
Market Notice

20 January 2017
MN_11/2017

Target2 test environment to migrate out of T2S UTEST (pre-production) UTEST recycling period to change on 24/01/2017

For the attention of:

Priority:

Re:

DCP, ICP

MEDIUM

Target2 test environment to migrate out of T2S
UTEST (pre-production)
UTEST recycling period to change on
24/01/2017

Dear Client,

Please be aware of the following events that may affect tests performed in the T2S UTEST environment on 23, 24 and 25 January 2017.

A) Target2 test environment to migrate out of T2S UTEST (pre-prod)

The Target2 test environment (T2CUST) is currently connected to T2S UTEST environment (pre-prod) to enable the WAVE 4 markets to complete their own testing phase in conditions similar to the production environment until 20 January 2017.

The T2CUST connection switch-back to T2S community test environment (MIG2) will begin on 23 January 2017. The T2S MIG2 and UTEST environments will not be down all day, but there will be changes to their respective operational days which may impact tests performed at that time in both environments. The details appear below.

The final operational day, on which the Target2 test environment (T2CUST) will be connected to the T2S UTEST environment, will be the accounting day 23 January 2017.

On 23 January 2017 (calendar date), the T2S scheduling will be amended as follows:

- In both the MIG2 and UTEST environments, the cash sweep to reset the balance of the DCA will be brought forward to 11:45
- In MIG2 and UTEST, the change of the accounting date will take place at 12:45



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- In MIG2 and UTEST, night-time settlement (accounting date 24/01) will begin at 13:30
- The MIG2, UTEST and T2CUST environments will close for technical maintenance at 15:00

On 23 January 2017 (calendar date):

- The cash injection to UTEST will take place via LTU at the beginning of the accounting date 24/01 (calendar date 23/01 after 12:45)
- MIG2 will require an injection via LTU after the accounting date has changed from 23 to 24 January (calendar date 23/01 after 12:45)

On accounting date 25 January 2017 (calendar date 24/01 after the accounting date has changed), T2CUST will be connected to the MIG2 test environment

The scheduling for the calendar date 24 January 2017 is as follows:

- The scheduling of 24 January will be "T2S Synchronised Standard Day" in MIG2
- As of 24 January, the scheduling of the business day will remain "T2S Synchronised Standard Day" in UTEST
- The cash sweep in UTEST will not be transferred to T2CUST
- The cash sweep in MIG2 will be transferred to T2CUST (even though the cash will originate from LTUs)
- The cash injection from T2CUST to MIG2 will take at the beginning of the accounting date 25/01 with a validity date of 25/01 (calendar date 24/01 after 16:15)
- UTEST will require a cash injection via LTU after the accounting date has changed from 24/01 to 25/01 (calendar date 24/01 after 16:15)

The first accounting date on which T2CUST will be fully connected to MIG2 will be 25 January 2017.

Possible fall-back procedures:

- 23 January during the technical maintenance: real-time settlement could start later on the morning of the calendar date 24 January (accounting date 24 January).

For information purposes, the scheduling for the operational day known as "T2S Synchronised Standard Day" is shown below.

| Operational day schedule | T2S Synchronised Standard Day |
|--|-------------------------------|
| - Start of Testing | 07:00 |
| REAL TIME SETTLEMENT | |
| Timings of massive recycling | 06:00 - 16:00 |
| - Partial settlement 1 | 10:00 – 10:15 |
| - Partial settlement 2 | 12:00 – 12:15 |
| - Partial settlement 3 | 12:30 – 12:45 |
| - Partial settlement 4 | 14:15 – 14:30 |
| - DVP/ Cash SR1 cut-off 4 | 14:30 |
| - Collateral reimbursement | 14:50 |
| - BATM / CBO cut-off | 15:10 |
| - Inbound LTO cut-off / Automatic cash sweep | 15:15 |
| - Securities SR / FOP cut-off | 15:30 |
| END OF DAY / START OF DAY | |
| - Change of business date | 16:15 |
| - Feeds from CMS | 16:30 |
| - Cash injection | 17:00 |
| - Start of Night-time settlement | 17:00 |
| Night Time Settlement | |
| - End of Testing | 19:00 |

B) UTEST recycling period to change on 24 January 2017

Please be informed that for Tuesday, 24 January 2017, the recycling period for matched and unmatched settlement instructions will be changed to one day.

This means the cancellation of pending instructions with an intended settlement date (ISD) older than one day as at 24 January. The cancellation will take place upon end of recycling and purging (EORP), which may last longer than normal on the evening of 24 January 2017.

The recycling period will be restored to its previous length as of Wednesday, 25 January 2017.

Should you have any question on the above, please contact Monte Titoli test team at: MT-T2S-test@lseq.com