

The EU T+1 Industry Committee Taskforce on SSI market practice

Allegements Market Practice

September 2026



1. Introduction

This document presents the key information, guiding principles and baseline for the adoption of the EU T+1 Industry Committee's Recommendations on the expanded use of allegements. The initiative is designed to facilitate a more efficient, timely, and resilient settlement process across the European Union, reinforcing industry preparedness ahead of the transition to T+1.

2. EU T+1 High-Level Roadmap Recommendations¹

ST-03.8a – Allegements - (I)CSDs

(I)CSDs should support the identification and reporting of allegements without any exception.

Rationale – Allegement reporting by (I)CSDs provides (I)CSD participants with crucial information to investigate and resolve matching exceptions promptly. In turn this helps avoid LMFP, settlement fails and promotes a high level of settlement efficiency.

Priority – High

Who – (I)CSDs

When – October 2027

ST-03.8b – Allegements (Intermediaries)

Settlement Intermediaries should support the identification and reporting of allegements without exception.

Rationale – Allegement reporting by Settlement Agents and Custodians provides clients with crucial information to investigate and resolve matching exceptions promptly. In turn this helps avoid LMFP, settlement fails and promotes a high level of settlement efficiency.

Priority – High

Who – Settlement Intermediaries

When – October 2027

¹ [High-level Roadmap to T+1 Securities Settlement in the EU](#) p. 33-34

3. EU T+1 Securities Settlement Handbook²

Not all (I)CSDs support settlement allegation reporting, i.e. where a CSD participant receives notification of an instruction ‘alleged’ to their account for which they have not entered a corresponding instruction.

Similarly, not all Settlement Intermediaries support allegation reporting.

The lack of such a reporting service being provided or used may cause delays in resolution of settlement exceptions, matching and settlement.

In a T+1 environment, allegation identification and reporting must be supported by all (I)CSDs and settlement Intermediaries without any exception to aid prompt resolution of matching exceptions.

It is therefore recommended that (I)CSDs and settlement Intermediaries report all allegations to their respective clients to enable resolution e.g. booking a missed instruction or amending the counterparty or economic details to allow correct matching.

4. Recommendation

The Settlement workstream has recommended in ST-03a and ST-03.8b that (I)CSDs and intermediaries should support allegations without exceptions.

5. Problem Statement

At present the majority of CSD participants inject quoting only PARTY 1, being a mandatory matching field; however, settlement systems support several party layers, though not as matching fields (pass on of data elements only).

Note: If included in the instruction, PARTY 2 becomes a matching field, but where one party includes and the counterparty is blank, matching will still be granted (optional matching).

Consequently, it is very frequent that settlement instructions contain only Party 1 details.

In practice, in an omnibus accounts structure set up, most allegations are ineffective because missing identification of the final client impedes *de facto* the creation of the allegation notification against the correct client amongst those that share the same omnibus account.

6. What's next

To ensure an effective execution of the **STP workflow**, instruction messages should provide a comprehensive and adequately detailed set of information. Such elements are essential to guarantee the **accurate and fully automated forwarding of the**

² [EU T+1 Implementation Handbook](#) p.20-21

allegement notification to the final client, thereby eliminating any need for manual handling or interpretation.

Where institutions operate omnibus accounts, in order to ensure sufficient information is available to map the allegations back to the underlying client, the instructing party needs to include in addition to the Party 1 information also the Party 2 details, for example:

- Party 1 – Safekeeping Account (equivalent of field 97A SAFE with 95P REAG / DEAG or 95R option REAG / DEAG)
- Party 1 – BIC (equivalent of 95P REAG / DEAG)
- Party 2 – Client Account (equivalent of field 97A SAFE with 95P or 95Q BUYR / SELL or 95R option BUYR / SELL)
- Party 2 – BIC (equivalent of field in 95P BUYR / SELL)
- Party 2 – Other i.e. Text in Name and Address field (equivalent of field 95Q BUYR / SELL)

7. Technical Description From the SMPG Market Practice

Please refer to the SMPG web site as per the links below:

https://www.smpg.info/sites/smpg/files/files/2026-08/SMPG_MP_SR_Allegement_2026%20version.pdf

https://www.smpg.info/sites/smpg/files/files/2026-08/Depositories_BICs_LIST_116.xlsx

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Annex

Process Flows of Different Scenarios

