

MT537 Statement of Cash Penalties report

CBL Test Guide

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June 2021

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1. Foreword

This document provides practical information about the customer testing for MT537 Statement of Cash Penalties report (MT537 PENA) and helps customers to prepare for the new reporting that will be activated in production on 1 February 2022. The activation timeline and specifications are described in Announcement [A20047](#).

Clearstream will support customer tests covering CBL internal instructions (CBL-CBL) during a dedicated test window from 5 July 2021 to 17 September 2021.

Participation in the customer testing of the MT537 PENA is optional and free of charge. However, we recommend that customers do participate to become familiar with the content of the MT537 PENA.

Customers wishing to participate in the testing must register by completing and submitting the Test Participation Form in Appendix 1 by 22 June 2021.

For more information, please refer to the [Settlement Discipline Cash Penalties: Functional Specifications](#) document available on the Clearstream website.

2. Key information

The table below summarises the key information relating to the testing

From	09:00 CET 5 July 2021														
To	12:00 CET 17 September 2021														
Clearstream entities	CBL (including CBF-i)														
Availability of the environment (excluding maintenance or down times imposed by T2S/ECB)	<table> <tr> <td>Monday</td> <td>09:00 - 17:00 CET</td> </tr> <tr> <td>Tuesday</td> <td>09:00 - 17:00 CET</td> </tr> <tr> <td>Wednesday</td> <td>09:00 - 17:00 CET</td> </tr> <tr> <td>Thursday</td> <td>09:00 - 17:00 CET</td> </tr> <tr> <td>Friday</td> <td>09:00 - 12:00 CET</td> </tr> <tr> <td>Saturday</td> <td>Not available</td> </tr> <tr> <td>Sunday</td> <td>Not available</td> </tr> </table>	Monday	09:00 - 17:00 CET	Tuesday	09:00 - 17:00 CET	Wednesday	09:00 - 17:00 CET	Thursday	09:00 - 17:00 CET	Friday	09:00 - 12:00 CET	Saturday	Not available	Sunday	Not available
Monday	09:00 - 17:00 CET														
Tuesday	09:00 - 17:00 CET														
Wednesday	09:00 - 17:00 CET														
Thursday	09:00 - 17:00 CET														
Friday	09:00 - 12:00 CET														
Saturday	Not available														
Sunday	Not available														
Scope	Generation and acknowledgment of settlement instructions Calculation and application of cash penalties on failed matched settlement instructions Reporting of cash penalties via MT537 PENA messages Query cash penalties in Xact Web Portal														
A2A Test Connectivity	SWIFT channel only The BIC to be used for sending instructions and from where the reports will be received is ZYAILUL0XXX														
Participation	Optional														
Subscription	Please complete the Test Participation Form in Appendix 1 and send it by email to connect@clearstream.com														
Subscription deadline	22 June 2021														
Price	Free of charge														
Useful links	Functional Specifications on Cash Penalties Xact Web Portal User Manual Samples of MT537 PENA messages ECSDA Penalties Framework														

3. Participating in the test

Customers that want to participate in the test are required to complete the Test Participation Form, available in Appendix 1, and send it by email to connect@clearstream.com, by close of business 22 June 2021.

Forms received after this deadline will be processed on a “best-efforts” basis, this means that Clearstream cannot guarantee that the customer will be setup for the start of the testing period.

The Test Participation Form requires customers to:

- Identify internal resources who will execute the tests;
- Nominate a single point of contact (SPOC);
- Define the test BICs to be used; and
- Request and confirm the creation of Xact Web Portal credentials.

3.1 Identify internal resources

The internal resources will monitor the execution of the test cases and will report open points to the SPOC.

3.2 Single point of contact (SPOC)

The SPOC will act as primary contact point for all test related queries and interactions with Clearstream test support team. The customer shall nominate a backup in case the official SPOC is not available.

3.3 Define the test BICs

For the message exchange via the SWIFT test network, SWIFT requires the use of test BICs. The test BICs must be registered by the customers themselves on the SWIFT network.

Customers that already have a test BIC registered on the SWIFT Test network must also perform a technical RMA exchange with Clearstream.

If a customer needs information about whether the RMA exchange has been completed already, please contact connect@clearstream.com.

3.4 Create Xact Web Portal credentials

Xact Web Portal allows access to a wide range of services including asset services and settlement, allowing instructions input and queries and powerful corporate actions event life cycle management functionality.

The test environment will be accessible via the Xact Web Portal and can be used as a complement of SWIFT for executing and monitoring all test scenarios.

Based on the test participation form, Clearstream will provide the Identified internal resources with the required user credentials to access the Xact Web Portal. The credentials will provide users with access to the test accounts, instructions input and various settlement penalties functions.

There will be no need for any administrator intervention on the customer side to setup the user rights.

The recipients of the Xact Web Portal credentials must be nominated via the Test Participation Form. The credentials will allow up to five concurrent logins. By default, the credentials will allow the same user to input and release their instructions (two-eyes). If customers wish to have a special set of credentials with additional security (that is, four-eyes or six-eyes authorisation), this must be requested as a remark in the Test Participation Form, or by contacting the Connectivity Helpdesk at connect@clearstream.com.

4. Test scope

The customer testing activities will focus on the three areas as follows:

- Generate and acknowledge settlement instructions,
- Report cash penalties in MT537 PENA message, and
- Access Xact Web Portal functionalities and queries related to cash penalties.

The process of collecting and distributing the net amounts of cash penalties will not be activated in the testing environment. Cash penalties calculated and applied in the testing environment will not be subject to any cash collection or distribution process.

4.5 Generate and acknowledge settlement instructions

Clearstream will setup the technical links to allow the receipt of settlement instructions. Customers will then be able to input the two legs of a transaction (the delivery and the receipt instructions) so that the instructions match. Those instructions will be subject to cash penalties, whereas:

- Instructions that match after the ISD will be subject to Late Matching Fail Penalties (LMFP); and
- Matched instructions that fail to settle on, and after, the ISD will be subject to Settlement Fail Penalties (SEFP).

Instructions must be sent to BIC ZYAILUL0XXX.

Clearstream has defined a list of ISINs to be used in the context of the testing:

- CA73755L1076
- CA8898991002
- CH0249375764
- FI0009007728
- FI0009008270
- GB00B94QM994
- IE00B50XJX92
- NL0010623518
- SE0000667925
- US03485P3001
- DE0007224008
- DE0007228009
- DE0005419105
- LU0099590506
- LU0099601980
- LU0102279501
- IE00BYSZ5S74
- IE00BYSZ5T81
- IE00BYSZ5V04
- IE00BYSZ5W11

4.6 Report cash penalties in MT537 PENA messages

Clearstream will schedule the MT537 PENA messages in the testing environment.

The BIC from where the reports will be received is ZYAILUL0XXX.

Cash penalties identified, calculated, and applied on a business day will be reported on the next business day, at a time as defined by customers in the Test Participation Form.

4.7 Access Xact functionalities related to cash penalties

Clearstream has enhanced existing functionalities and developed new functionalities in the Xact Web Portal, especially:

- Query settlement instructions, where cash penalties applied to a settlement instruction will be listed in the existing Detailed View screen of the settlement instruction, and a "Go To" link allows customers to access the Detailed View screen of the relevant cash penalty;
- Query cash penalties, where customers will be able to search and retrieve cash penalties applied;
- Submit Appeals, where customers will have the possibility to request, on an exceptional basis, removal, re-inclusion and/or amendment of a cash penalty, and monitor the status of the appeal requests.

The above-mentioned functionalities will be available in the testing environment.

Note: Each Xact Web Portal user will be limited to a maximum of three (3) appeal requests in the testing environment.

Appendix 1. Test participation form - MT537 Statement of Cash Penalties report - CBL

Name of Institution:

Customer's CBL Account Number 1:

Customer's CBL Account Number 2:

Production SWIFT BIC:

Test SWIFT BIC:

Single point of contact (SPOC)

Surname:

Name:

Email:

Telephone:

Backup (if SPOC is not available)

Surname:

Name:

Email:

Telephone:

Xact Web Portal credentials

Please create credentials for the following users:

Surname:

Name:

Email:

Telephone:

Surname:

Name:

Email:

Telephone:

Remarks:

Please return the completed form electronically to connect@clearstream.com by **22 June 2021**.

Contact
www.clearstream.com

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June 2021
