



T2S Auto-collateralisation - Static Data Set-up and Messages

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T2S Programme Office
European Central Bank



Scope of the presentation

- This presentation provides detailed steps of CMB configuration as well as messages and process flows involved in the auto-collateralisation in T2S
- The presentation aim to address following key questions on T2S auto-collateralisation
 - How to setup the static data for Central Bank Auto-collateralisation (with Repo and Pledge Model) and for Client-collateralisation (with Repo Model)?
 - Which are the different processes involved in the auto-collateralisation in T2S?
 - How information related to auto-collateralisation flows between T2S and T2S Actors via different messages?



Table of contents

1 Introduction

2 Set-up for Central Bank auto-collateralisation - Repo

3 Set-up for Central Bank auto-collateralisation – Pledge

4 Set-up for client collateralisation - Repo

5 Message flow and bookings – Repo and Pledge

6 Annex



Auto-collateralisation in T2S

An Introduction

■ Features and Characteristics

- “Central bank auto-collateralisation” where the credit provider is the central bank
- “Client auto-collateralisation” wherein the credit provider is a payment bank
- T2S relies on auto-collateralisation “on flow” and auto-collateralisation “on stock” within the same process

■ Building Blocks

- Collateralisation procedures
- Cash and securities accounts involved
- Monitoring tools
- Static data feed



Auto-collateralisation in T2S

An Introduction

■ EOD Cash Management

- Liquidity Rebalancing:
 - ✓ Rebalance the potential available liquidity between T2S DCAs of the credit consumer
 - ✓ Identify the T2S DCAs potentially involved and generate the liquidity transfers to rebalance the required amount

- Collateral Relocation:
 - ✓ New auto-collateralisation transaction triggered at EoD
 - ✓ The collateral relocation procedure is always REPO
 - ✓ Relevant collateral is moved into the “Regular Collateral Account”

- Optional Cash Sweep:
 - ✓ Standing orders for triggering “optional cash sweep” which takes place after the automatic reimbursement and prior to the “automated cash sweep”
 - ✓ Remaining cash of each T2S DCA and central bank cash accounts is transferred to the linked RTGS account



Table of contents

1 Introduction

2 Set-up for Central Bank auto-collateralisation - Repo

3 Set-up for Central Bank auto-collateralisation –
Pledge

4 Set-up for client collateralisation - Repo

5 Message flow and bookings – Repo and Pledge

6 Annex



T2S Auto-collateralisation Framework

Central Bank Auto-collateralisation set-up: Repo Model

Step	T2S Actor	Action	Note	Mode
1	CB	Creation of a new T2S Central Bank Account.		A2A/U2A
2	CB	Setting the T2S Central Bank Account as usable for providing intraday credit for auto-collateralisation purpose.	This action results in the creation of a Credit Memorandum Balance, which is linked to one or more BICs defined by the Central Bank.	U2A
3	CSD	Creation of a new CSD Participant for the Central Bank.	The BIC of the new CSD Participant matches with the BICs linked to the Credit Memorandum Balance created as a result of step 2	A2A/U2A
4	CSD	Creation of a new Securities Account to be used as Regular Collateral Account for the Central Bank collateralisation.	This Securities Account is used for collateral relocation during the EoD phase.	A2A/U2A
5	CSD	Linking the Securities Account for Regular Collateral to the Central Bank T2S Dedicated Cash Account for cash settlement purpose.	This Securities Account must not be used for collateralisation purpose. This link is required for the settlement of relocation instructions.	U2A/A2A
6	CSD	Creation of a new Securities Account to be used as Receiving Securities Account for the Central Bank auto-collateralisation.	This is the Securities Account where the selected collateral has to be stored in case of auto-collateralisation. Only one receiving securities account must be defined for a specific Credit Memorandum Balance of a Payment Bank.	A2A/U2A
7	CSD	Linking the Securities Account for receiving collateral to the Central Bank T2S Dedicated Cash Account for cash settlement purpose.	This Securities Account must not be used for collateralisation purpose. This link is required for the settlement of auto-collateralisation and reverse auto-collateralisation instructions.	U2A/A2A

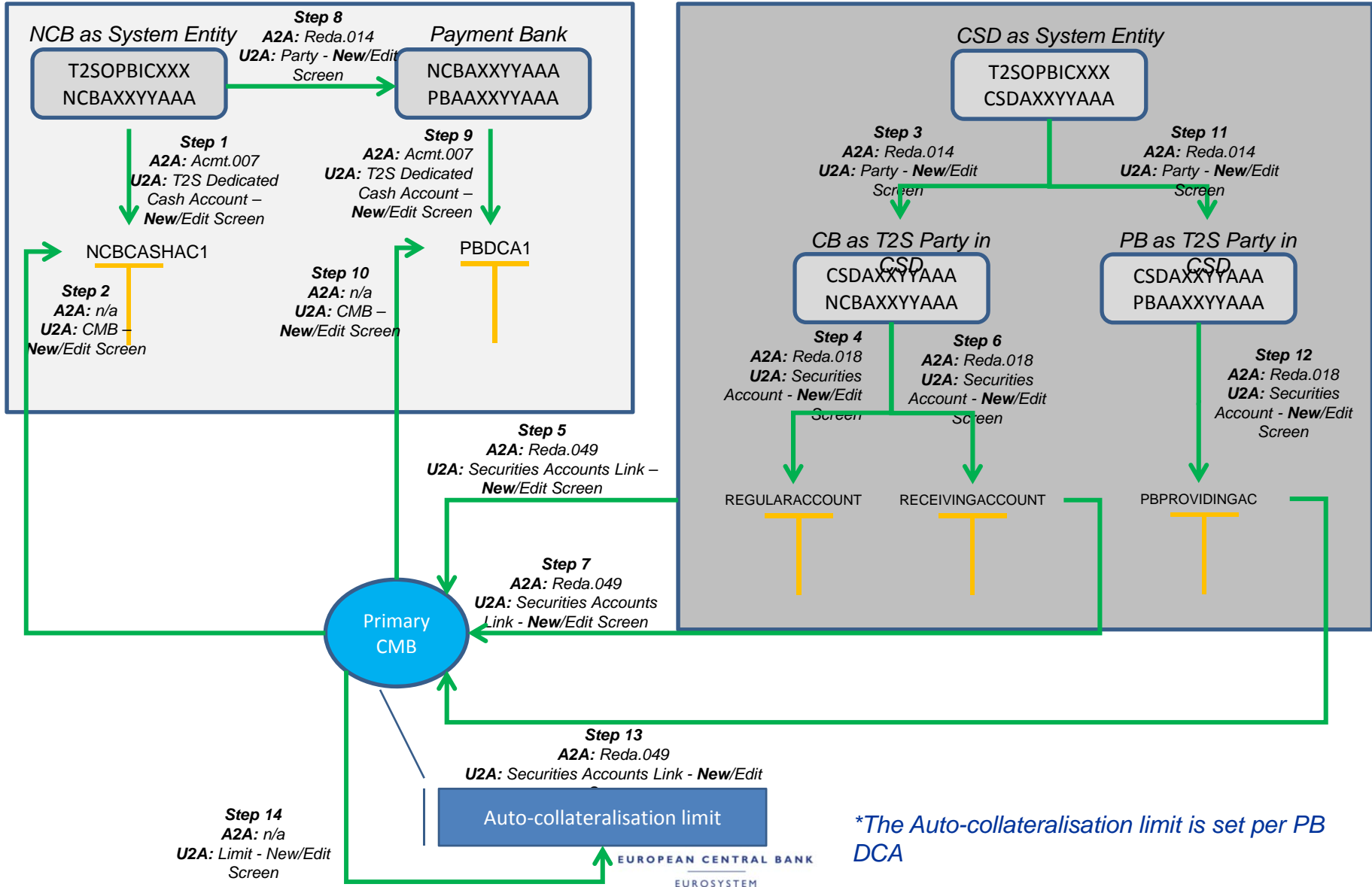


T2S Auto-collateralisation Framework

Central Bank Auto-collateralisation set-up: Repo Model

Step	T2S Actor	Action	Note	Mode
8	CB	Creation of a new Payment Bank		A2A/U2A
9	CB	Creation of a new T2S Dedicated Cash Account for the Payment Bank.		A2A/U2A
10	CB	Linking the T2S Dedicated Cash Account of the Payment Bank: <ul style="list-style-type: none"> to the T2S Central Bank Account to the Regular Securities Account to the Receiving Securities Account 	This action results in the creation of a Credit Memorandum Balance, which is linked to one or more BICs of the Payment Bank and to the specified T2S Dedicated Cash Account and Securities Accounts.	U2A
11	CSD	Creation of a new CSD Participant for the Payment Bank	The BIC of the new CSD Participant matches one of the BICs linked to the Credit Memorandum Balance created as a result of step 10.	A2A/U2A
12	CSD	Creation of a new Securities Account for the Payment Bank	This Securities Account must be linked to a T2S Dedicated Cash Account for the settlement of the cash leg of the relevant Settlement Instructions.	A2A/U2A
13	CSD	Linking the Securities Account of the Payment Bank to the T2S Dedicated Cash Account of the Payment Bank for cash settlement purpose and/or for collateralisation purpose.	When defining the link between the Securities Account and the T2S Dedicated Cash Account for settlement purpose, the CSD must specify whether such link must be used as default value in the context of Settlement Instruction validation.	A2A/U2A
14	CB	Creation of the auto-collateralisation limit for the Payment Bank T2S Dedicated Cash Account		U2A

Refer Section 1.2.6.7 of UDFS 2.0





Overview of set-up for auto-collateralisation with Central Bank (Repo)

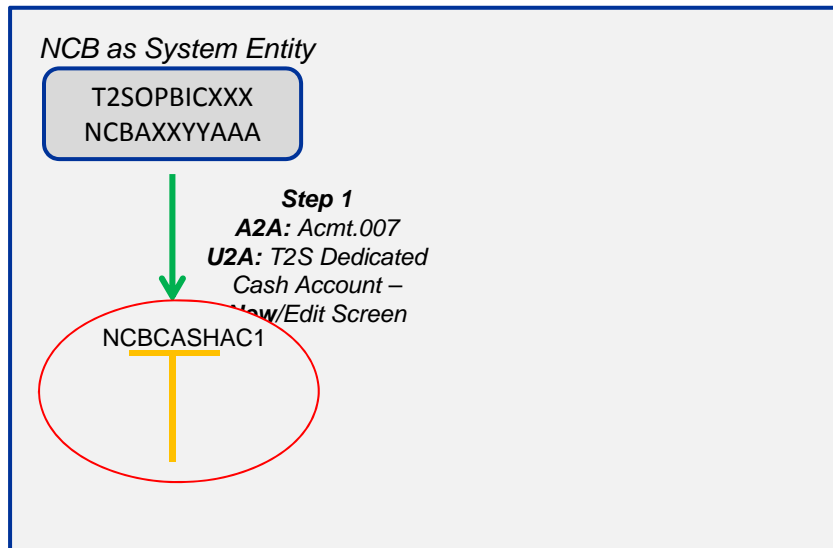
Step 1 – Creation of Central Bank Cash Account

This step aims at creating the Central Bank Cash account that will provide intraday credit

Responsible actor: NCB

Both U2A and A2A are available to perform this step

- U2A: T2S Dedicated Cash Account - New/Edit Screen: UHB sample screen next slide
- A2A: acmt.007: Sample message Step1_NCB_Cash_Account_creation.xml





Overview of set-up for auto-collateralisation with Central Bank (Repo)

Step 1 – Creation of Central Bank Cash Account

UHB Screen sample

SECURITIES CASH SERVICES **STATIC DATA** MONITORING

Static Data > T2S Dedicated Cash Account > Dedicated Cash Accounts > Edit Dedicated Cash Account

T2S Dedicated Cash Account

Account Identifier: **NCBCASHAC1** Opening Date *: **2015-06-01** Closing Date *: **2099-12-31**

Type: **T2S Central Bank Account** Parent BIC: **T2SOPBICXXX** Party BIC: **NCBAXXYAAA**

Party Short Name: **New party for INTEG** Party Type: **PMBK**

Floor Notification *: **0** Ceiling Notification *: **1000000** Issue Curr. *: **EUR** RTGS Account *: **RTGSAC1**

Restrictions

Type	Valid From	Valid To	Options
No records found			

Add/Update Restriction

Restriction * Valid From * Valid To *

Add Row Update Row

Submit Cancel Reset

Field description

Field name	Mandatory / Optional	Value
Account identifier	M	NCBCASHAC1
Opening date	M	01/06/2015
Closing date	O	
Type	M	T2S central bank account
Parent BIC	M	T2SOPBICXXX
Party BIC	M	NCBAXXYAAA
Floor notification	O	0
Ceiling notification	O	100000000
Issue currency	M	EUR
RTGS Account	M	RTGSAC1
Restriction	O	
Valid from	O	
Valid to	O	



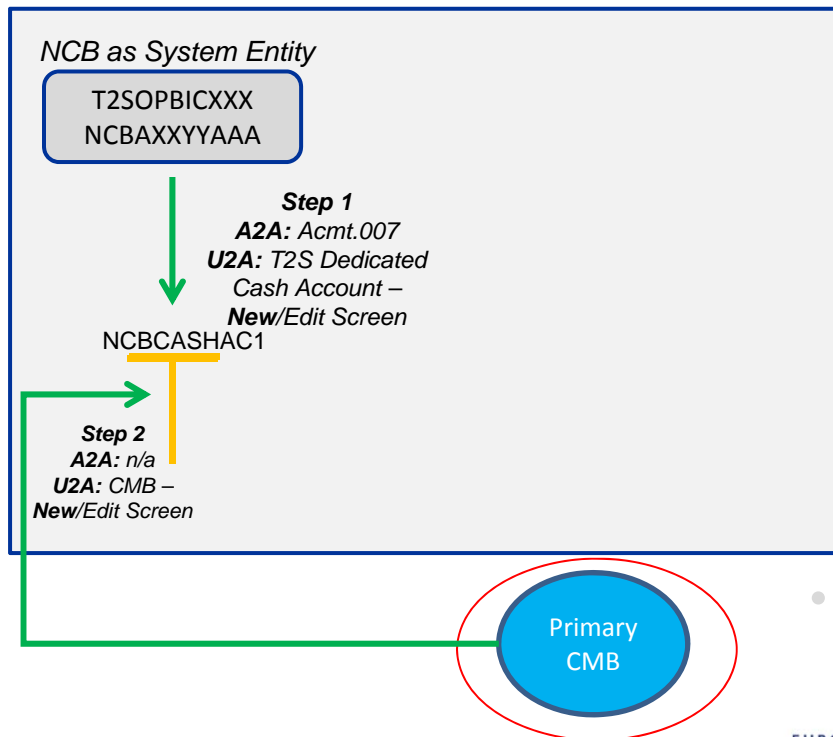
Overview of set-up for auto-collateralisation with Central Bank (Repo) Step 2 – Creation of CMB linked to the Central Bank BIC

This step aims at creating the CMB linked to the Central Bank BIC

Responsible actor: NCB

Only U2A is available to perform this step

- CMB - New/Edit Screen: UHB sample screen next slide



BIC4 + wildcard pattern of the NCB to be specified



Overview of set-up for auto-collateralisation with Central Bank (Repo) Step 2 – Creation of CMB linked to the Central Bank BIC

UHB Screen sample

SEcurities CASH SERVICES STATIC DATA MONITORING

Static Data > T2S Dedicated Cash Account > Credit Memorandum Balances > Edit Credit Memorandum Balance

Credit Memorandum Balance

Credit Memorandum Balance Id: 263001

T2S Dedicated Cash Account: **NCBCASHAC1**

Primary CMB: **Yes**

Authorized BIC Rules

10 (1 of 1)

Wildcard Pattern *	Inclusion	Options
NCBAXXXY*	Yes	

+ 10 changes left

NCB T2S Dedicated Cash Account

NCB T2S Dedicated Cash Account Number: NCBPE EREDC A1

Valid From: 2013-07-10

Regular Securities Account

Regular Securities Account Number: NCBPE ERESA C1

Valid From: 2013-07-10

Receiving Securities Account

Receiving Securities Account Number: NCBPE ERESA C2

Valid From: 2013-07-10

Valid To: 9999-12-31

Submit Cancel Reset

Field description

Field name	Mandatory / Optional	Value
T2S Dedicated cash account	M	NCBCASHAC1
Primary CMB	M	Yes
Wildcard pattern	M	NCBAXXXY*
Inclusion	M	Yes
NCB T2S dedicated cash account	O	
Valid from	M	01/06/2015

Note: One or more wildcard patterns (minimum BIC4 plus asterisk) BIC 4*, BIC 8* or BIC11 are allowed for primary CMB.



Overview of set-up for auto-collateralisation with Central Bank (Repo)

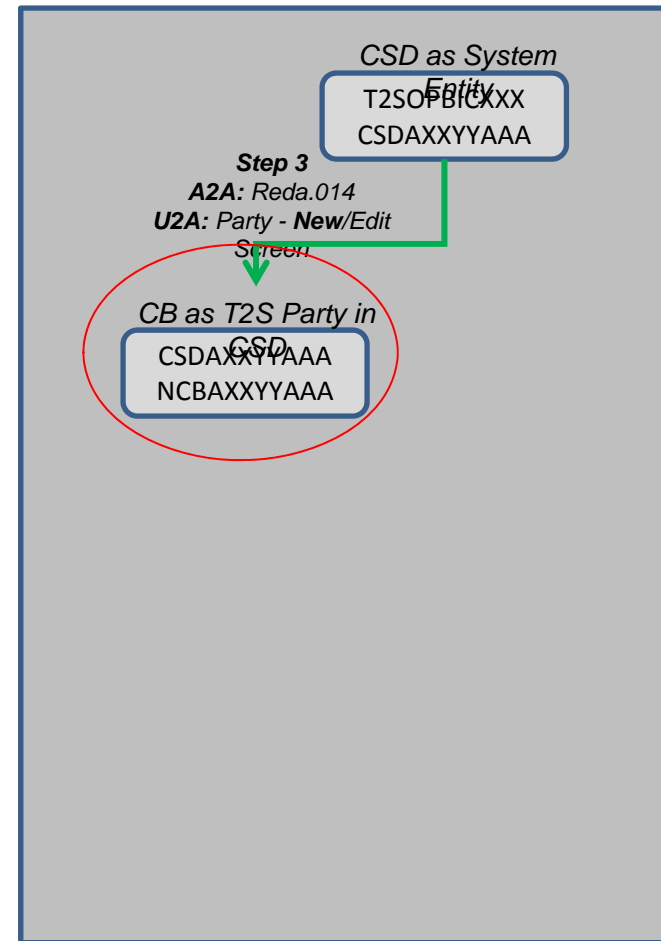
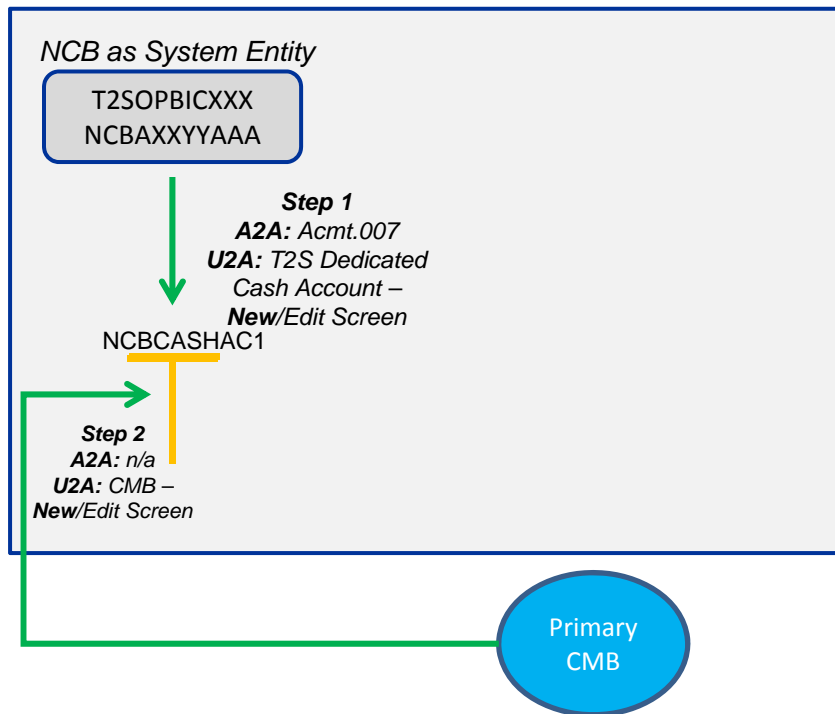
Step 3 – Creation of a CSD participant for the NCB

This step aims at creating a CSD participant for the Central Bank in the CSD

Responsible actor: CSD

Both U2A and A2A are available to perform this step

- Party - New/Edit Screen: UHB sample screen next slide
- Reda.014: Sample message: Step3_NCB_As_CSDP_creation.xml





Overview of set-up for auto-collateralisation with Central Bank (Repo) Step 3 – Creation of a CSD participant for the NCB

UHB Screen sample

SECURITIES CASH SERVICES **STATIC DATA** MONITORING

Static Data > Parties > Parties > Edit Party

Party

Parent BIC * Party Type Valid From Closing Date

Party Code

Valid From BIC *

Party Name

Valid From Party Long Name * Party Short Name *

Technical Addresses

10 (1 of 1)

Address Value * Options

+ 10 changes left

Market-Specific Attributes

10 (1 of 1)

Attribute Name * Attribute Value * Options

No records found

+ 10 changes left

Restrictions

10 (1 of 1)

Restriction * Valid From * Valid To * Options

No records found

+ 10 changes left

Submit Cancel Reset Technical Addresses Network Services Links

Field description

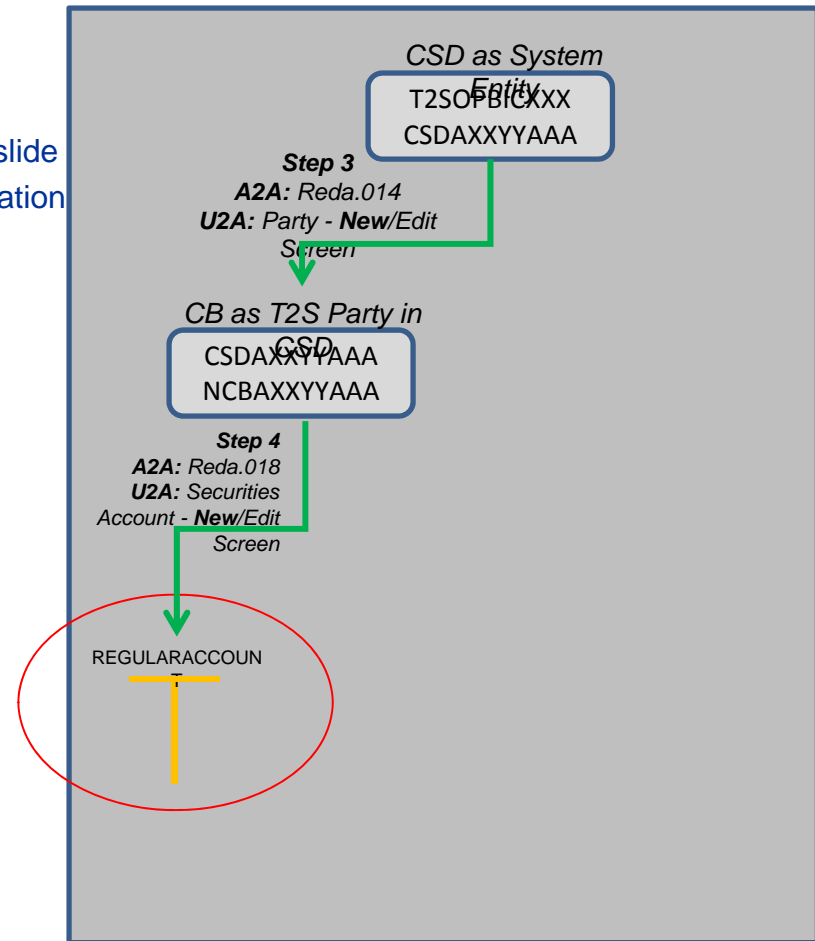
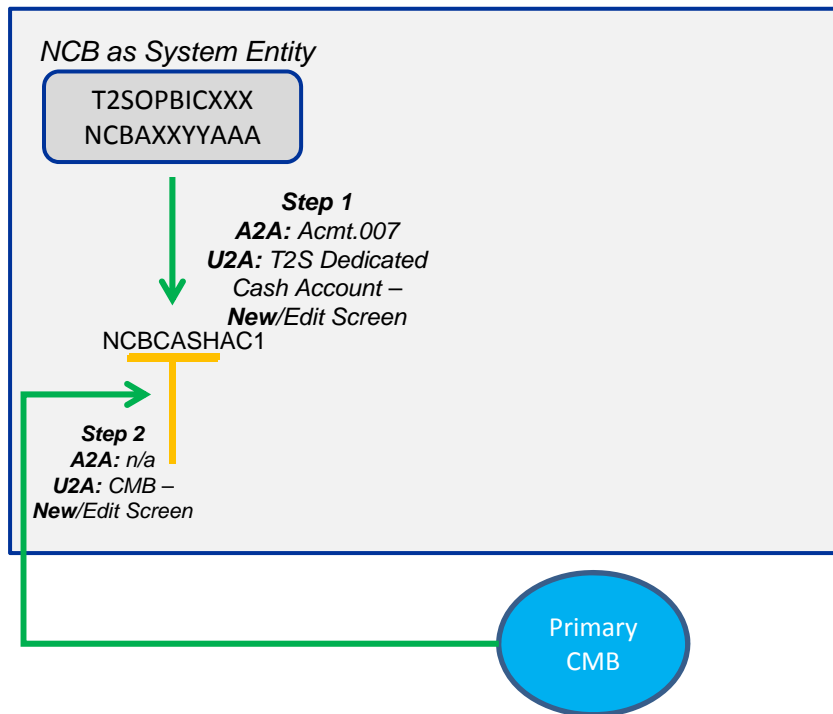
Field name	Mandatory / Optional	Value
Parent BIC	M	CSDAXXYAAA
BIC	M	NCBAXXYAAA
Type	M	CSD Participant
Opening date	M	01/06/2015
Long name	M	NCBA
Short name	M	NCBA
Technical address	M	DN1

This step aims at creating the Regular Collateral Account of the Central Bank in the CSD

Responsible actor: CSD

Both U2A and A2A are available to perform this step

- Securities Account - New/Edit Screen: UHB sample screen next slide
- Reda.018: Sample message: Step4_NCB_Regular_Account_creation





Overview of set-up for auto-collateralisation with Central Bank (Repo) Step 4 – Creation of the NCB Regular Collateral Account

UHB Screen sample

SECURITIES	CASH	SERVICES	STATIC DATA	MONITORING
Static Data > Securities Account > Securities Accounts > Edit Securities Account				
Securities Account				
Securities Account				
Account Number * REGULARACCOUNT				
Securities Account Type * CSD Participant account		Opening Date 2015-06-01	Closing Date 2050-12-31	
Hold/Release * Release		Negative Position <input type="checkbox"/>	End Investor Account Flag * No Account allocations	
Pricing Scheme * ISIN				
Account Holder				
Valid From 2013-05-10	Parent BIC CSDAXXYAAA	BIC NCBAXXYAAA	Name SN	Party Type CSD Participant

Field description

Field name	Mandatory / Optional	Value
Type	M	CSD Participant account
Opening date	M	01/06/2015
Closing date	O	
Hold/Release	M	Release
Negative position	n/a	
End Investor Flag	O	NONE
Pricing Scheme	M	ISIN
Parent BIC	M	CSDAXXYAAA
BIC	M	NCBAXXYAAA
Party Type	M	CSD Participant
Account identification	M	REGULARACCOUNT



Overview of set-up for auto-collateralisation with Central Bank (Repo)

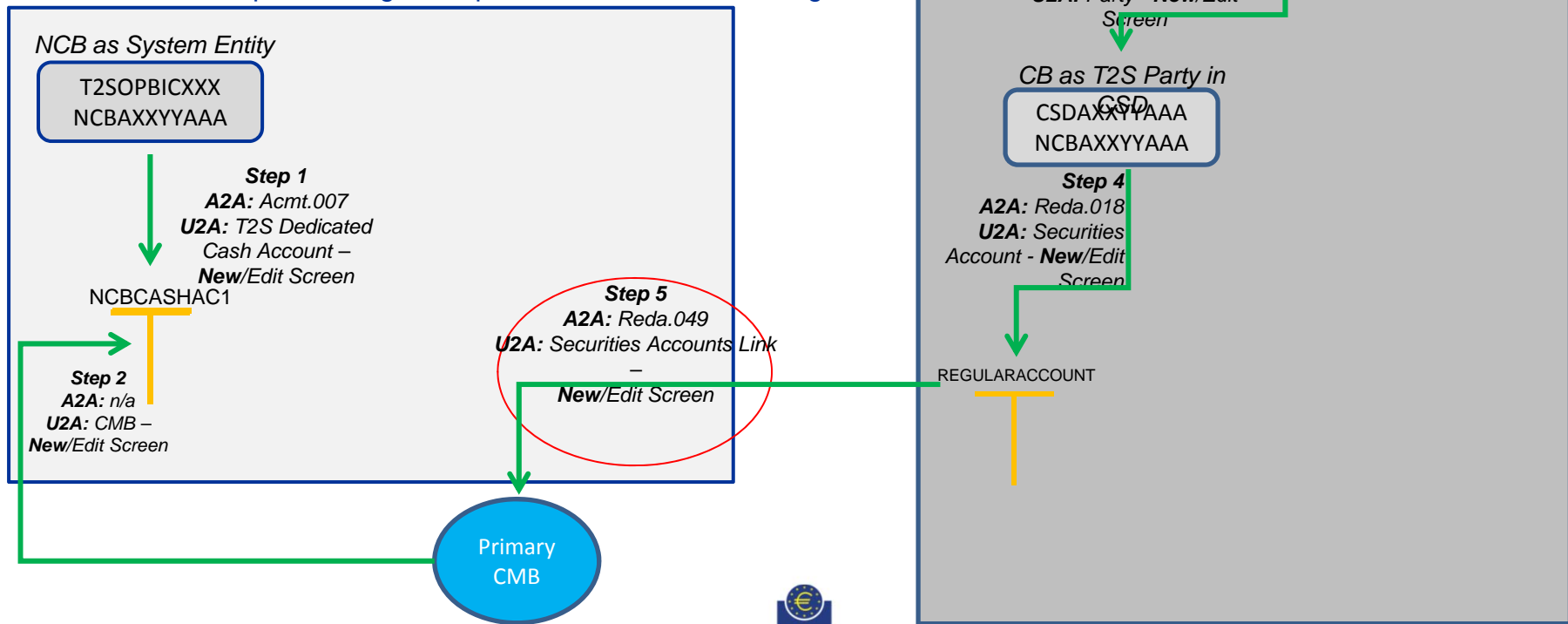
Step 5 – Link the Regular Collateral Account to the Central Bank Cash account

This step aims at linking the Regular Collateral Account of the Central Bank used for collateral relocation to the Central Bank Cash Account

Responsible actor: CSD

Both U2A and A2A are available to perform this step

- Securities Accounts Link - New/Edit Screen: UHB sample screen next
- Reda.049: Sample message: Step5_CMB_Account_link_Regular.xml





Overview of set-up for auto-collateralisation with Central Bank (Repo) Step 5 – Link the Regular Collateral Account to the Central Bank Cash account

UHB Screen sample

Field description

Field name	Mandatory / Optional	Value
Securities account number	M	REGULARACCOUNT
T2S Dedicated cash account	M	NCBCASHAC1
Valid from	M	01/06/2015
Valid to	O	
Default link	M	True
Collateralisation link	M	False
Cash settlement link	M	True



Overview of set-up for auto-collateralisation with Central Bank (Repo)

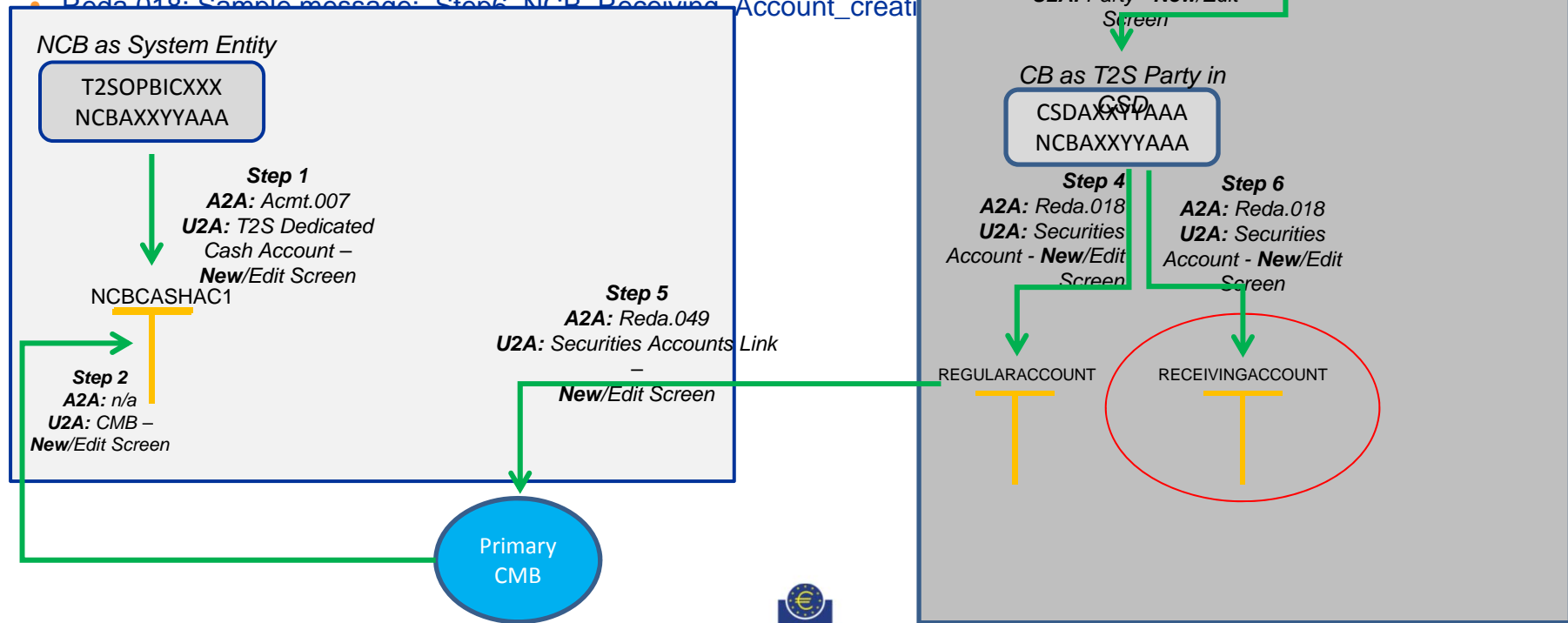
Step 6 – Creation of the NCB Receiving Account

This step aims at creating the Receiving Account that will be used during the auto-collateralisation procedure to store the collateral given by the credit consumer during the intraday credit operation

Responsible actor: CSD

Both U2A and A2A are available to perform this step

- Securities Account - New/Edit Screen: UHB sample screen next slide
- Reda.018: Sample message: Step6_NCB_Receiving_Account_creati





Overview of set-up for auto-collateralisation with Central Bank (Repo) Step 6 – Creation of the NCB Receiving Account

UHB Screen sample

Field description

Field name	Mandatory / Optional	Value
Type	M	CSD Participant account
Opening date	M	01/06/2015
Closing date	O	
Hold/Release	M	Release
Negative position	n/a	
End Investor Flag	O	NONE
Pricing Scheme	M	ISIN
Parent BIC	M	CSDAXXYAAA
BIC	M	NCBAXXYAAA
Party Type	M	CSD Participant
Account identification	M	RECEIVINGACCOUNT

Note: In the case of a Pledge model, the receiving account belongs to the Payment Bank and will be created after the creation of the PB as CSD participant (Step 11).



Overview of set-up for auto-collateralisation with Central Bank (Repo)

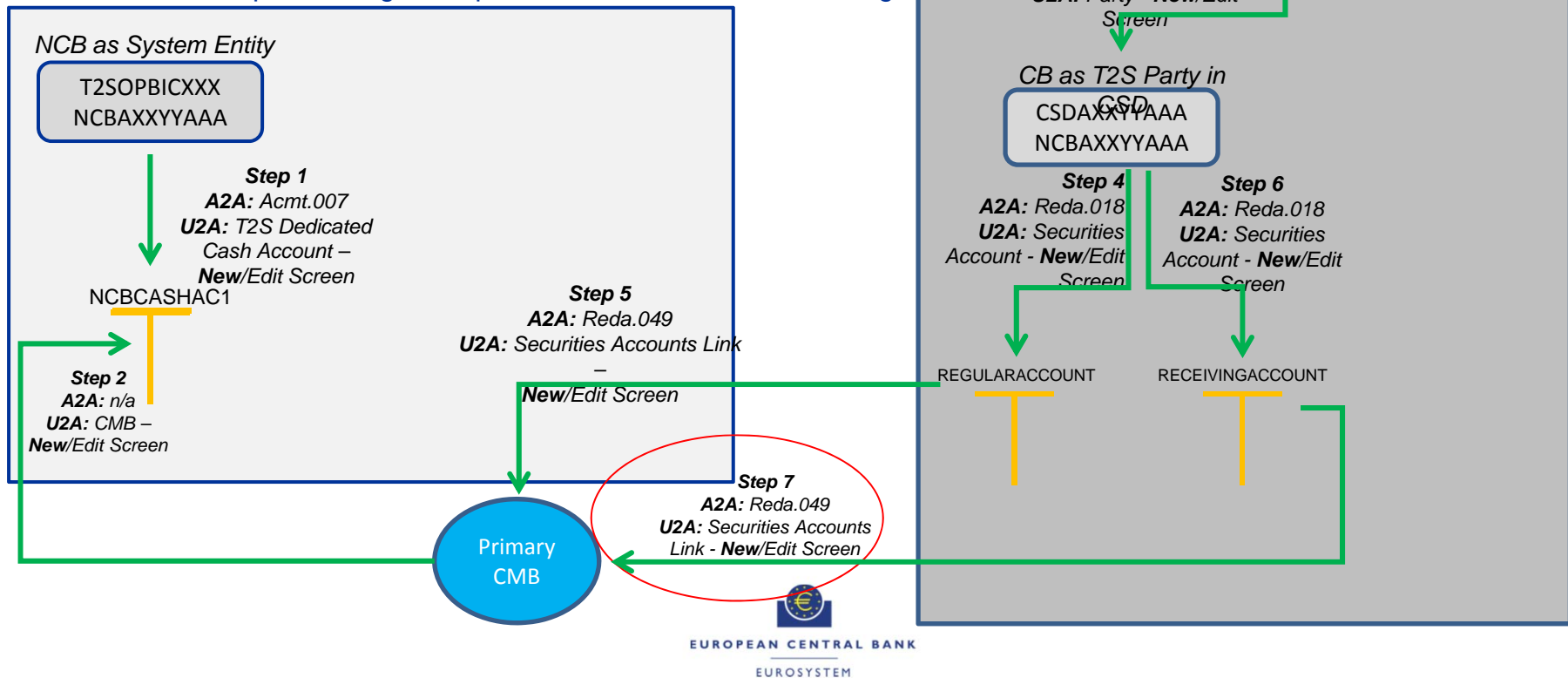
Step 7 – Link the Receiving Account to the Central Bank Cash account

This step aims at linking the Receiving Account of the Central Bank to the Central Bank Cash account

Responsible actor: CSD

Both U2A and A2A are available to perform this step

- Securities Accounts Link - New/Edit Screen: UHB sample screen next
- Reda.049: Sample message: Step7_CMB_Account_link_Receiving.x





Overview of set-up for auto-collateralisation with Central Bank (Repo) Step 7 – Link the Receiving Account to the Central Bank Cash account

UHB Screen sample

Field description

The screenshot shows the 'Accounts Links' configuration window. It includes the following fields and values:

- Securities Account Number:** RECEIVINGACCOUNT
- T2S Dedicated Cash Account:** NCBCASHAC1
- Valid From:** 2015-06-01
- Valid To:** 2012-09-22
- Default Link:** True
- Collateralisation Link:** False
- Cash Settlement Link:** True

Buttons at the bottom: Submit, Cancel, Reset.

Field name	Mandatory / Optional	Value
Securities account number	M	RECEIVINGACCOUNT
T2S Dedicated cash account	M	NCBCASHAC1
Valid from	M	01/06/2015
Valid to	O	
Default link	M	True
Collateralisation link	M	False
Cash settlement link	M	True

Note: In the case of a Pledge model, the receiving account belongs to the Payment Bank and linked in a later step to the Payment Bank DCA via Securities Accounts Links (Step 13).



Overview of set-up for auto-collateralisation with Central Bank (Repo)

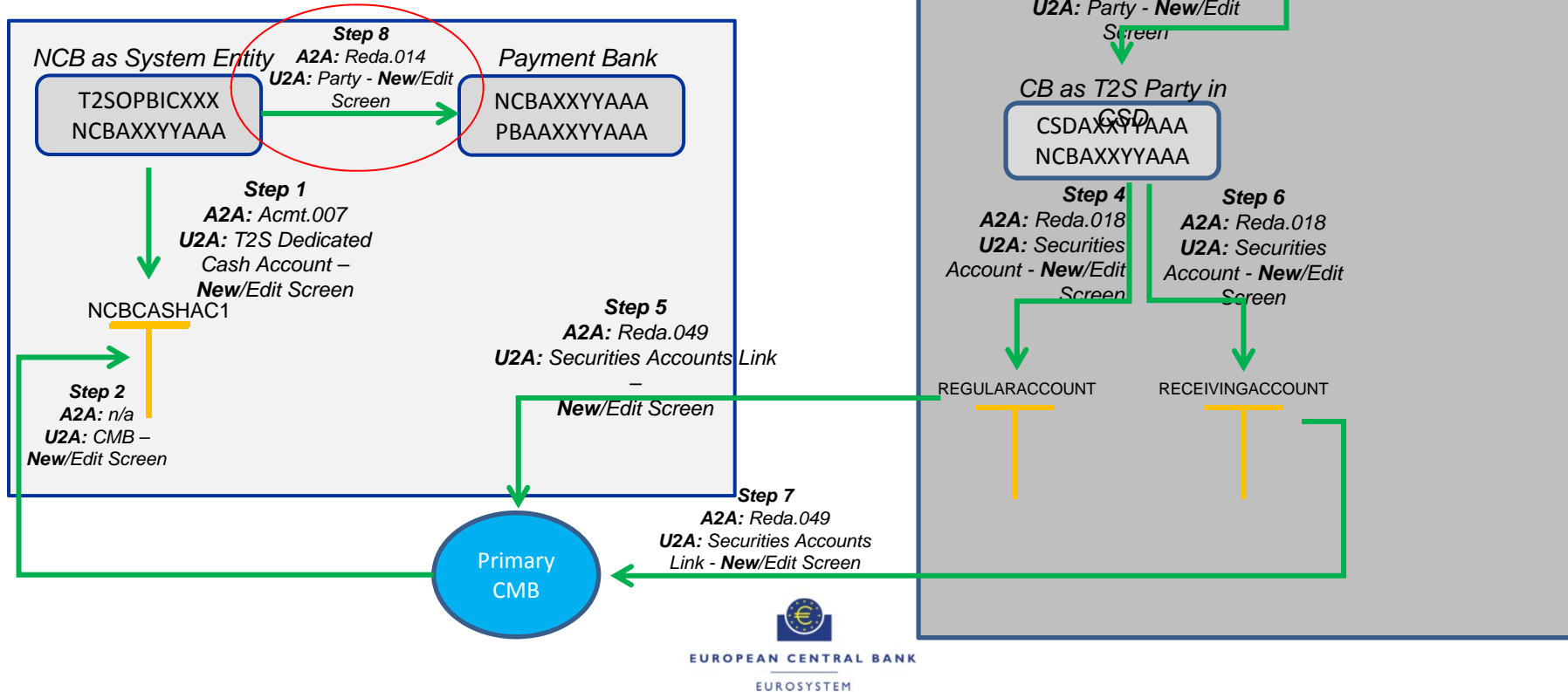
Step 8 – Creation of the Payment Bank in the NCB

This step aims at creating the Payment Bank as a T2S Party in the NCB

Responsible actor: NCB

Both U2A and A2A are available to perform this step

- Party - New/Edit Screen: UHB sample screen next slide
- Reda.014: Sample message: Step8_PB_As_PB_creation.xml





Overview of set-up for auto-collateralisation with Central Bank (Repo) Step 8 – Creation of the Payment Bank in the NCB

UHB Screen sample

SECURITIES CASH SERVICES **STATIC DATA** MONITORING

Static Data > Parties > Parties > Edit Party

Party

Parent BIC * Party Type Valid From Closing Date

Party Code

Valid From BIC *

Party Name

Valid From Party Long Name * Party Short Name *

Technical Addresses

10 (1 of 1)

Address Value	Options
CSDPUKFFA04-TECH	

+ 10 changes left

Market-Specific Attributes

10 (1 of 1)

Attribute Name	Attribute Value	Options
No records found		

+ 10 changes left

Restrictions

10 (1 of 1)

Restriction	Valid From	Valid To	Options
DN2			

+ 10 changes left

Submit Cancel Reset Technical Addresses Network Services Links

Field description

Field name	Mandatory / Optional	Value
Parent BIC	M	NCBAXXXYAAA
BIC	M	PBAXXXYAAA
Type	M	Payment Bank
Opening date	M	01/06/2015
Long name	M	PBA
Short name	M	PBA
Technical address	M	DN2
Actual address	-	-
Valid from	M	01/06/2015
Street	M	Berger Strasse
House number	M	10800
Postal code	M	aaaaa
City	M	bbbbbb
State or Province	M	ccccc
Country code	M	DD



Overview of set-up for auto-collateralisation with Central Bank (Repo)

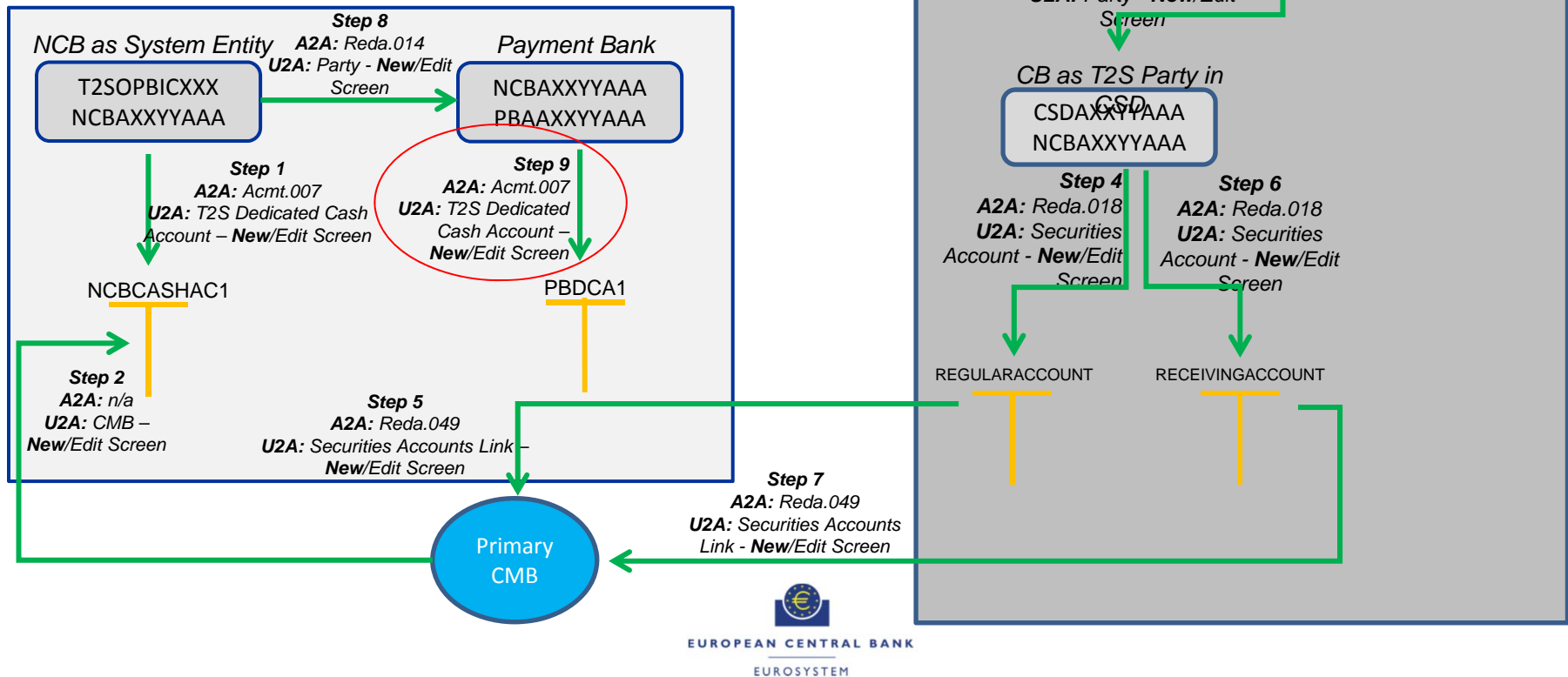
Step 9 – Creation of a T2S Dedicated Cash Account for the Payment Bank

This step aims at creating the T2S Dedicated Cash Account for the Payment Bank

Responsible actor: NCB

Both U2A and A2A are available to perform this step

- T2S Dedicated Cash Account - New/Edit Screen: UHB screen next slide
- Acmt.007: Sample: Step9_PB_Dedicated_Cash_Account_creation.xr





Overview of set-up for auto-collateralisation with Central Bank (Repo) Step 9 – Creation of a T2S Dedicated Cash Account for the Payment Bank

UHB Screen sample

SEcurities CASH SERVICES **STATIC DATA** MONITORING

Static Data > T2S Dedicated Cash Account > Dedicated Cash Accounts > Edit Dedicated Cash Account

T2S Dedicated Cash Account

Account Identifier: **PBDCA1** Opening Date *: **2015-06-01** Closing Date *: **2099-12-31**

Type: **T2S Dedicated Cash Account** Parent BIC: **NCBAXXYAAA** Party BIC: **PBAXXYAAA**

Party Short Name: **New party for INTEG** Party Type: **PMBK**

Floor Notification *: **0** Ceiling Notification *: **1000000** Issue Curr. *: **EUR** RTGS Account *: **RTGSAC2**

Restrictions

Type	Valid From	Valid To	Options
No records found			

Add/Update Restriction

Restriction * Valid From * Valid To *

Add Row Update Row

Submit Cancel Reset

Field description

Field name	Mandatory / Optional	Value
Account identifier	M	PBDCA1
Opening date	M	01/06/2015
Closing date	O	
Type	M	T2S dedicated cash account
Parent BIC	M	NCBAXXYAAA
Party BIC	M	PBAAXXYAAA
Floor notification	O	0
Ceiling notification	O	100000000
Issue currency	M	EUR
RTGS Account	M	RTGSAC2
Restriction	O	
Valid from	O	
Valid to	O	



Overview of set-up for auto-collateralisation with Central Bank (Repo)

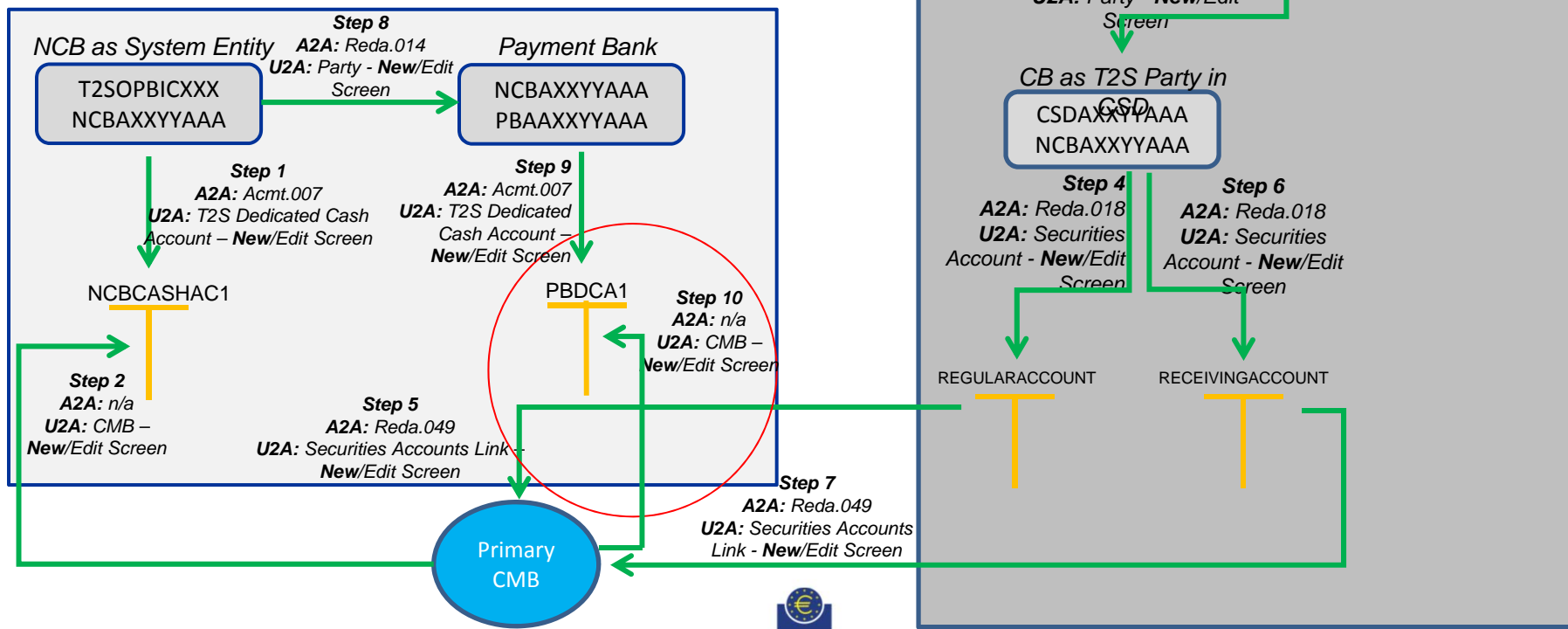
Step 10 – Linking the T2S DCA to the T2S Central Bank Account, Regular and Receiving Account

This step aims at linking the T2S Dedicated Cash Account of the Payment Bank to the T2S Central Bank Cash Account, Regular and Receiving Account

Responsible actor: NCB

Only U2A is available to perform this step

- CMB - New/Edit Screen: UHB sample screen next slide





Overview of set-up for auto-collateralisation with Central Bank (Repo)

Step 10 – Linking the T2S DCA to the T2S Central Bank Account, Regular and Receiving Account

UHB Screen sample

SEcurities | CASH | SERVICES | **STATIC DATA** | MONITORING

Static Data > T2S Dedicated Cash Account > Credit Memorandum Balances > Edit Credit Memorandum Balance

Credit Memorandum Balance

Credit Memorandum Balance Id: 263001

T2S Dedicated Cash Account:

Primary CMB:

Authorized BIC Rules

10 (1 of 1)

Wildcard Pattern *	Inclusion	Options
PBAXXXYY*	<input type="text" value="Yes"/>	

+ 10 changes left

NCB T2S Dedicated Cash Account

NCB T2S Dedicated Cash Account Number:

Valid From:

Regular Securities Account

Regular Securities Account Number:

Valid From:

Receiving Securities Account

Receiving Securities Account Number:

Valid From: Valid To: 9999-12-31

Field description

Field name	Mandatory / Optional	Value
T2S Dedicated cash account	M	PBDCA1
Primary CMB	M	Yes
Wildcard pattern	M	PBAAXXXYY*
Inclusion	M	Yes
NCB T2S dedicated cash account	M	NCBCASHAC1
Valid from	M	01/06/2015
Regular securities account	M	REGULARACCOUNT
Valid from	M	01/06/2015
Receiving securities account	M	RECEIVINGACCOUNT
Valid from	M	01/06/2015
Valid to	O	

Note:

- One or more wildcard patterns (minimum BIC4 plus asterisk) BIC4*, BIC8* or BIC11 are possible in the primary CMB. The list of BICs defined will be used to identify securities accounts authorised to link to the PB T2S DCA (PBDCA1) in the step 13
- In the case of a Pledge model, the Collateral Receiving Account will be mentioned in the CMB after being linked to the Payment Bank DCA via Securities Accounts Links



Overview of set-up for auto-collateralisation with Central Bank (Repo)

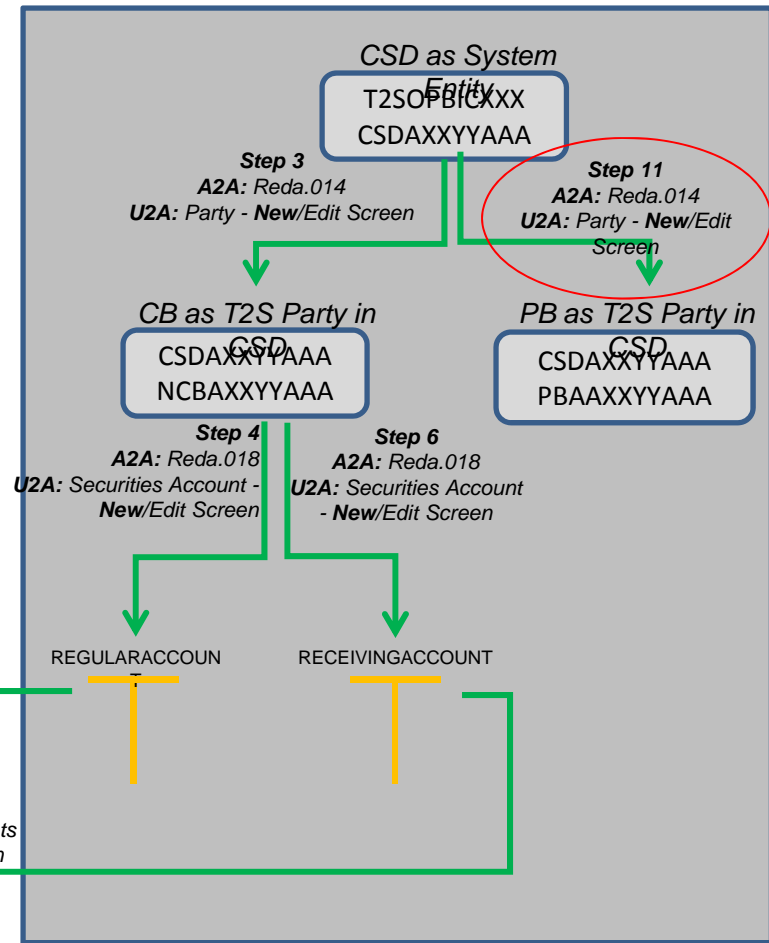
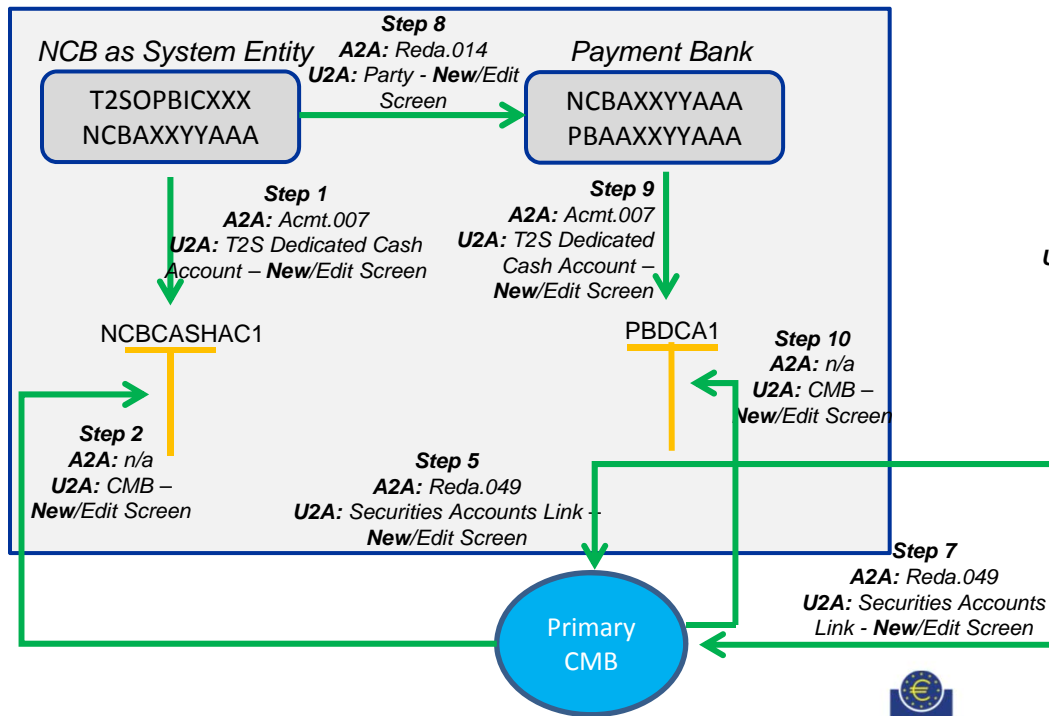
Step 11 – Creation of the Payment Bank as CSD Participant

This step aims at creating the Payment Bank as CSD Participant in the CSD

Responsible actor: CSD

Both U2A and A2A are available to perform this step

- Party - New/Edit Screen: UHB sample screen next slide
- Reda.014: Sample message: Step11_PB_As_CSDP_creation.xml





Overview of set-up for auto-collateralisation with Central Bank (Repo) Step 11 – Creation of the Payment Bank as CSD Participant

UHB Screen sample

SECURITIES CASH SERVICES **STATIC DATA** MONITORING

Static Data > Parties > Parties > Edit Party

Party

Parent BIC * Party Type Valid From Closing Date

Party Code

Valid From BIC *

Party Name

Valid From Party Long Name * Party Short Name *

Technical Addresses

10 (1 of 1)

Address Value	Options
DN2	

+ 10 changes left

Market-Specific Attributes

10 (1 of 1)

Attribute Name	Attribute Value	Options
No records found		

+ 10 changes left

Restrictions

10 (1 of 1)

Restriction	Valid From	Valid To	Options
No records found			

+ 10 changes left

Submit Cancel Reset Technical Addresses Network Services Links

Field description

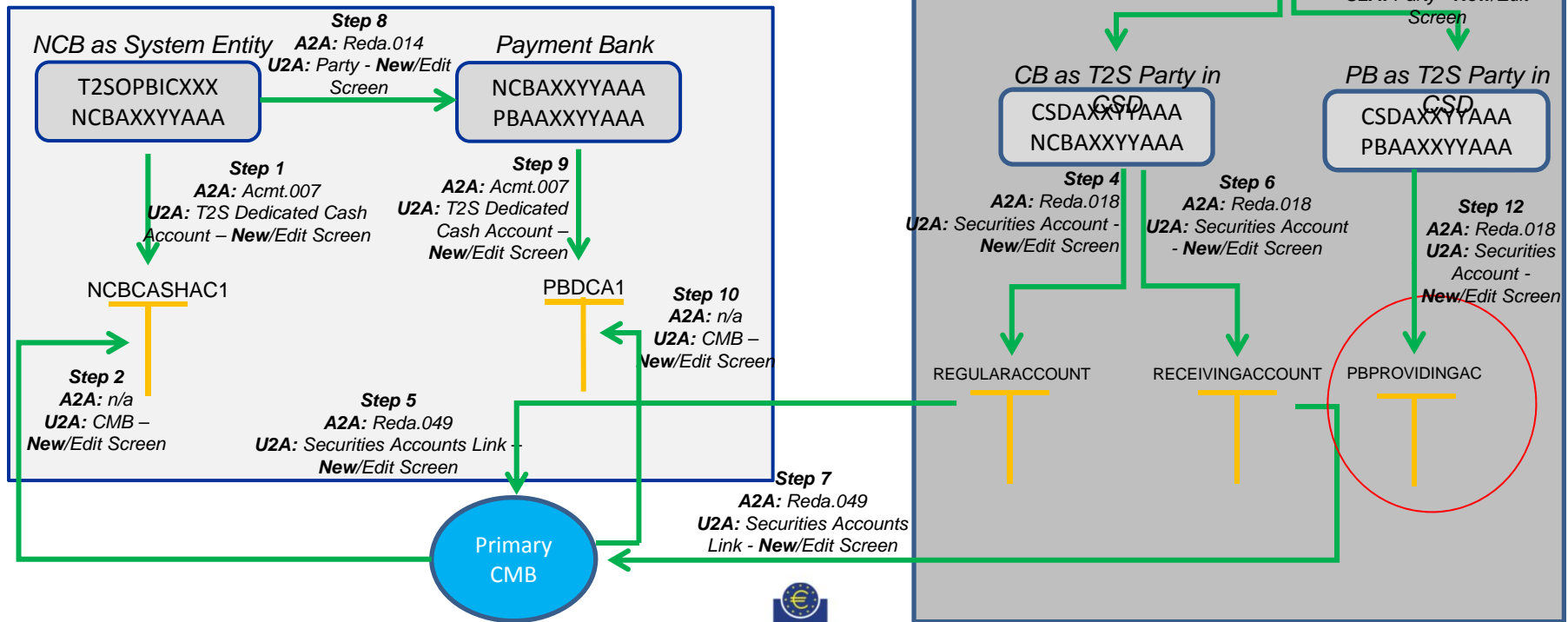
Field name	Mandatory / Optional	Value
Parent BIC	M	CSDAXXXYAAA
BIC	M	PBAAXXXYAAA
Type	M	CSD Participant
Opening date	M	01/06/2015
Long name	M	PBA
Short name	M	PBA
Technical address	M	DN2

This step aims at creating the Collateral Providing Account for the Payment Bank in the CSD

Responsible actor: CSD

Both U2A and A2A are available to perform this step

- Securities Account - New/Edit Screen: UHB sample screen next slide
- Reda.018: Sample message: Step12_PB_providing_account_creation





Overview of set-up for auto-collateralisation with Central Bank (Repo)

Step 12 – Creation of the Payment Bank Providing Account

UHB Screen sample

SECURITIES	CASH	SERVICES	STATIC DATA	MONITORING
Static Data > Securities Account > Securities Accounts > Edit Securities Account				
Securities Account				
Securities Account				
Account Number *	Securities Account Type *		Opening Date	Closing Date
PBPROVIDINGAC	CSD Participant account		2015-06-01	2050-12-31
Hold/Release *	Negative Position		End Investor Account Flag *	
Release	<input type="checkbox"/>		No Account allocations	
Pricing Scheme *				
ACCOUNT				
Account Holder				
Valid From	Parent BIC	BIC	Name	Party Type
2013-05-10	CSDAXXXYAAA	PBAXXXYAAA	SN	Central Securities Depository (CSD)

Field description

Field name	Mandatory / Optional	Value
Type	M	CSD Participant account
Opening date	M	01/06/2015
Closing date	O	
Hold/Release	M	Release
Negative position	O	
Parent BIC	M	CSDAXXXYAAA
BIC	M	PBAAXXXYAAA
Account identification	M	PBPROVIDINGAC
End Investor Flag	O	NONE
Pricing Scheme	O	ISIN

Note: In the case of a pledge model, the Collateral Receiving Account belonging to the Payment Bank will be created at this stage.



Overview of set-up for auto-collateralisation with Central Bank (Repo)

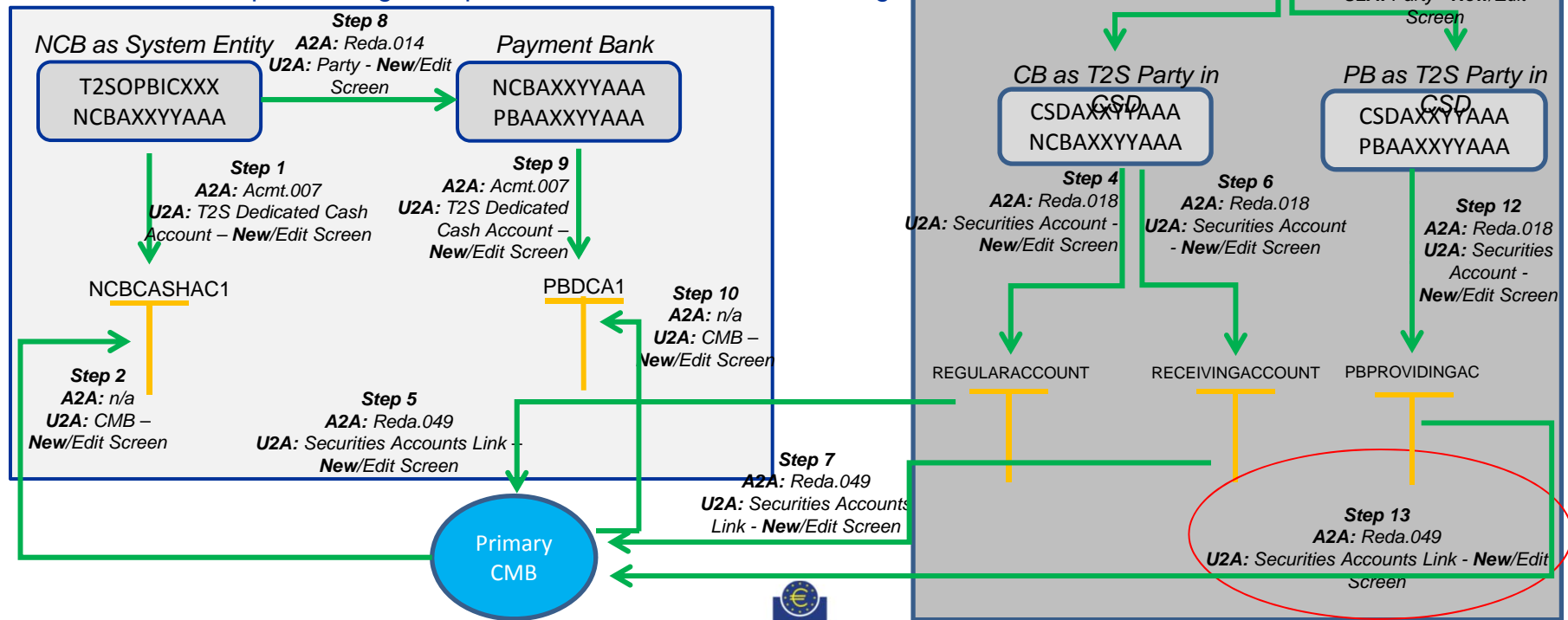
Step 13 – Linking the Payment Bank T2S DCA to the Collateral Providing Account

This step aims at linking the T2S Dedicated Cash Account of the payment bank to its securities Collateral Providing Account

Responsible actor: CSD

Both U2A and A2A are available to perform this step

- Securities Accounts Links - New/Edit Screen: UHB sample screen next
- Reda.049: Sample message: Step13_CMB_Account_link_Providing.x





Overview of set-up for auto-collateralisation with Central Bank (Repo)

Step 13 – Linking the Payment Bank T2S DCA to the Collateral Providing Account

UHB Screen sample

Field description

Field name	Mandatory / Optional	Value
Securities account number	M	PBPROVIDINGAC
T2S Dedicated cash account	M	PBDCA1
Valid from	M	01/06/2015
Valid to	O	
Default link	M	True
Collateralisation link	M	True*
Cash settlement link	M	True**

Note:

- The list of BICs defined in step 10 will be used to identify securities accounts authorised to trigger auto-collateralisation on the PB T2S DCA (PBDCA1) used for settlement of cash leg of a securities transaction and/or used as providing collateral account.
- In the case of a Pledge model, the Collateral Receiving Account of the PB will be linked to the PB DCA at this stage

* T2S only allows a value 'True'. This means that the securities account is linked to a DCA for the provision of collateral.

** T2S also allows a value 'False'. This means that this securities account cannot be used for settlement of normal business instructions. However, T2S will cancel the reverse collateral instructions in case there were a revalidation triggered by a relevant static data update.



Overview of set-up for auto-collateralisation with Central Bank (Repo)

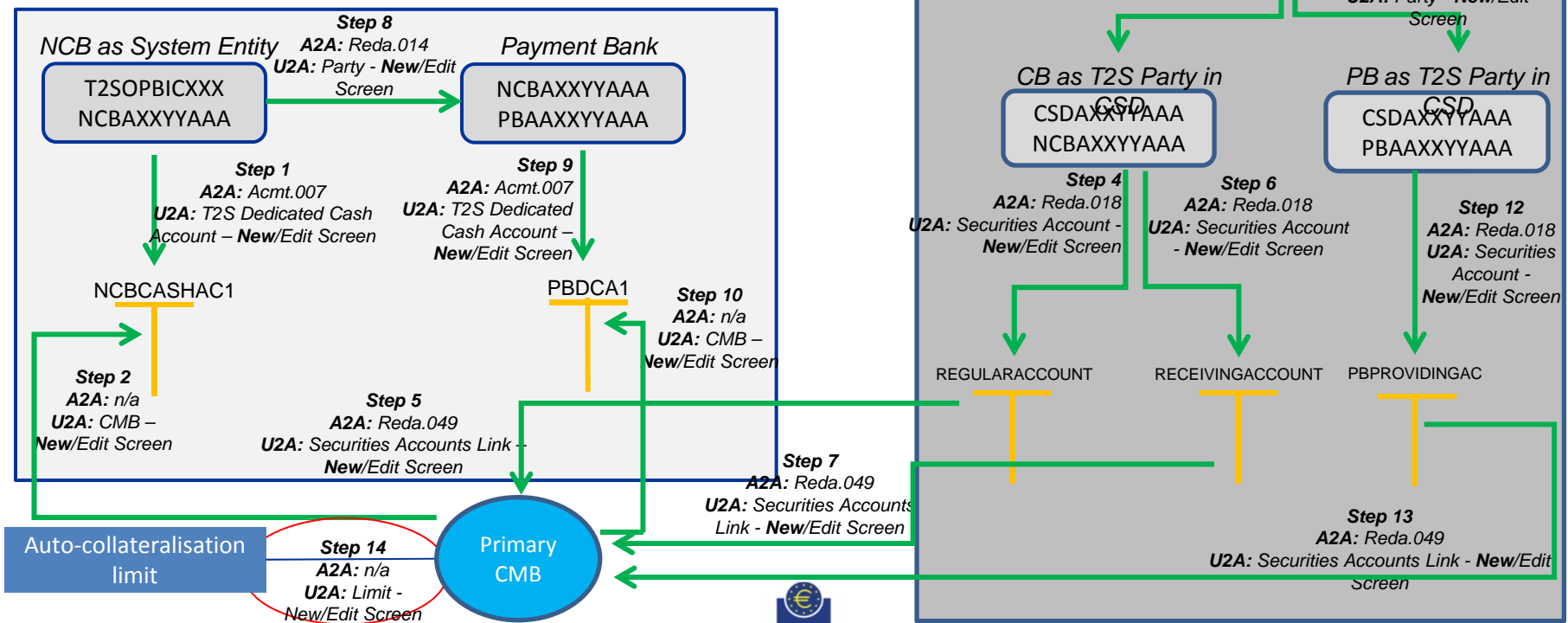
Step 14 – Creation of the auto-collateralisation limit

This step aims at creating the auto-collateralisation limit for the Payment Bank

Responsible actor: NCB

Only U2A is available to perform this step

- Limit - New/Edit Screen: UHB sample screen next slide





Overview of set-up for auto-collateralisation with Central Bank (Repo)

Step 14 – Creation of the auto-collateralisation limit

UHB Screen sample

Static Data > T2S Dedicated Cash Account > Limits > Edit Limit

Limit

Limit Id: 106001

T2S Dedicated Cash Account Number: **PBDC1**

CMB Id: 106001

Limit Type: **Auto-collateralisation**

Amount *: **500000000**

Valid From *: **2015-06-01**

Submit Cancel Reset

Field description

Field name	Mandatory / Optional	Value
T2S DCS Number	M	PBDC1
CMB Id	M	106001
Limit type	M	Auto-collateralisation
Amount	M	To be defined
Valid from	M	01/06/2015



Table of contents

1 Introduction

2 Set-up for Central Bank auto-collateralisation - Repo

3 Set-up for Central Bank auto-collateralisation –
Pledge

4 Set-up for client collateralisation - Repo

5 Message flow and bookings – Repo and Pledge

6 Annex



T2S Auto-collateralisation Framework

Central Bank Auto-collateralisation set-up: Pledge Model

Step	T2S Actor	Action	Note	Mode
1	CB	Creation of a new T2S Central Bank Account.		A2A/U2A
2	CB	Setting the T2S Central Bank Account for providing intraday credit for auto-collateralisation purpose.	This action results in the creation of a Credit Memorandum Balance, which is linked to one or more BICs defined by the Central Bank.	U2A
3	CSD	Creation of a new CSD Participant for the Central Bank.	The BIC of the new CSD Participant matches with one of the BICs linked to the Credit Memorandum Balance created as a result of step 2.	A2A/U2A
4	CSD	Creation of a new Securities Account to be used as Regular Collateral Account for the Central Bank collateralisation.	This Securities Account is used for collateral relocation during the EoD phase.	A2A/U2A
5	CSD	Linking the Securities Account for Regular Collateral to the Central Bank T2S Dedicated Cash Account for cash settlement purpose.	This Securities Account must not be used for collateralisation purpose. This link is required for the settlement of relocation instructions.	A2A/U2A
6	CB	Creation of a new Payment Bank.		A2A/U2A
7	CB	Creation of a new T2S Dedicated Cash Account for the Payment Bank.		A2A/U2A
8	CB	Linking the T2S Dedicated Cash Account of the Payment Bank: <ul style="list-style-type: none"> to the T2S Central Bank Account to the Regular Securities Account 	This action results in the creation of a Primary Credit Memorandum Balance, which is linked to the one or more BICs of the Payment Bank and to the specified T2S Dedicated Cash Account and Securities Accounts.	U2A



T2S Auto-collateralisation Framework

Central Bank Auto-collateralisation set-up: Pledge Model

Step	T2S Actor	Action	Note	Mode
9	CSD	Creation of a new CSD Participant for the Payment Bank	The BIC of the new CSD Participant matches one of the BICs linked to the Credit Memorandum Balance created as a result of step 8.	A2A/U2A
10	CSD	Creation of a new Securities Account to be used as Receiving Securities Account for the Central Bank auto-collateralisation.	This is the Securities Account where the selected collateral has to be stored in case of auto-collateralisation. Only one receiving securities account must be defined for a specific Credit Memorandum Balance of a Payment Bank.	A2A/U2A
11	CSD	Linking the Securities Account for receiving collateral to the T2S Dedicated Cash Account of the Payment Bank for cash settlement purpose.	This Securities Account must not be used for collateralisation purpose. This link is required for the settlement of auto-collateralisation and reverse auto-collateralisation instructions.	A2A/U2A
12	CB	Linking the T2S Dedicated Cash Account of the Payment Bank to the Receiving Securities Account	Update of the Primary Credit Memorandum Balance created as a result of step 8.	U2A

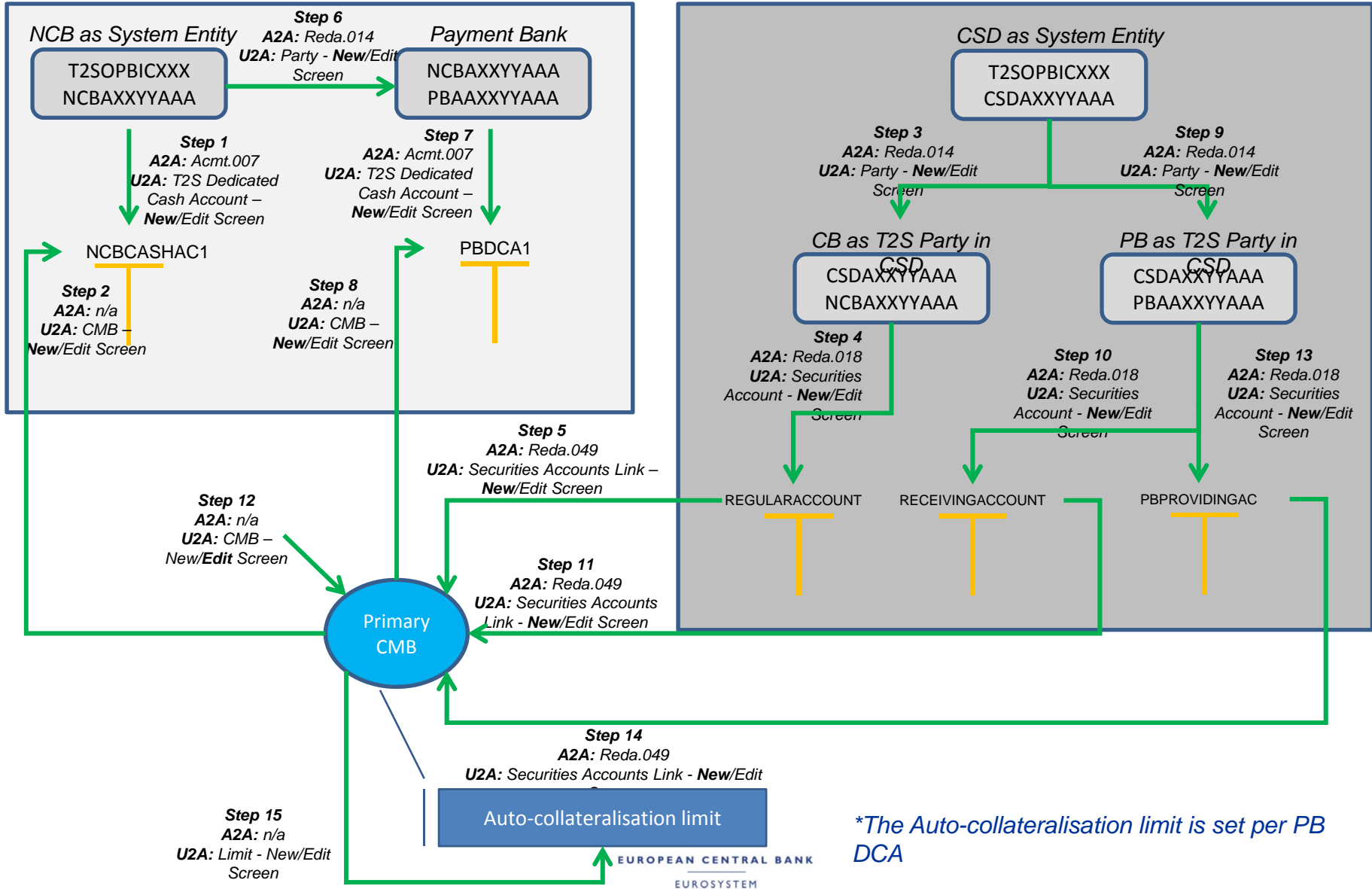


T2S Auto-collateralisation Framework

Central Bank Auto-collateralisation set-up: Pledge Model

Step	T2S Actor	Action	Note	Mode
13	CSD	Creation of a new Securities Account for the Payment Bank	This Securities Account must be linked to a T2S Dedicated Cash Account for the settlement of the cash leg of the relevant Settlement Instructions.	A2A/U2A
14	CSD	Linking the Securities Account of the Payment Bank to the T2S Dedicated Cash Account of the Payment Bank for cash settlement purpose and/or for collateralisation purpose.	When defining the link between the Securities Account and the T2S Dedicated Cash Account for settlement purpose, the CSD must specify whether such link must be used as default value in the context of Settlement Instruction validation.	A2A/U2A
15	CB	Creation of the auto-collateralisation limit for the Payment Bank T2S Dedicated Cash Account		U2A

Refer Section 1.2.6.7 of UDFS 2.0





Overview of set-up for auto-collateralisation with Central Bank (Pledge)

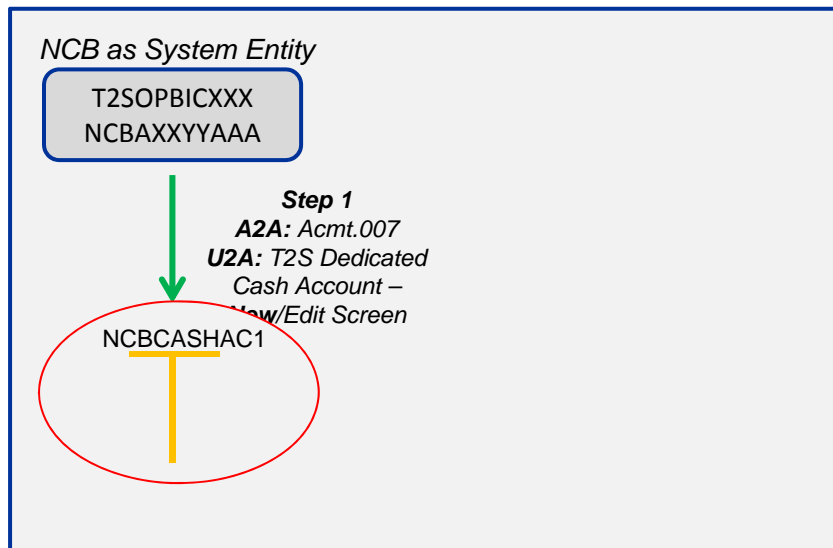
Step 1 – Creation of Central Bank Cash Account

This step aims at creating the Central Bank Cash account that will provide intraday credit

Responsible actor: NCB

Both U2A and A2A are available to perform this step

- U2A: T2S Dedicated Cash Account - New/Edit Screen: UHB sample screen next slide
- A2A: acmt.007: Sample message Step1_NCB_Cash_Account_creation.xml





Overview of set-up for auto-collateralisation with Central Bank (Pledge)

Step 1 – Creation of Central Bank Cash Account

UHB Screen sample

Static Data > T2S Dedicated Cash Account > Dedicated Cash Accounts > Edit Dedicated Cash Account

T2S Dedicated Cash Account

Account Identifier NCBCASHAC1	Opening Date * 2015-06-01	Closing Date * 2099-12-31
Type T2S Central Bank Account	Parent BIC T2SOPBICXXX	Party BIC NCBAXXYAAA
Party Short Name New party for INTEG	Party Type PMBK	
Floor Notification * 0	Ceiling Notification * 1000000	Issue Curr. * EUR
		RTGS Account * RTGSAC1

Restrictions

Type	Valid From	Valid To	Options
No records found			

Add/Update Restriction

Restriction *	Valid From *	Valid To *
<input type="text"/>	<input type="text"/>	<input type="text"/>

Add Row Update Row

Submit Cancel Reset

Field description

Field name	Mandatory / Optional	Value
Account identifier	M	NCBCASHAC1
Opening date	M	01/06/2015
Closing date	O	
Type	M	T2S central bank account
Parent BIC	M	T2SOPBICXXX
Party BIC	M	NCBAXXYAAA
Floor notification	O	0
Ceiling notification	O	100000000
Issue currency	M	EUR
RTGS Account	M	RTGSAC1
Restriction	O	
Valid from	O	
Valid to	O	



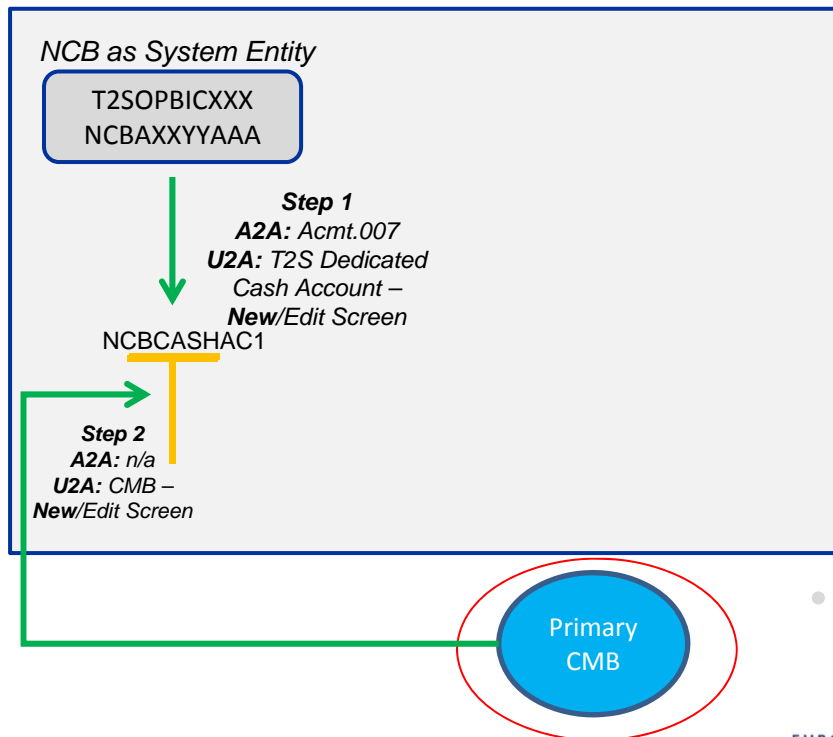
Overview of set-up for auto-collateralisation with Central Bank (Pledge) Step 2 – Creation of CMB linked to the Central Bank BIC

This step aims at creating the CMB linked to the Central Bank BIC

Responsible actor: NCB

Only U2A is available to perform this step

- CMB - New/Edit Screen: UHB sample screen next slide



BIC4 + wildcard pattern of the NCB to be specified



Overview of set-up for auto-collateralisation with Central Bank (Pledge) Step 2 – Creation of CMB linked to the Central Bank BIC

UHB Screen sample

Static Data > T2S Dedicated Cash Account > Credit Memorandum Balances > Credit Memorandum Balance Details > Edit Credit

Credit Memorandum Balance

Credit Memorandum Balance Id: 300015

T2S Dedicated Cash Account: **NCBCASHAC1**

Primary CMB: **Yes**

Authorized BIC Rules

Wildcard Pattern	Inclusion	Options
NCBAXXXY*	Yes	

Add/Remove Rule

Wildcard Pattern * Inclusion

Add Row **Update Row**

NCB T2S Dedicated Cash Account

NCB T2S Dedicated Cash Account: 340004

Valid From: Sat Jan 01 00:00:00 CET 2011

NCB T2S Dedicated Cash Account *

Valid From *

Regular Securities Account

Regular Securities Account: 330004

Valid From: Sat Jan 01 00:00:00 CET 2011

Receiving Securities Account

Receiving Securities Account: 330004

Valid From: Sat Jan 01 00:00:00 CET 2011

Valid To: Mon Jan 01 00:00:00 CET 2018

Receiving Securities Account *

Valid From *

Valid To *

Submit **Cancel** **Reset**

Field description

Field name	Mandatory / Optional	Value
T2S Dedicated cash account	M	NCBCASHAC1
Primary CMB	M	Yes
Wildcard pattern	M	NCBAXXXY*
Inclusion	M	Yes
NCB T2S dedicated cash account	O	
Valid from	M	01/06/2015

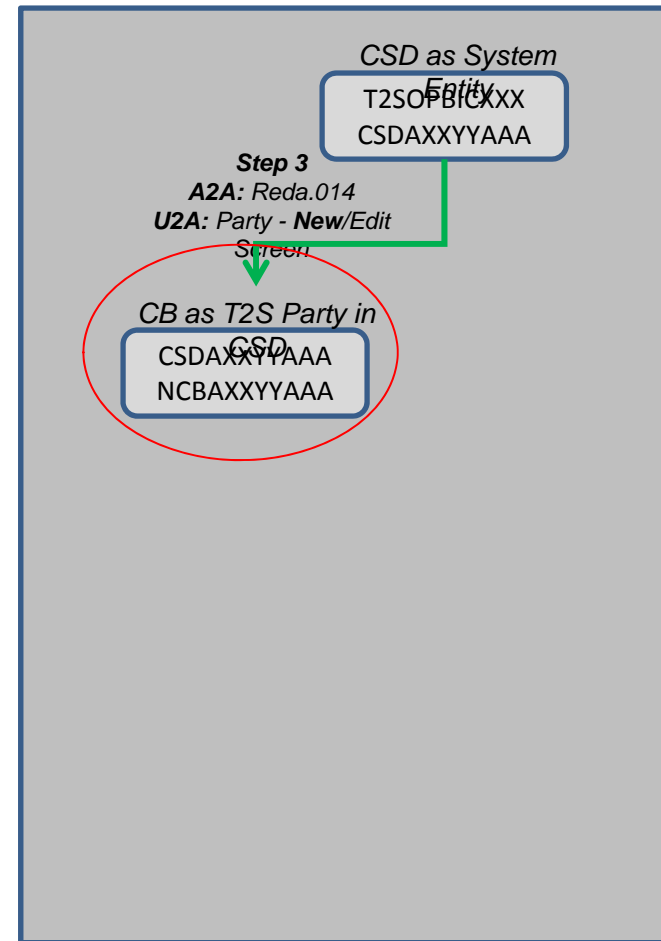
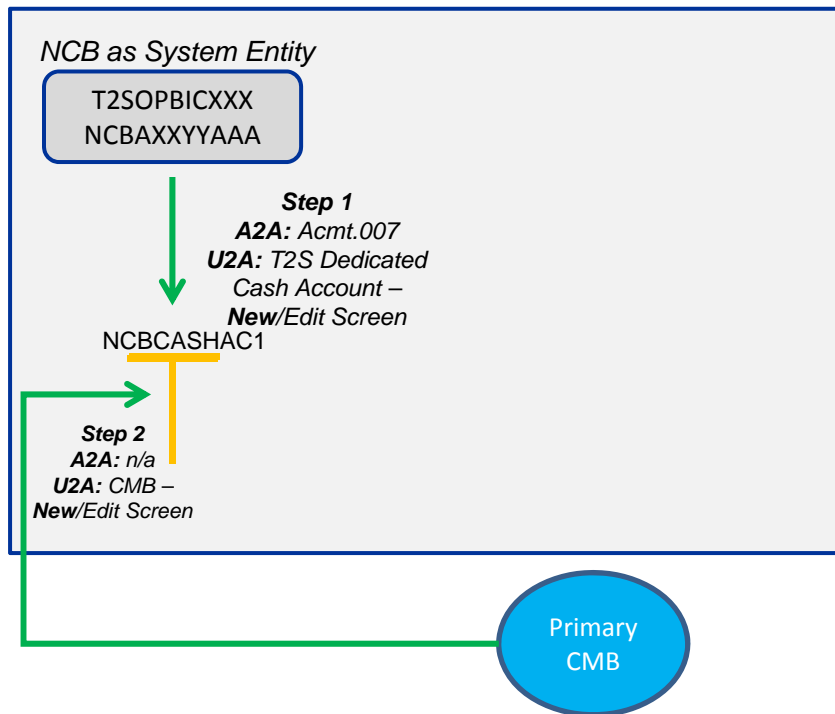
Note: One or more wildcard patterns (minimum BIC4 plus asterisk) BIC 4*, BIC 8* or BIC11 are allowed for primary CMB.

This step aims at creating a CSD participant for the Central Bank in the CSD

Responsible actor: CSD

Both U2A and A2A are available to perform this step

- Party - New/Edit Screen: UHB sample screen next slide
- Reda.014: Sample message: Step3_NCB_As_CSDP_creation.xml





Overview of set-up for auto-collateralisation with Central Bank (Pledge) Step 3 – Creation of a CSD participant for the NCB

UHB Screen sample

SECURITIES CASH SERVICES **STATIC DATA** MONITORING

Static Data > Parties > Parties > Edit Party

Party

Parent BIC * Party Type Valid From Closing Date

Party Code

Valid From BIC *

Party Name

Valid From Party Long Name * Party Short Name *

Technical Addresses

10 (1 of 1)

Address Value * Options

+ 10 changes left

Market-Specific Attributes

10 (1 of 1)

Attribute Name * Attribute Value * Options

No records found

+ 10 changes left

Restrictions

10 (1 of 1)

Restriction * Valid From * Valid To * Options

No records found

+ 10 changes left

Submit Cancel Reset Technical Addresses Network Services Links

Field description

Field name	Mandatory / Optional	Value
Parent BIC	M	CSDAXXYAAA
BIC	M	NCBAXXYAAA
Type	M	CSD Participant
Opening date	M	01/06/2015
Long name	M	NCBA
Short name	M	NCBA
Technical address	M	DN1



Overview of set-up for auto-collateralisation with Central Bank (Pledge)

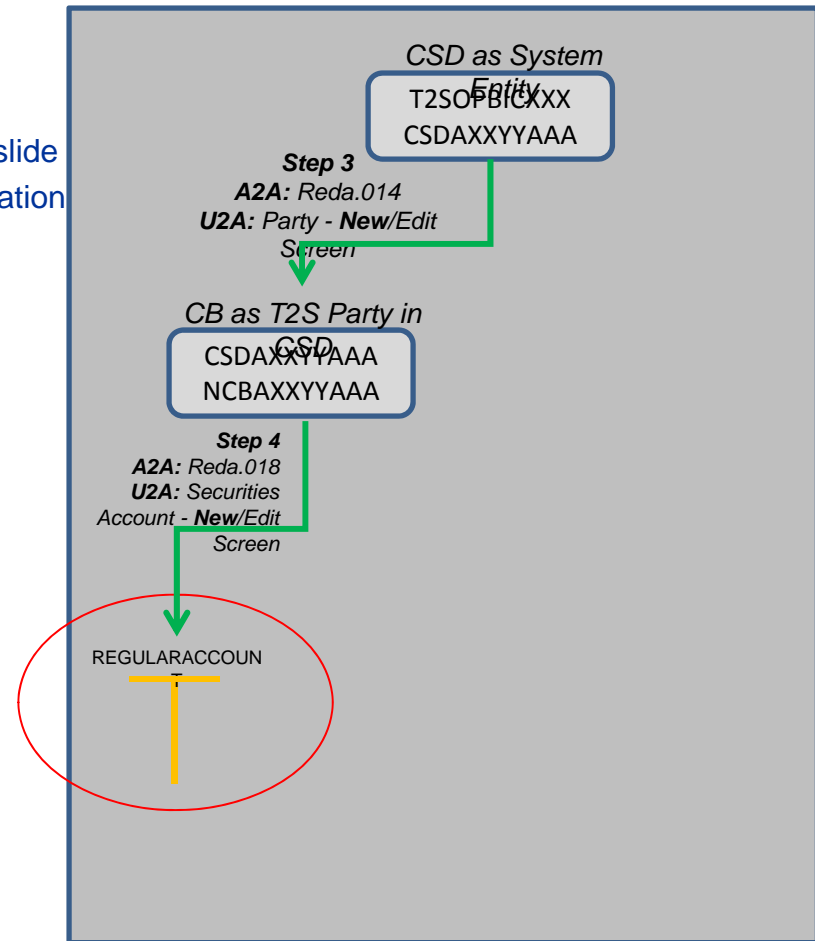
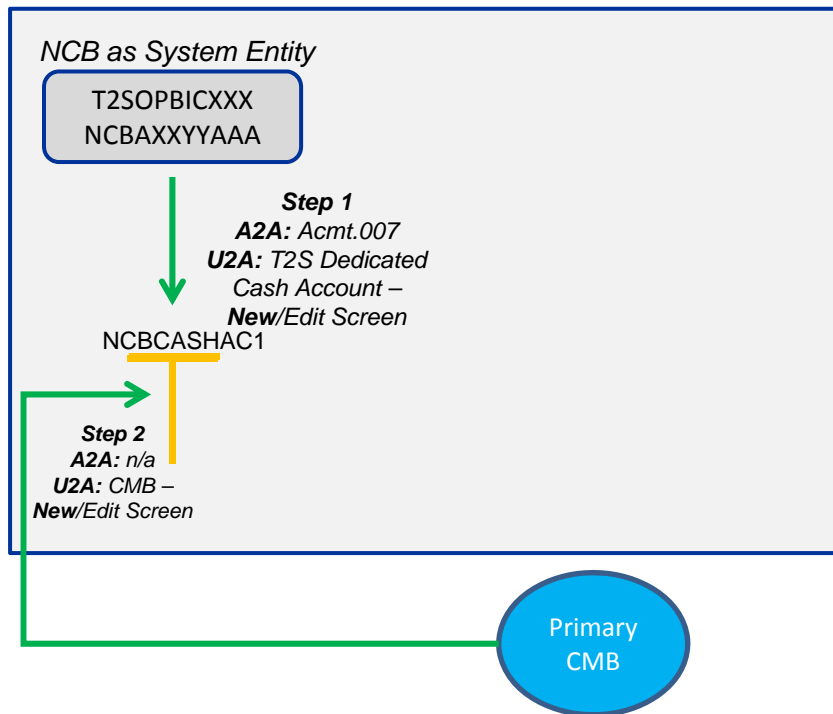
Step 4 – Creation of the NCB Regular Collateral Account

This step aims at creating the Regular Collateral Account of the Central Bank in the CSD

Responsible actor: CSD

Both U2A and A2A are available to perform this step

- Securities Account - New/Edit Screen: UHB sample screen next slide
- Reda.018: Sample message: Step4_NCB_Regular_Account_creation





Overview of set-up for auto-collateralisation with Central Bank (Pledge) Step 4 – Creation of the NCB Regular Collateral Account

UHB Screen sample

SECURITIES	CASH	SERVICES	STATIC DATA	MONITORING
Static Data > Securities Account > Securities Accounts > Edit Securities Account				
Securities Account				
Securities Account				
Account Number * REGULARACCOUNT				
Securities Account Type * CSD Participant account		Opening Date 2015-06-01	Closing Date 2050-12-31	
Hold/Release * Release		Negative Position <input type="checkbox"/>		End Investor Account Flag * No Account allocations
Pricing Scheme * Account				
Account Holder				
Valid From 2013-05-10	Parent BIC CSDAXXYAAA	BIC NCBAXXYAAA	Name SN	Party Type Central Securities Depository (CSD)

Field description

Field name	Mandatory / Optional	Value
Type	M	CSD Participant account
Opening date	M	01/06/2015
Closing date	O	
Hold/Release	M	Release
Negative position	n/a	
Parent BIC	M	CSDAXXYAAA
BIC	M	NCBAXXYAAA
Account identification	M	REGULARACCOUNT
End Investor Flag	O	NONE
Pricing Scheme	M	ISIN



Overview of set-up for auto-collateralisation with Central Bank (Pledge)

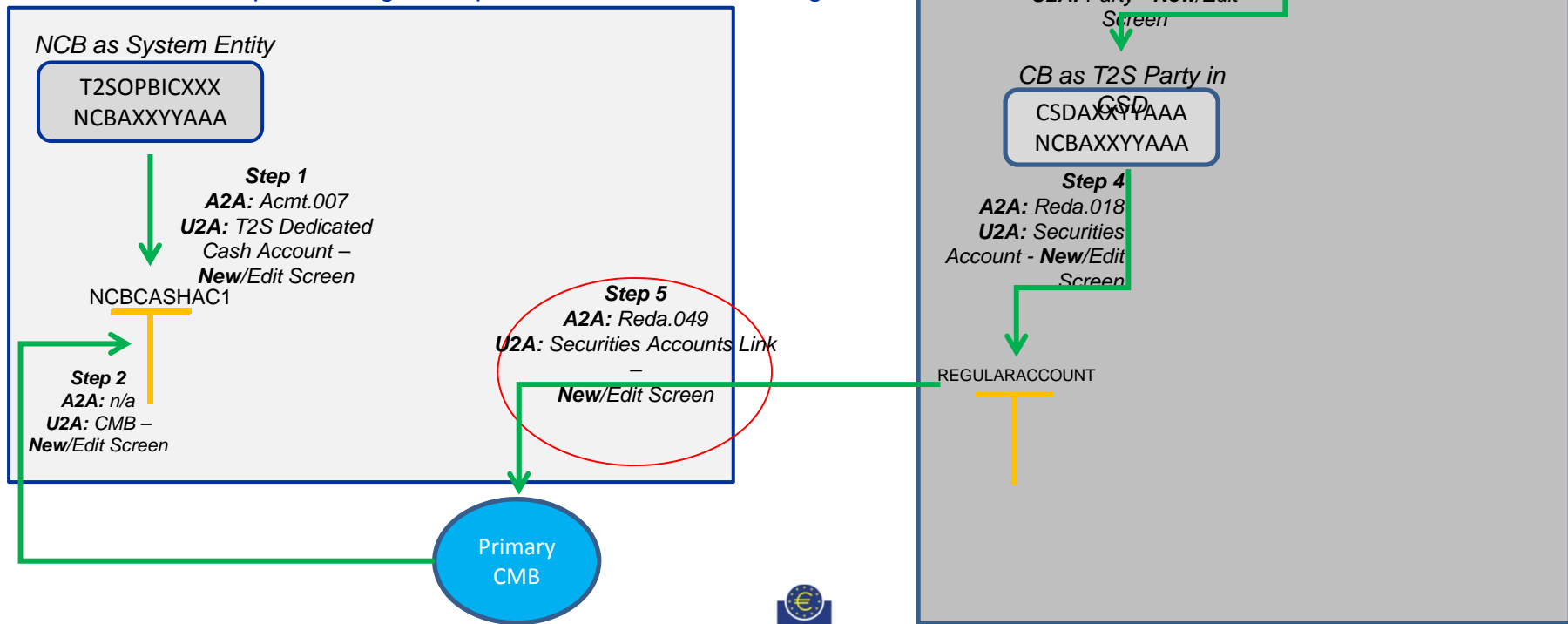
Step 5 – Link the Regular Collateral Account to the Central Bank Cash account

This step aims at linking the Regular Collateral Account of the Central Bank used for collateral relocation to the Central Bank Cash Account

Responsible actor: CSD

Both U2A and A2A are available to perform this step

- Securities Accounts Link - New/Edit Screen: UHB sample screen next
- Reda.049: Sample message: Step5_CMB_Account_link_Regular.xml





Overview of set-up for auto-collateralisation with Central Bank (Pledge) Step 5 – Link the Regular Collateral Account to the Central Bank Cash account

UHB Screen sample

Field description

Field name	Mandatory / Optional	Value
Securities account number	M	REGULARACCOUNT
T2S Dedicated cash account	M	NCBCASHAC1
Valid from	M	01/06/2015
Valid to	O	
Default link	M	True
Collateralisation link	M	False
Cash settlement link	M	True



Overview of set-up for auto-collateralisation with Central Bank (Pledge)

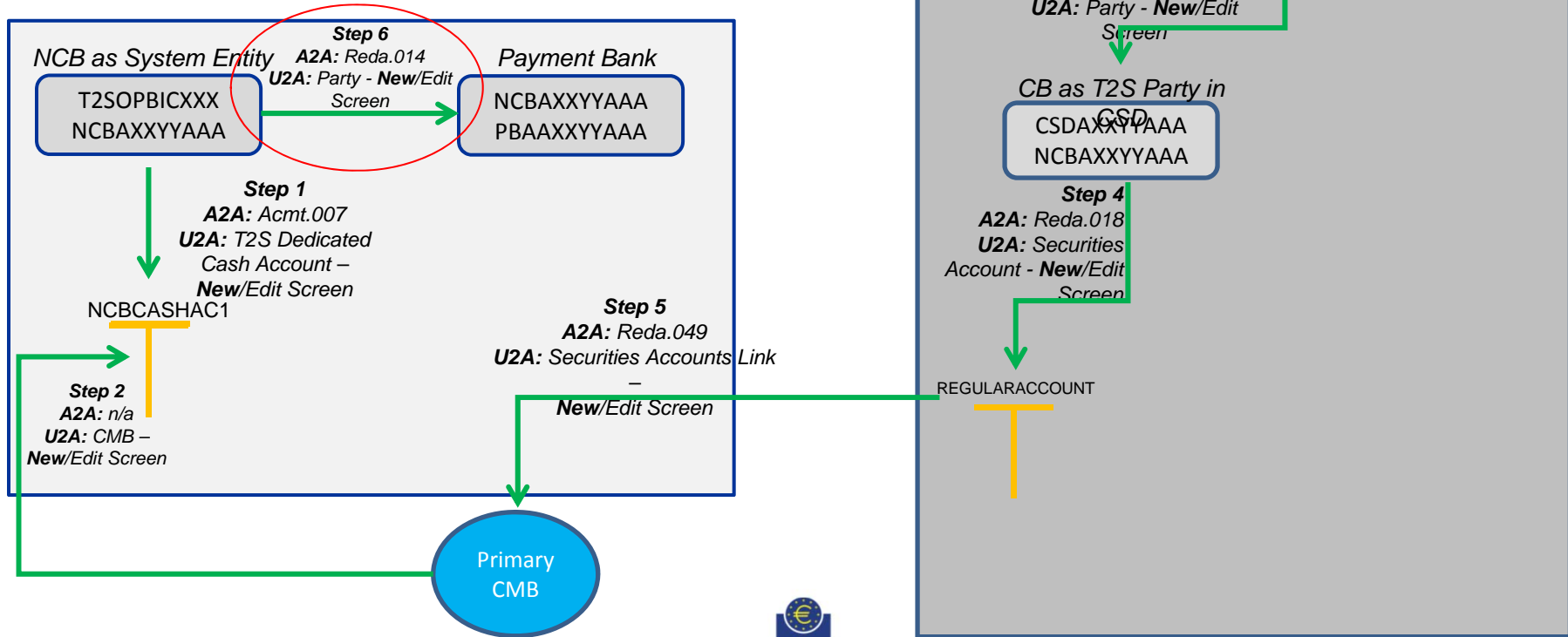
Step 6 – Creation of the Payment Bank in the NCB

This step aims at creating the Payment Bank as a T2S Party in the NCB

Responsible actor: NCB

Both U2A and A2A are available to perform this step

- Party - New/Edit Screen: UHB sample screen next slide
- Reda.014





Overview of set-up for auto-collateralisation with Central Bank (Pledge)

Step 6 – Creation of the Payment Bank in the NCB

UHB Screen sample

SECURITIES CASH SERVICES **STATIC DATA** MONITORING

Static Data > Parties > Parties > Edit Party

Party

Party

Parent BIC * Party Type Valid From Closing Date

Party Code

Valid From BIC *

Party Name

Valid From Party Long Name * Party Short Name *

Technical Addresses

10 (1 of 1)

Address Value * Options

+ 10 changes left

Market-Specific Attributes

10 (1 of 1)

Attribute Name * Attribute Value * Options

No records found

+ 10 changes left

Restrictions

10 (1 of 1)

Restriction * Valid From * Valid To * Options

No records found

+ 10 changes left

Submit Cancel Reset Technical Addresses Network Services Links

Field description

Field name	Mandatory / Optional	Value
Parent BIC	M	NCBAXXXYAAA
BIC	M	PBAXXXYAAA
Type	M	Payment Bank
Opening date	M	01/06/2015
Long name	M	PBA
Short name	M	PBA
Technical address	M	DN2
Actual address	-	-
Valid from	M	01/06/2015
Street	M	Berger Strasse
House number	M	10800
Postal code	M	aaaaa
City	M	bbbbbb
State or Province	M	ccccc
Country code	M	DD



Overview of set-up for auto-collateralisation with Central Bank (Pledge)

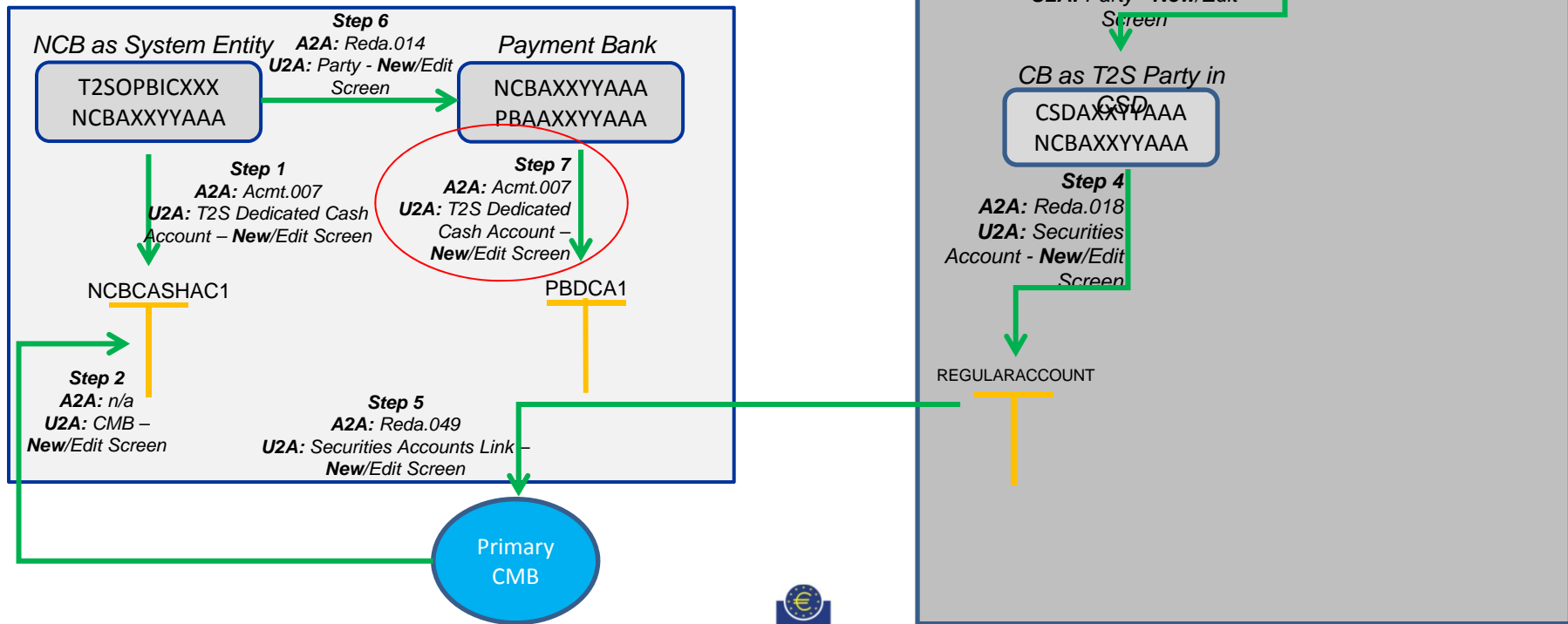
Step 7 – Creation of a T2S Dedicated Cash Account for the Payment Bank

This step aims at creating the T2S Dedicated Cash Account for the Payment Bank

Responsible actor: NCB

Both U2A and A2A are available to perform this step

- T2S Dedicated Cash Account - New/Edit Screen: UHB screen next slide
- Acmt.007





Overview of set-up for auto-collateralisation with Central Bank (Pledge) Step 7 – Creation of a T2S Dedicated Cash Account for the Payment Bank

UHB Screen sample

SEcurities CASH SERVICES **STATIC DATA** MONITORING

Static Data > T2S Dedicated Cash Account > Dedicated Cash Accounts > Edit Dedicated Cash Account

T2S Dedicated Cash Account

Account Identifier: **PBDCA1** Opening Date *: **2015-06-01** Closing Date *: **2099-12-31**

Type: **T2S Dedicated Cash Account** Parent BIC: **NCBAXXYAAA** Party BIC: **PBAXXYAAA**

Party Short Name: **New party for INTEG** Party Type: **PMBK**

Floor Notification *: **0** Ceiling Notification *: **1000000** Issue Curr. *: **EUR** RTGS Account *: **RTGSAC2**

Restrictions

Type	Valid From	Valid To	Options
No records found			

Add/Update Restriction

Restriction * Valid From * Valid To *

Add Row Update Row

Submit Cancel Reset

Field description

Field name	Mandatory / Optional	Value
Account identifier	M	PBDCA1
Opening date	M	01/06/2015
Closing date	O	
Type	M	T2S dedicated cash account
Parent BIC	M	NCBAXXYAAA
Party BIC	M	PBAAXXYAAA
Floor notification	O	0
Ceiling notification	O	100000000
Issue currency	M	EUR
RTGS Account	M	RTGSAC2
Restriction	O	
Valid from	O	
Valid to	O	



Overview of set-up for auto-collateralisation with Central Bank (Pledge)

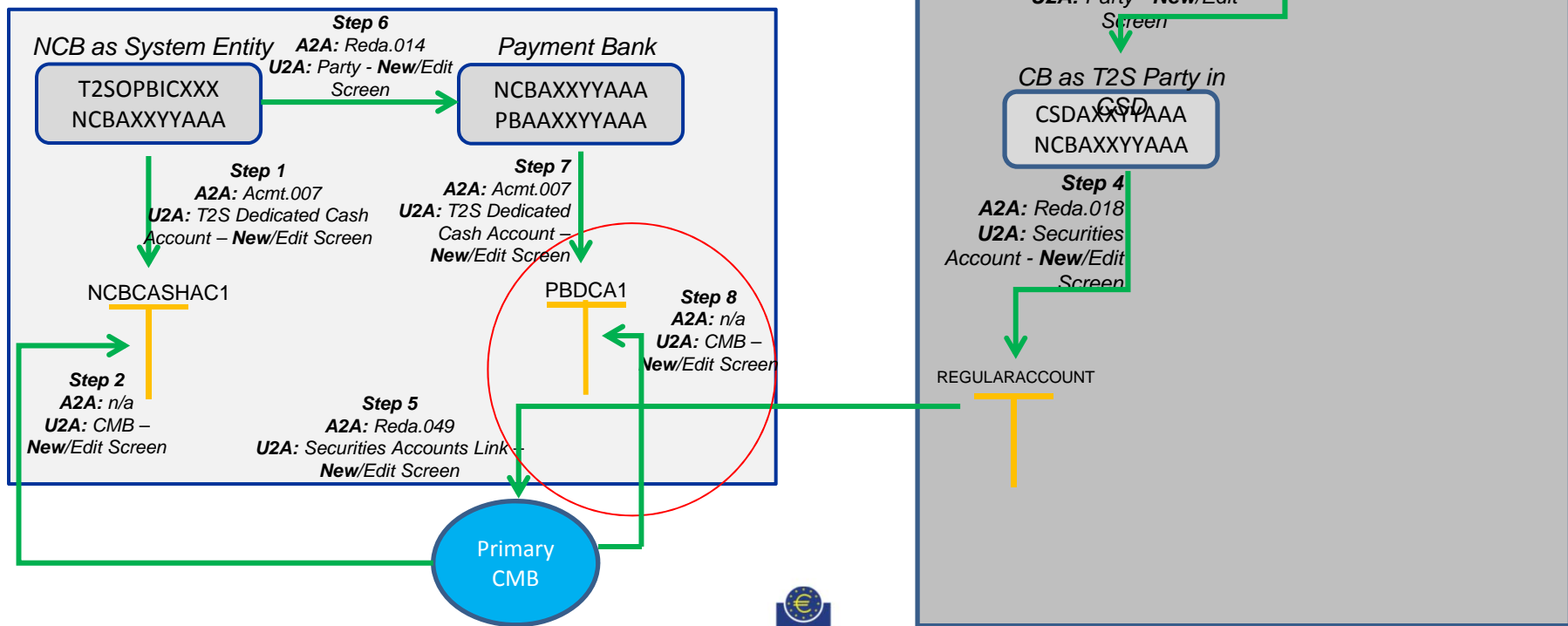
Step 8 – Linking the T2S DCA to the T2S Central Bank Account and Regular Account

This step aims at linking the T2S Dedicated Cash Account of the Payment Bank to the T2S Central Bank Cash Account and Regular Account

Responsible actor: NCB

Only U2A is available to perform this step

- CMB - New/Edit Screen: UHB sample screen next slide





Overview of set-up for auto-collateralisation with Central Bank (Pledge)

Step 8 – Linking the T2S DCA to the T2S Central Bank Account and Regular Account

UHB Screen sample

SECURITIES	CASH	SERVICES	STATIC DATA	MONITORING						
Static Data > T2S Dedicated Cash Account > Credit Memorandum Balances > Edit Credit Memorandum Balance										
Credit Memorandum Balance										
Credit Memorandum Balance Id 263001		T2S Dedicated Cash Account PBDCA1	Primary CMB Yes							
Authorized BIC Rules										
<table border="1"> <thead> <tr> <th>Wildcard Pattern *</th> <th>Inclusion</th> <th>Options</th> </tr> </thead> <tbody> <tr> <td>PBAXXXYY*</td> <td>Yes</td> <td></td> </tr> </tbody> </table>					Wildcard Pattern *	Inclusion	Options	PBAXXXYY*	Yes	
Wildcard Pattern *	Inclusion	Options								
PBAXXXYY*	Yes									
NCB T2S Dedicated Cash Account										
NCB T2S Dedicated Cash Account Number NCBCASHAC1		Valid From 2015-06-01								
Regular Securities Account										
Regular Securities Account Number REGULARACCOUNT		Valid From 2015-06-01								
Receiving Securities Account										
Receiving Securities Account Number		Valid From	Valid To 9999-12-31							
<input type="button" value="Submit"/> <input type="button" value="Cancel"/> <input type="button" value="Reset"/>										

Field description

Field name	Mandatory / Optional	Value
T2S Dedicated cash account	M	PBDCA1
Primary CMB	M	Yes
Wildcard pattern	M	PBAAXXXYY*
Inclusion	M	Yes
NCB T2S dedicated cash account	M	NCBCASHAC1
Valid from	M	01/06/2015
Regular securities account	M	REGULARACCOUNT
Valid from	M	01/06/2015
Receiving securities account	M	(will be filled in a later stage)
Valid from	M	(will be filled in a later stage)
Valid to	O	

Note:

- One or more wildcard patterns (minimum BIC4 plus asterisk) BIC4*, BIC8* or BIC11 are possible in the primary CMB. The list of BICs defined will be used to identify securities accounts authorised to link to the PB T2S DCA (PBDCA1) in the step 14
- The Collateral Receiving Account will be mentioned in the CMB after being linked to the Payment Bank DCA via Securities Accounts Links



Overview of set-up for auto-collateralisation with Central Bank (Pledge)

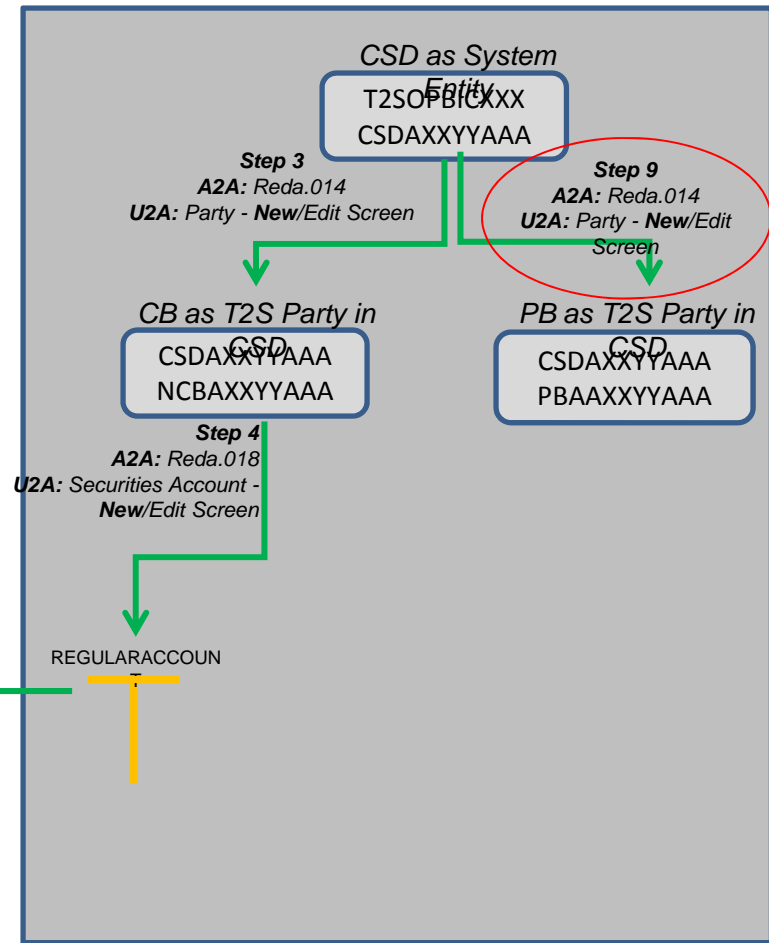
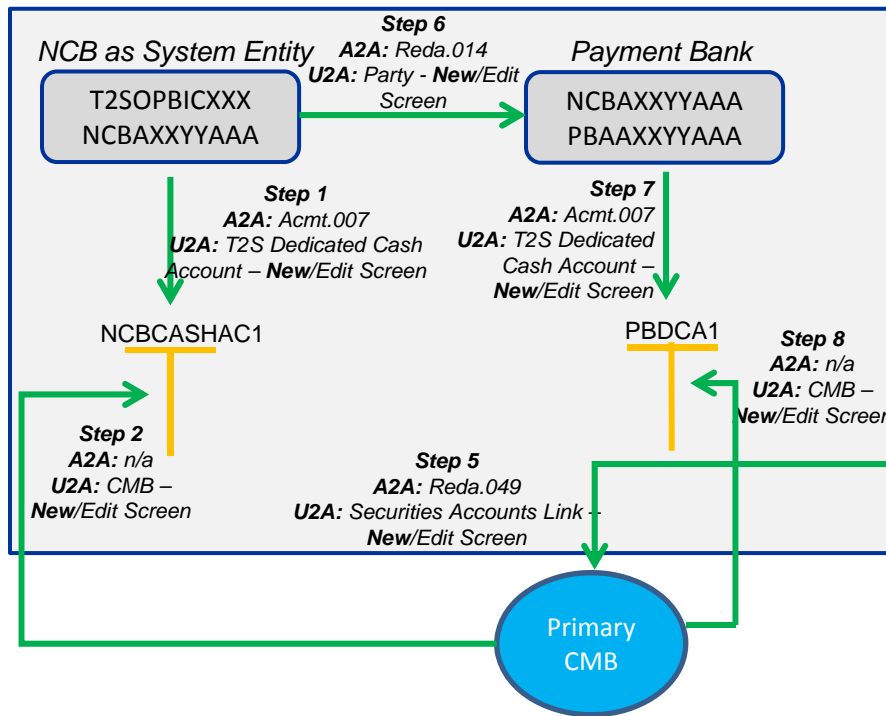
Step 9 – Creation of the Payment Bank as CSD Participant

This step aims at creating the Payment Bank as CSD Participant in the CSD

Responsible actor: CSD

Both U2A and A2A are available to perform this step

- Party - New/Edit Screen: UHB sample screen next slide
- Reda.014





Overview of set-up for auto-collateralisation with Central Bank (Pledge) Step 9 – Creation of the Payment Bank as CSD Participant

UHB Screen sample

SECURITIES CASH SERVICES **STATIC DATA** MONITORING

Static Data > Parties > Parties > Edit Party

Party

Party

Parent BIC * Party Type Valid From Closing Date

Party Code

Valid From BIC *

Party Name

Valid From Party Long Name * Party Short Name *

Technical Addresses

10 (1 of 1)

Address Value * Options

+ 10 changes left

Market-Specific Attributes

10 (1 of 1)

Attribute Name * Attribute Value * Options

No records found

+ 10 changes left

Restrictions

10 (1 of 1)

Restriction * Valid From * Valid To * Options

No records found

+ 10 changes left

Submit Cancel Reset Technical Addresses Network Services Links

Field description

Field name	Mandatory / Optional	Value
Parent BIC	M	CSDAXXXYAAA
BIC	M	PBAAXXXYAAA
Type	M	CSD Participant
Opening date	M	01/06/2015
Long name	M	PBA
Short name	M	PBA
Technical address	M	DN2



Overview of set-up for auto-collateralisation with Central Bank (Pledge)

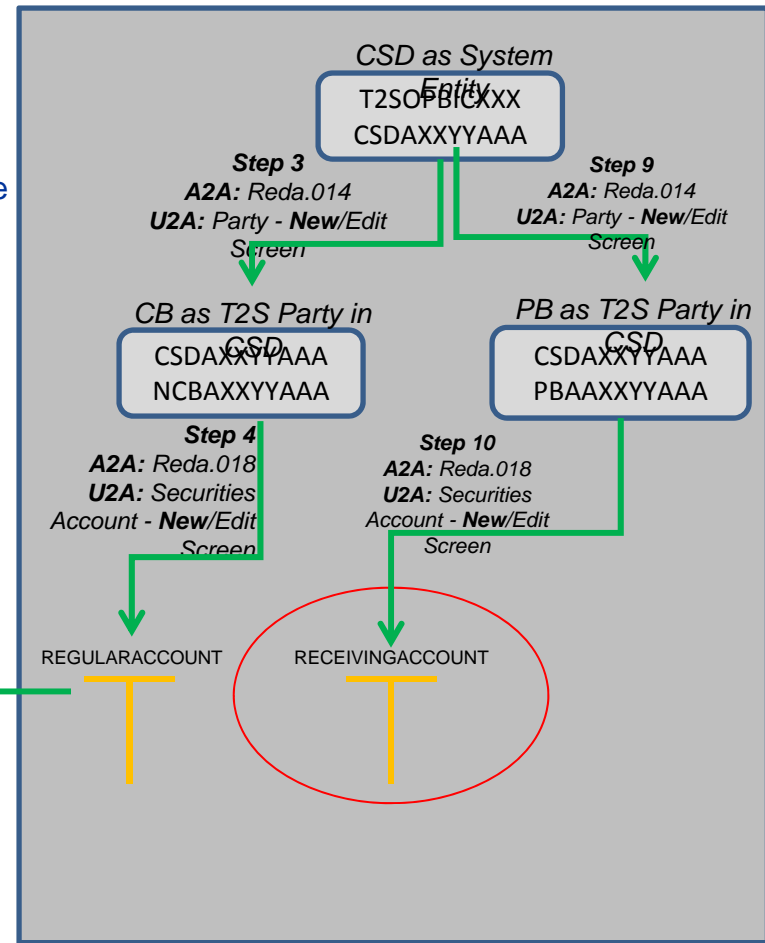
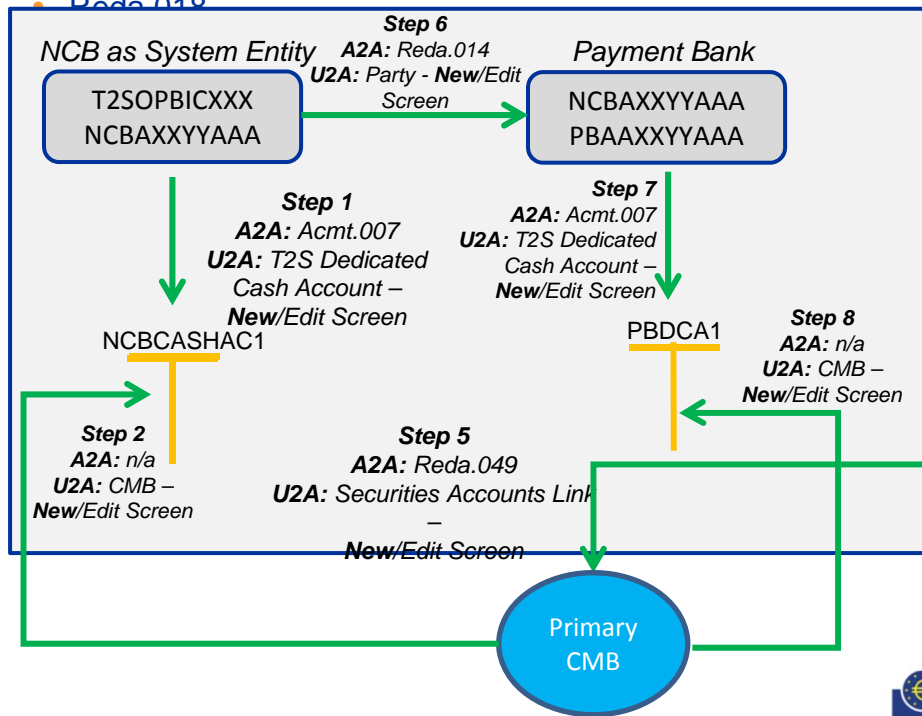
Step 10 – Creation of the Payment Bank collateral Receiving Account

This step aims at creating the Receiving Account that will be used during the auto-collateralisation procedure to store the collateral given by the credit consumer during the intraday credit operation

Responsible actor: CSD

Both U2A and A2A are available to perform this step

- Securities Account - New/Edit Screen: UHB sample screen next slide
- Reda.018





Overview of set-up for auto-collateralisation with Central Bank (Pledge)

Step 10 – Creation of the Payment Bank collateral Receiving Account

UHB Screen sample

SECURITIES	CASH	SERVICES	STATIC DATA	MONITORING
Static Data > Securities Account > Securities Accounts > Edit Securities Account				
Securities Account				
Securities Account				
Account Number * RECEIVINGACCOUNT				
Securities Account Type * CSD Participant account		Opening Date 2015-06-01	Closing Date 2050-12-31	
Hold/Release * Release		Negative Position <input type="checkbox"/>	End Investor Account Flag * No Account allocations	
Pricing Scheme * ACCOUNT				
Account Holder				
Valid From 2013-05-10	Parent BIC CSDAXXYAAA	BIC PBAAXXYAAA	Name SN	Party Type Central Securities Depository (CSD)

Field description

Field name	Mandatory / Optional	Value
Type	M	CSD Participant account
Opening date	M	01/06/2015
Closing date	O	
Hold/Release	M	Release
Negative position	n/a	
Parent BIC	M	CSDAXXYAAA
BIC	M	PBAAXXYAAA
Account identification	M	RECEIVINGACCOUNT
End Investor Flag	O	NONE
Pricing Scheme	O	ISIN



Overview of set-up for auto-collateralisation with Central Bank (Pledge)

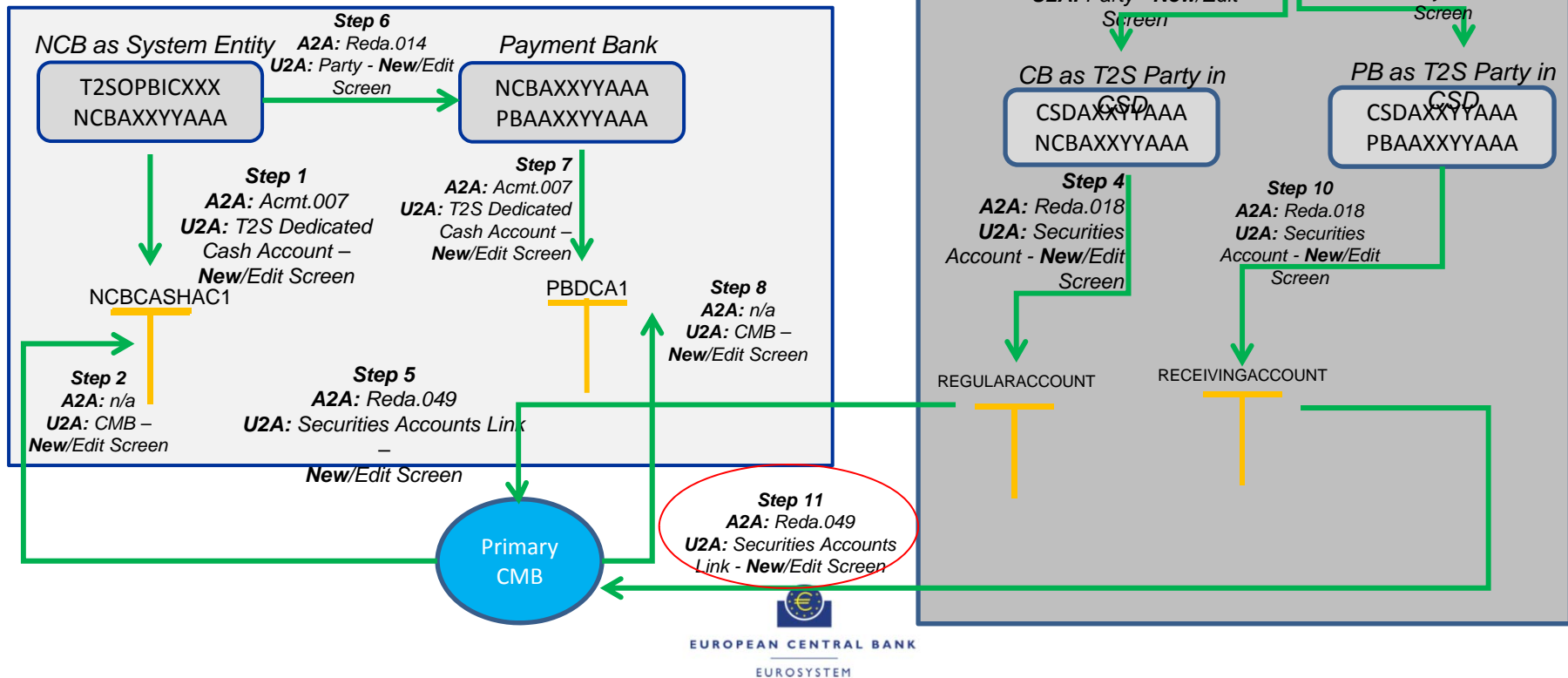
Step 11 – Link the Receiving Account to the Payment Bank Cash account

This step aims at linking the Receiving Account of the Payment Bank to the Payment Bank Cash account

Responsible actor: CSD

Both U2A and A2A are available to perform this step

- Securities Accounts Link - New/Edit Screen: UHB sample screen next
- Reda.049





Overview of set-up for auto-collateralisation with Central Bank (Pledge)

Step 11 – Link the Receiving Account to the Payment Bank Cash account

UHB Screen sample

The screenshot shows the 'Accounts Links' configuration window. It contains the following fields and values:

- Securities Account Number: RECEIVINGACCOUNT
- T2S Dedicated Cash Account: PBDCA1
- Valid From: 2015-06-01
- Valid To: 2012-09-22
- Default Link: True
- Collateralisation Link: False
- Cash Settlement Link: False

Field description

Field name	Mandatory / Optional	Value
Securities account number	M	RECEIVINGACCOUNT
T2S Dedicated cash account	M	PBDCA1
Valid from	M	01/06/2015
Valid to	O	
Default link	M	True
Collateralisation link	M	False
Cash settlement link	M	False*

*DCU6046: "When performing a Credit Memorandum Balance update request, the Receiving Securities Account Identifier specified must be linked to the primary CMB of the T2S Dedicated Cash Account Identifier with Collateralisation Link set to false and Cash Settlement Link set to false in case the Collateralisation Procedure for Auto-collateralisation Rule of the relevant NCB is not set to Repo and Primary CMB is set to True"



Overview of set-up for auto-collateralisation with Central Bank (Pledge)

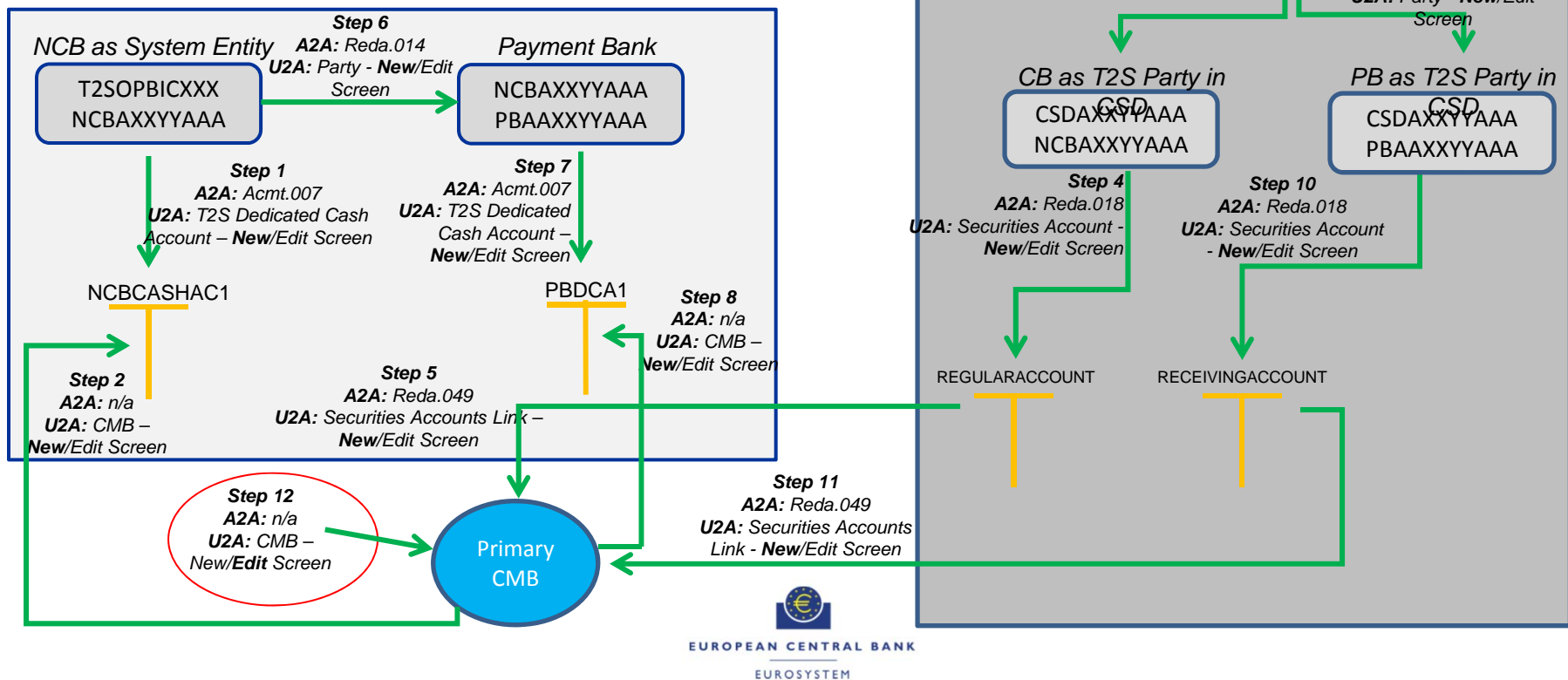
Step 12 – Linking the Payment Bank Cash account to the Receiving Account

This step aims at linking the T2S Dedicated Cash Account of the Payment Bank to the Collateral Receiving Account

Responsible actor: NCB

Only U2A is available to perform this step

- CMB - New/Edit Screen: UHB sample screen next slide





Overview of set-up for auto-collateralisation with Central Bank (Pledge)

Step 12 – Linking the Payment Bank Cash account to the Receiving Account

UHB Screen sample

SEcurities CASH SERVICES **STATIC DATA** MONITORING

Static Data > T2S Dedicated Cash Account > Credit Memorandum Balances > Edit Credit Memorandum Balance

Credit Memorandum Balance

Credit Memorandum Balance Id: 263001

T2S Dedicated Cash Account: **PBDCA1**

Primary CMB: **Yes**

Authorized BIC Rules

10 (1 of 1)

Wildcard Pattern *	Inclusion	Options
PBAXXXYY*	Yes	

+ 10 changes left

NCB T2S Dedicated Cash Account

NCB T2S Dedicated Cash Account Number: **NCBCASHAC1**

Valid From: **2015-06-01**

Regular Securities Account

Regular Securities Account Number: **REGULARACCOUNT**

Valid From: **2015-06-01**

Receiving Securities Account

Receiving Securities Account Number: **RECEIVINGACCOUNT**

Valid From: **2015-06-01**

Valid To: 9999-12-31

Submit Cancel Reset

Field description

Field name	Mandatory / Optional	Value
T2S Dedicated cash account	M	PBDCA1
Primary CMB	M	Yes
Wildcard pattern	M	PBAXXXYY*
Inclusion	M	Yes
NCB T2S dedicated cash account	M	NCBCASHAC1
Valid from	M	01/06/2015
Regular securities account	M	REGULARACCOUNT
Valid from	M	01/06/2015
Receiving securities account	M	RECEIVINGACCOUNT
Valid from	M	01/06/2015
Valid to	O	



Overview of set-up for auto-collateralisation with Central Bank (Pledge)

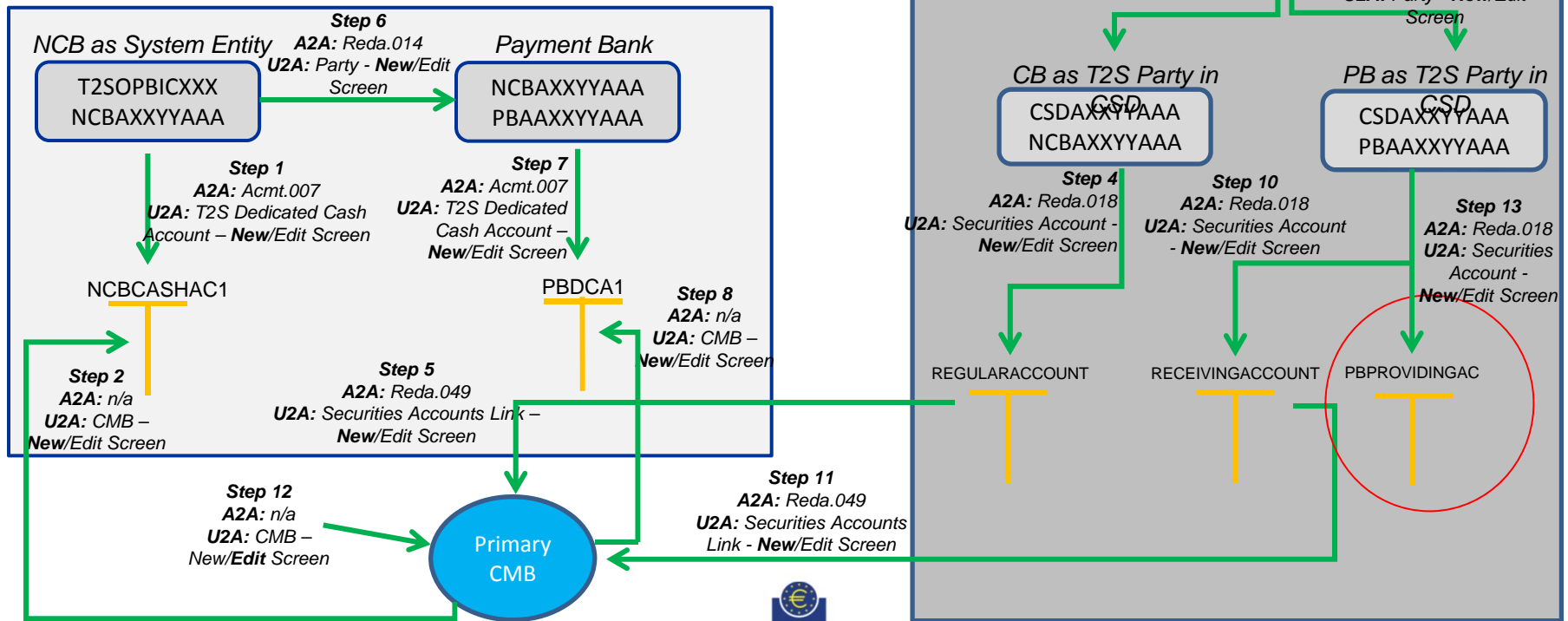
Step 13 – Creation of the Payment Bank Providing Account

This step aims at creating the Collateral Providing Account for the Payment Bank in the CSD

Responsible actor: CSD

Both U2A and A2A are available to perform this step

- Securities Account - New/Edit Screen: UHB sample screen next slide
- Reda.018





Overview of set-up for auto-collateralisation with Central Bank (Pledge)

Step 13 – Creation of the Payment Bank Providing Account

UHB Screen sample

SECURITIES	CASH	SERVICES	STATIC DATA	MONITORING
Static Data > Securities Account > Securities Accounts > Edit Securities Account				
Securities Account				
Securities Account				
Account Number * PBPROVIDINGAC				
Securities Account Type * CSD Participant account		Opening Date 2015-06-01	Closing Date 2050-12-31	
Hold/Release * Release	Negative Position <input type="checkbox"/>	End Investor Account Flag * No Account allocations		
Pricing Scheme * Account				
Account Holder				
Valid From 2013-05-10	Parent BIC CSDAXXYAAA	BIC PBAXXYAAA	Name SN	Party Type Central Securities Depository (CSD)

Field description

Field name	Mandatory / Optional	Value
Type	M	CSD Participant account
Opening date	M	01/06/2015
Closing date	O	
Hold/Release	M	Release
Negative position	O	
Parent BIC	M	CSDAXXYAAA
BIC	M	PBAAXXYAAA
Account identification	M	PBPROVIDINGAC
End Investor Flag	O	NONE
Pricing Scheme	O	ISIN



Overview of set-up for auto-collateralisation with Central Bank (Pledge)

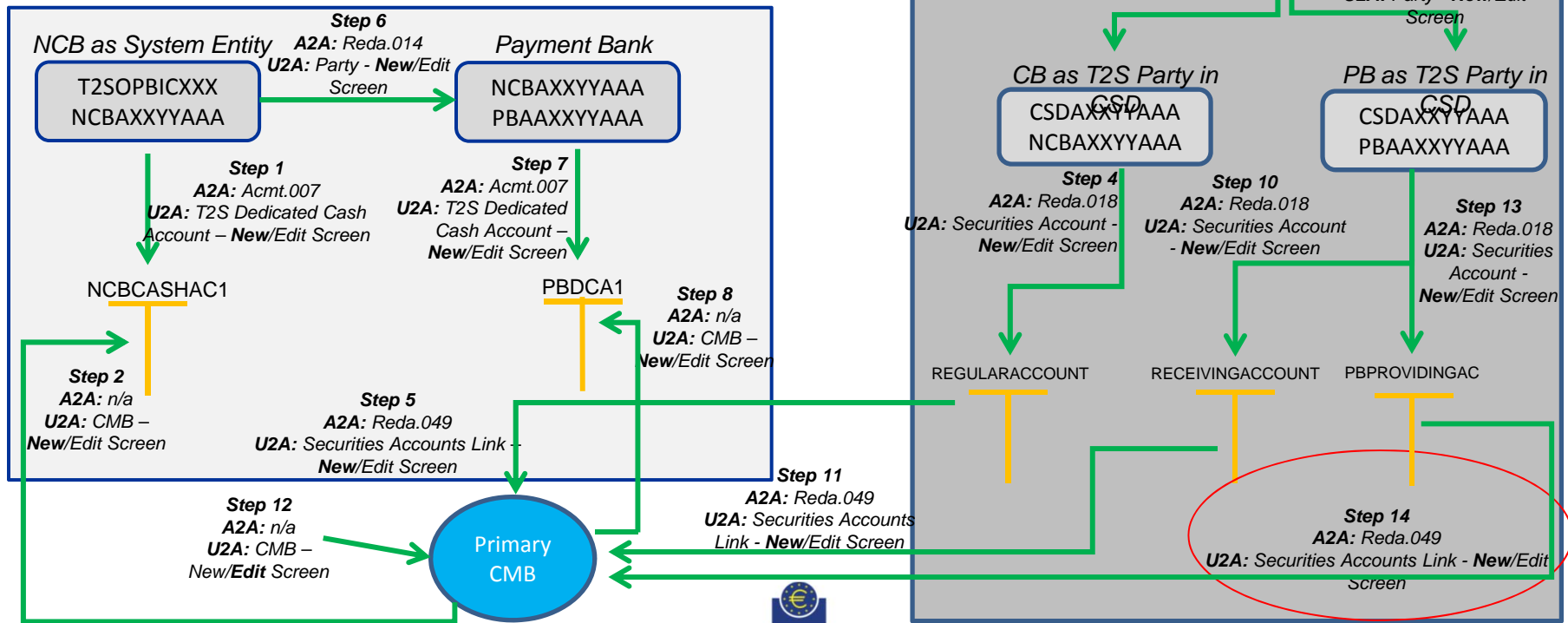
Step 14 – Linking the Payment Bank T2S DCA to the Collateral Providing Account

This step aims at linking the T2S Dedicated Cash Account of the payment bank to its securities Collateral Providing Account

Responsible actor: CSD

Both U2A and A2A are available to perform this step

- Securities Accounts Links - New/Edit Screen: UHB sample screen next
- Reda.049





Overview of set-up for auto-collateralisation with Central Bank (Pledge)

Step 14 – Linking the Payment Bank T2S DCA to the Collateral Providing Account

UHB Screen sample

The screenshot shows the 'Accounts Links' configuration window. It contains the following fields and values:

Field Name	Value
Securities Account Number	PBPROVIDINGAC
T2S Dedicated Cash Account	PBDC1
Valid From	2015-06-01
Valid To	2012-09-22
Default Link	True
Collateralisation Link	True
Cash Settlement Link	True

Field description

Field name	Mandatory / Optional	Value
Securities account number	M	PBPROVIDINGAC
T2S Dedicated cash account	M	PBDC1
Valid from	M	01/06/2015
Valid to	O	
Default link	M	True
Collateralisation link	M	True*
Cash settlement link	M	True**

Note:

- The list of BICs defined in step 10 will be used to identify securities accounts authorised to trigger auto-collateralisation on the PB T2S DCA (PBDC1)
- In the case of a Pledge model, the Collateral Receiving Account of the PB will be linked to the PB DCA at this stage

* T2S only allows a value 'True'. This means that the securities account is linked to a DCA for the provision of collateral.

** T2S also allows a value 'False'. This means that this securities account cannot be used for settlement of normal business instructions. However, T2S will cancel the reverse collateral instructions in case there were a revalidation triggered by a relevant static data update.



Overview of set-up for auto-collateralisation with Central Bank (Pledge)

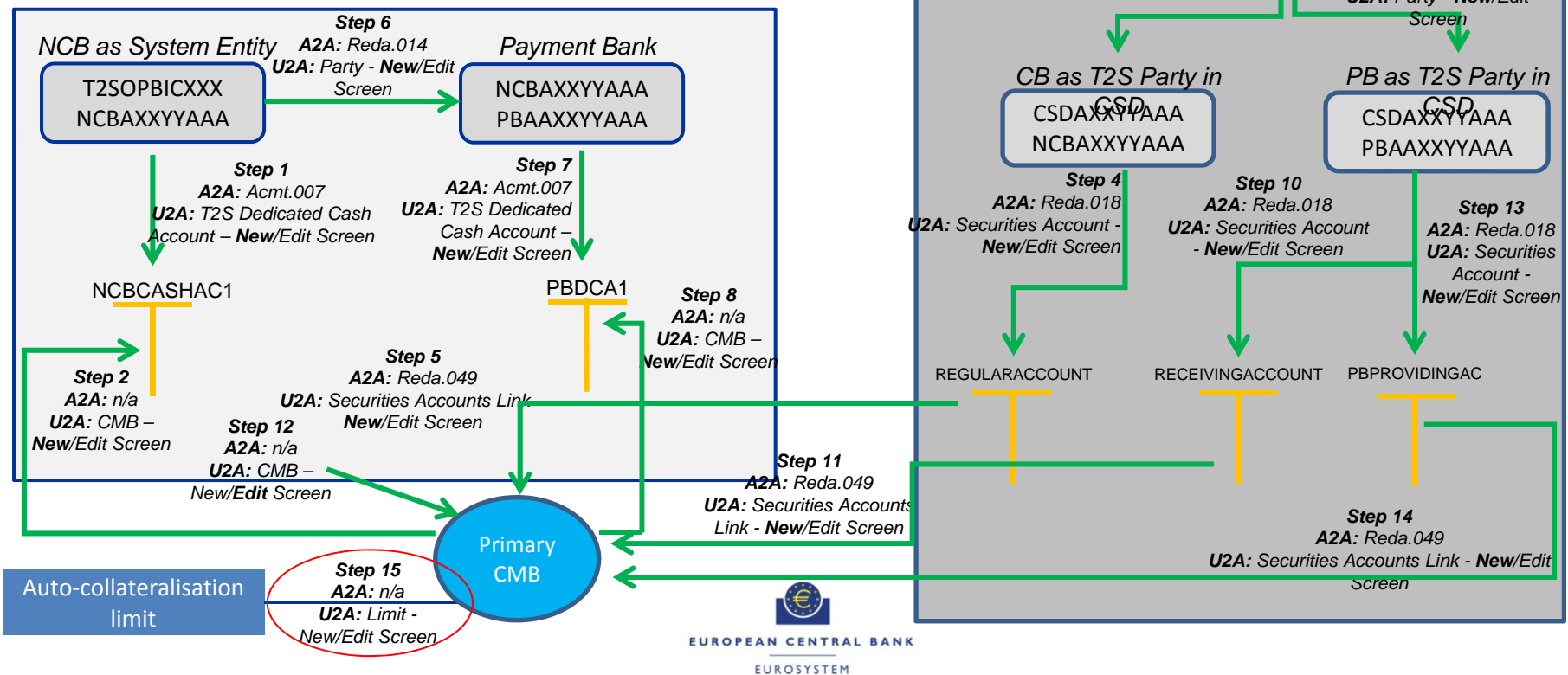
Step 15 – Creation of the auto-collateralisation limit

This step aims at creating the auto-collateralisation limit for the Payment Bank

Responsible actor: NCB

Only U2A is available to perform this step

- Limit - New/Edit Screen: UHB sample screen next slide





Overview of set-up for auto-collateralisation with Central Bank (Pledge)

Step 15 – Creation of the auto-collateralisation limit

UHB Screen sample

Static Data > T2S Dedicated Cash Account > Limits > Edit Limit

Limit Id 106001	T2S Dedicated Cash Account Number <input type="text" value="PBDCA1"/>	CMB Id 106001
Limit Type <input type="text" value="Auto-collateralisation"/>	Amount * <input type="text" value="500000000"/>	Valid From * <input type="text" value="2015-06-01"/>

Submit Cancel Reset

Field description

Field name	Mandatory / Optional	Value
T2S DCA Number	M	PBDCA1
CMB Id	M	106001
Limit type	M	Auto-collateralisation
Amount	M	To be defined
Valid from	M	01/06/2015



Table of contents

1 Introduction

2 Set-up for Central Bank auto-collateralisation - Repo

3 Set-up for Central Bank auto-collateralisation –
Pledge

4 Set-up for client collateralisation - Repo

5 Message flow and bookings – Repo and Pledge

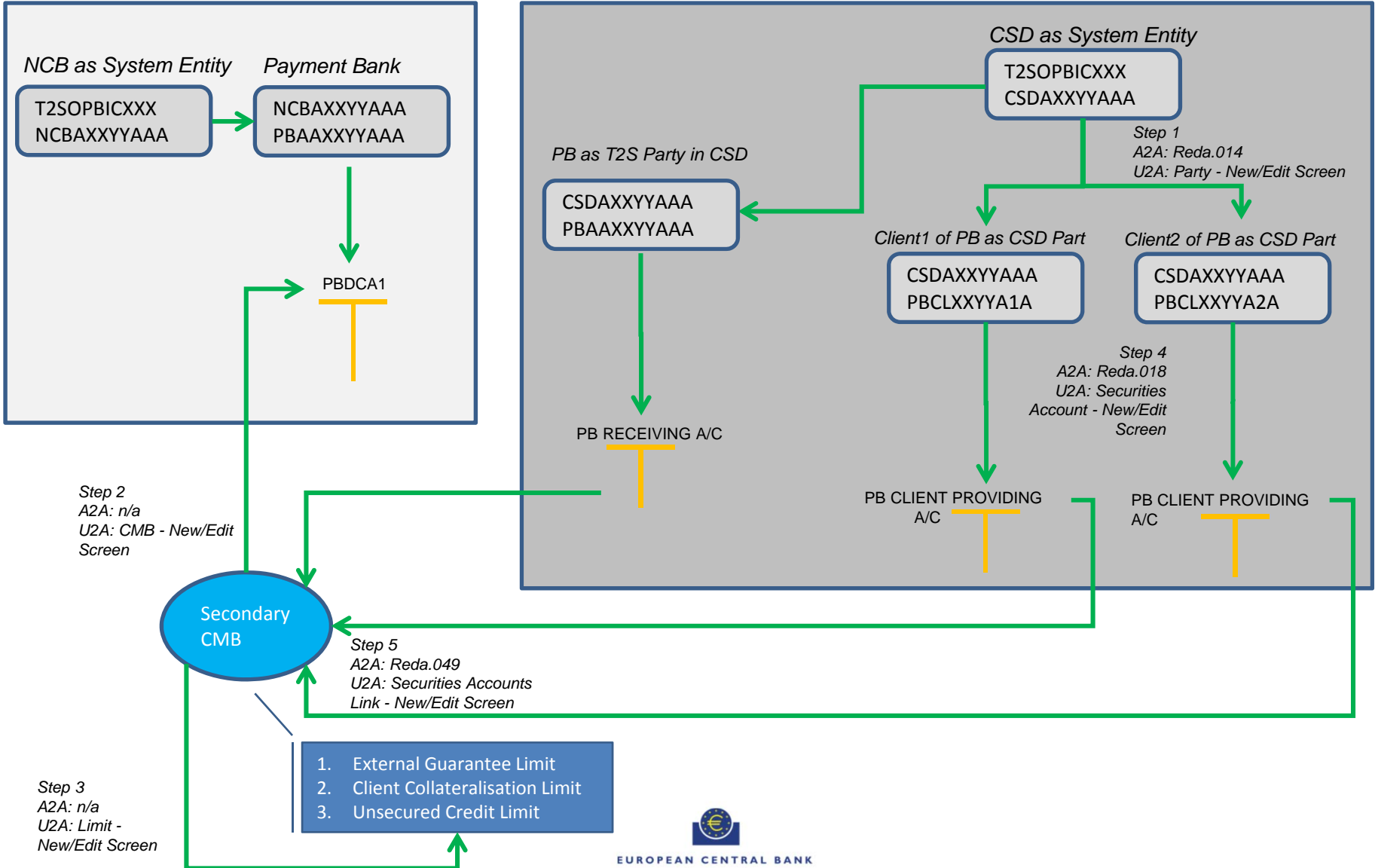
6 Annex



T2S Auto-collateralisation Framework

Client Collateralisation set-up: Repo Model

Step	T2S Actor	Action	Note	Mode
1	CSD	Creation of a new CSD Participant for the client.		A2A/U2A
2	Payment Bank	Authorising the client for collateralisation, linking the T2S Dedicated Cash Account of the Payment Bank to the Securities Account for receiving collateral.	This action results in the creation of a Secondary Credit Memorandum Balance for the relevant T2S Dedicated Cash Account, which is linked to one or more BICs of the client and to the specified Securities Account. The Receiving Securities Account must be one of the Securities Accounts of the Payment Bank.	U2A
3	Payment Bank	Creation and set-up of the external guarantee, auto-collateralisation and unsecured credit limits.		U2A
4	CSD	Creation of a new Securities Account for the client.		A2A/U2A
5	CSD	Linking the Securities Account to the T2S Dedicated Cash Account of the Payment Bank for cash settlement purpose and/or for collateralisation purpose.		A2A/U2A





Overview of set-up for client auto-collateralisation (Repo)

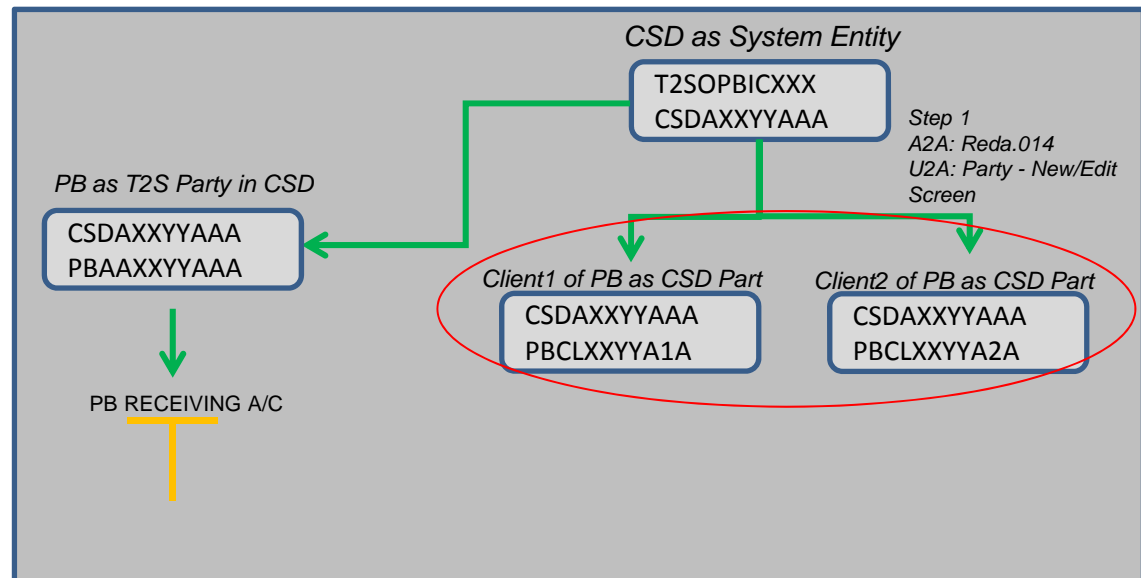
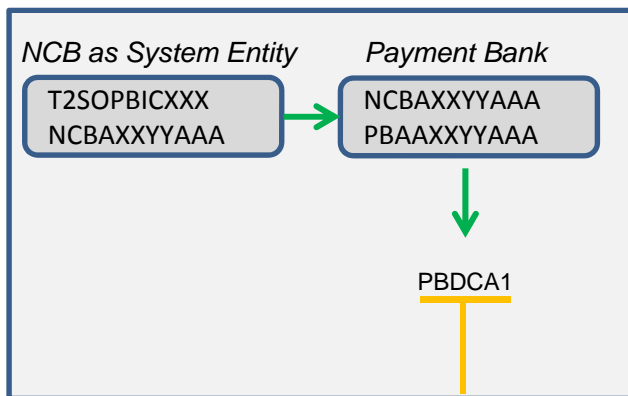
Step 1 - Creation of the clients of the Payment Bank as CSD Participants

This step aims at creating the clients of the Payment Bank as CSD participants

Responsible actor: CSD

Both U2A and A2A are available to perform this step

- Party - New/Edit Screen: UHB sample screen next slide
- Reda.014: Sample message: Step1_Client_PB_As_CSDP_creation.xml





Overview of set-up for client auto-collateralisation (Repo)

Step 1 - Creation of the clients of the Payment Bank as CSD Participants

UHB Screen sample

SECURITIES CASH SERVICES **STATIC DATA** MONITORING

Static Data > Parties > Parties > Edit Party

Party

Party

Parent BIC * Party Type Valid From Closing Date

Party Code

Valid From BIC *

Party Name

Valid From Party Long Name * Party Short Name *

Technical Addresses

10 (1 of 1)

Address Value * Options

+ 10 changes left

Market-Specific Attributes

10 (1 of 1)

Attribute Name * Attribute Value * Options

No records found

+ 10 changes left

Restrictions

10 (1 of 1)

Restriction * Valid From * Valid To * Options

No records found

+ 10 changes left

Submit Cancel Reset Technical Addresses Network Services Links

Field description

Field name	Mandatory / Optional	Value
Parent BIC	M	CSDAXXYAAA
BIC	M	PBCLXXYYA1A
Type	M	CSD Participant
Opening date	M	01/06/2015
Long name	M	PBCLA
Short name	M	PBCLA
Technical address	M	DN3



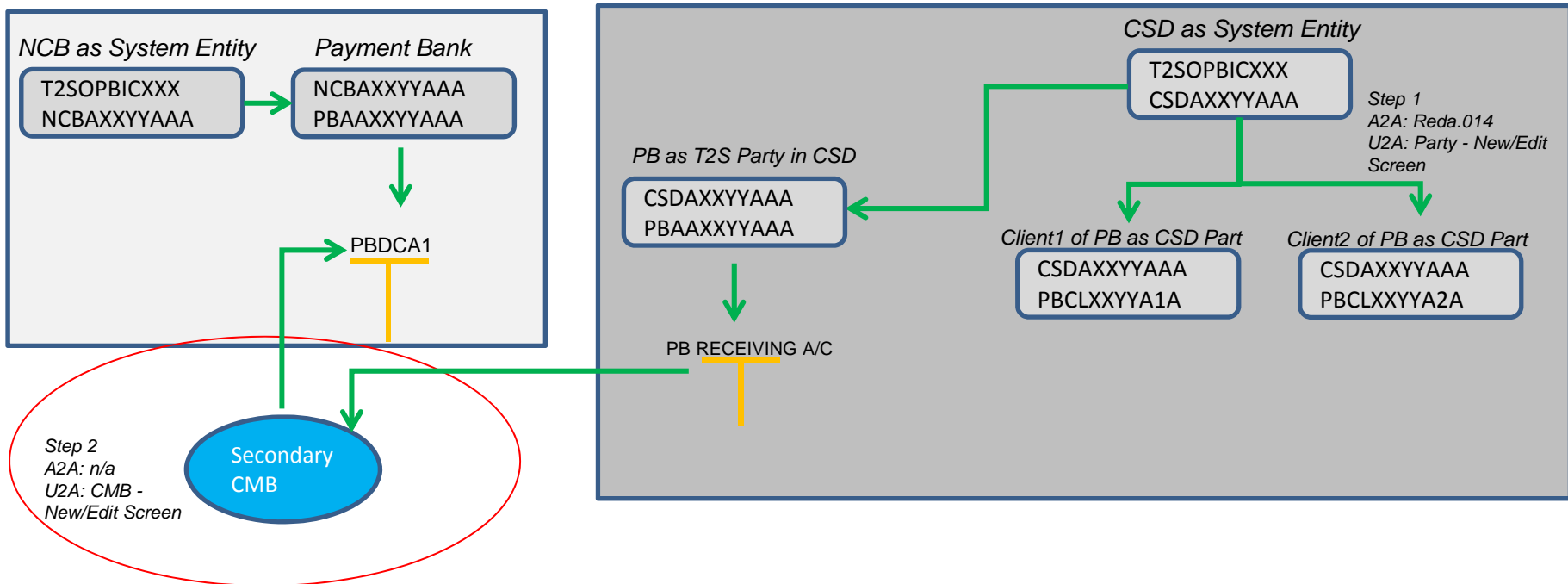
Overview of set-up for client auto-collateralisation (Repo) Step 2 - Creation of the secondary CMB linked to the Payment Bank BIC

This step aims at creating the secondary CMB

Responsible actor: Payment Bank

Only U2A is available to perform this step

- CMB - New/Edit Screen: UHB sample screen next slide





Overview of set-up for client auto-collateralisation (Repo) Step 2 - Creation of the secondary CMB linked to the Payment Bank BIC

UHB Screen sample

Field description

Field name	Mandatory / Optional	Value
T2S Dedicated cash account	M	PBDCA1
Primary CMB	M	No
Wildcard pattern	M	PBCLXXYY*
Inclusion	M	Yes
NCB T2S dedicated cash account	O	
Valid from	M	01/06/2015
Receiving securities account	M	PBRECEIVINGAC

Note:

- In order to allow the re-use of client collateral on flow for CB auto-collateralisation, the PBRECEIVINGAC should be the same as the PBPROVIDINGAC defined during CB auto-collateralisation procedure (Step 12 and 13)
- The Regular Securities Account in the screenshot must be ignored



Overview of set-up for client auto-collateralisation (Repo)

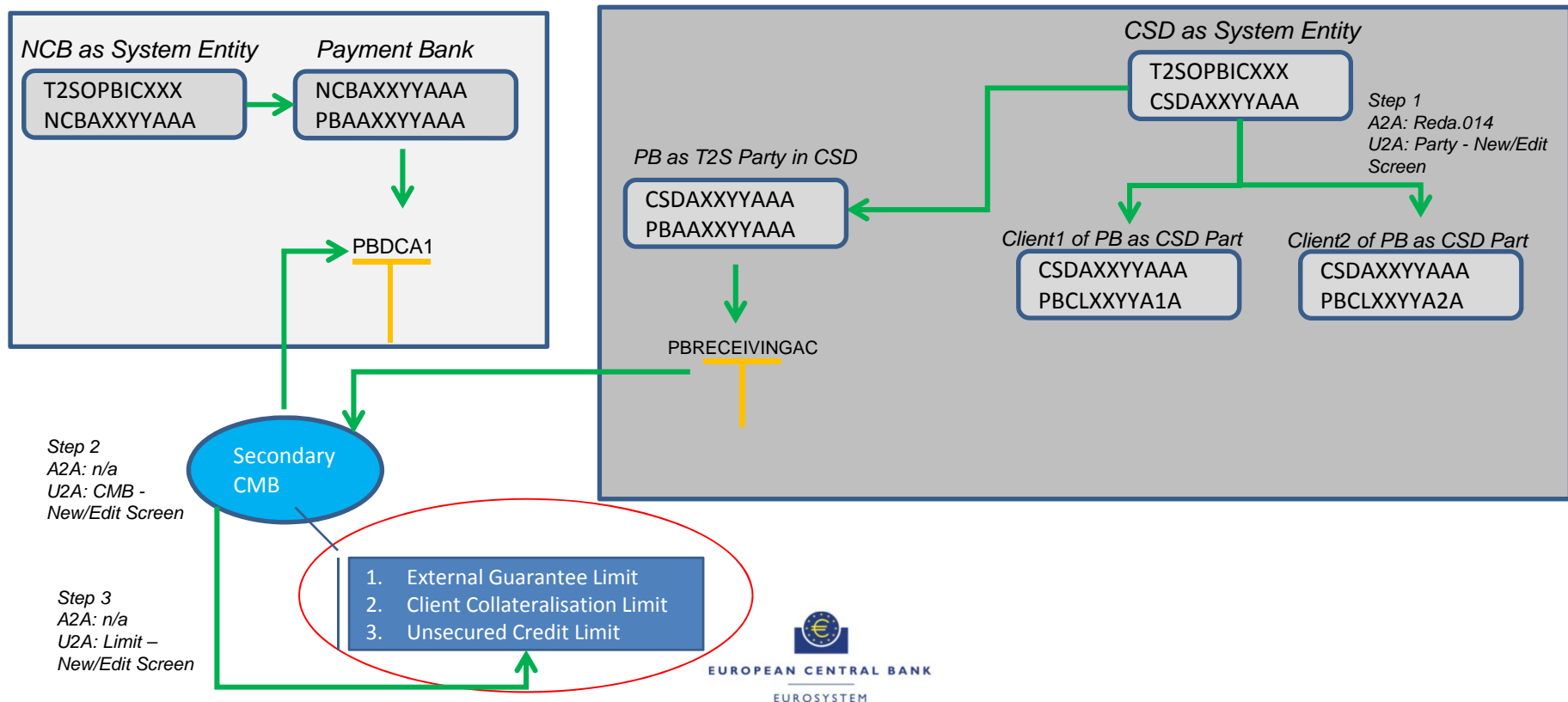
Step 3 - Creation of the client auto-collateralisation limits

This step aims at creating the external guarantee, auto-collateralisation and unsecured credit limits

Responsible actor: Payment Bank

Only U2A is available to perform this step

- Limit - New/Edit Screen : UHB sample screen next slide





Overview of set-up for client auto-collateralisation (Repo) Step 3 - Creation of the client auto-collateralisation limits

UHB Screen sample

The screenshots show the 'Edit Limit' screen in the UHB system. Each screen has a navigation bar with tabs: SECURITIES, CASH, SERVICES, STATIC DATA, and MONITORING. The breadcrumb trail is: Static Data > T2S Dedicated Cash Account > Limits > Edit Limit.

Screen 1: External guarantee

Limit Id 106001	T2S Dedicated Cash Account Number PBDCA1	CMB Id 106001
Limit Type External guarantee	Amount * 1000000	Valid From * 2015-06-01

Screen 2: Auto-collateralisation

Limit Id 106001	T2S Dedicated Cash Account Number PBDCA1	CMB Id 106001
Limit Type Auto-collateralisation	Amount * 2500000	Valid From * 2015-06-01

Screen 3: Unsecured credit

Limit Id 106001	T2S Dedicated Cash Account Number PBDCA1	CMB Id 106001
Limit Type Unsecured credit	Amount * 50000	Valid From * 2015-06-01

Field description

Field name	Mandatory / Optional	Value
T2S DCA Number	M	PBDCA1
Authorised BIC	M	PBCLXXYYA1A
Limit type	M	External guarantee, auto-collateralisation, unsecured credit
Amount	M	To be defined
Valid from	M	01/06/2015

Note:

- The "Authorised BIC" field will be inputted in the "Limits – New" screen
- Any of the BICs fitting the matching rule defined in the secondary CMB can be inputted



Overview of set-up for client auto-collateralisation (Repo)

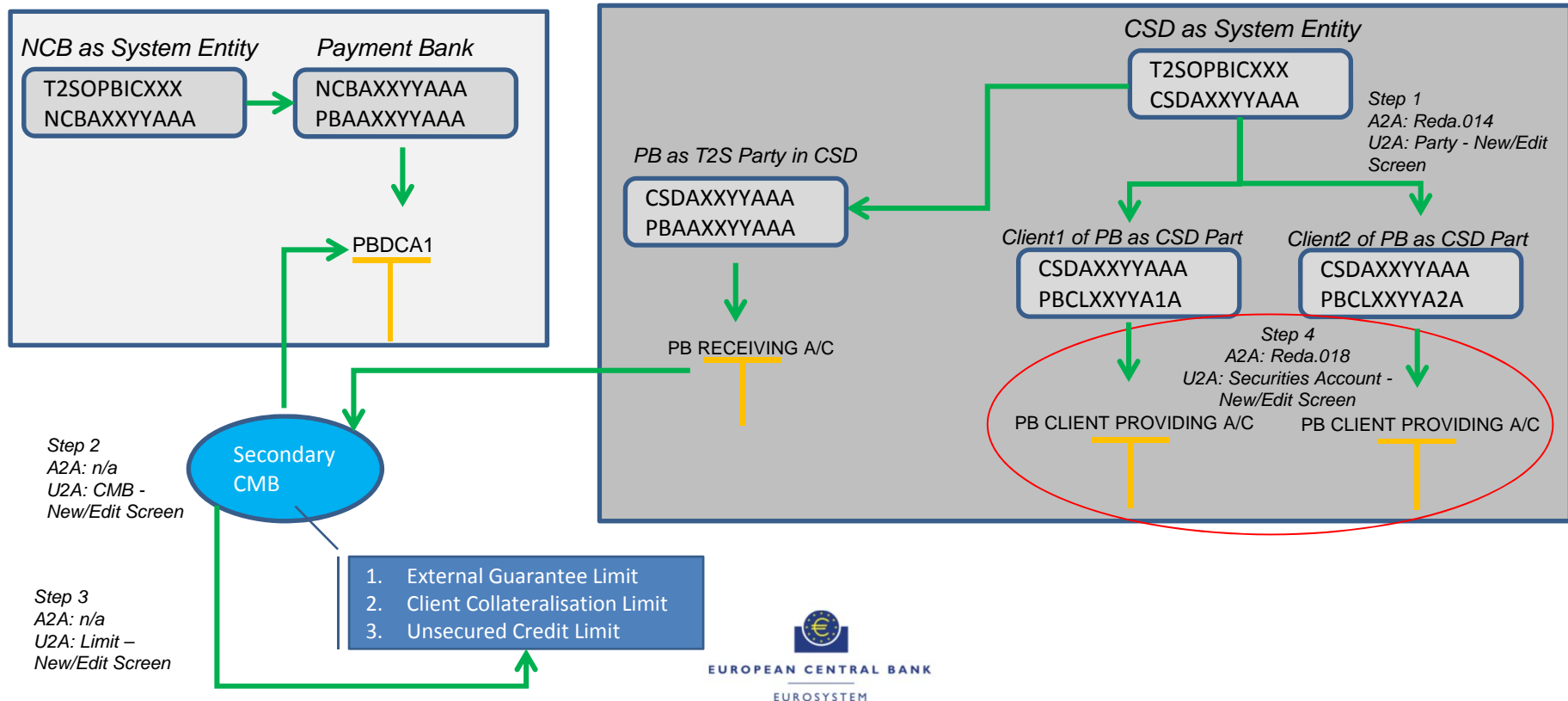
Step 4 - Creation of the Providing Securities Accounts for the client

This step aims at creating the Securities Accounts of the clients for providing collateral

Responsible actor: CSD

Both U2A and A2A are available to perform this step

- Securities Account - New/Edit Screen: UHB sample screen next slide
- Reda.018: Sample message: Step4_PB_client_providing_account_creation.xml





Overview of set-up for client auto-collateralisation (Repo)

Step 4 - Creation of the Providing Securities Accounts for the client

UHB Screen sample

SECURITIES CASH SERVICES **STATIC DATA** MONITORING

Static Data > Securities Account > Securities Accounts > Edit Securities Account

Securities Account

Securities Account

Account Number *
PBCLIENTPROVAC

Securities Account Type *
CSD Participant account

Opening Date
2015-06-01

Closing Date
2050-12-31

Hold/Release *
Release

Negative Position

End Investor Account Flag *
No Account allocations

Pricing Scheme *
Account

Account Holder

Valid From
2013-05-10

Parent BIC
CSDAXXYAAA

BIC
PBCLXXYYA1A

Name
SN

Party Type
Central Securities Depository (CSD)

Field description

Field name	Mandatory / Optional	Value
Type	M	CSD participant account
Opening date	M	01/06/2015
Closing date	O	
Hold/Release	M	Release
Negative position	O	
Parent BIC	M	CSDAXXYAAA
BIC	M	PBCLXXYYA1A
Account identification	M	PBCLIENTPROVAC
End Investor Flag	O	NONE
Pricing Scheme	O	ISIN



Overview of set-up for client auto-collateralisation (Repo)

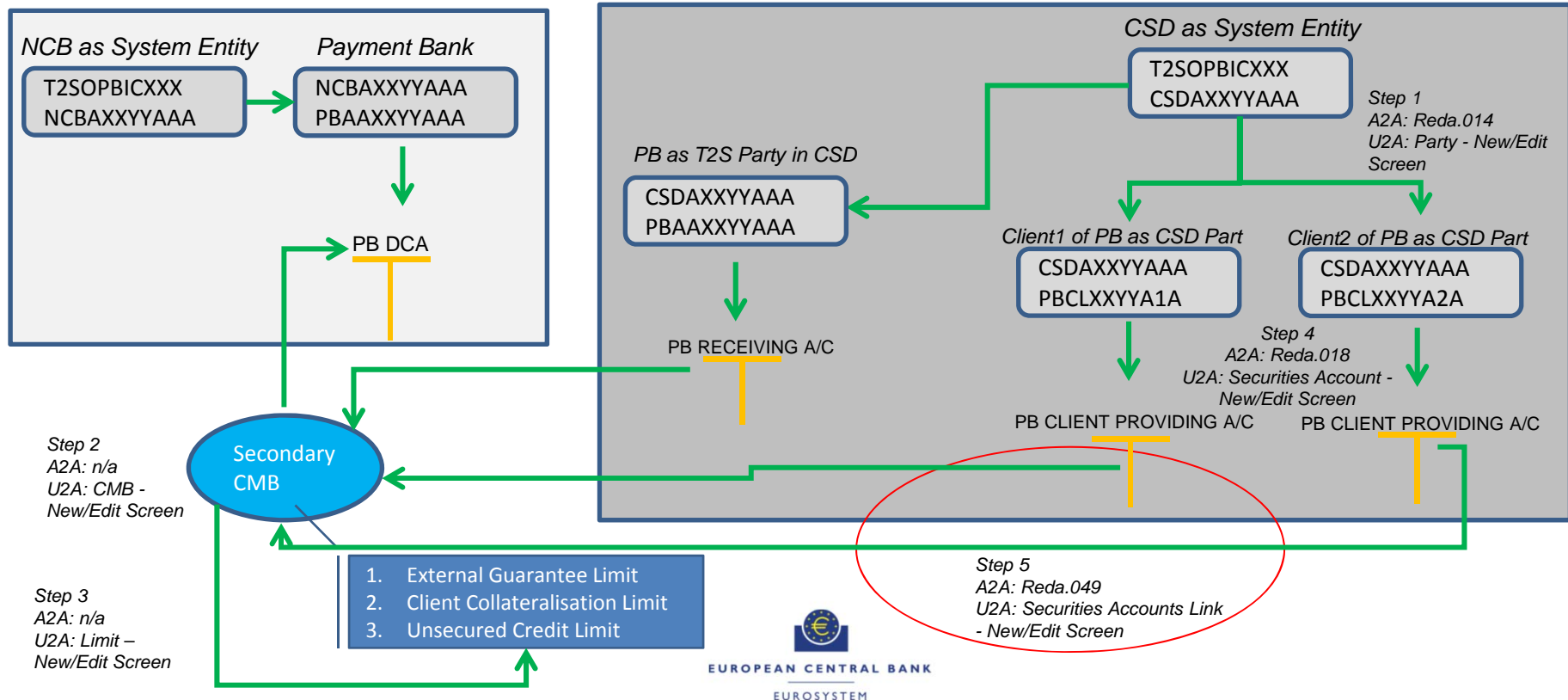
Step 5 – Linking the clients Securities Accounts to the T2S DCA of the Payment Bank

This step aims at linking the Securities Accounts of the clients to the T2S DCA of the Payment Bank for cash settlement and/or collateralisation purpose

Responsible actor: CSD

Both U2A and A2A are available to perform this step

- Securities Accounts Links - New/Edit Screen: UHB sample screen next slide
- Reda.049: Sample message: Step5_CMB_Account_link_Client_Providing.xml





Overview of set-up for client auto-collateralisation (Repo)

Step 5 – Linking the clients Securities Accounts to the T2S DCA of the Payment Bank

UHB Screen sample

Field description

Field name	Mandatory / Optional	Value
Securities account number	M	PBCLIENTPROVAC
T2S Dedicated cash account	M	PBDC1
Valid from	M	01/06/2015
Valid to	O	
Default link	M	True
Collateralisation link	M	True*
Cash settlement link	M	True**

* T2S only allows a value 'True'. This means that the securities account is linked to a DCA for the provision of collateral.

** T2S also allows a value 'False'. This means that this securities account cannot be used for settlement of normal business instructions. However, T2S will cancel the reverse client collateral instructions in case there were a revalidation triggered by a relevant static data update intraday or by the recycling of the pending DVP instruction at the start of the day.



Table of contents

1 Introduction

2 Set-up for Central Bank auto-collateralisation - Repo

3 Set-up for Central Bank auto-collateralisation –
Pledge

4 Set-up for client collateralisation - Repo

5 Message flow and bookings – Repo and Pledge

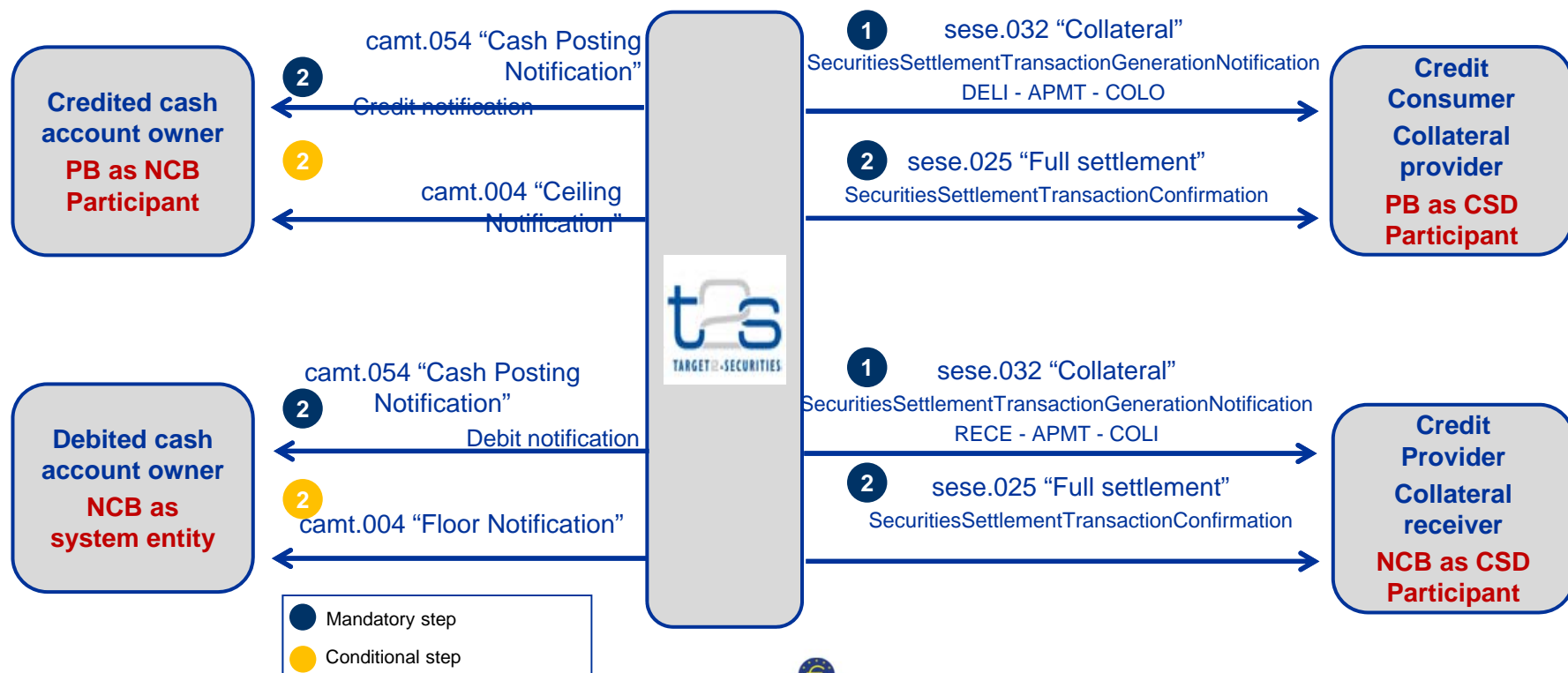
6 Annex

Messaging flow for Repo procedure

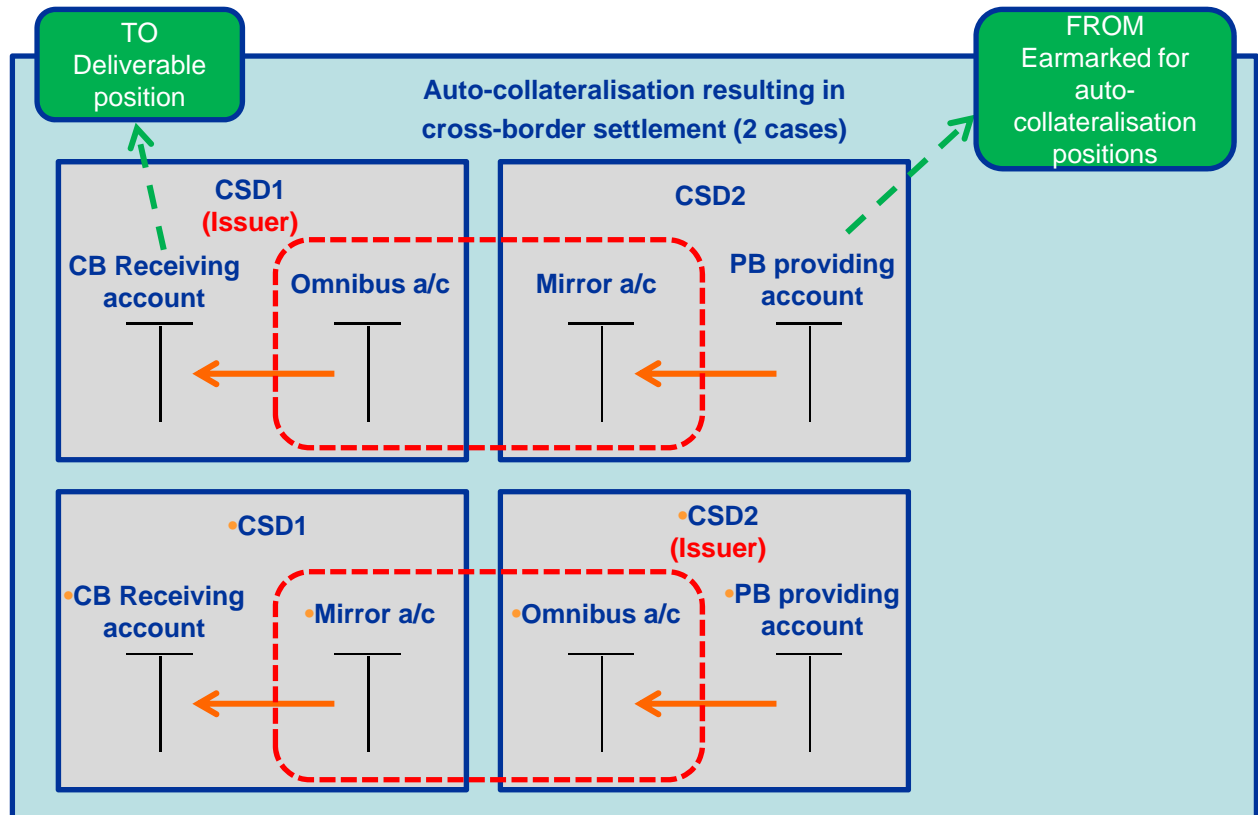
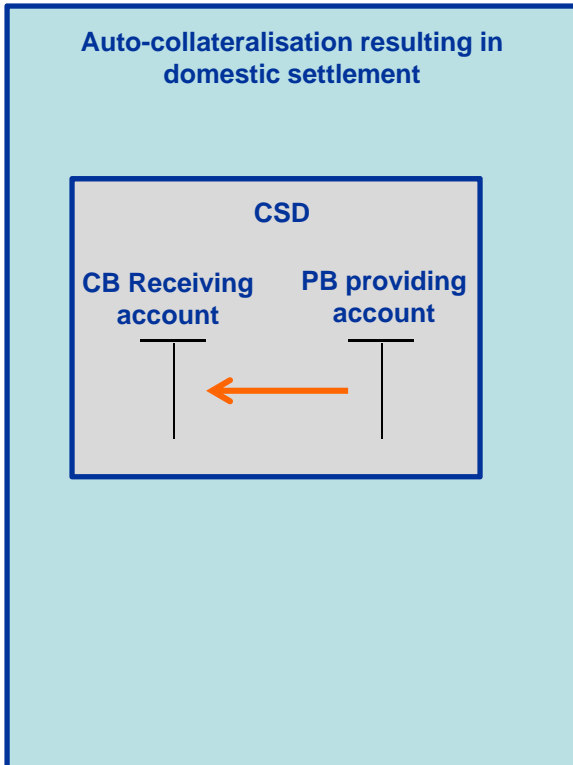
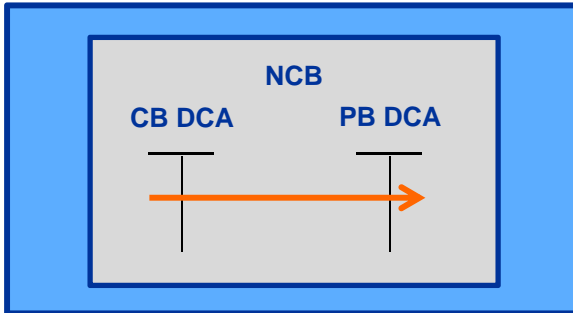
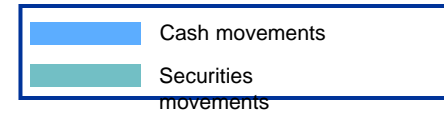
Opening leg

Two DVP instructions are generated in the case of Repo:

- ✓ one for the credit provider as RVP
- ✓ one for the credit consumer as DVP



Bookings opening leg REPO procedure

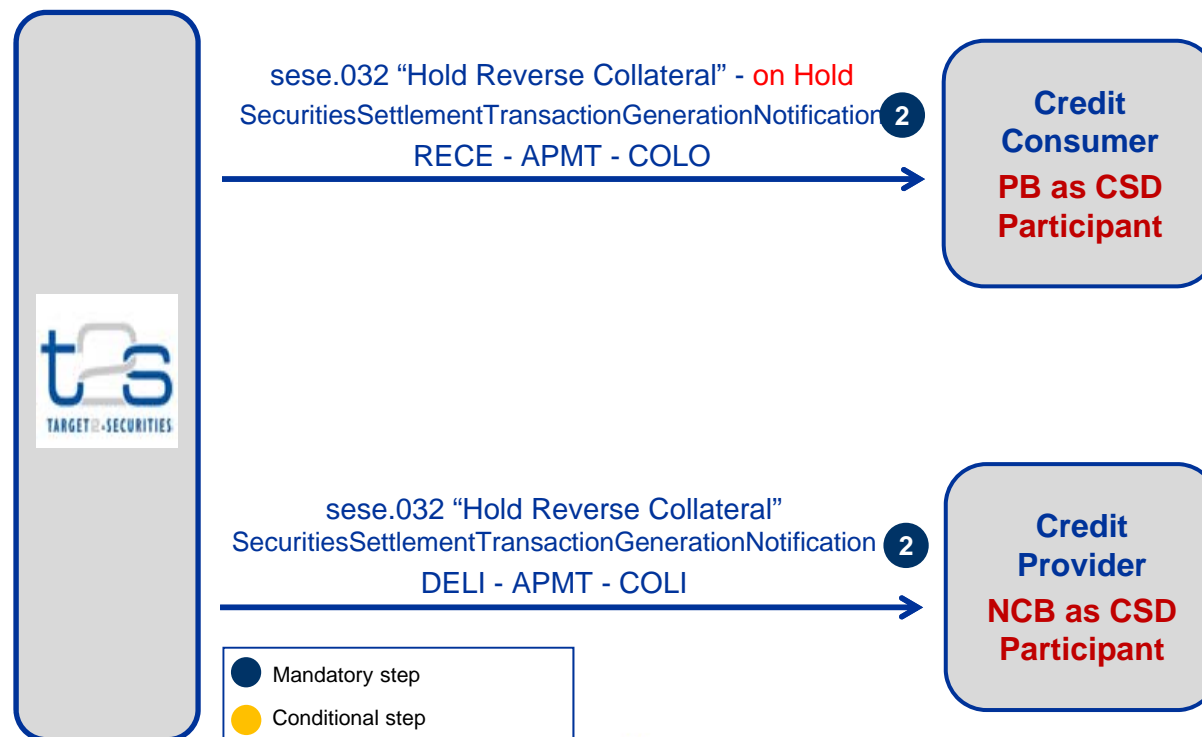




Messaging flow for Repo procedure Generation of closing leg

When T2S settles the opening leg providing credit to the Payment Bank, it also generates the reimbursement instructions which are on hold for the credit consumer:

- ✓ one for the credit provider as DVP
- ✓ one for the credit consumer as RVP





Messaging flow for Repo procedure

Reimbursement of intraday credit

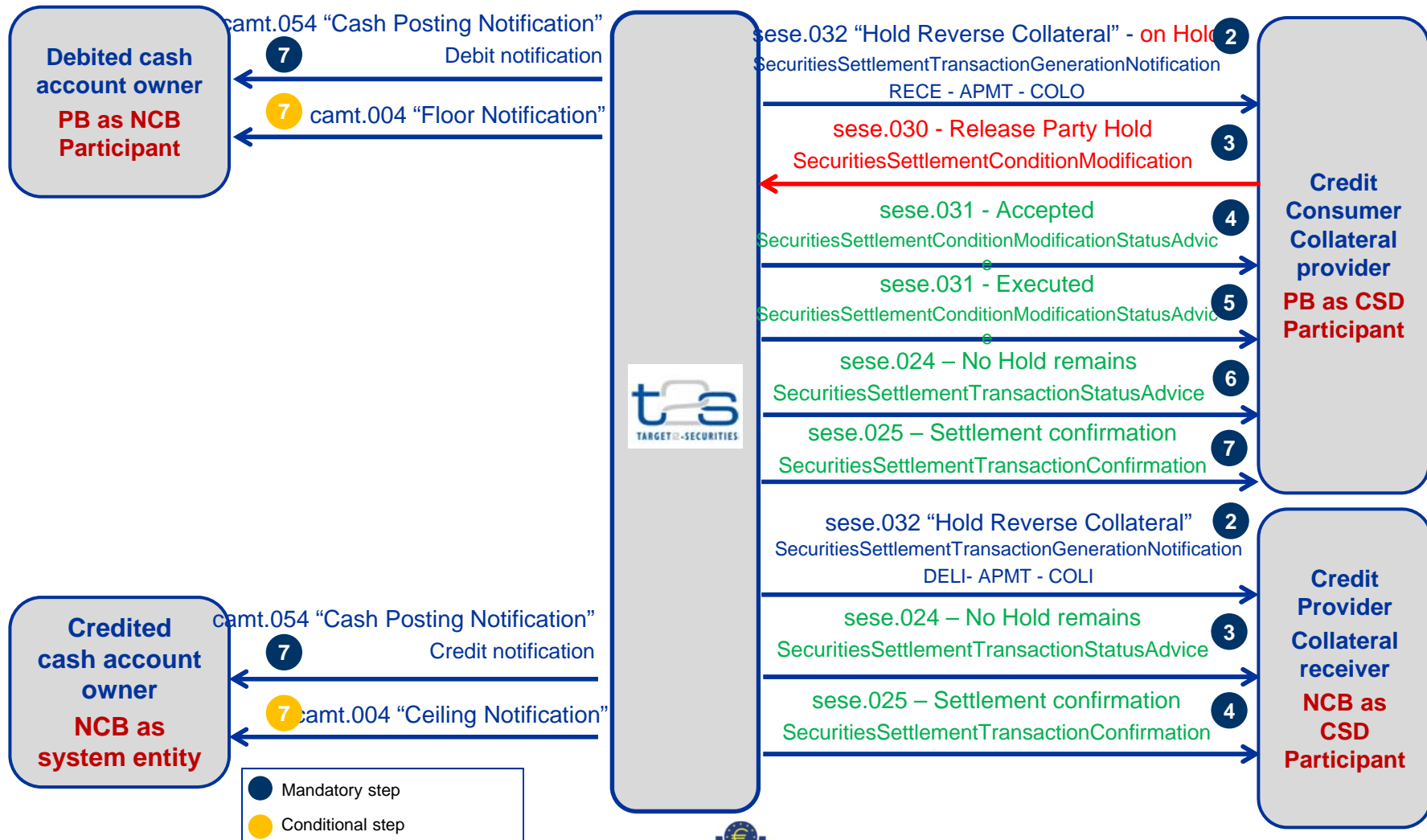
The reimbursement will be done during the same settlement day either by:

- ✓ The Payment Bank (release of the reimbursement instructions)
- ✓ T2S during dynamic reimbursement for collateral substitution
- ✓ T2S if a limit is decreased during the settlement day and results in negative headroom
- ✓ T2S due to automatic reimbursement before End of Day relocation of collateral to the regular NCB account

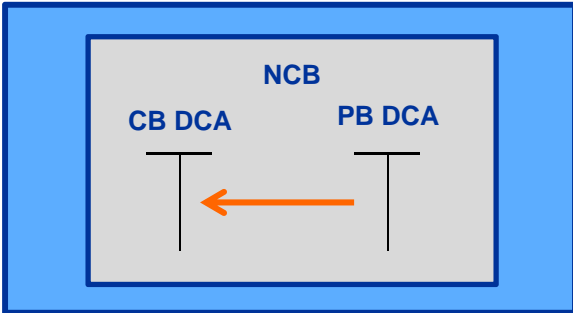
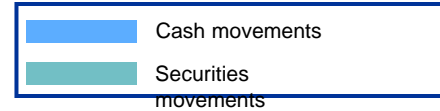


Messaging flow for Repo procedure

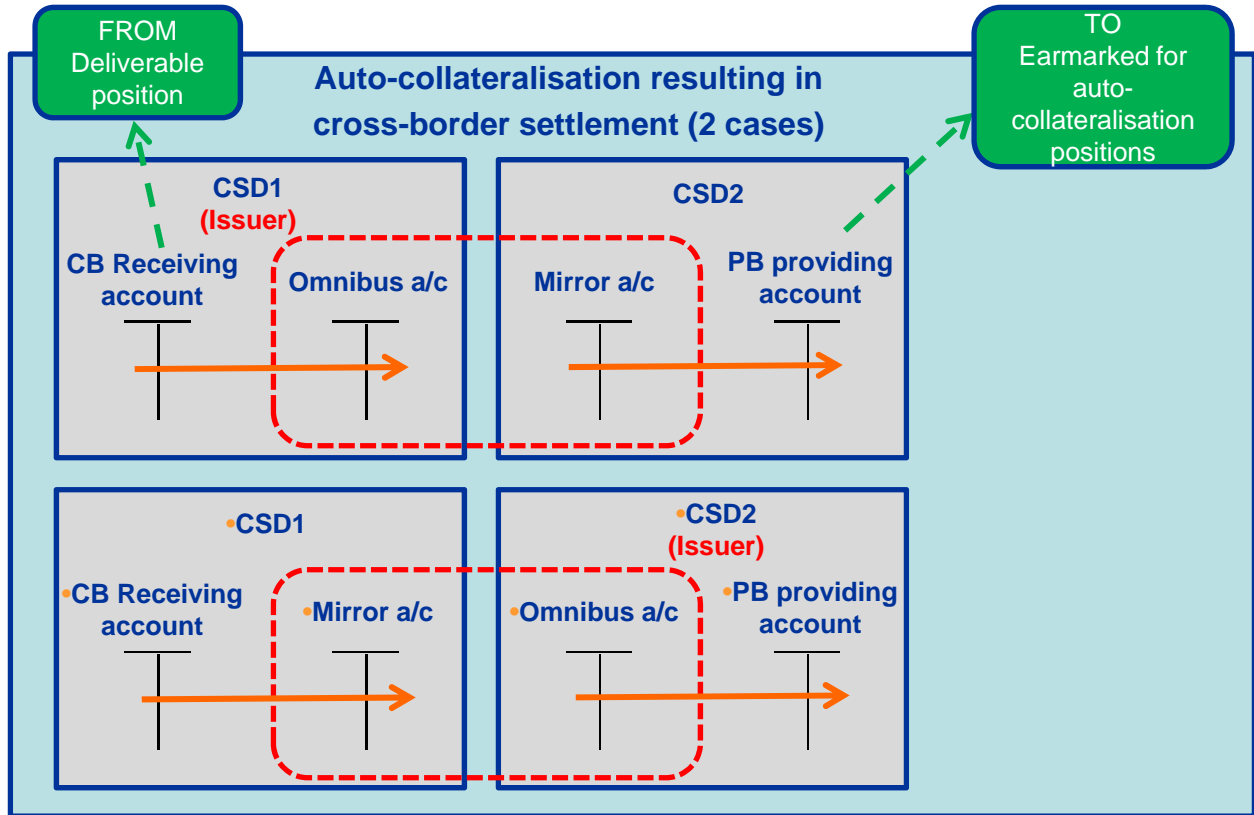
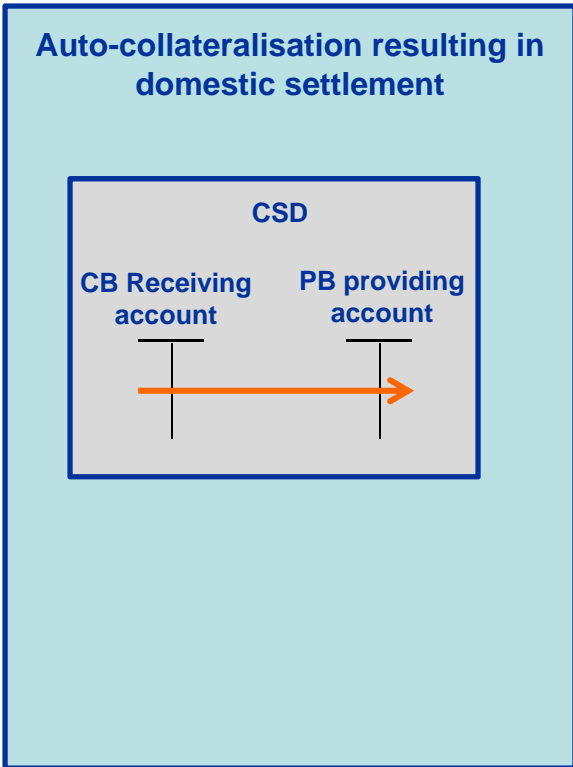
Release of closing leg by Payment Bank - Reimbursement of intraday credit



Bookings closing leg REPO procedure



Note: The movements resulting from the reimbursement are the exact reverse bookings compared to opening leg

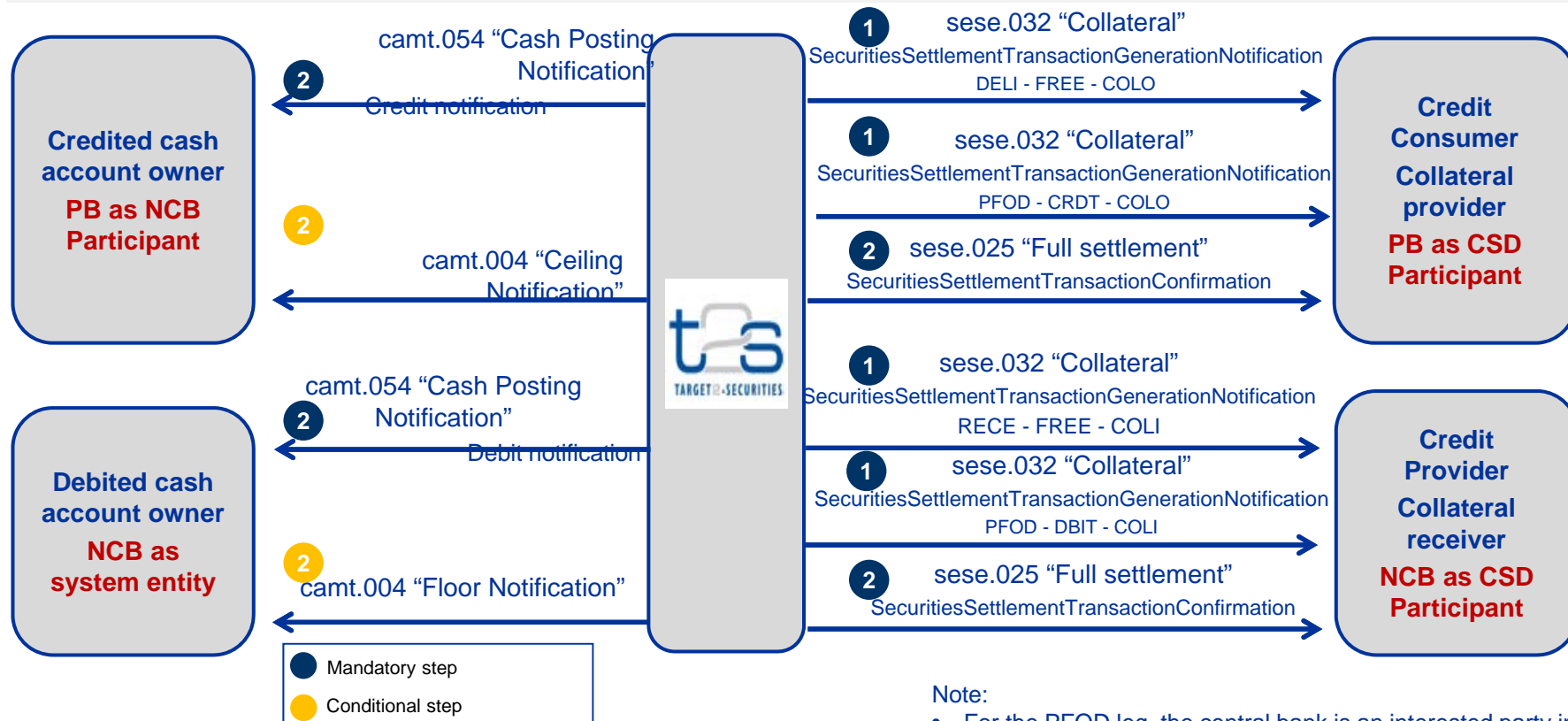


Messaging flow for Pledge procedure

Opening leg

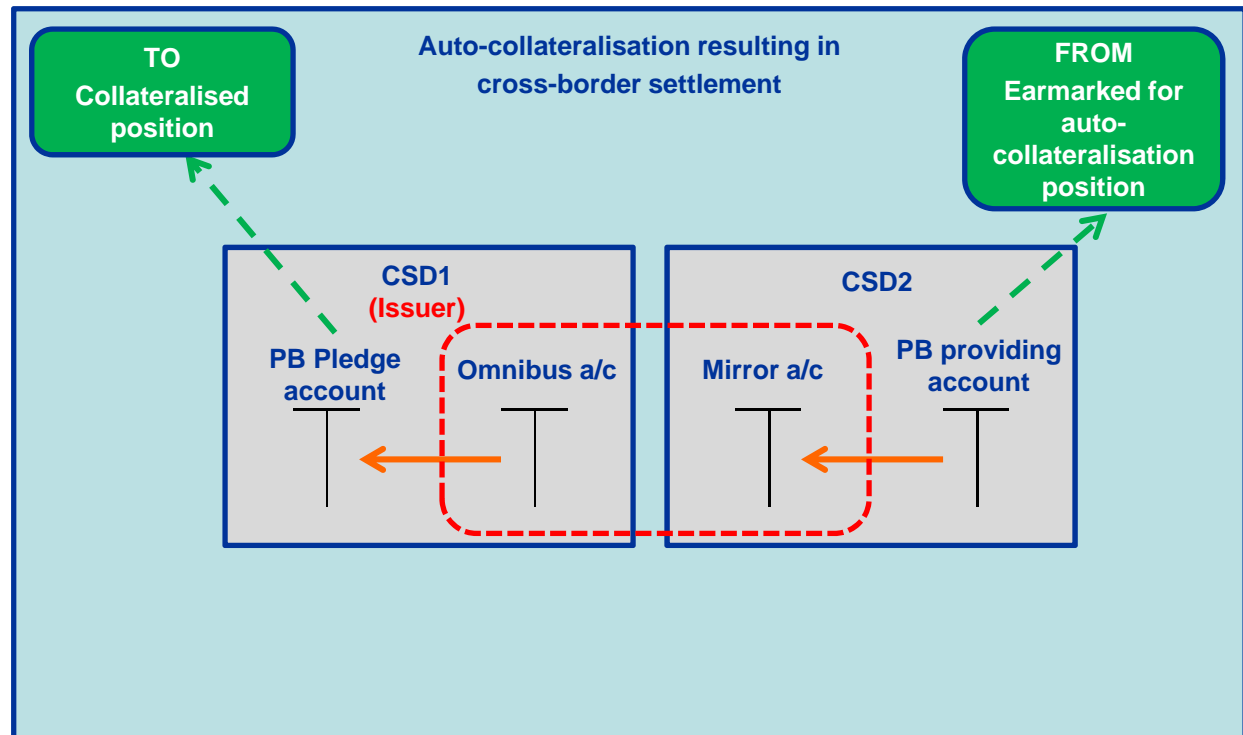
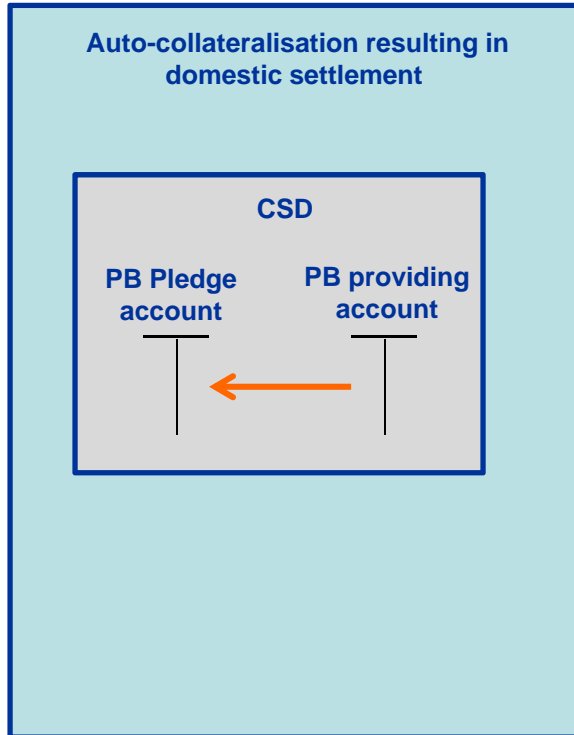
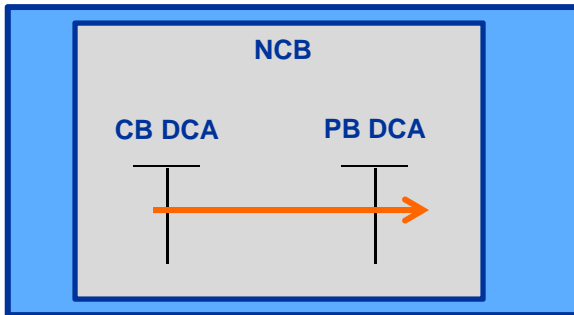
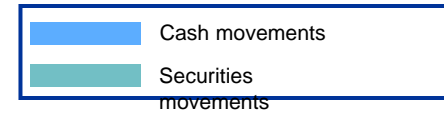
4 instructions are generated in the case of Pledge:

- ✓ One receiving FOP and one delivering PFOD for the credit provider
- ✓ One delivering FOP and one receiving PFOD for the credit consumer



Note:

- For the PFOD leg, the central bank is an interested party in T2S while for the FOP leg it is not.
- The central bank should therefore be granted a third party privilege to receive the sese.032 message for the FOP ins

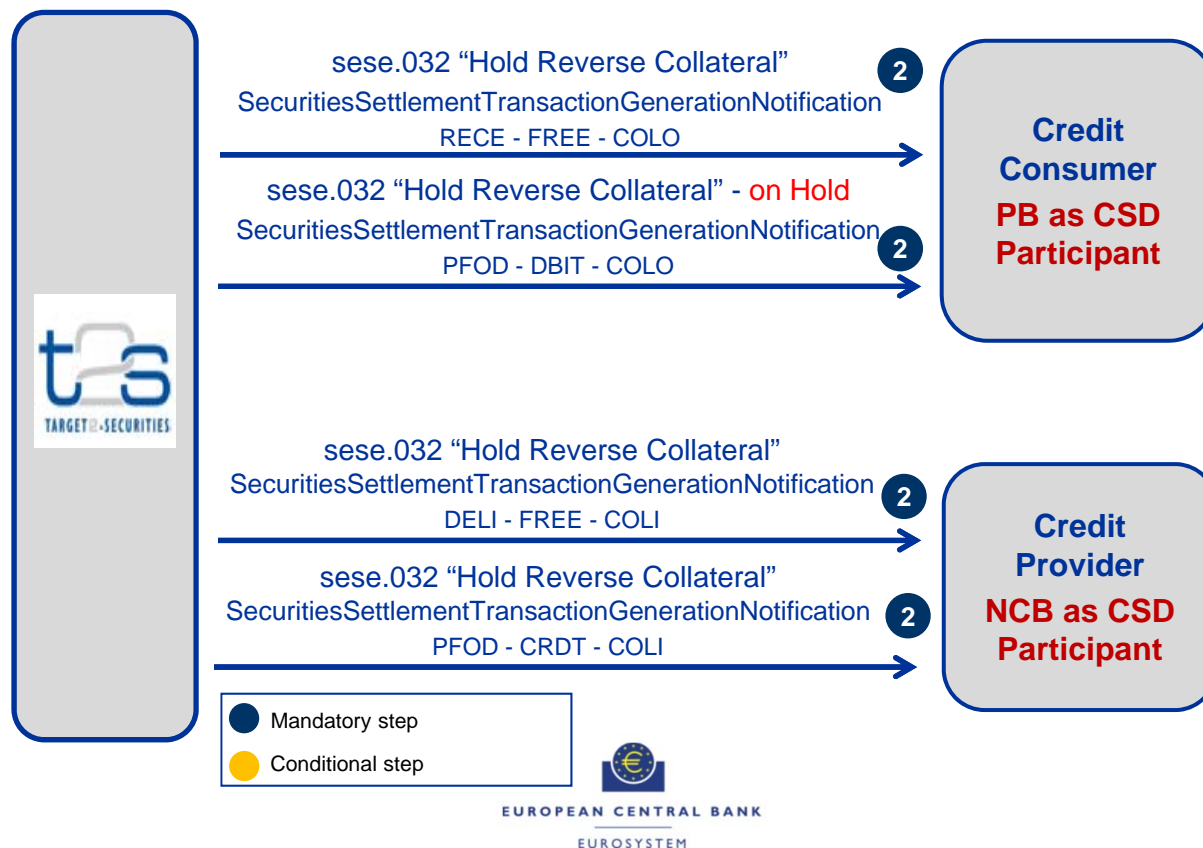




Messaging flow for Pledge procedure Generation of closing leg

When T2S settles the opening leg providing credit to the Payment Bank, it also generates the reimbursement instructions which are on hold for the credit consumer:

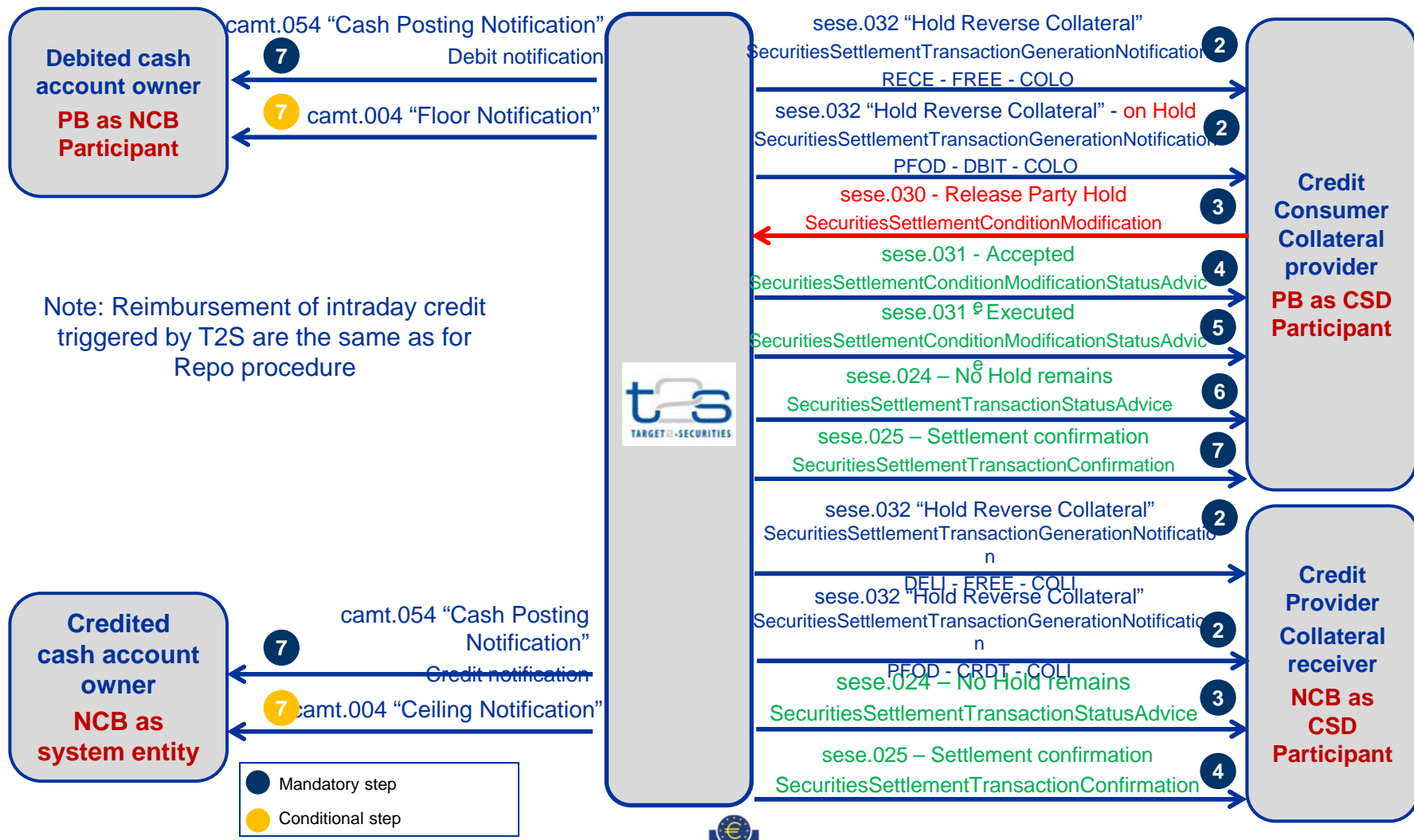
- ✓ One delivering FOP and one receiving PFOD for the credit provider
- ✓ One receiving FOP and one delivering PFOD for the credit consumer





Messaging flow for Pledge procedure

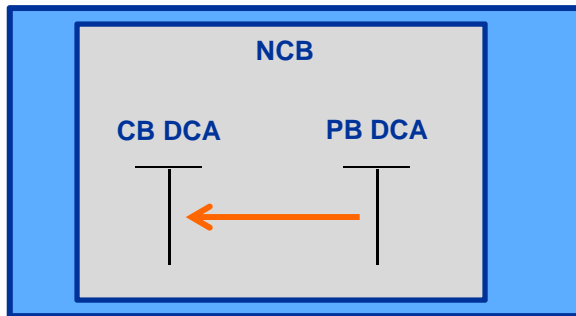
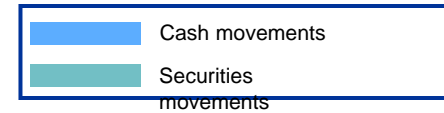
Release of closing leg by Payment Bank - Reimbursement of intraday credit



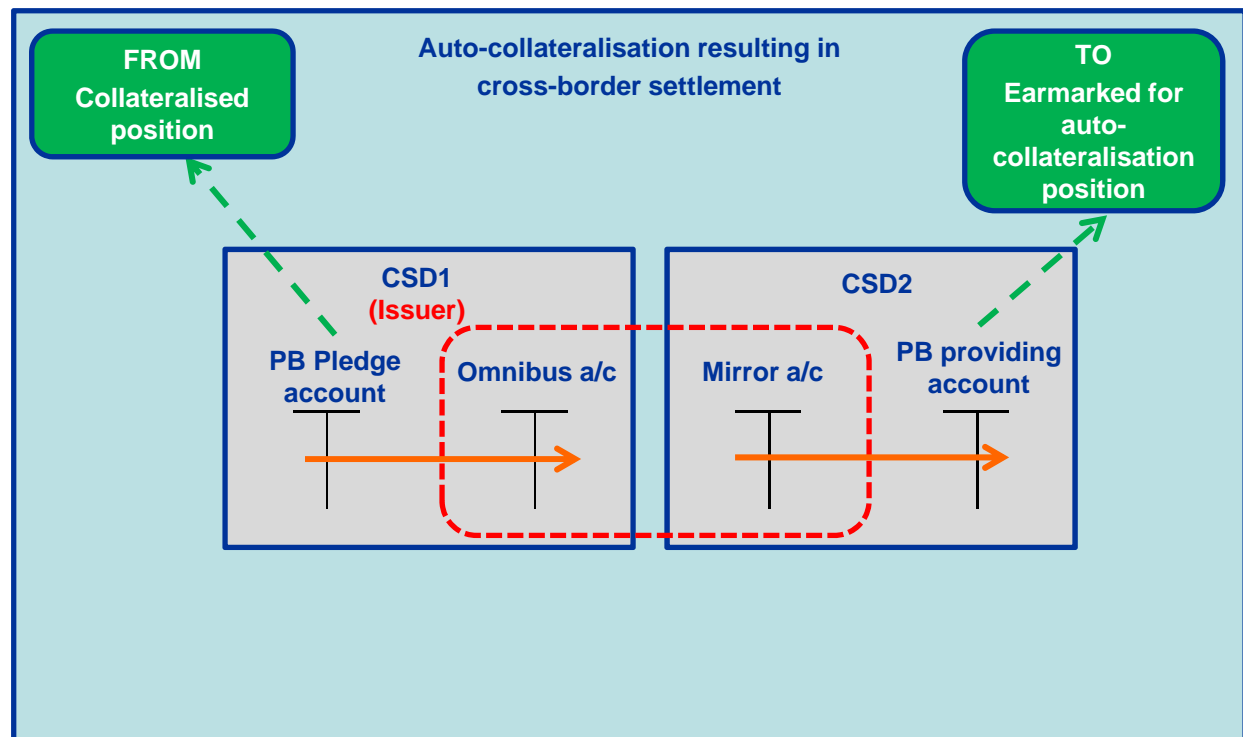
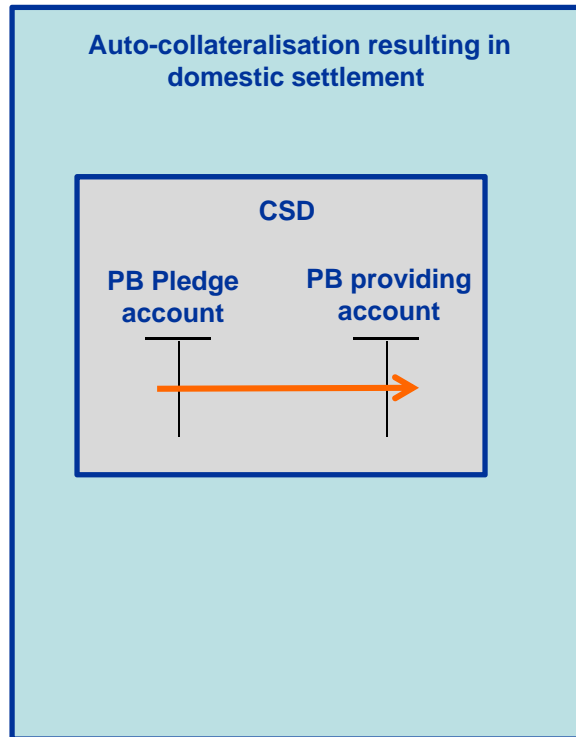
Note: Reimbursement of intraday credit triggered by T2S are the same as for Repo procedure



Bookings closing leg Pledge procedure



Note: The movements resulting from the reimbursements are the exact reverse bookings compared to opening leg





Collateral relocation Principles

- ✓ Collateral relocation is a new auto-collateralisation transaction triggered at EoD should the PB not have sufficient resources to reimburse its intra-day credit
- ✓ The collateral relocation procedure is applicable in a similar way no matter which Auto-collateralisation procedure was chosen by the NCB (E.g. Repo, pledge or pledge-sub)
 - As such collateral relocation behaves like the Repo model from settlement point of view (e.g. two DVP instructions)
- ✓ The collateral relocation will move the relevant collateral into the so called “Regular Collateral account”
- ✓ Collateral relocation might trigger realignment in T2S depending on the location of the collateral providing account of the PB
- ✓ There is no reverse leg created by T2S

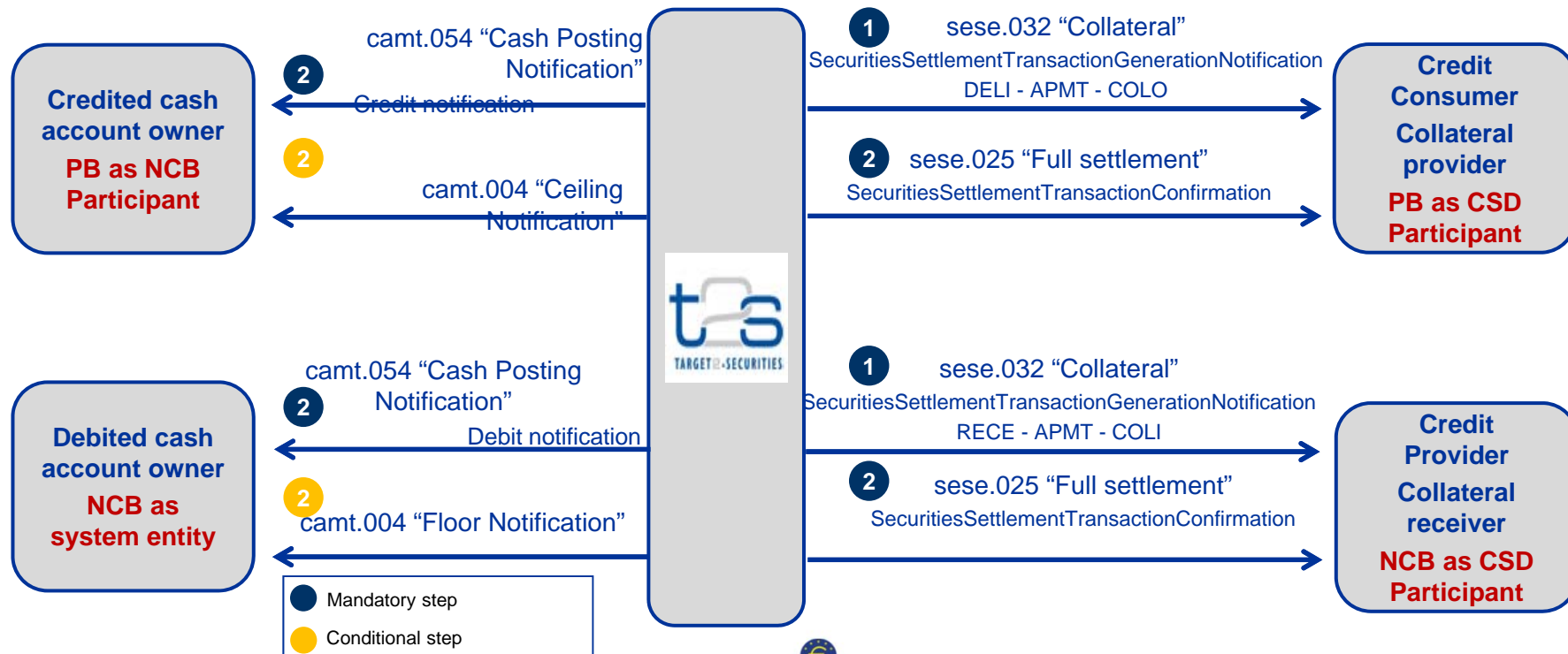


Messaging flow for all procedures Collateral relocation

Two DVP instructions are generated for all procedures:

- ✓ one for the credit provider as RVP
- ✓ one for the credit consumer as DVP

The collateral is moved to the Regular Collateral Account of the Central Bank



Bookings Collateral relocation

All procedures

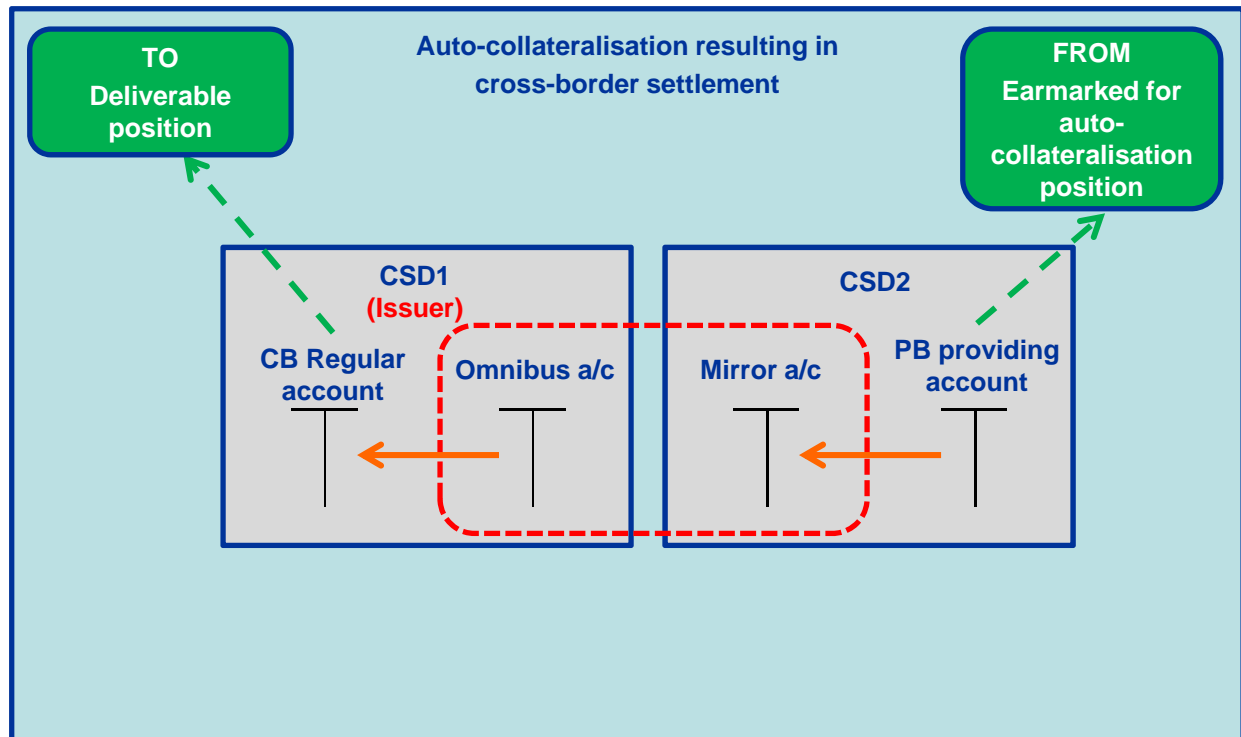
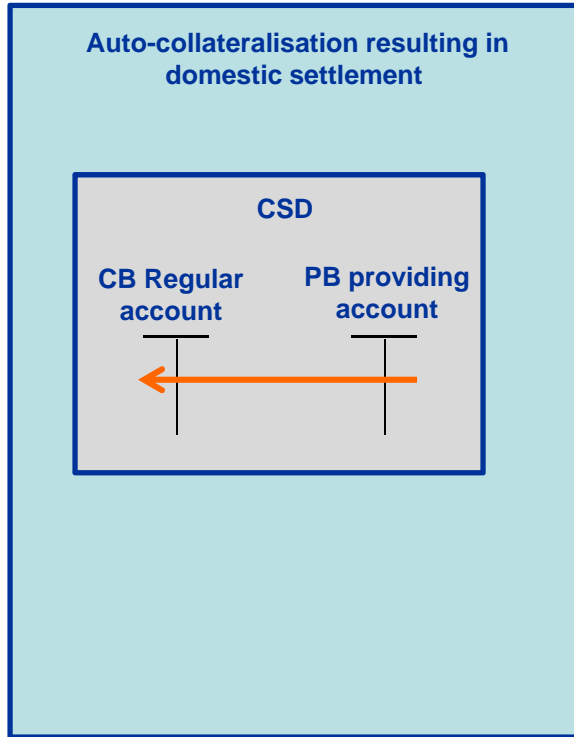
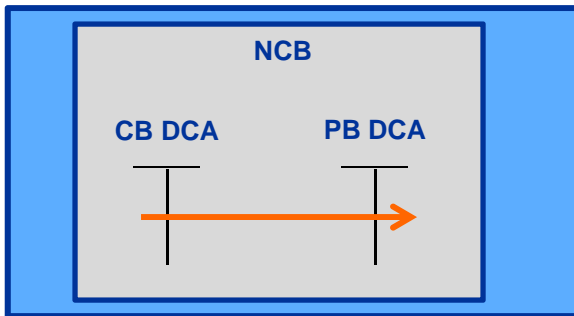
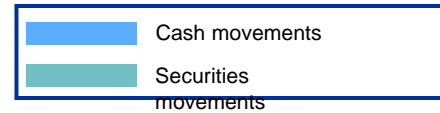




Table of contents

1 Introduction

2 Set-up for Central Bank auto-collateralisation - Repo

3 Set-up for Central Bank auto-collateralisation –
Pledge

4 Set-up for client collateralisation - Repo

5 Message flow and bookings – Repo and Pledge

6 Annex



Steps required for set-up of REPO procedure UDFS References

**Refer Table 17-18 in
UDFS 2.0**

Step	T2S Actor	Action	Mapping UDFS Table
1	CB	Creation of a new T2S Central Bank Account.	Table 17 - Step 1
2	CB	Setting the T2S Central Bank Account for providing intraday credit for auto-collateralisation purpose.	Table 17 - Step 2
3	CSD	Creation of a new CSD Participant for the Central Bank.	Table 17 - Step 3
4	CSD	Creation of a new Securities Account to be used as regular securities account for the Central Bank collateralisation.	Table 17 - Step 4
5	CSD	Linking the Securities Account for regular collateral to the Central Bank T2S Dedicated Cash Account for cash settlement purpose.	Table 17 - Step 5
6	CSD	Creation of a new Securities Account to be used as receiving securities account for the Central Bank collateralisation.	Table 17 - Step 6
7	CSD	Linking the Securities Account for receiving collateral to the Central Bank T2S Dedicated Cash Account for cash settlement purpose.	Table 17 - Step 7
8	CB	Creation of a new Payment Bank	Table 18 - Step 1
9	CB	Creation of a new T2S Dedicated Cash Account for the Payment Bank.	Table 18 - Step 2
10	CB	Linking the T2S Dedicated Cash Account of the Payment Bank: -to the T2S Central Bank Account -to the regular Securities Account -to the receiving Securities Account	Table 18 - Step 3
11	CSD	Creation of a new CSD Participant for the Payment Bank	Table 18 - Step 4
12		Creation of a new Securities Account for the Payment Bank	Table 18 - Step 8
13	CSD	Linking the Securities Account of the Payment Bank to the T2S Dedicated Cash Account of the Payment Bank for cash settlement purpose and/or for collateralisation purpose.	Table 18 - Step 9
14	CB	Creation of the auto-collateralisation limit for the Payment Bank T2S Dedicated Cash Account	Table 18 - Step 10



Steps required for set-up of REPO procedure

Interaction modes for the steps and associated A2A message / U2A screens (1/2)

Step	T2S Actor	Action	Mode	Inbound	Outbound	U2A Screen
1	CB	Creation of a new T2S Central Bank Account.	A2A/U2A	acmt.007.001.01	acmt.010.001.01 acmt.011.001.01	T2S Dedicated Cash Account – New/Edit Screen
2	CB	Setting the T2S Central Bank Account for providing intraday credit for auto-collateralisation purpose.	U2A	n/a	n/a	CMB - New/Edit Screen
3	CSD	Creation of a new CSD Participant for the Central Bank.	A2A/U2A	reda.014.001.01	reda.016.001.01	Party - New/Edit Screen
4	CSD	Creation of a new Securities Account to be used as regular securities account for the Central Bank collateralisation.	A2A/U2A	reda.018.001.01	reda.020.001.01	Securities Account - New/Edit Screen
5	CSD	Linking the Securities Account for regular collateral to the Central Bank T2S Dedicated Cash Account for cash settlement purpose.	U2A/A2A	reda.049.001.01	reda.051.001.01	Securities Accounts Link - New/Edit Screen
6	CSD	Creation of a new Securities Account to be used as receiving securities account for the Central Bank collateralisation.	A2A/U2A	reda.018.001.01	reda.020.001.01	Securities Account - New/Edit Screen
7	CSD	Linking the Securities Account for receiving collateral to the Central Bank T2S Dedicated Cash Account for cash settlement purpose.	U2A/A2A	reda.049.001.01	reda.051.001.01	Securities Accounts Link - New/Edit Screen



Steps required for set-up of REPO procedure

Interaction modes for the steps and associated A2A message / U2A screens (2/2)

Step	T2S Actor	Action	Mode	Inbound	Outbound	U2A Screen
8	CB	Creation of a new Payment Bank	A2A/U2A	reda.014.001.01	reda.016.001.01	Party - New/Edit Screen
9	CB	Creation of a new T2S Dedicated Cash Account for the Payment Bank.	A2A/U2A	acmt.007.001.01	acmt.010.001.01 acmt.011.001.01	T2S Dedicated Cash Account – New/Edit Screen
10	CB	Linking the T2S Dedicated Cash Account of the Payment Bank: ·to the T2S Central Bank Account ·to the regular Securities Account ·to the receiving Securities Account	U2A	n/a	n/a	CMB - New/Edit Screen
11	CSD	Creation of a new CSD Participant for the Payment Bank	A2A/U2A	reda.014.001.01	reda.016.001.01	Party - New/Edit Screen
12		Creation of a new Securities Account for the Payment Bank		reda.018.001.01	reda.020.001.01	Securities Account - New/Edit Screen
13	CSD	Linking the Securities Account of the Payment Bank to the T2S Dedicated Cash Account of the Payment Bank for cash settlement purpose and/or for collateralisation purpose.	A2A/U2A	reda.049.001.01	reda.051.001.01	Securities Accounts Link - New/Edit Screen
14	CB	Creation of the auto-collateralisation limit for the Payment Bank T2S Dedicated Cash Account.	U2A	n/a	n/a	Limit - New/Edit Screen



Content of opening legs of auto-collateralisation instructions

REPO

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<MktInfrstrctrTxId>	ABCDEF111	ABCDEF222
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Content of closing legs of auto-collateralisation instructions

REPO

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Content of opening legs of auto-collateralisation instructions

Pledge

FIELD	Credit provider side		Credit consumer side	
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<CshAcct><Prtry>	-	CB DCA	-	PB DCA
<SciesTxTp>	COLI	COLI	COLO	COLO
<DlvrStlmPties><Dpstry>	CSDBIC	CSDBIC	CSDBIC	CSDBIC
<DlvrStlmPties><Pty1>	PaymentBankBIC	PaymentBankBIC	PaymentBankBIC	PaymentBankBIC
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<RcvgStlmPties><Dpstry>	CSDBIC	CSDBIC	CSDBIC	CSDBIC
<RcvgStlmPties><Pty1>	PaymentBankBIC	PaymentBankBIC	PaymentBankBIC	PaymentBankBIC
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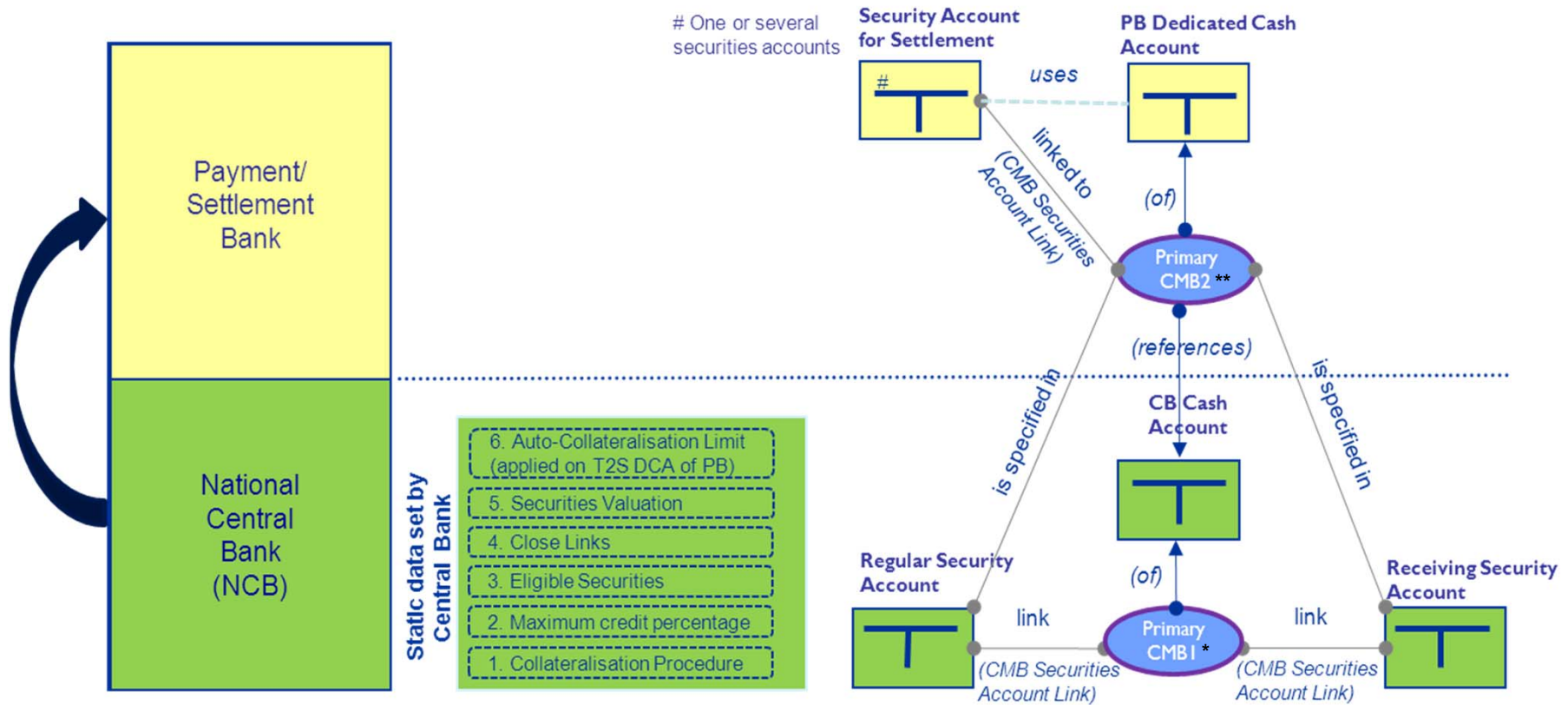
Content of closing legs of auto-collateralisation instructions

Pledge

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<MtchgSts><Cd>	MACH	MACH	MACH	MACH
<ISIN>	ISIN0000001	ISIN0000001	ISIN0000001	ISIN0000001
<SttlmQty><Unit>	25000	0	25000	0
<SfkpgAcct>	Receiving account pledged	Receiving account pledged	PB Providing account	PB Providing account
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<CshAcct><Prtry>	-	CB DCA	-	PB DCA
<SctiesTxTp>	COLI	COLI	COLO	COLO
<DlvrSttlmPties><Dpstry>	CSDBIC	CSDBIC	CSDBIC	CSDBIC
<DlvrSttlmPties><Pty1>	PaymentBankBIC	PaymentBankBIC	PaymentBankBIC	PaymentBankBIC
<DlvrSttlmPties><Pty1><SfkpgAcct>	-	-	Receiving account pledged	Receiving account pledged
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T2S Auto-collateralisation Framework

Central Bank Auto-collateralisation set-up: Repo Model





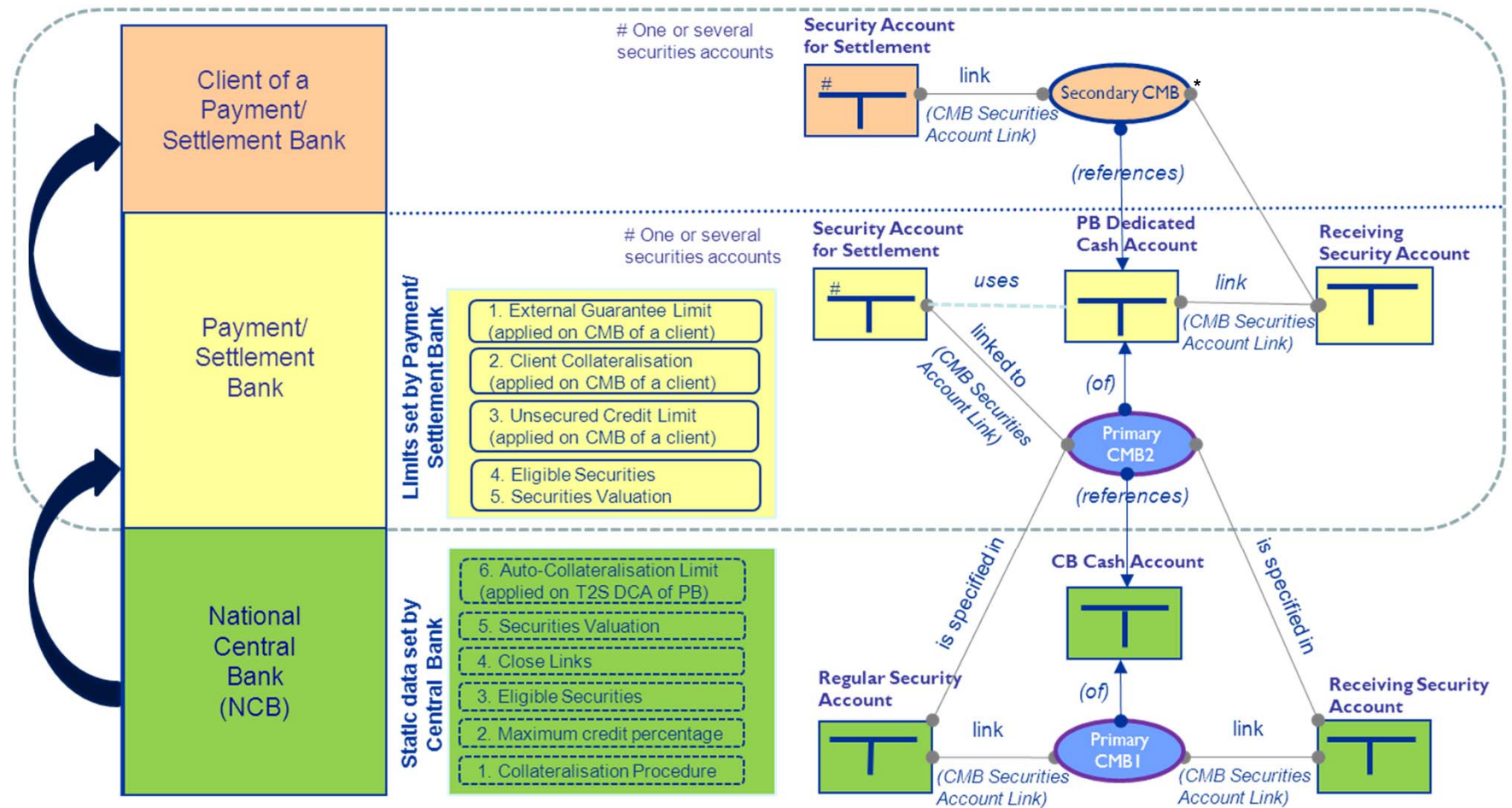
Primary CMB setup

Summary

	Primary CMB setup For CB auto-collateralisation	
Technical object	Central Bank CMB	Payment Bank CMB1
Cash account	T2S Central Bank account	T2S Dedicated Cash Account
BIC	Combinations of BICs. If wildcard pattern: minimum is BIC4 (NCBA*). No overlap between different BIC patterns.	Combinations of BICs. If wildcard pattern: minimum is BIC4 (PBEE*). No overlap between different BIC patterns.
Regular Securities Account	N/A	Regular collateral account
Receiving Securities Account	N/A	Receiving collateral account in case of Repo and Pledge procedure
Linked securities accounts through "CMB Securities Accounts Links"	<ul style="list-style-type: none"> - Regular collateral account with Collateral link = No Settlement Link = Yes - Receiving collateral account in case of Repo procedure Collateral link = No Settlement Link = Yes 	<ul style="list-style-type: none"> - PB providing account Collateral link = Yes Settlement Link = Yes - PB Receiving collateral account in case of pledge procedure Collateral link = No Settlement Link = No
BIC Validation rule	BIC11 of the owner of the linked securities accounts must match with the BIC(s) authorised in this CMB	BIC11 of the owner of the linked securities accounts must match with the BIC(s) authorised in this CMB

T2S Auto-collateralisation Framework

Client Auto-collateralisation set-up: Repo Model





Secondary CMB setup

Summary

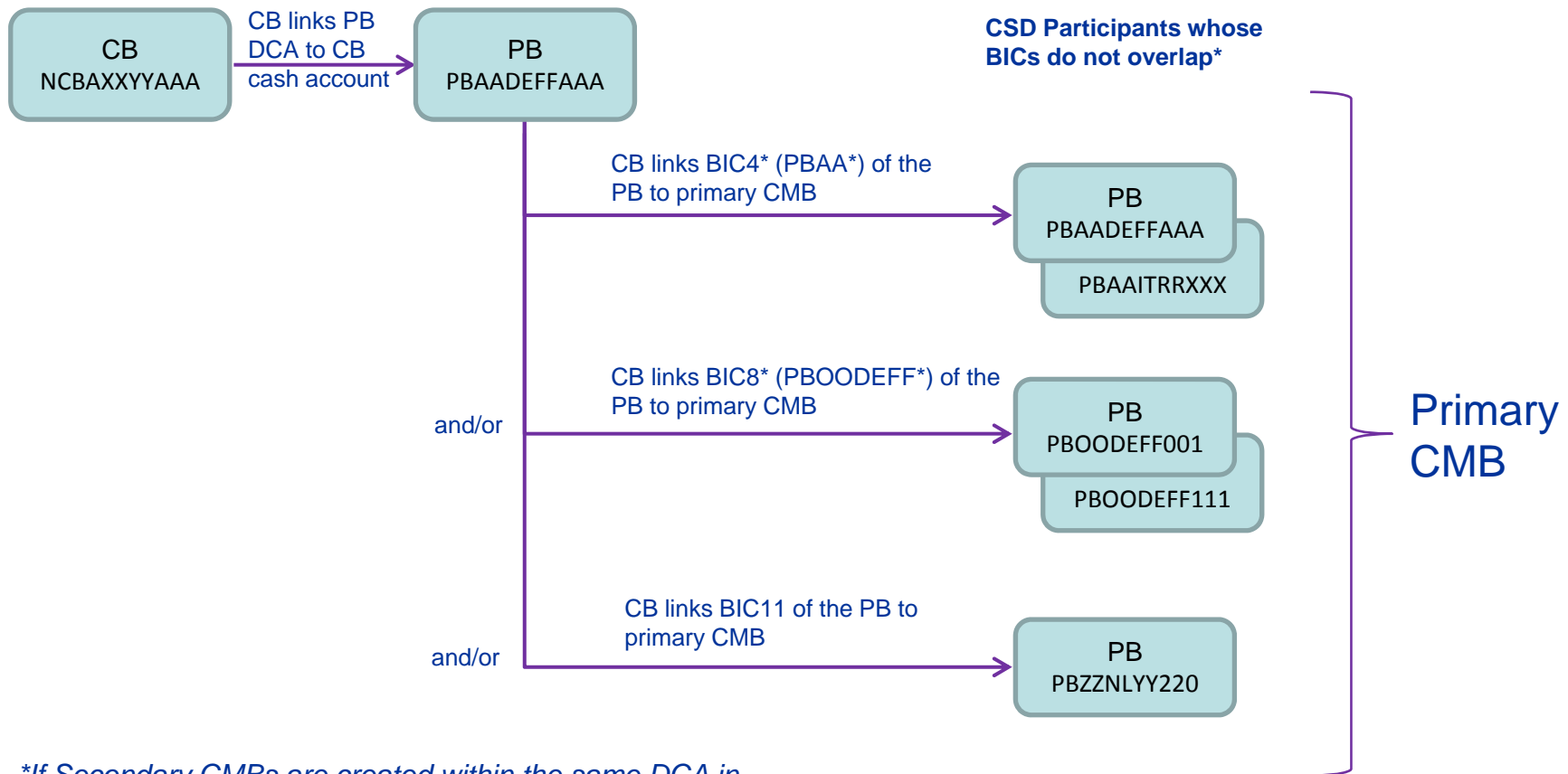
	Secondary CMBs setup For client collateralisation	
Technical object	Payment Bank CMB2	Payment Bank CMB3
Cash account	T2S Dedicated Cash Account	T2S Dedicated Cash Account
BIC	Combinations of BICs. If wildcard pattern: minimum is BIC4 (PBCA*). No overlap with BIC patterns in different CMBs on the same DCA.	Combinations of BICs. If wildcard pattern: minimum is BIC4 (PBCA*). No overlap with BIC patterns in different CMBs on the same DCA.
Regular Securities Account	N/A	N/A
Receiving Securities Account	PB receiving account	PB receiving account
Linked securities accounts through "CMB Securities Accounts Links"	- Client collateral providing account Collateral link = Yes Settlement Link = Yes	- Client collateral providing account Collateral link = Yes Settlement Link = Yes
BIC Validation rule	BIC11 of the owner of the linked securities accounts must match with the BIC(s) authorised in this CMB and Not match with the BIC8 defined in the PB's primary CMB	BIC11 of the owner of the linked securities accounts must match with the BIC(s) authorised in this CMB and Not match with the BIC8 defined in the PB's primary CMB

EUROSYSTEM

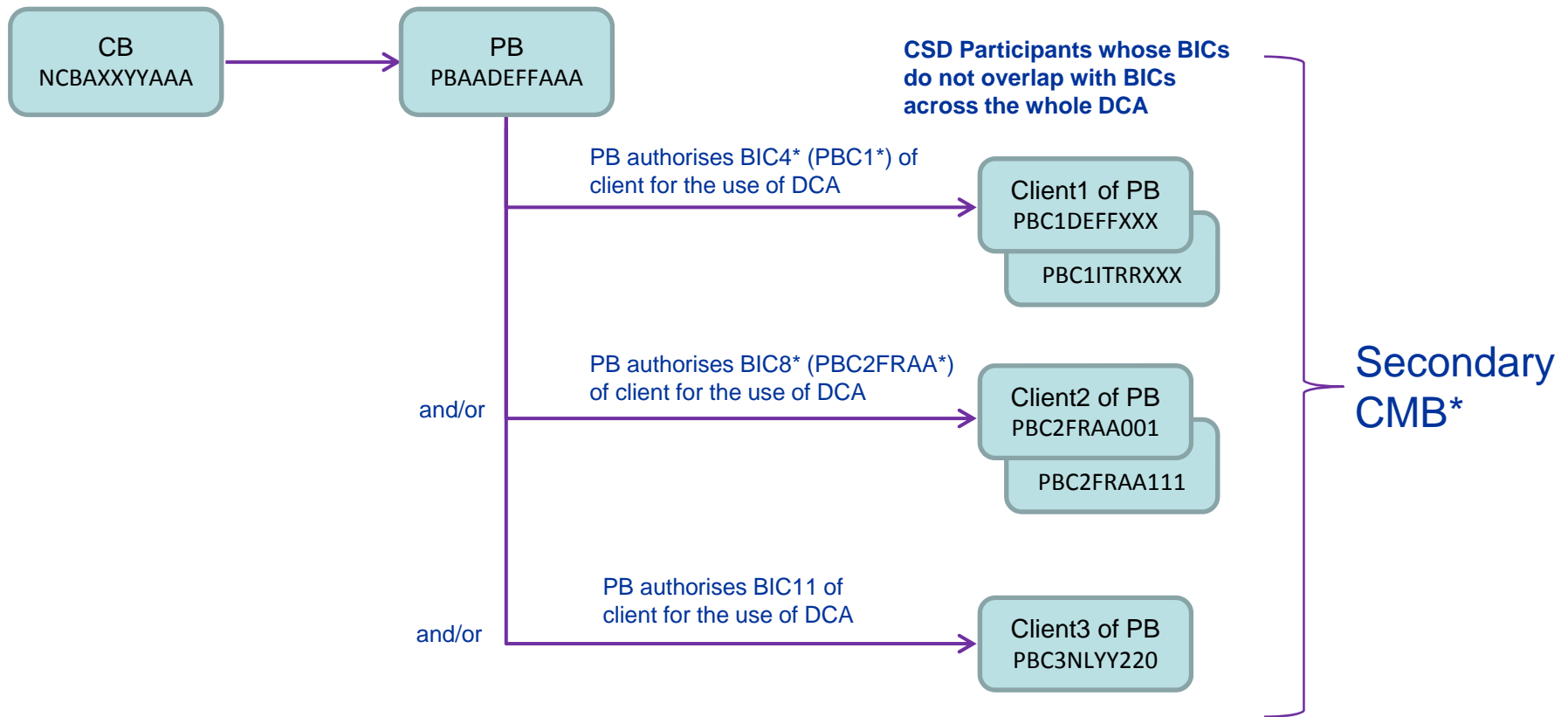


T2S Auto-collateralisation Framework

Entity Relationship – Technical view (samples)



**If Secondary CMBs are created within the same DCA in a later stage, BICs added to the Primary CMB must then not overlap with BICs linked to the Secondary CMBs*



**Securities account of different clients can be linked via one CMB or several CMBs.*



Thank you for your attention

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