General Information (Origin of Request)		
☐ User Requirements (URD)		
☒ Other User Functional or Technical Documentation (SYS)		
Request raised by: Euroclear, Clearstream	**Institute:** CSD	**Date raised:** 31/07/2012
Request title: Limitation on rules for Static data configuration (e.g. Message Subscription and MSRTs)		**Request ref. no:** T2S 0364 SYS
Request type: Common	**Urgency:** Normal	
1. Legal/business importance parameter: High	**2. Market implementation efforts parameter:** Low	
3. Operational/Technical risk parameter: High	**4. Financial impact parameter:** High	
Requestor Category: CSD	**Status:** Withdrawn by the initiator	

Reason for change and expected benefits/business motivation:

CR T2S 0322 SYS indicates :

"1.7.7 Rule-based configurations

The T2S application allows T2S Actors to configure in a flexible way the following Static Data features:

> *message subscription (see section [1.3.3])*
>
> *restriction types (see section [1.2.1.8])*
>
> *conditional securities delivery rules (see section [1.2.1.9])*

T2S Actors can configure these features on the basis of rule-based models, i.e. sets of rules combining

group of parameters selected in a number of possible parameter types.

For each T2S Actor, the maximum overall number of group of parameters for the active rule sets is not

unlimited. Detailed values for these limitations are to be further specified with CSDs and CBs.

Within each rule, each parameter can be linked to many distinct values. The maximum overall number of

distinct values is NN for the active rule sets for all types of configurations."

First, if NN is meaning 99, and if this is the maximum of the overall number of distinct values for one CSD, it is clearly not sufficient regarding the number of our participants to manage > 250.

Secondly the limitation of the overall number of group parameters used for all active rule sets for a CSD is not acceptable without more information on the capacity allowed by T2S.

To configure rules is very important for defining a high level of service for our clients. To limit strongly this service (i.e. CDS capability) will entail potential business claims. The risk is that due to the current limitation, a CSD is not able to implement all the necessary checks to ensure the legal or technical validity of instructions received from its members. Typical consequence would be that invalid instructions could not be stopped, leading to legal/operational issues for the client.

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Description of requested change:

Euroclear request (information provided during the CRG meeting of 1-2 October 2012):
1. Configuration limits for message subscription
   i.   rules: max 5000 instead of 1500
   ii. distinct parameter values per parameter type: max 300 instead of 50
2. Configuration limits for restriction types
   i.   rules: 5000. Current number is fine
   ii. distinct parameter values per parameter type: max 150 instead of 50
3. Configuration limits for conditional securities delivery
   i.   rules: 1000. Current number is fine
   ii. distinct parameter values per parameter type: max 150 instead of 50.

4. Maximum number of MSA
Proposed limit is 30 instead of 5; currently we use 11 (3 for Parties, 6 for Securities, 2 for Securities account).

Clearstream request (information provided during the CRG meeting of 1-2 October 2012):
1. Configuration limits for message subscription
    i.   rules: max 5000 instead of 1500
    ii.   (distinct parameter values per parameter type: max 100 instead of 50
2. Configuration limits for restriction types
    i.   rules: 5000. Current number is fine
    ii.   distinct parameter values per parameter type: max 100 instead of 50
    iii.   MSA to be used in restriction types/ rules up to 50 (instead 5)
3. Configuration limits for conditional securities delivery
    i.   rules: 1000. Current number is fine
    ii.   distinct parameter values per parameter type: max 50. Current number is fine
4. Maximum number of MSA to be used in restriction types/ rules
max 50 (10 MSA for SD object party; 20 MSA for the object T2S Securities Account and 20 MSA for the object Security)
The GUI (U2A) must be enhanced to be able to maintain such numbers.

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Submitted annexes / related documents:

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Proposed wording for the SYS Change request:

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High level description of Impact:

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Outcome/Decisions:

- CRG meeting of 1-2 October 2012: The CRG decided to request the detailed assessment of the change request.

- CRG meeting of 3 December 2012: The CRG was of the opinion that a complete redesign for the purpose of this CR should be avoided and decided to hold the CR and to investigate the alternatives mentioned above. In any case the CRG acknowledged that this CR could not be taken into account for release 1.

- CSG meeting of 13 December 2012: The CR was withdrawn by the initiators during the CSG meeting.