with the qualifier “Pending Reason” (PEND) or “Pending/Failing Reason” (PENF) and not create a new reason code for “Transaction has been partially released “ (PREL). This new code would in our opinion lead to confusion as both are related to partial settlement.

However, adding this qualifier (PREL) in the 36B (Quantity of financial instrument) would be acceptable.

Working Group Meeting

To be completed by Standards after the meeting in August.

Discussion

Today it is complex to report this part of the business and since T2S started to report this, only narratives are currently used to report it. Messages need to be updated to transport it on a more formal way.

The group discussed the validity of the CR and concluded that the business case behind it is valid. Both ICSDs present mentioned they would implement it.

The group prefers to have a clear and simple implementation with a market practice to describe the usage of the new code and qualifier.

After a long discussion, a vote took place on the CR and the group voted to have the CR implemented as proposed by the submitter.

The implementation will be :

Add a new reason code "PREL" in the Reason field 24B under the status PND and PENF.

Add a new qualifier for the field 36B as illustrated and make this 36B repetitive.

Decision

ACCEPTED

2.3 CR 001779: Add status reason code to indicate a mismatch on the partial settlement indicator

Origin of request	
Requesting Group:	SMPG
Sponsors	
Clearstream Banking Luxembourg	
Message type(s) impacted	
MT 548, MT 537	
Complies with regulation	
<p>None</p> <p>It was discussed during several SMPG meetings, whether as per article 11 of CSDR SDR ((EU) 2018/1229 of 25 May 2018) on additional facilities and information, a CSD or ICSD had to report in real-time whether the settlement instruction can still be partially settled. As an instruction cannot settle in a partial settlement window if one of the participant of the transaction does not agree on partial settlement (using flag NPAR), it could be interpreted that in case of mismatch on the partial settlement flag, the information had to be reported in real-time by the CSD to the participant,</p> <p>Even if it was not concluded that it was mandatory under CSDR to report via SWIFT a mismatch on the partial settlement flag of a given instruction, some CSDs/ICSDs have decided to report this information via SWIFT (and not only via internal GUI or application). It's left at each institution interpretation whether this is a mandatory requirement under CSDR SDR.</p>	
Business impact of this request	
LOW	
Commitment to implement the change	
<p>Number of messages sent and received: 50000</p> <p>Percentage of messages impacted: 1</p> <p>Commits to implement and when: Clearstream Banking Luxembourg in SR 2022</p>	
Business context	
<p>CSDR SDR ((EU) 2018/1229 of 25 May 2018) highlights the importance on reporting real-time whether an instruction can still be partially settled. As an instruction can only partially settle provided that both parties in the transaction have agreed on doing partial settlement, there is a need to provide additional information to the CSDs/ICSDs participants in case there is a mismatch on the partial settlement indicator. Some institutions may have decided to report this information, however, they need to use a narrative as no structure field exist.</p> <p>This change is needed to avoid that institutions continue to use narrative to report a mismatch on the partial settlement indicator.</p>	

Nature of change

The proposed change is to add a new reason code to the PEND and PENF status to identify that there is mismatch on the partial settlement indicator.

Whenever a matched instruction will be pending/failing and that there is a mismatch on the partial settlement indicator, a settlement status will be provided to advise about this discrepancy (PENx//xxxx)

Workaround

Today, as there is no structured field, a narrative is used to report these disagreements on partial settlement indicator

```
:16R:GENL
:20C::SEME//XX340Q1
:23G:INST
:98C::PREP//20210422073723
:16R:LINK
:13A::LINK//541
:20C::RELA//XX00092849340XX
:16S:LINK
:16R:STAT
:25D::MTCH//MACH
:16S:STAT
:16R:STAT
:25D::SETT//PEND
:16R:REAS
:24B::PEND//NARR
:70D::REAS//Partially Settlement Mismatched
:16S:REAS
:16S:STAT
:16S:GENL
```

Examples

1) A transaction has matched but is not eligible to partial settlement

```
:16S:LINK
:16R:STAT
:25D::MTCH//MACH
:16S:STAT
:16R:STAT
:25D::SETT//PEND
:16R:REAS
:24B::PEND//MPAR (Mismatch on partial settlement)
```

:16S:REAS

:16S:STAT

2) A transaction is pending as short of securities and there is a difference in the partial settlement indicator between the two parties

First MT548

:16R:STAT

:25D::SETT//PEND

:16R:REAS

:24B::PEND//LACK

:16S:REAS

:16S:STAT

Second MT548

:16R:STAT

:25D::SETT//PEND

:16R:REAS

:24B::PEND//MPAR

:16S:REAS

:16S:STAT

3) A transaction is pending for future settlement and is eligible for partial settlement. Counterparty decides to remove the partial settlement indicator

Initial MT548

:16R:STAT

:25D::SETT//PEND

:16R:REAS

:24B::PEND//FUTU

:16S:REAS

:16S:STAT

New MT548 following counterparty change

:16R:STAT

:25D::SETT//PEND

:16R:REAS

:24B::PEND//MPAR

:16S:REAS

:16S:STAT

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.
------	-------------------------------------	---

[.....]

NOFX	No Foreign Exchange Instruction	A foreign exchange instruction from you is missing.
------	------------------------------------	---

PART	Trade Settles in Partials	Trade will settle in partials.
------	---------------------------	--------------------------------

PATD	PartialDiffer	PartialDiffer need a good definition
------	---------------	--------------------------------------

PHCK	Physical Securities in Verification Process	Physical financial instruments have been received and are being checked for authenticity.
------	--	---

PHSE	Physical Delivery Delay	Settlement is physical. Financial instruments are being delivered.
------	-------------------------	--

PRCY	Counterparty Instruction on Hold	Counterparty's instruction is on hold/frozen/in a preadvice mode.
------	----------------------------------	---

CODES

If Qualifier is PENF 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 (if receive against payment), the money has been delivered.
------	---------------------------------------	--

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.
------	-----------------------------------	---------------------------------------

[....]

NOFX	No Foreign Exchange Instruction	A foreign exchange instruction from you is missing.
------	------------------------------------	---

OBJT	Under Objection	Financial instruments are stolen, in dispute, under objection etc.
------	-----------------	--

PART	Trade Settles in Partials	Trade will settle in partials.
------	---------------------------	--------------------------------

PATD	PartialDiffer	PartialDiffer need a good definition
------	---------------	--------------------------------------

PHCK	Physical Securities in Verification Process	Physical financial instruments have been received and are being checked for authenticity.
------	--	---

PHSE	Physical Delivery Delay	Settlement is physical. Financial instruments are being delivered.
------	-------------------------	--

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.
------	--------------------------	---

ISO20022

SecuritiesSettlementTransactionStatusAdviceV12

Content
This section describes the content of this repository item.

patd

- Transaction Identification [1,1]: TransactionIdentifications31
- Linkages [0,1]: Linkages41
- Processing Status [0,1]: ProcessingStatus80Choice
- Inferred Matching Status [0,1]: MatchingStatus24Choice
- Matching Status [0,1]: MatchingStatus24Choice
- Settlement Status [0,1]: SettlementStatus30Choice
 - Pending [1,1]: PendingStatus66Choice
 - No Specified Reason [1,1]: NoReasonCode
 - Reason [1,1]: PendingReason30
 - Code [1,1]: PendingReason62Choice
 - Code [1,1]: PendingReason23Code
 - Partial Differ [PATD]**
 - Account Blocked [BLOC]
 - Account Servicer Deadline Missed [ADEA]
 - Awaiting Documents Or Endorsements From Counterparty [DOCC]
 - Awaiting Documents Or Endorsements From You [DOCV]
 - Awaiting Money [AWMO]
 - Awaiting Other Transaction [LAAW]
 - Awaiting Securities [CAIS]
 - Awaiting Securities From Counterparty [AWSH]
 - Awaiting Settlement Date [FUTU]
 - Beneficial Ownership Disagreement [BENO]
 - Both Instructions On Hold [BOTH]
 - Certificates Rejected [REGT]
 - Clearing House Trade [CLHT]
 - Collateral Shortage [YCOL]
 - Conditional Delivery Awaiting Release [CDLR]
 - Confirmation Not Received [NCON]

Code Details

Name: _PartialDiffer

Documentation: PartialDiffer (PARD) need a good definition;-)
The " _ " in front will disappear (for illustration only)

Code Name: PATD

CMP Information

Registration Information

Registration Status: Provisionally Registered

Removal Date: 0

Registration Status (SWIFT): Provisionally Registered

Removal Date (SWIFT): 0

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

Name	Definition	Expression ...	Expression

SecuritiesSettlementTransactionStatusAdviceV12

Content
This section describes the content of this repository item.

patd

- Transaction Identification [1,1]: TransactionIdentifications31
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- Settlement Status [0,1]: SettlementStatus30Choice
 - Pending [1,1]: PendingStatus66Choice
 - No Specified Reason [1,1]: NoReasonCode
 - Reason [1,1]: PendingReason30
 - Code [1,1]: PendingReason62Choice
 - Code [1,1]: PendingReason23Code
 - Proprietary [1,1]: GenericIdentification30
 - Additional Reason Information [0,1]: Max210Text
 - Failing [1,1]: FailingStatus13Choice
 - No Specified Reason [1,1]: NoReasonCode
 - Reason [1,1]: FailingReason11
 - Code [1,1]: FailingReason16Choice
 - Code [1,1]: FailingReason9Code
 - Partial Differ [PATD]**
 - Account Blocked [BLOC]
 - Account Servicer Deadline Missed [ADEA]
 - Awaiting Documents Or Endorsements From Counterparty [DOCC]
 - Awaiting Documents Or Endorsements From You [DOCV]
 - Awaiting Money [AWMO]
 - Awaiting Next Settlement Cycle [CYCL]
 - Awaiting Other Transaction [LAAW]
 - Awaiting Securities [CAIS]
 - Awaiting Securities From Counterparty [AWSH]

Code Details

Name: _PartialDiffer

Documentation: PartialDiffer (PARD) need a good definition;-)
The " _ " in front will disappear (for illustration only)

Code Name: PATD

CMP Information

Registration Information

Registration Status: Provisionally Registered

Removal Date: 0

Registration Status (SWIFT): Provisionally Registered

Removal Date (SWIFT): 0

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

Name	Definition	Expression ...	Expression

SWIFT Comment

Swift is ok with the rationale behind the change request. However, we question the occurrence of this, as everything should be defined in a predefined SLA.

In any case, Swift would not use the Matching status or even mention the word "Matching" as the transaction was already matched and the current flow refer to a disagreement in the partial settlement. Therefore, we would propose to mention this as "Differ".

Working Group Meeting

To be completed by Standards after the meeting in August.

Discussion

There was no discussion in the group to define the rationale behind the business case.

It was mentioned that there is potentially a usage for two codes,

- one code to report mismatch and the counterparty allows the settlement
- one other code to report mismatch and the counterparty does not allow the settlement

The group agreed that the word “mismatch” is not appropriate and the word “eligible” was mentioned. At the end of the conversation the group agreed to use “Partial Differ” and a definition will have to be found. Swift will discuss with the submitter about the definition and report to the MWG group.

The vote took place on the usage of one or two codes and closed the item.

Only one code will be implemented as described in the illustrations.

Decision

ACCEPTED

2.4 CR 001798: Add new Market Infrastructure Transaction Identification of Counterparty Reference

Origin of request	
Requesting Group:	SMPG
Sponsors	
SMPG	
Message type(s) impacted	
MT 548, MT 537	
Complies with regulation	
None	
Business impact of this request	
LOW	
Commitment to implement the change	
Number of messages sent and received: Not provided	
Percentage of messages impacted: Not provided	
Commits to implement and when: SMPG in SR 2022	
Business context	
<p>From June 2021, T2S will be supplying the Market Infrastructure Reference (MITI) for the Counterparty to the transaction. The MITI reference is already used for the client side of the transaction and in the absence of any specific field for the counterparty MITI reference, T2S will be supplying the reference in the ISO 20022 equivalent of the :20C::PROC reference alongside the Depository (PSET).</p> <p>This is OK from a T2S perspective but for many custodians, the :20C::PROC reference alongside the PSET field is used for the CSD reference which leaves no place to include the counterparty MITI reference and so a new reference qualifier would be required.</p> <p>In the long run, this is something that may be resolved by the global adoption of the UTI but this may take some time.</p>	
Nature of change	
Add a new 20C Reference qualifier, for example, MITC, or similar, to the A1 LINK sequence of all relevant MT and ISO 20022 messages where :20C::MITI would be present today.	
Qualifier: MITC	
Short Name: Market Infrastructure Transaction Identification of Counterparty	

Definition: Identification of a counterparty transaction assigned by a market infrastructure other than a central securities depository, for example, Target2-Securities.

Workaround

Examples

N/A

Standards Illustration

ISO15022

7. Field 20a: Reference

FORMAT

Option C :4!c/16x (Qualifier)(Reference)
Option U :4!c/52x (Qualifier)(UTI Reference)

PRESENCE

Mandatory in mandatory subsequence A1

QUALIFIER

(Error code(s): T89)

Order	M/O	Qualifier	R/N	CR	Options	Qualifier Description
1	M	POOL	N		C	Pool Reference
	or	PREV	N		C	Previous Reference
	or	RELA	N	C7	C	Related Reference

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Standards MT November 2021

Order	M/O	Qualifier	R/N	CR	Options	Qualifier Description
	or	TRRF	N		C, U	Deal Reference
	or	CMIT	N		C	Counterparty Market Infrastructure Transaction Identification
	or	COMM	N		C	Common Reference
	or	CORP	N		C	Corporate Action Reference
	or	TCTR	N		C	Triparty-Agent's/Service-Provider's Collateral Transaction Reference
	or	CLTR	N		C	Client's Triparty Collateral Transaction Reference
	or	CLCI	N		C	Client's Collateral Instruction Reference
	or	TRCI	N		C	Triparty-Agent's/Service-Provider's Collateral Instruction Reference
	or	NTSP	N		C	Netting Service Provider Reference
	or	MITI	N		C	Market Infrastructure Transaction Identification
	or	PCTI	N		C	Processor Transaction Identification

DEFINITION

This qualified generic field specifies:

CLCI	Client's Collateral Instruction Reference	Reference assigned to the instruction by the client.
CLTR	Client's Triparty Collateral Transaction Reference	Unique reference identifying the triparty collateral management transaction from the client's point of view.
CMIT	Counterparty Market Infrastructure Transaction Identification	Identification of a transaction assigned by the counterparty market infrastructure other than a central securities depository, for example, Target2-Securities. DEFINITION NEED TO BE REVIEWED
COMM	Common Reference	Unique reference agreed upon by the two trade counterparties to identify the trade.
CORP	Corporate Action Ref.	Reference assigned by the account holder to a corporate action identification

ISO20022

SecuritiesSettlementTransactionStatusAdviceV12

Content
This section describes the content of this repository item.

Local Search

- Transaction Identification [1,1] : TransactionIdentifications45
 - Account Owner Transaction Identification [1,1] : Max35Text
 - Account Servicer Transaction Identification [0,1] : Max35Text
 - Market Infrastructure Transaction Identification [0,1] : Max35Text
 - Counterparty Market Infrastructure Transaction Identification [0,1] : Max35Text**
 - Processor Transaction Identification [0,1] : Max35Text
 - Common Identification [0,1] : Max35Text
 - Netting Service Provider Identification [0,1] : Max35Text
 - Textual : NoAccountOwnerTransactionIdentificationRule
- Linkages [0,1] : Linkages41
 - Processing Status [0,1] : ProcessingStatus80Choice
 - Inferred Matching Status [0,1] : MatchingStatus24Choice
 - Matching Status [0,1] : MatchingStatus24Choice
 - Settlement Status [0,1] : SettlementStatus30Choice
 - Transaction Details [0,1] : TransactionDetails147

Message Building block Details

General Information

Name: CounterpartyMarketInfrastructureTransactionIdentification

Documentation: Identification of a transaction assigned by a market infrastructure other than a central securities depository, for example, Target2-Securities.

Min Occurs: 0 Max Occurs: 1

XML Tag: CtrPtyMktInfstrctrId

Type: Max35Text

Derived: ☐

SWIFT Comment

Swift agrees.

Swift would avoid putting it at the level of the settlements parties.

Working Group Meeting

To be completed by Standards after the meeting in August.

Discussion

The Market Infrastructure Transaction Identification of Counterparty is today already provided but it is not used and therefore needs a new identification.

The group discussed to implement this new identification at the level of the settlement parties instead of next to the current Market Infrastructure Transaction Identification but it was quickly refused.

After the vote, the majority of the MWG agreed with the CR.

The implementation will be done as shown in the illustration.

Decision

ACCEPTED

2.5 CR 001796: Add new Event Type for Tax Classification

Origin of request	
Requesting Group:	ISITC
Sponsors	
DTCC	
Message type(s) impacted	
MT 564 / seev.031 (CANO)	
Complies with regulation	
US Internal Revenue Service Regulation 1441 and 1446	
Business impact of this request	
MEDIUM	
Commitment to implement the change	
Number of messages sent and received: Not provided	
Percentage of messages impacted: Not provided	
Commits to implement and when: US in SR 2022	
Business context	
<p>DTCC is requesting a new CAEV code TXCL Tax Classification. The purpose of this new code is to handle a scenario whereby an event will be announced solely to announce a classification of a distribution event which was announced under a different corporate action event id. This is required based on new functionality related to IRS regulation 1441. For certain US Distribution events, DTC receives information from the issuer of securities which states that distributions will have multiple classifications for IRS 1042-S purposes. DTC will provide payment details on the original announcement from the exchange. However, a second event will now be created and applicable only withholding and reporting income to Non-US holders for US tax purposes. The issuer will provide a breakdown such as Publicly Traded Partners with qualified notices that contain multiple income classifications for IRS 1042-S reporting. Each of the classifications will state the Income Type code within the Cash Movement showing the IRSX code such as, Dividends, Return of Capital or Short-Term Capital Gains. The purpose of the second event is to further classify the original event. Downstream US holders that are also acting as US Withholding agents would know by the event type that there will be no income distribution for this Tax Classification event but could benefit from receiving the information which they may need to process withholding and reporting for their Non-US holders.</p> <p>This functionality is for securities that make distributions that may have multiple classifications for US tax withholding purposes. For example, a portion of a payment may be considered a dividend and another portion may be considered a return of capital. The functionality would be useful for REITs, Funds (e.g. ETFs), Partnerships, Exchange Traded Notes, common stocks, among other securities. Also, while this TXCL code is being requested due to a US related tax change, the tax classification process is not unique to the US market and we believe other markets could benefit from creating a tax related event.</p>	

Nature of change

Create New 22F: CAEV Indicator Code TXCL - Tax Classification Definition: Event announced to provide multiple tax classifications for a given distribution which previously was announced under a difference Corporate Action Id Number with one payout (cash / securities movement)

Workaround

The only workaround is to use the event type OTHR

Examples**TXCL Income Code Examples**

CA ID – 125193034 & 125242681

CUSIP 85814R206

Record Date 03/01/2021

Payable Date 03/15/2021

Cash Rate \$0.375

In this example, a Publicly Traded Partnership (“PTP”) provides to DTC a Qualified notice with tax classification details. The Qualified Notice indicated the income is not ECI. Rather, the distribution consisted of dividend and interest income for section 1441 purposes, which is reported using the IRS 1042-S Income Codes. DTC will announce the \$0.375 as one cash distribution announcement. Another informational announcement will consist of the following information for 1042-S reporting purposes as per the PTP’s Qualified Notice.

IRSX Income Code 01 interest - \$0.153

IRSX Income Code 06 dividend - \$0.222

These codes will be reported to non-residents of US under the 1042-S tax return forms. US investors can disregard the classification and report based on \$0.375, since they are treated differently for US Tax Income purposes.

Other similar examples include:

Record Detail Page – 125488460 | CUSIP G16252101

Record Detail Page – 124992012 | G16258108



SamplesCR1796.pdf

SWIFT Comment

If this CR is accepted in the CA MWG, it will be automatically implemented in the relevant S&R messages.

Working Group Meeting

To be completed by Standards after the meeting in August.

Discussion
The CR was rejected during the CA MWG.
Decision
REJECTED

2.6 CR 001828: Allow to indicate settlement instructions up to 5 digits

Origin of request	
Requesting Country:	US United States of America
Sponsors	
USNG/ISITC	
Message type(s) impacted	
MT 540, MT 541, MT 542, MT 543 in Seq A, 99B::SETT and TOSE qualifiers	
Complies with regulation	
None	
Business impact of this request	
MEDIUM	
Commitment to implement the change	
Number of messages sent and received: 2400000	
Percentage of messages impacted: 2	
Commits to implement and when: PNC in 2022	
Business context	
Any institution that places larger block trades that contain over 999 child allocations and would like to use these fields for troubleshooting and/or validation purposes. Currently, if the number exceeds 999, message validation fails because the unexpected size of the field (larger than max size allowed of 3 digits).	
Nature of change	
Qualifiers SETT and TOSE for field 99B in the referenced messages above should be revised to allow for up to 5 digits (currently it is only 3 with a max of 999).	
Workaround	
The only way to get around this is either to adjust the parameter on your SWIFT message validation software packages or to omit the fields completely (it is an optional field). Adjusting a software packages parameter is not ideal because when the software is updated, it reverts back to the SWIFT default limitation of 3 digits. Omitting is not ideal for anyone who wants to use this field or finds it problematic to configure their software to exclude the field.	
Examples	
Let's assume there is a purchase of a holding such as Microsoft (ISIN US5949181045) that a money manager would like to place across a large number of accounts that exceeds 999 in total. The manager would like to place a large block trade in an omnibus account to get the same execution price for all clients and then allocate the trade to the individual accounts after it has been executed:	

USE CASE 1: If they want to use their software system to read the SWIFT messages received after the trade has been executed they would like to validate that all allocations (Block Childrens) have been received by using the SETT and TOSE qualifiers.

USE CASE 2: If they did not receive all of the child allocations to the trade and would like to research to find which were missing based on the sending system, they could use this field to determine which child allocations did not make it to their software system.

Standards Illustration

ISO15022

5. Field 99a: Number Count

FORMAT

Option B :4!c//3!n (Qualifier)(Number)

Option C :4!c//6!n (Qualifier)(Number)

PRESENCE

Optional in mandatory sequence A

QUALIFIER

(Error code(s) : T89)

Order	M/O	Qualifier	R/N	CR	Options	Qualifier Description
1	O	SETT	N	C2	B C	Current Settlement Instruction Number
2	O	TOSE	N	C2	B C	Total of Linked Settlement Instructions

DEFINITION

This qualified generic field specifies:

SETT	Current Settlement Instruction Number	Sequential number of the instruction in a range of linked settlement instructions.
TOSE	Total of Linked Settlement Instructions	Total number of settlement instructions that are linked together.

USAGE RULES

The current settlement instruction number must be specified when the Sender wants to indicate that this settlement instruction is linked to one or more settlement instruction.

If the current settlement instruction number is smaller than 1000 then format B must be specified. If the current settlement instruction number is greater than 999 then format C must be specified.

MARKET PRACTICE RULES

• Block trades:

In a block trade instruction, the total number of children must be provided using number count field 99B::TOSE (plus the mandatory field :99B::SETT identifying the instruction number).

The instruction number of the parent must be 000. The children must have an incremental instruction number from 001 to 999.

For more details, see the relevant market practice document on www.smpg.info.

ISO20022

SecuritiesSettlementTransactionInstructionV11

Content
This section describes the content of this repository item.

Transaction Identification [1,1] : Max35Text
 Settlement Type And Additional Parameters [1,1] : SettlementTypeAndAdditionalParameters19
 Number Counts [0,1] : NumberCount2Choice
 Current Instruction Number [1,1] : Max6NumericText
 Total Number [1,1] : TotalNumber2
 Current Instruction Number [1,1] : Max6NumericText
 Total Of Linked Instructions [1,1] : Max6NumericText
 Textual : BlockTradeGuideline
 Textual : CurrentInstructionNumberRule
 Linkages [0,1] : Linkages61

Message Building block Details
 General Information
 Name: CurrentInstructionNumber
 Documentation: Sequential number of the instruction in a range of linked settlement instructions.
 Min Occurs: 1 Max Occurs: 1

SWIFT Comment

Swift agree with the CR.

We propose to add a format to the field 99 to avoid disrupting to the current usage of the messages

After checking, SWIFT found out that a format C with 6 digits already exists and proposes to add this one to the requested field.

In 2022, we propose to increase the size of the current datatype from Exact3NumericText to Max6NumericText. This restricts the impact on the current usage but as it is a MAXNumericText and not an EXACTNumericText, back offices systems should be able to cater for that change.

Working Group Meeting

To be completed by Standards after the meeting in August.

Discussion

The easiest way to implement the CR would be to update the format from B to C but the impact on back office systems would be too big.

The group agreed to implement the CR as illustrated with the addition of a usage rule to prevent the usage of the new format C for less than 999 settlement transactions and force usage of previous format in that case.

Decision

ACCEPTED

3 Overview of SWIFT Change requests

3.1 CR 001728: Correct SR 2021 implementation and remove code

Origin of request	
Requesting Group:	SWIFT
Sponsors	
SWIFT / SMPG	
Message type(s) impacted	
MT 542, MT 543	
Complies with regulation	
Regulation: CSDR	
Business impact of this request	
LOW	
Commitment to implement the change	
Number of messages sent and received: Not provided	
Percentage of messages impacted: Not provided	
Commits to implement and when: Not provided	
Business context	
<p>CR001640 will be implemented as part of SR 2021. One of the changes was to add a new code INTS (Internalised Settlement) to the 22F STCO settlement transaction condition indicator field to inform counterparties on outbound MT548 status updates and MT544-7 settlement confirmations only (and the MT 536 and MT 537 statement equivalents) that a settlement instruction had been internalised at the custodian.</p> <p>The code should not be use in settlement instructions as a requirement to internalised settlement instructions.</p> <p>The INTS code was added to the MT 542 and MT 543 in error as part of SR 2021 and should be immediately removed from the standard in those two message as part of SR 2022.</p>	
Nature of change	
<p>The INTS code that was added to the MT 542 and MT 543 in error as part of SR 2021 and should be immediately removed from the standard in those two message as part of SR 2022.</p> <p>The sese.023 in ISO 20022 is not impacted as the code was not added there.</p>	

Examples

N/A

Standards Illustration

ISO15022

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

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Message Reference Guide - MT 542 Deliver Free

MT 542 Deliver 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

[.....]

25	OY	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.
CCPT	CCP Eligibility Indicator	Specifies whether the settlement transaction is CCP (Central Counterparty) eligible.
COLA	Exposure Type Indicator	Specifies the underlying business area/type of trade causing the collateral movement.
COLE	Collateral Pool Indicator	Specifies whether securities should be taken out of the pool of securities.

[...]

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.
BPSS	Partial Successful Buy-In	Identification of settlement instructions created as a result of a partial successful buy-in.

CLEN	Clean	Tax-exempt financial instruments are to be settled.
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.
INTS	Internalised Settlement	The instruction was settled by the settlement internaliser/account servicer (for example, custodian) in its own books and not through a securities settlement system (for example, CSD system).
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	No market claim should be automatically generated.

SWIFT Comment

No Comment.

Working Group Meeting

To be completed by Standards after the meeting in August.

Discussion
No real discussion, the group agreed.
Decision
ACCEPTED

3.2 CR 001804: Align the name of the field of “Client Collateral Instruction Identification” (ISO20022 - CR1040)

Origin of request	
Requesting Group:	SWIFT
Sponsors	
Not provided	
Message type(s) impacted	
Sese.023	
Complies with regulation	
None	
Business impact of this request	
This is to align the element name, xml tag and definition for clarity and better STP. Same information should be provided with the same element name/xml tag across the message types.	
Commitment to implement the change	
Not provided	
Business context	
Not provided	
Nature of change	
<p>In the sese.23 (Securities Settlement Transaction Instruction) in Settlement Type And Additional Parameters we have Client Collateral Transaction Identification.</p> <p>This identification can be used in the frame of triparty collateral and bilateral collateral. Therefore in the definition the reference to triparty collateral should be removed.</p> <p>Client Collateral Instruction Identification and updated definition should be aligned to the sese.024, sese.025, sese.026, semt.017 and semt.018 messages.</p>	
Examples	
Not provided	

Standards Illustration

ISO20022

SecuritiesSettlementTransactionInstructionV11

Content
This section describes the content of this repository item.

collate

- Transaction Identification [1,1]: Max35Text
- Settlement Type And Additional Parameters [1,1]: SettlementTypeAndAdditionalParameters19
 - Securities Movement Type [1,1]: ReceivedDelivery1Code
 - Payment [1,1]: DeliveryReceiptType2Code
 - Common Identification [0,1]: Max35Text
 - Corporate Action Event Identification [0,1]: Max35Text
 - Reconciliation Indicator [0,1]: YesNoIndicator
 - Client Collateral Instruction Identification [0,1]: Max35Text
 - Client Collateral Transaction Identification [0,1]: Max35Text
 - Triparty Agent Service Provider Collateral Transaction Identification [0,1]: Max35Text
 - Triparty Agent Service Provider Collateral Instruction Identification [0,1]: Max35Text
- Number Counts [0,1]: NumberCount1Choice

Message Building block Details
General Information

Name: ClientCollateralTransactionIdentification

Documentation: Unique identification identifying the triparty collateral management transaction from the client's point of view.

Min Occurs: 0 Max Occurs: 1

XML Tag: ClntCollTxId

SecuritiesSettlementTransactionInstructionV11

Content
This section describes the content of this repository item.

block

- Transaction Identification [1,1]: Max35Text
- Settlement Type And Additional Parameters [1,1]: SettlementTypeAndAdditionalParameters21
 - Securities Movement Type [1,1]: ReceivedDelivery1Code
 - Payment [1,1]: DeliveryReceiptType2Code
 - Common Identification [0,1]: Max35Text
 - Corporate Action Event Identification [0,1]: Max35Text
 - Reconciliation Indicator [0,1]: YesNoIndicator
 - Client Collateral Instruction Identification [0,1]: Max35Text
 - Client Triparty Collateral Transaction Identification [0,1]: Max35Text
 - Triparty Agent Service Provider Collateral Transaction Identification [0,1]: Max35Text
 - Triparty Agent Service Provider Collateral Instruction Identification [0,1]: Max35Text
- Number Counts [0,1]: NumberCount1Choice
- Linkages [0,*]: Linkages61
- Trade Details [1,1]: SecuritiesTradeDetails119

Message Building block Details
General Information

Name: ClientTripartyCollateralTransactionIdentification

Documentation: Unique identification identifying the triparty collateral management transaction from the client's point of view.

Min Occurs: 0 Max Occurs: 1

XML Tag: ClntTriptyCollTxId

Type: Max35Text

SWIFT Comment

Despite the CR, SWIFT will not update the definition but only the field name.

Working Group Meeting

To be completed by Standards after the meeting in August.

Discussion

No real discussion, the group agreed on the update of the field name only.

Decision

ACCEPTED

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