T2S CHANGE REQUEST FORM

General Information (Origin of Request)
☒ User Requirements (URD) or GUI Business Functionality Document (BFD)   ☐ Other User Functional or Technical Documentation (SYS)

Request raised by: Clearstream	**Institute:** CSD	**Date raised:** 24/06/2025
Request title: T2S should enable Updates of Alternative Security CSD Links in A2A mode		**Request No.:** T2S 0856 URD
Request type: Common	**Classification:** Scope Enhancement	**Urgency:** Fast-track[1]
1. Legal/business importance parameter[2]: High		**2. Market implementation efforts parameter**[3]: Low
3. Operational/Technical risk parameter[4]: Low		**4. Financial impact parameter**[5]: (provided by 4CB)
Requestor Category: CSD		**Status:** Proposed for a release

Reason for change and expected benefits/business motivation:

With Change Request *T2S 0797 SYS,* the possibility to configure Alternative Security CSD Links was introduced. This CR allows to open additional Alternative Security CSD Links for a given ISIN, under the condition that a Default Link was already created. To support this setup, a new attribute "Default Link" was introduced into CRDM to differentiate whether a Security CSD Link is a default link or an alternative link.

It occurs that in the current implementation, updates to Alternative Security CSD Links are only possible in U2A mode while they are not possible in A2A mode. Incident INC000000448413 was raised for this issue.

Background of the issue is the current implementation of query logic for Security CSD Links to be updated
- Current query logic for A2A Updates assumes the Default Flag of the Security CSD Link is always "true"
- Therefore, it is possible to update Default Security CSD Links via A2A
- ***But it is not possible to update Alternative Security CSD Links via A2A.***

as per the Detailed Assessment of CR797 as justification for this gap: "*Miming the U2A approach, the Default Link flag will be removed from the CoCo UGs for reda.046, since not updatable (read only in edit mode).*"

However, while it is true that the Default Link flag cannot be updated (neither in U2A nor A2A mode), this does not imply that Alternative Security CSD Links cannot be updated at all. In fact, they can be updated, namely the ValidTo attribute can be adjusted. This is possible in U2A, and "*miming the U2A approach*", this should also be possible in A2A.

It should be noted that such updates via A2A channel do not depend on any update to the reda.046 message. In fact, an update to the reda.046 to include the Default Link flag would not even solve the issue to identify which links to be updated, as can be seen from the example below.

Assume the following situation where:
- a given CSD CSD A has a default link to CSD B,
- additionally, CSD A has various alternative links to CSD C, CSD D and CSD E.
- all of those alternative links have the same ValidFrom date.

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[1] Fast-track justification: A fast-track approach is requested due to the need to reduce as much as possible the impact on business operations that this functional gap entails.
[2] Legal/business importance parameter was set to 'High' because this change closes a gap within the management of alternative security CSD links since it reduces the operational effort of updating it in U2A only.
[3] Market implementation effort parameter was set to 'Low' since this change will just amend the logic for updating the links via the reda.046.
[4] Operational/technical risk parameter was set to 'Low' since this change does not create any operational of technical risk.
[5] Low < 100kEUR < Low-Medium < 200 kEUR < Medium < 400kEUR < High < 700kEUR < Very high

ISIN	Link Type	Default Ind	Start Date	End Date	Investor		Technical Issuer	
ISIN1	INVESTOR	Yes	25.01.2024	31.12.9999	TRGTXE2SXXX	CSDA	TRGTXE2SXXX	CSDB
ISIN1	INVESTOR	No	23.06.2025	31.12.9999	TRGTXE2SXXX	CSDA	TRGTXE2SXXX	CSDC
ISIN1	INVESTOR	No	23.06.2025	31.12.9999	TRGTXE2SXXX	CSDA	TRGTXE2SXXX	CSDD
ISIN1	INVESTOR	No	23.06.2025	31.12.9999	TRGTXE2SXXX	CSDA	TRGTXE2SXXX	CSDE

It can be seen that even with Default Flag, it will not be possible to identify which Alternative Security CSD Link to update. This will only be possible if they have different ValidFrom dates. But if this condition is met, then even the Default Flag is not needed any longer. This observation shows how to properly set up the query within T2S to identify the Security CSD Link to be updated.

The following lookup logic shall be implemented in T2S:
- If a reda.046 is sent to T2S to update a Security CSD Link, then T2S shall try to identify the Security CSD Link to be updated using *ISIN, Issuer/Investor* CSD and *ValidFrom* attributes as search criteria (while not putting any condition on Default Flag)
- Depending on how many Security CSD Links which meet the search criteria are found, T2S shall apply the following logic:
  - No such Security CSD Link is found => Update request is rejected with DSU4003 (existing logic)
  - Exactly one such Security CSD Link is found => Update request is applied (independent of applicable default flag, i.e. on Issuer Link, Default Link or Alternative Link as per the search criteria)
  - More than one such Security CSD Link is found => Update is rejected with a new Business Rule stating rejection reason "Multiple targets found".

In this way, A2A updates can be supported for Issuer type Security CSD Links, but also for Default and Alternative Investor type Security CSD Links. The only condition is that for a given ISIN and ValidFrom Date, the Investor CSD has opened only one Security CSD Link.
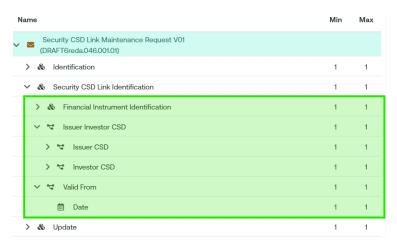
In case this condition is not met, because the Investor CSD has opened multiple Investor type Security CSD Links on with the same ValidFrom date, then the update request will be rejected. In this case, the Investor CSD must apply the update via U2A channel.

This approach will enable A2A updates for all type of Security CSD Links within the existing reda.046 message definition, i.e. it will not require any update of the related XSD.

Description of requested change:

Within a reda.046 SecurityCSDLinkMaintenanceRequest, the Security CSD link to be updated is identified through three mandatory attributes:
- ISIN
- Issuer or Investor CSD
- ValidFrom date

Name	Min	Max
Security CSD Link Maintenance Request V01 (DRAFT6reda.046.001.01)		
> Identification	1	1
∨ Security CSD Link Identification	1	1
> Financial Instrument Identification	1	1
∨ Issuer Investor CSD	1	1
> Issuer CSD	1	1
> Investor CSD	1	1
∨ Valid From	1	1
Date	1	1
> Update	1	1

When processing such update request, T2S shall try to look up the target Security CSD Link to be updated **with**

just those 3 selection criteria (but not using any condition on the value of the default flag, i.e. the default flag can be either "true" or "false" or it is not filled).

Depending on how many Security CSD Link meet those selection criteria, T2S shall process them as follows:
- In case no such target is found, the request is rejected with DSU4003 "Unknown instance" (this is existing logic).
- In case exactly one such target is found, then T2S will update the target as requested. (This is independent from the default flag)
- In case multiple targets are found, then T2S will reject the update with a new business rule IIMP*nnn* "Multiple targets found". (In this case, the update must be initiated via U2A channel.)

Submitted annexes / related documents:

Outcome/Decisions:

*PMG on 3 July 2025: the PMG agreed to launch the detailed assessment of CR-0856 with a view of scoping in R2026.NOV, subject to T2S Steering Level authorisation
*CRG on 14 July 2025: the CRG agreed to recommend CR-0856 for authorisation by the T2S Steering Level., following a fast-track approach.
*CSG on 18 July 2025: the CSG agreed to authorise CR-0856.
*NECSG on 18 July 2025: the NECSG agreed to authorise CR-0856.
*MIB on 31 July 2024: the MIB agreed to authorise CR-0856.

Documentation to be updated:

Preliminary assessment:

Detailed assessment: