SECURITIES MARKET PRACTICE GROUP

SMPG

Repo Settlement
Market Practice

Status: Final
Update date: March 2010
Author: SMPG

Changes to previous versions (in dark blue)			
V5.0 April 2004	Addition	For multiple piece of collateral repo, addition of the instruction counter field :99B::SETT//3!n in general sequence A.	Page 11
V5.1 December 2005	Harmonisation	Harmonisation of one and two message MP settlement confirmation practices.	Page 5, 23
V5.2 April 2006	Consolidation	Consolidation of the REPO Final 5.1 and Repo additional scenarios 3_5.doc that was signed-off at the April Stockholm meeting.	Page 12 and 27
V5.3 December 2006	Deletion	Removal of partial rollover open item as confirmation it does not happen.	Page 17 and 32.
	SR 2007	Update to codes and qualifiers following SR 2007.	All.
V5.4 October 2007	Correction	Correction: removal of :22F::REPT//REPC deleted in SR 2007.	Page **Error! Bookmark not defined.**
	Clarification	Clarification of Market Practice for top-up when securities are different of already collateralised positions.	Page 18 and 34
	Addition	Expansion of scope of CALL	Page 12 and 27
V5.5 March 2010	Correction	Split of code from :22::SETR//COLL to :22F::SETR//COLO and COLI based on SR 2007	Page 18, 19, 21, 22, 34, 35, 37, 38

Scope and definitions:

The scope of this document is to define and illustrate the use of ISO 15022 formats for the <u>settlement</u> of a <u>securities</u> (reverse) repurchase agreement. It refers to a type of transaction in which a seller acquires <u>cash</u> by selling <u>securities</u> (used as collateral) and simultaneously agrees to repurchase the same or similar securities at a future (may be open) time.

This operation implies no change of beneficial ownership. If there is a change of beneficial ownership, the operation is called a sell and buy-back.

Today's situation, in terms of how the settlement of a repo should be instructed, is much diversified. Some countries/institutions require only one message, others two-messages and yet others one or two messages depending on the type of repo. No solution will consequently suit everybody. The ISO 15022 standards offers the possibility to handle repo settlement using one message. According to many national groups, it seems difficult to drop the two-messages option as it is widely used today.

In order to avoid a blockage in the discussion that would just lead to the emergence of even more practices, we have documented the two practices, i.e. one or two-messages market practice. NMPGs should find an agreement at National level on which one of the two variants (one or two messages) should be their market practice. Each NMPG having Repo in their market should then publish their choice. This should not be decided at individual institution level if possible.

On the question of whether there will ever be a single global market practice for repos – one message vs. many messages – the SMPG group concluded that this should not be addressed immediately and should be part of the modelling exercise for future UNIFI (ISO 20022) messages.

Finally, this market practice provides <u>global minimum</u> requirements for the settlement of a repo. NMPGs are invited to document any country specific requirements in their Country MP document.

<u>Preliminary note:</u>

The document only refers to bilateral repo.

As we are mainly looking at repo on a settlement point of view, we will always name:

·   the party which receive cash and deliver securities, the seller
·   the party which deliver cash and receive securities, the buyer

One Message Market Practice

I. General Market Practice Rules:

In order to avoid confusion, the type of messages used by each party must be consistent. Each party (buyer, seller) should instruct using **one and only one message type** for ALL repo information throughout the WHOLE process.

· The party receiving the cash in exchange of the securities collateral (the seller) will always release delivery messages.

· The party receiving the securities collateral and delivering the cash (the buyer) will always release receive messages.

A. Instruction of a repo/reverse repo:

- The instruction will be identified as being the settlement of a repo operation by using Sequence E indicator field **:22F::SETR//REPU**.

  The instruction will be identified as being the settlement of a reverse repo operation by using Sequence E indicator field **:22F::SETR//RVPO**.

The repo sequence is used to provide the closing information. The minimum business elements needed in the repo sequence are:

- **The closing date (may be open)**
- A **repo deal reference**. It allows a single identification of the repo throughout its whole process.
- The **necessary info to calculate the repurchase amount (repo rate…) or the repurchase amount itself**.
- When multiple pieces of collateral are concerned, the **total number of collateral instructions** should also be included. In that case, the various messages needed for the repo operation will be linked using the repo reference. The repurchase amount (repo sequence) should contain the **total repo amount** (the addition of the various pieces of collateral Repurchase amounts).

B. Amendments:

The general rule is to **cancel and send a new message (same message type)** with the modified data.

1. Before settlement of the opening:

Everything can be modified.

2. After settlement of the opening and before settlement of the closing:

Only closing information may be modified (repo sequence only).

C. Confirmation of REPOs:

- The confirmation message corresponding to the effective movements of securities (against cash) is to be sent (MT 544 for confirmation of a receive free, MT 545 for a receive versus payment, MT 546 for a delivery free and MT 547 for a delivery versus payment).
- N indicator is not required as the message type and repo type indicator provide the necessary information to derive the direction of the securities and the cash.
- For multiple pieces of collateral repo, confirmations are required for each piece of collateral.
- The confirmation messages business data should reflect the reality of the settlement that it confirmed.
- Linkage to the original instruction (with qualifier RELA) is mandatory.
- Settlement and Repo transaction type should be present.

II. Illustrations:

A. Instruction:

This illustration is **an example** that does not represents all practices in all markets. In some markets, for instance, repo does not settle against but free of payment at the CSD.

There could also be a global custodian or another intermediary involved in the process. This is only **an example.**

SELLGB22 MT 543 to SUBCXX12		BUYRGB22 MT 541 to SUBCYY34
:16R:GENL		:16R:GENL
:20C::SEME//REPOINSTR123	**Message reference**	:20C::SEME//REPOINSTR456
:23G:NEWM	**Function of the message**	:23G:NEWM
:16S:GENL		:16S:GENL
:16R:TRADDET		:16R:TRADDET
:98A::TRAD//20030305	**Trade date**	:98A::TRAD//20030305
:98A::SETT//20030308	**Repo Opening Settlement date**	:98A::SETT//20030308
:35B:ISIN XX0000294034	**ISIN**	:35B:ISIN XX0000294034
:16S:TRADDET		:16S:TRADDET
:16R:FIAC		:16R:FIAC
:36B::SETT//FAMT/100050000,	**Quantity of securities**	:36B::SETT//FAMT/100050000,
:97A::SAFE//111111111	**Safekeeping account**	:97A::SAFE//333333333
:16S:FIAC		:16S:FIAC
:16R:REPO		:16R:REPO
:98A::TERM//20030315	**Repo Closing date**. If the date is open, **98B::TERM//OPEN must be used**.	:98A::TERM//20030315
:20C::REPO//REPO12345	**Repo reference**	:20C::REPO//REPO12345
:19A::TRTE//EUR9910780,	**Repurchase amount**[1]	:19A::TRTE//EUR9910780,
:16S:REPO		:16S:REPO
:16R:SETDET		:16R:SETDET
:22F::SETR//REPU	Identification of the settlement **instruction type**	:22F::SETR//RVPO
:16R:SETPRTY		:16R:SETPRTY
:95P::BUYR//BUYRGB22		:95P::SELL//SELLGB22
:16S:SETPRTY		:16S:SETPRTY

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[1] Should be present either the repurchase amount or the needed information to calculate it (repo rate…).

:16R:SETPRTY	:16R:SETPRTY
:95P::REAG//SUBCYY34	:95P::DEAG//SUBCXX12
:16S:SETPRTY	:16S:SETPRTY
:16R:SETPRTY	:16R:SETPRTY
:95P::PSET//NCSDXX21	:95P::PSET//NCSDXX21
:16S:SETPRTY	:16S:SETPRTY
:16R:AMT	:16R:AMT
:19A::SETT//EUR9900000,	:19A::SETT//EUR9900000,
:16S:AMT	:16S:AMT
:16S:SETDET	:16S:SETDET

The middle text between the two tables reads: **Opening settlement amount**

B. Amendment:

EXAMPLE: the closing date needs to be amended from the 15th to the 18th…

We are after settlement of the opening of the repo.
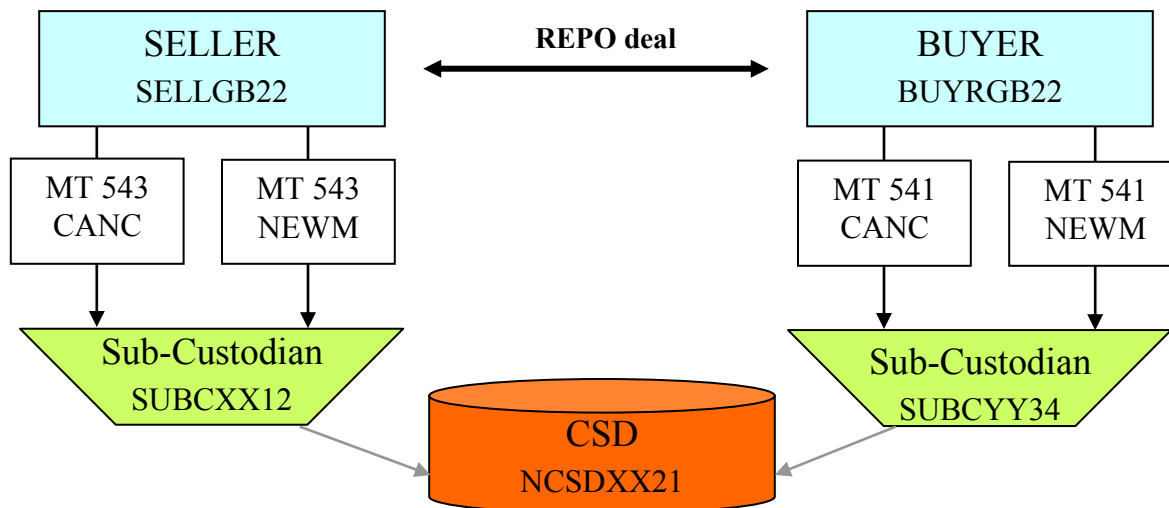
1. Cancellation message:

SELLGB22 MT 543 (CANC) to SUBCXX12	BUYRGB22 MT 541 (CANC) to SUBCYY34
:16R:GENL	:16R:GENL
:20C::SEME//INSTR123CANC	:20C::SEME//INSTR456CANC
:23G:CANC	:23G:CANC
:16R:LINK	:16R:LINK
:20C::PREV//REPOINSTR123	:20C::PREV//REPOINSTR456
:16S:LINK	:16S: LINK
:16S:GENL	:16S:GENL
:16R:TRADDET	:16R:TRADDET
:98A::TRAD//20030305	:98A::TRAD//20030305
:98A::SETT//20030308	:98A::SETT//20030308
:35B:ISIN XX0000294034	:35B:ISIN XX0000294034
:16S:TRADDET	:16S:TRADDET
:16R:FIAC	:16R:FIAC
:36B::SETT//FAMT/100050000,	:36B::SETT//FAMT/100050000,
:97A::SAFE//111111111	:97A::SAFE//333333333
:16S:FIAC	:16S:FIAC
:16R:REPO	:16R:REPO
:98A::TERM//20030315	:98A::TERM//20030315

The middle text reads:

Function of the message CANC

Link to PREViously sent NEWM message

:20C::REPO//REPO12345
:19A::TRTE//EUR9910780,
:16S:REPO
:16R:SETDET
:22F::SETR//REPU
:16R:SETPRTY
:95P::BUYR//BUYRGB22
:16S:SETPRTY
:16R:SETPRTY
:95P::REAG//SUBCYY34
:16S:SETPRTY
:16R:SETPRTY
:95P::PSET//NCSDXX21
:16S:SETPRTY
:16R:AMT
:19A::SETT//EUR9900000,
:16S:AMT
:16S:SETDET

:20C::REPO//REPO12345
:19A::TRTE//EUR9910780,
:16S:REPO
:16R:SETDET
:22F::SETR//RVPO
:16R:SETPRTY
:95P::SELL//SELLGB22
:16S:SETPRTY
:16R:SETPRTY
:95P::DEAG//SUBCXX12
:16S:SETPRTY
:16R:SETPRTY
:95P::PSET//NCSDXX21
:16S:SETPRTY
:16R:AMT
:19A::SETT//EUR9900000,
:16S:AMT
:16S:SETDET

2. Amended new message:

SELLGB22 MT 543 to SUBCXX12		BUYRGB22 MT 541 to SUBCYY34
:16R:GENL		:16R:GENL
:20C::SEME//REPOINSTR123B	**Message reference**	:20C::SEME//REPOINSTR456B
:23G:NEWM	**Function of the message**	:23G:NEWM
:16S:GENL		:16S:GENL
:16R:TRADDET		:16R:TRADDET
:98A::TRAD//20030305	**Trade date**	:98A::TRAD//20030305
:98A::SETT//20030308	**Repo Opening Settlement date**	:98A::SETT//20030308
:35B:ISIN XX0000294034	**ISIN**	:35B:ISIN XX0000294034
:16S:TRADDET		:16S:TRADDET
:16R:FIAC		:16R:FIAC
:36B::SETT//FAMT/100050000,	**Quantity of securities**	:36B::SETT//FAMT/100050000,
:97A::SAFE//111111111	**Safekeeping account**	:97A::SAFE//333333333
:16S:FIAC		:16S:FIAC
:16R:REPO		:16R:REPO
:98A::TERM//20030318	Amended repo Closing date	:98A::TERM//20030318
:20C::REPO//REPO12345	**Repo reference**	:20C::REPO//REPO12345
:19A::TRTE//EUR9911580,	Amended Repurchase amount[2]	:19A::TRTE//EUR9911580,
:16S:REPO		:16S:REPO
:16R:SETDET		:16R:SETDET
:22F::SETR//REPU	Identification of the settlement **instruction type**	:22F::SETR//RVPO
:16R:SETPRTY		:16R:SETPRTY
:95P::BUYR//BUYRGB22		:95P::SELL//SELLGB22
:16S:SETPRTY		:16S:SETPRTY
:16R:SETPRTY		:16R:SETPRTY
:95P::REAG//SUBCYY34		:95P::DEAG//SUBCXX12
:16S:SETPRTY		:16S:SETPRTY
:16R:SETPRTY		:16R:SETPRTY
:95P::PSET//NCSDXX21		:95P::PSET//NCSDXX21
:16S:SETPRTY		:16S:SETPRTY

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[2] Should be present either the repurchase amount or the needed information to calculate this amount (repo rate, calculation method…)

:16R:AMT
:19A::SETT//EUR9900000,
:16S:AMT
:16S:SETDET

Opening settlement amount

:16R:AMT
:19A::SETT//EUR9900000,
:16S:AMT
:16S:SETDET

C. Settlement confirmations
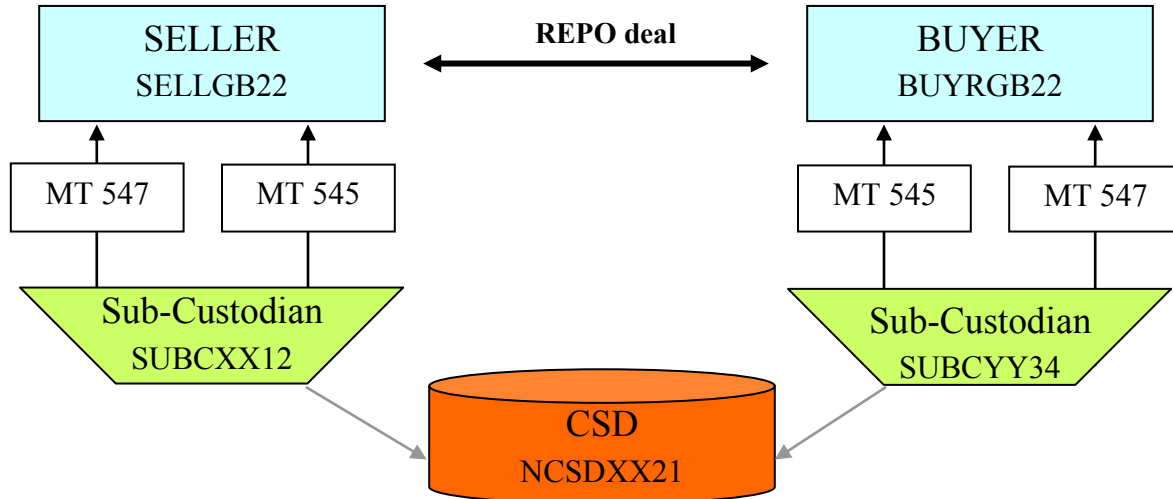
1. Opening settlement confirmation

SUBCXX12 MT 547 to SELLGB22
:16R:GENL
:20C::SEME//INSTR123CONF1
:23G:NEWM
:16R:LINK
:20C::RELA//REPOINSTR123
:16S:LINK
:16S:GENL
:16R:TRADDET
:98A::TRAD//20030305
:98A::ESET//20030308
:35B:ISIN XX0000294034
:16S:TRADDET
:16R:FIAC
:36B::ESTT//FAMT/100050000,
:97A::SAFE//111111111
:16S:FIAC
:16R:REPO
:98A::TERM//20030315
:20C::REPO//REPO12345
:19A::TRTE//EUR9910780,
:16S:REPO
:16R:SETDET
:22F::SETR//REPU
:16R:SETPRTY
:95P::BUYR//BUYRGB22
:16S:SETPRTY
:16R:SETPRTY
:95P::REAG//SUBCYY34
:16S:SETPRTY

Message reference
Function of the message

Link to client's repo message

Effective settlement date of the repo opening

SUBCYY34 MT 545 to BUYRGB22
:16R:GENL
:20C::SEME//INSTR456CONF1
:23G:NEWM
:16R:LINK
:20C::RELA//REPOINSTR456
:16S:LINK
:16S:GENL
:16R:TRADDET
:98A::TRAD//20030305
:98A::ESET//20030308
:35B:ISIN XX0000294034
:16S:TRADDET
:16R:FIAC
:36B::ESTT//FAMT/100050000,
:97A::SAFE//333333333
:16S:FIAC
:16R:REPO
:98A::TERM//20030315
:20C::REPO//REPO12345
:19A::TRTE//EUR9910780,
:16S:REPO
:16R:SETDET
:22F::SETR//RVPO
:16R:SETPRTY
:95P::SELL//SELLGB22
:16S:SETPRTY
:16R:SETPRTY
:95P::DEAG//SUBCXX12
:16S:SETPRTY

:16R:SETPRTY		:16R:SETPRTY
:95P::PSET//NCSDXX21		:95P::PSET//NCSDXX21
:16S:SETPRTY		:16S:SETPRTY
:16R:AMT		:16R:AMT
:19A::ESTT//EUR9900000,	**Effective settlement amount** of the repo opening	:19A::ESTT//EUR9900000,
:16S:AMT		:16S:AMT
:16S:SETDET		:16S:SETDET

2. Closing settlement confirmation

SUBCXX12 MT 545 to SELLGB22		SUBCYY34 MT 547 to BUYRGB22
:16R:GENL		:16R:GENL
:20C::SEME//INSTR123CONF2	**Message reference**	:20C::SEME//INSTR456CONF2
:23G:NEWM	**Function of the message**	:23G:NEWM
:16R:LINK		:16R:LINK
:20C::RELA//REPOINSTR123	**Link to client's** repo message	:20C::RELA//REPOINSTR456
:16S:LINK		:16S:LINK
:16S:GENL		:16S:GENL
:16R:TRADDET		:16R:TRADDET
:98A::TRAD//20030305		:98A::TRAD//20030305
:98A::ESET//20030315	Effective settlement date of the concerned confirmation, i.e. the closing date.	:98A::ESET//20030315
:35B:ISIN XX0000294034		:35B:ISIN XX0000294034
:16S:TRADDET		:16S:TRADDET
:16R:FIAC		:16R:FIAC
:36B::ESTT//FAMT/100050000,		:36B::ESTT//FAMT/100050000,
:97A::SAFE//111111111		:97A::SAFE//333333333
:16S:FIAC		:16S:FIAC
:16R:REPO		:16R:REPO
:98A::TERM//20030315		:98A::TERM//20030315
:20C::REPO//REPO12345		:20C::REPO//REPO12345
:19A::TRTE//EUR9910780,		:19A::TRTE//EUR9910780,
:16S:REPO		:16S:REPO
:16R:SETDET		:16R:SETDET
:22F::SETR//REPU		:22F::SETR//RVPO
:16R:SETPRTY		:16R:SETPRTY
:95P::BUYR//BUYRGB22		:95P::SELL//SELLGB22
:16S:SETPRTY		:16S:SETPRTY
:16R:SETPRTY		:16R:SETPRTY
:95P::REAG//SUBCYY34		:95P::DEAG//SUBCXX12
:16S:SETPRTY		:16S:SETPRTY
:16R:SETPRTY		:16R:SETPRTY
:95P::PSET//NCSDXX21		:95P::PSET//NCSDXX21
:16S:SETPRTY		:16S:SETPRTY
:16R:AMT		:16R:AMT
:19A::ESTT//EUR9910780,	Effective settlement amount of the concerned confirmation, i.e. the repurchase amount?	:19A::ESTT//EUR9910780,
:16S:AMT		:16S:AMT
:16S:SETDET		:16S:SETDET

D. Additional example: Multiple pieces of collateral.

The illustration will show a contract repo with two pieces of collateral.
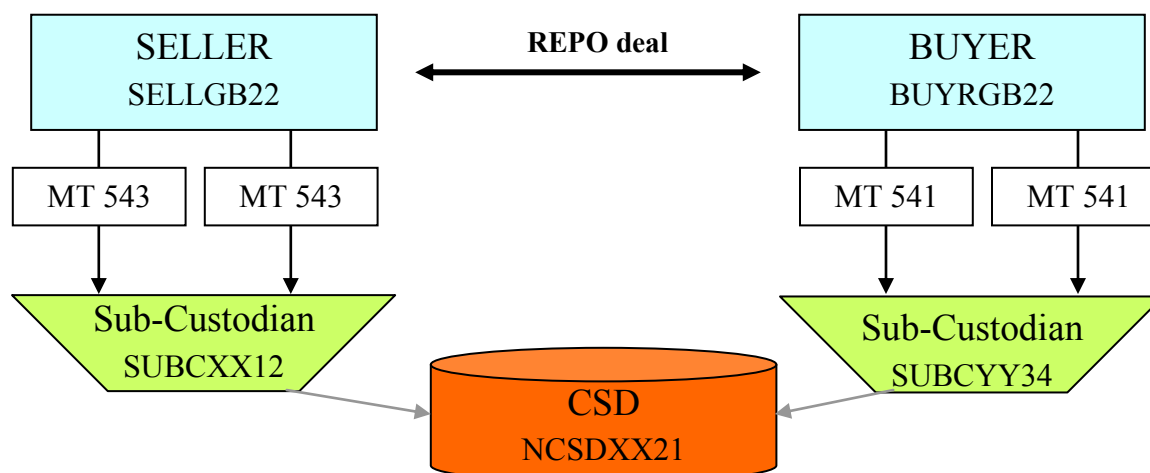
SELLGB22 MT 543 to SUBCXX12	SELLGB22 MT 543 to SUBCXX12	BUYRGB22 MT 541 to SUBCYY34	BUYRGB22 MT 541 to SUBCYY34
:16R:GENL	:16R:GENL	:16R:GENL	:16R:GENL
:20C::SEME//REPOINSTR123	:20C::SEME//REPOINSTR321	:20C::SEME//REPOINSTR456	:20C::SEME//REPOINSTR654
:23G:NEWM	:23G:NEWM	:23G:NEWM	:23G:NEWM
:99B::SETT//001	:99B::SETT//002	:99B::SETT//001	:99B::SETT//002
:16S:GENL	:16S:GENL	:16S:GENL	:16S:GENL
:16R:TRADDET	:16R:TRADDET	:16R:TRADDET	:16R:TRADDET
:98A::TRAD//20030305	:98A::TRAD//20030305	:98A::TRAD//20030305	:98A::TRAD//20030305
:98A::SETT//20030308	:98A::SETT//20030308	:98A::SETT//20030308	:98A::SETT//20030308
:35B:ISIN XX0000294034	:35B:ISIN YY0000123456	:35B:ISIN XX0000294034	:35B:ISIN YY0000123456
:16S:TRADDET	:16S:TRADDET	:16S:TRADDET	:16S:TRADDET
:16R:FIAC	:16R:FIAC	:16R:FIAC	:16R:FIAC
:36B::SETT//FAMT/100000000,	:36B::SETT//FAMT/50000,	:36B::SETT//FAMT/100000000,	:36B::SETT//FAMT/50000,
:97A::SAFE//111111111	:97A::SAFE//111111111	:97A::SAFE//333333333	:97A::SAFE//333333333
:16S:FIAC	:16S:FIAC	:16S:FIAC	:16S:FIAC
:16R:REPO	:16R:REPO	:16R:REPO	:16R:REPO
:98A::TERM//20030315	:98A::TERM//20030315	:98A::TERM//20030315	:98A::TERM//20030315
:20C::REPO//REPO12345	:20C::REPO//REPO12345	:20C::REPO//REPO12345	:20C::REPO//REPO12345
:99B::TOCO//002	:99B::TOCO//002	:99B::TOCO//002	:99B::TOCO//002
:19A::TRTE//EUR10010000,	:19A::TRTE//EUR10010000,	:19A::TRTE//EUR10010000,	:19A::TRTE//EUR10010000,
:16S:REPO	:16S:REPO	:16S:REPO	:16S:REPO
:16R:SETDET	:16R:SETDET	:16R:SETDET	:16R:SETDET
:22F::SETR//REPU	:22F::SETR//REPU	:22F::SETR//RVPO	:22F::SETR//RVPO
:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY
:95P::BUYR//BUYRGB22	:95P::BUYR//BUYRGB22	:95P::SELL//SELLGB22	:95P::SELL//SELLGB22
:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY
:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY
:95P::REAG//SUBCYY34	:95P::REAG//SUBCYY34	:95P::DEAG//SUBCXX12	:95P::DEAG//SUBCXX12
:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY
:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY
:95P::PSET//NCSDXX21	:95P::PSET//NCSDXX21	:95P::PSET//NCSDXX21	:95P::PSET//NCSDXX21
:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY
:16R:AMT	:16R:AMT	:16R:AMT	:16R:AMT

:19A::SETT//EUR9800000,	:19A::SETT//EUR9000,	:19A::SETT//EUR9800000,	:19A::SETT//EUR9000,
:16S:AMT	:16S:AMT	:16S:AMT	:16S:AMT
:16S:SETDET	:16S:SETDET	:16S:SETDET	:16S:SETDET

III. Additional REPO Processes:

	ISO 15022	Repo transaction type	Description
1	CADJ	Swap/Substitution	Relates to a repo collateral substitution.
2	CALL	Repo Call	Relates to a change at an earlier date of the closing or maturity date or the providing of the termination date for an open repo.
3	PAIR	Pair-off	Relates to a repo that is part of a pair-off.
3	RATE	Repo Rate	Relates to a change in the repo rate.
4	ROLP	Rollover	Relates to a repo rollover of a position extending the closing or maturity date.
5	TOPU	Top-up	Relates to a cover of securities position due to deficit of collateral following mark to market valuation.
6	WTHD	Withdrawal	Relates to a return of securities position due to excess of collateral following mark to market valuation.

Differences with the two messages market practice are in blue.

A. SWAP/Substitution:
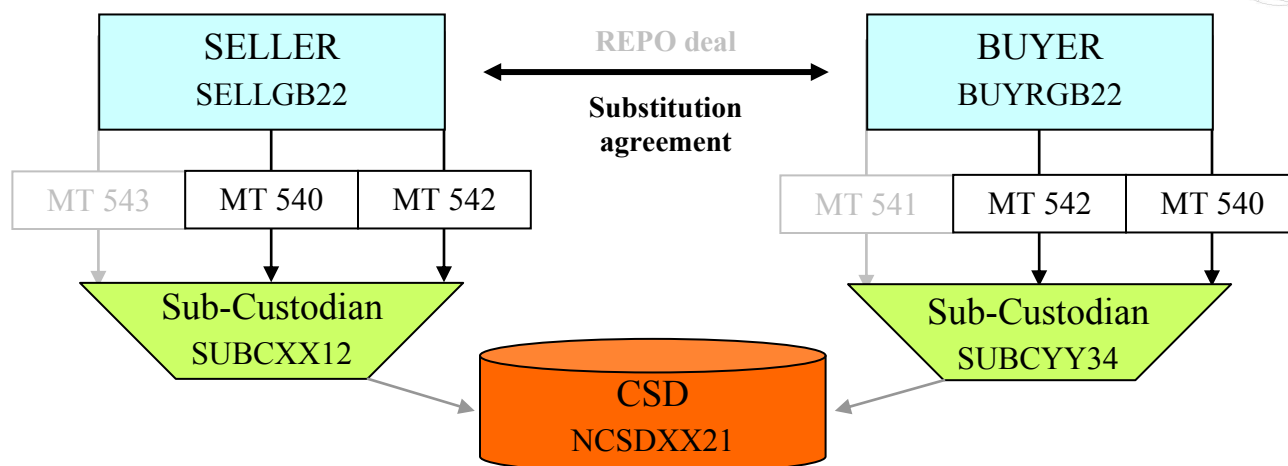
1. General recommendations

In a substitution operation, the account owner instructs the account servicer to recall the collateral originally instructed and to replace it by other collateral. Following the settlement of a substitution, the pending closing leg of the original repo is updated to reflect the new collateral reality.

- Two messages should be sent on the seller side, one to receive back the original collateral and one to deliver the new one. They should be linked to each other using a linkage sequence with a PREV reference and a linkage indicator :22F::LINK//WITH. Indeed, it is important that both instructions settle simultaneously to avoid one party to be doubly exposed.
- Two messages should be sent on the buyer side, one to deliver back the original collateral and one to receive the new one. They should be linked to each other using a linkage sequence with a PREV reference and a linkage indicator :22F::LINK//WITH. Indeed, it is important that both instructions settle simultaneously to avoid one party to be doubly exposed.
- The two messages will be identified as part of a substitution transaction using the Repo Type indicator :22F::REPT//CADJ
- The two messages will be linked to the original instruction using the Repo reference and/or a linkage sequence with the message reference of the original instruction.
- Settlement confirmations will be sent for both the receive and delivery instructions.

2. Illustration

This illustration is **an example** that does not represents all practices in all markets. In some markets, for instance, repo does not settle against but free of payment at the CSD.

There could also be a global custodian or another intermediary involved in the process. This is only **an example.**

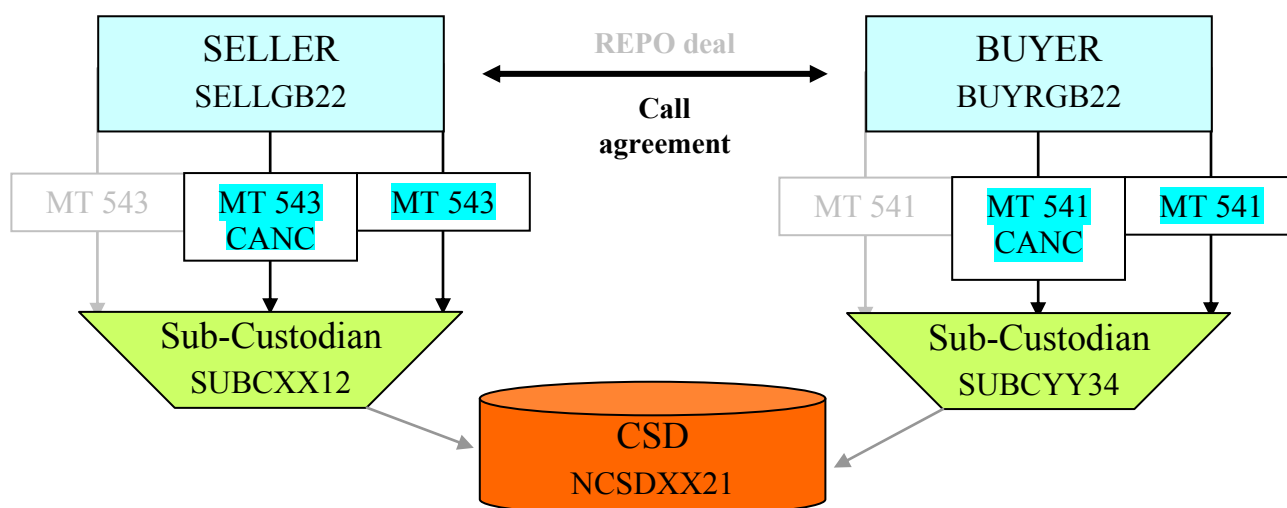| SELLGB22 MT 540 to SUBCXX12	SELLGB22 MT 542 to SUBCXX12	BUYRGB22 MT 542 to SUBCYY34	BUYRGB22 MT 540 to SUBCYY34
:16R:GENL	:16R:GENL	:16R:GENL	:16R:GENL
:20C::SEME//REPOSUBST1	:20C::SEME//REPOSUBST2	:20C::SEME//REPOSUBSTA	:20C::SEME//REPOSUBSTB
:23G:NEWM	:23G:NEWM	:23G:NEWM	:23G:NEWM
:16R:LINK	:16R:LINK	:16R:LINK	:16R:LINK
:20C::PREV//REPOINSTR123	:20C::PREV//REPOINSTR123	:20C::PREV//REPOINSTR456	:20C::PREV//REPOINSTR456
:16S:LINK	:16S:LINK	:16S: LINK	:16S: LINK
	:16R:LINK		:16R:LINK
	:22F::LINK//WITH		:22F::LINK//WITH
	:20C::PREV//REPOSUBST1		:20C::PREV//REPOSUBSTA
	:16S:LINK		:16S:LINK
:16S:GENL	:16S:GENL	:16S:GENL	:16S:GENL
:16R:TRADDET	:16R:TRADDET	:16R:TRADDET	:16R:TRADDET
:98A::TRAD//20030320	:98A::TRAD//20030320	:98A::TRAD//20030320	:98A::TRAD//20030320
:98A::SETT//20030323	:98A::SETT//20030323	:98A::SETT//20030323	:98A::SETT//20030323
:35B:ISIN XX0000294034	:35B:ISIN YY0009876543	:35B:ISIN XX0000294034	:35B:ISIN YY0009876543
:16S:TRADDET	:16S:TRADDET	:16S:TRADDET	:16S:TRADDET
:16R:FIAC	:16R:FIAC	:16R:FIAC	:16R:FIAC
:36B::SETT//FAMT/100050000,	:36B::SETT//FAMT/99950000,	:36B::SETT//FAMT/100050000,	:36B::SETT//FAMT/99950000,
:97A::SAFE//111111111	:97A::SAFE//111111111	:97A::SAFE//333333333	:97A::SAFE//333333333
:16S:FIAC	:16S:FIAC	:16S:FIAC	:16S:FIAC
:16R:REPO	:16R:REPO	:16R:REPO	:16R:REPO
:98A::TERM//20030415	:98A::TERM//20030415	:98A::TERM//20030415	:98A::TERM//20030415
:20C::REPO//REPO12345	:20C::REPO//REPO12345	:20C::REPO//REPO12345	:20C::REPO//REPO12345
:16S:REPO	:16S:REPO	:16S:REPO	:16S:REPO
:16R:SETDET	:16R:SETDET	:16R:SETDET	:16R:SETDET
:22F::SETR//REPU	:22F::SETR//REPU	:22F::SETR//RVPO	:22F::SETR//RVPO
:22F::REPT//CADJ	:22F::REPT//CADJ	:22F::REPT//CADJ	:22F::REPT//CADJ
:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY
:95P::BUYR//BUYRGB22	:95P::SELL//SELLGB22	:95P::SELL//SELLGB22	:95P::SELL//SELLGB22
:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY
:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY
:95P::REAG//SUBCYY34	:95P::DEAG//SUBCXX12	:95P::DEAG//SUBCXX12	:95P::DEAG//SUBCXX12
:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY
:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY
:95P::PSET//NCSDXX21	:95P::PSET//NCSDXX21	:95P::PSET//NCSDXX21	:95P::PSET//NCSDXX21
:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY
:16S:SETDET	:16S:SETDET	:16S:SETDET	:16S:SETDET

B. **Repo Call:**

1. General recommendations

In a repo call operation, the account owner instructs the account servicer to change the closing date of the repo closing leg to an earlier date.

- Two messages should be sent on both sides, one cancel and one replace with the new closing date.
- The same message type as the original repo instruction will be used for both cancel and replace.
- The cancel and replace[3] instructions will be identified as being due to a repo call by using the repo type indicator :22F::REPT//CALL.
- The two messages will be linked to the original instruction using the Repo reference and/or a linkage sequence with the message reference of the original instruction.
- In addition of the above information, the amended instruction should contain the recommended elements defined in the Repo Market Practice document, i.e. the repo reference, the recalculated repo amount or necessary details to calculate it (rate, etc.).

NOTE: For open-dated repo, a cancel of the original open-dated instruction will be sent followed by a replace instruction with the closing date.

2. Illustration

SELLGB22 MT 543 CANC to SUBCXX12	SELLGB22 MT 543 to SUBCXX12	BUYRGB22 MT 541 CANC to SUBCYY34	BUYRGB22 MT 541 to SUBCYY34
:16R:GENL	:16R:GENL	:16R:GENL	:16R:GENL
:20C::SEME//REPOCALL1	:20C::SEME//REPOCALL2	:20C::SEME//REPOCALLA	:20C::SEME//REPOCALLB
:23G:CANC	:23G:NEWM	:23G:CANC	:23G:NEWM
:16R:LINK	:16R:LINK	:16R:LINK	:16R:LINK
:20C::PREV//REPOINSTR123	:20C::PREV//REPOINSTR123	:20C::PREV//REPOINSTR456	:20C::PREV//REPOINSTR456
:16S:LINK	:16S:LINK	:16S: LINK	:16S: LINK
:16S:GENL	:16S:GENL	:16S:GENL	:16S:GENL
:16R:TRADDET	:16R:TRADDET	:16R:TRADDET	:16R:TRADDET
:98A::TRAD//20030305	:98A::TRAD//20030305	:98A::TRAD//20030305	:98A::TRAD//20030305
:98A::SETT//20030308	:98A::SETT//20030308	:98A::SETT//20030308	:98A::SETT//20030308
:35B:ISIN XX0000294034	:35B:ISIN XX0000294034	:35B:ISIN XX0000294034	:35B:ISIN XX0000294034
:16S:TRADDET	:16S:TRADDET	:16S:TRADDET	:16S:TRADDET
:16R:FIAC	:16R:FIAC	:16R:FIAC	:16R:FIAC

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[3] As from SR 2006.

:36B::SETT//FAMT/100050000,	:36B::SETT//FAMT/100050000,	:36B::SETT//FAMT/100050000,	:36B::SETT//FAMT/100050000,
:97A::SAFE//111111111	:97A::SAFE//111111111	:97A::SAFE//333333333	:97A::SAFE//333333333
:16S:FIAC	:16S:FIAC	:16S:FIAC	:16S:FIAC
:16R:REPO	:16R:REPO	:16R:REPO	:16R:REPO
:98A::TERM//20030415	:98A::TERM//20030329	:98A::TERM//20030415	:98A::TERM//20030329
:20C::REPO//REPO12345	:20C::REPO//REPO12345	:20C::REPO//REPO12345	:20C::REPO//REPO12345
:19A::TRTE//EUR9910780,	:19A::TRTE//EUR9920000,	:19A::TRTE//EUR9910780,	:19A::TRTE//EUR9920000,
:16S:REPO	:16S:REPO	:16S:REPO	:16S:REPO
:16R:SETDET	:16R:SETDET	:16R:SETDET	:16R:SETDET
:22F::SETR//REPU	:22F::SETR//REPU	:22F::SETR//RVPO	:22F::SETR//RVPO
:22F::REPT//CALL	:22F::REPT//CALL[4]	:22F::REPT//CALL	:22F::REPT//CALL
:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY
:95P::BUYR//BUYRGB22	:95P::SELL//SELLGB22	:95P::SELL//SELLGB22	:95P::SELL//SELLGB22
:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY
:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY
:95P::REAG//SUBCYY34	:95P::DEAG//SUBCXX12	:95P::DEAG//SUBCXX12	:95P::DEAG//SUBCXX12
:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY
:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY
:95P::PSET//NCSDXX21	:95P::PSET//NCSDXX21	:95P::PSET//NCSDXX21	:95P::PSET//NCSDXX21
:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY
:16R:AMT	:16R:AMT	:16R:AMT	:16R:AMT
:19A::SETT//EUR9900000,	:19A::SETT//EUR9900000,	:19A::SETT//EUR9900000,	:19A::SETT//EUR9900000,
:16S:AMT	:16S:AMT	:16S:AMT	:16S:AMT
:16S:SETDET	:16S:SETDET	:16S:SETDET	:16S:SETDET

C. **Pair-off:**

This will be handled separately from the rest of the documents with the parties effectively having such a process. Once finalized with those parties, it will be submitted to the SMPG for inclusion in the global MP.

D. **Repo Rate Change:**

1. General recommendations

In a repo rate change operation, the account owner instructs the account servicer to modify the repo rate of a repo. This process may lead to the modification of the repo closing date as well.

Like for all repo processes described in this document, the repo rate change process is not applicable to all markets. In some markets, such a change is only possible by the closing of the original repo and the opening of a brand new deal.

- Two messages should be sent on both sides, one cancel and one replace with the new rate.
- The same message type as the original repo instruction will be used for both cancel and replace.
- The cancel and replace will be identified as being due to a repo rate change by using the repo type indicator :22F::REPT//RATE.
- The replace instruction will contain the amended rate :92a::REPO, VASU or RSPR.
- The two messages will be linked to the original instruction using the Repo reference and/or a linkage sequence with the message reference of the original instruction.
- In addition of the above information, the amended instruction should contain the recommended elements defined in the Repo Market Practice document, i.e. the closing date, the repo reference, the recalculated repo amount or necessary details to calculate it.

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[4] SR 2006

2. Illustration

SELLGB22 MT 543 CANC to SUBCXX12	SELLGB22 MT 543 to SUBCXX12	BUYRGB22 MT 541 CANC to SUBCYY34	BUYRGB22 MT 541 to SUBCYY34
:16R:GENL	:16R:GENL	:16R:GENL	:16R:GENL
:20C::SEME//REPORATE1	:20C::SEME//REPORATE2	:20C::SEME//REPORATEA	:20C::SEME//REPORATEB
:23G:CANC	:23G:NEWM	:23G:CANC	:23G:NEWM
:16R:LINK	:16R:LINK	:16R:LINK	:16R:LINK
:20C::PREV//REPOINSTR123	:20C::PREV//REPOINSTR123	:20C::PREV//REPOINSTR456	:20C::PREV//REPOINSTR456
:16S:LINK	:16S:LINK	:16S: LINK	:16S: LINK
:16S:GENL	:16S:GENL	:16S:GENL	:16S:GENL
:16R:TRADDET	:16R:TRADDET	:16R:TRADDET	:16R:TRADDET
:98A::TRAD//20030305	:98A::TRAD//20030305	:98A::TRAD//20030305	:98A::TRAD//20030305
:98A::SETT//20030308	:98A::SETT//20030308	:98A::SETT//20030308	:98A::SETT//20030308
:35B:ISIN XX0000294034	:35B:ISIN XX0000294034	:35B:ISIN XX0000294034	:35B:ISIN XX0000294034
:16S:TRADDET	:16S:TRADDET	:16S:TRADDET	:16S:TRADDET
:16R:FIAC	:16R:FIAC	:16R:FIAC	:16R:FIAC
:36B::SETT//FAMT/100050000,	:36B::SETT//FAMT/100050000,	:36B::SETT//FAMT/100050000,	:36B::SETT//FAMT/100050000,
:97A::SAFE//111111111	:97A::SAFE//111111111	:97A::SAFE//333333333	:97A::SAFE//333333333
:16S:FIAC	:16S:FIAC	:16S:FIAC	:16S:FIAC
:16R:REPO	:16R:REPO	:16R:REPO	:16R:REPO
:98A::TERM//20030415	:98A::TERM//20030415	:98A::TERM//20030415	:98A::TERM//20030415
:20C::REPO//REPO12345	:20C::REPO//REPO12345	:20C::REPO//REPO12345	:20C::REPO//REPO12345
:92A::REPO//5,15	:92A::REPO//6,	:92A::REPO//5,15	:92A::REPO//6,
:22F::MICO//A005	:22F::MICO//A005	:22F::MICO//A005	:22F::MICO//A005
:16S:REPO	:16S:REPO	:16S:REPO	:16S:REPO
:16R:SETDET	:16R:SETDET	:16R:SETDET	:16R:SETDET
:22F::SETR//REPU	:22F::SETR//REPU	:22F::SETR//RVPO	:22F::SETR//RVPO
:22F::REPT//RATE	:22F::REPT//RATE	:22F::REPT//RATE	:22F::REPT//RATE
:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY
:95P::BUYR//BUYRGB22	:95P::SELL//SELLGB22	:95P::SELL//SELLGB22	:95P::SELL//SELLGB22
:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY
:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY
:95P::REAG//SUBCYY34	:95P::DEAG//SUBCXX12	:95P::DEAG//SUBCXX12	:95P::DEAG//SUBCXX12
:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY
:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY
:95P::PSET//NCSDXX21	:95P::PSET//NCSDXX21	:95P::PSET//NCSDXX21	:95P::PSET//NCSDXX21
:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY
:16R:AMT	:16R:AMT	:16R:AMT	:16R:AMT

|			
:19A::SETT//EUR9900000,	:19A::SETT//EUR9900000,	:19A::SETT//EUR9900000,	:19A::SETT//EUR9900000,
:16S:AMT	:16S:AMT	:16S:AMT	:16S:AMT
:16S:SETDET	:16S:SETDET	:16S:SETDET	:16S:SETDET

E. **Repo Rollover:**

1. General recommendations

In a repo rollover operation, the account owner instructs the account servicer to extend the closing date of the repo. This process can, for example, be used in a scenario where there is a simultaneous maturity of an existing repo and an opening of a new one with the same quantity of the same collateral.

- Two messages should be sent on both sides, one cancel and one replace with the new repo deal information.
- The same message type as the original repo instruction will be used for both cancel and replace.
- The cancel and replace will be identified as being due to a roll-over by using the repo type indicator :22F::REPT//ROLP.
- The replace instruction will contain the new repo deal information, ie, the recommended elements defined in the Repo Market Practice document: the new closing date, the new repo reference (if applicable), the recalculated repo amount or necessary details to calculate it.
- The two messages will be linked to the original instruction using a linkage sequence with the message reference of the original instruction.

2. Illustration
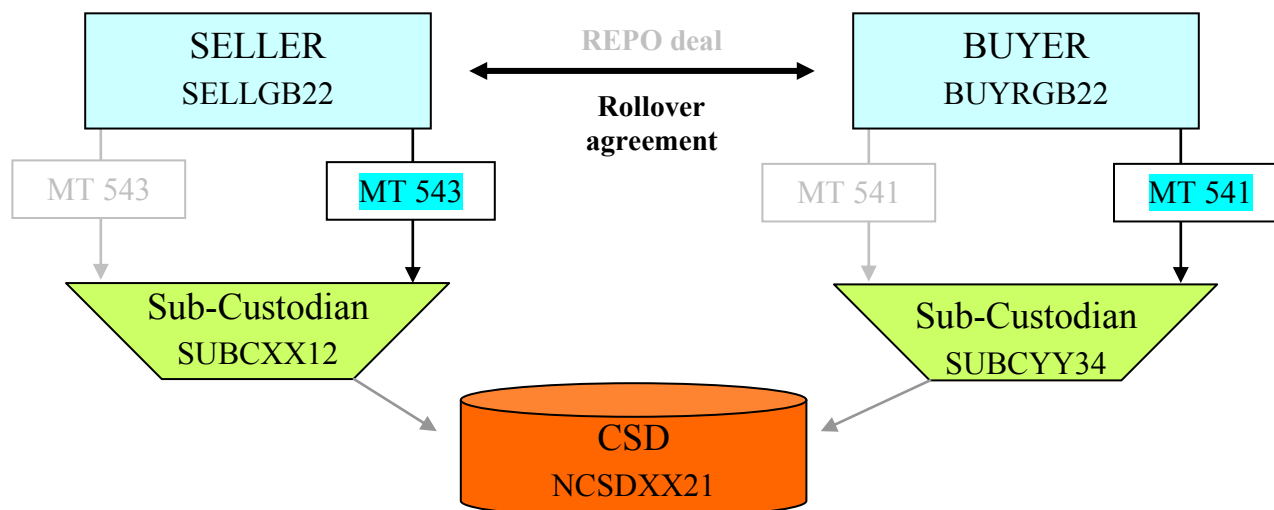
SELLGB22 MT 543 CANC to SUBCXX12	SELLGB22 MT 543 to SUBCXX12	BUYRGB22 MT 541 CANC to SUBCYY34	BUYRGB22 MT 541 to SUBCYY34
:16R:GENL	:16R:GENL	:16R:GENL	:16R:GENL
:20C::SEME//REPCANCROLP1	:20C::SEME//REPOROLP2	:20C::SEME//REPCACROLPA	:20C::SEME//REPOROLPB
:23G:CANC	:23G:NEWM	:23G:CANC	:23G:NEWM
:16R:LINK	:16R:LINK	:16R:LINK	:16R:LINK
:20C::PREV//REPOINSTR123	:20C::PREV//REPOINSTR123	:20C::PREV//REPOINSTR456	:20C::PREV//REPOINSTR456
:16S:LINK	:16S:LINK	:16S: LINK	:16S: LINK
:16S:GENL	:16S:GENL	:16S:GENL	:16S:GENL
:16R:TRADDET	:16R:TRADDET	:16R:TRADDET	:16R:TRADDET

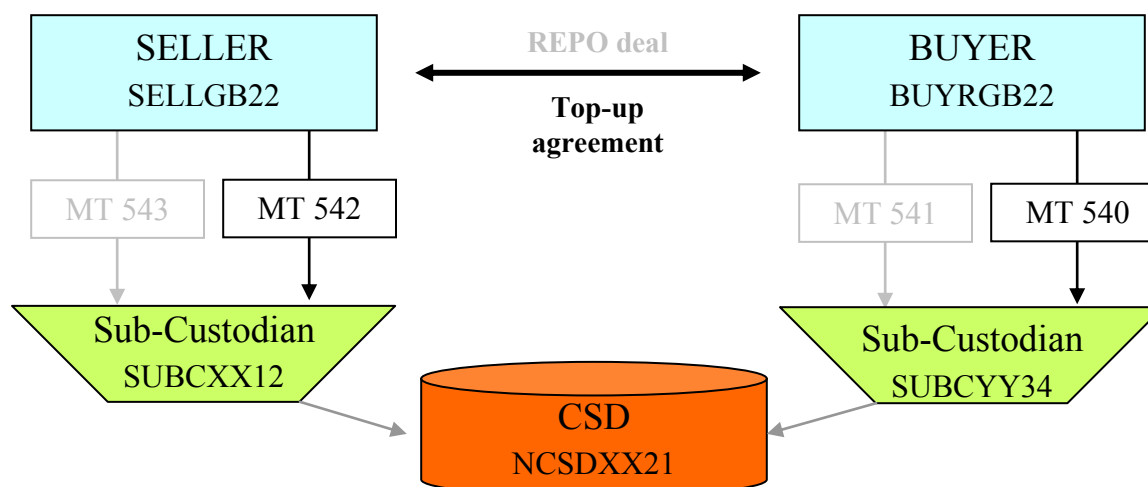|			
:98A::TRAD//20030412	:98A::TRAD//20030512	:98A::TRAD//20030412	:98A::TRAD//20030512
:98A::SETT//20030415	:98A::SETT//20030515	:98A::SETT//20030415	:98A::SETT//20030515
:35B:ISIN XX0000294034	:35B:ISIN XX0000294034	:35B:ISIN XX0000294034	:35B:ISIN XX0000294034
:16S:TRADDET	:16S:TRADDET	:16S:TRADDET	:16S:TRADDET
:16R:FIAC	:16R:FIAC	:16R:FIAC	:16R:FIAC
:36B::SETT//FAMT/100050000,	:36B::SETT//FAMT/100050000,	:36B::SETT//FAMT/100050000,	:36B::SETT//FAMT/100050000,
:97A::SAFE//111111111	:97A::SAFE//111111111	:97A::SAFE//333333333	:97A::SAFE//333333333
:16S:FIAC	:16S:FIAC	:16S:FIAC	:16S:FIAC
:16R:REPO	:16R:REPO	:16R:REPO	:16R:REPO
:98A::TERM//20030515	:98A::TERM//20030615	:98A::TERM//20030515	:98A::TERM//20030615
:20C::REPO//REPO987654	:20C::REPO//REPO12345	:20C::REPO//REPO987654	:20C::REPO//REPO12345
:19A::TRTE//EUR10010987,	:19A::TRTE//EUR10011998,	:19A::TRTE//EUR10010987,	:19A::TRTE//EUR10011998,
:16S:REPO	:16S:REPO	:16S:REPO	:16S:REPO
:16R:SETDET	:16R:SETDET	:16R:SETDET	:16R:SETDET
:22F::SETR//REPU	:22F::SETR//REPU	:22F::SETR//RVPO	:22F::SETR//RVPO
:22F::REPT//ROLP	:22F::REPT//ROLP	:22F::REPT//ROLP	:22F::REPT//ROLP
:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY
:95P::SELL//SELLGB22	:95P::SELL//SELLGB22	:95P::SELL//SELLGB22	:95P::SELL//SELLGB22
:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY
:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY
:95P::DEAG//SUBCXX12	:95P::DEAG//SUBCXX12	:95P::DEAG//SUBCXX12	:95P::DEAG//SUBCXX12
:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY
:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY
:95P::PSET//NCSDXX21	:95P::PSET//NCSDXX21	:95P::PSET//NCSDXX21	:95P::PSET//NCSDXX21
:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY
:16R:AMT	:16R:AMT	:16R:AMT	:16R:AMT
:19A::SETT//EUR10010000,	:19A::SETT//EUR10010000,	:19A::SETT//EUR10010000,	:19A::SETT//EUR10010000,
:16S:AMT	:16S:AMT	:16S:AMT	:16S:AMT
:16S:SETDET	:16S:SETDET	:16S:SETDET	:16S:SETDET

F. **Top-up:**

1. General recommendations

In a top-up, the seller instructs to deliver (the buyer instructs to receive) additional securities to cover a position due to deficit of collateral following mark to market valuation. This process will lead to the addition of the same securities or other securities to bring the collateral to the correct market value.

- One delivery free message should be sent by the seller, one receipt by the buyer.

  The message will be identified as part of collateral adjustment using the indicator :22F::SETR//COLO or COLI and REPT//TOPU. The collateral (giver/out) initiation is reflected with a delivery with 22F::SETR//COLO. The collateral (taker/in) initiation is reflected with a receipt with 22F::SETR//COLI.
-
- The message will be linked to the original instruction using the Repo reference and/or a linkage sequence with the message reference of the original instruction.
- If the securities collateralised are identical to already collateralised securities, the account servicer will adjust the closing information to reflect the new quantity of collateral.
- If the securities collateralised are not identical, the new securities will be added to the pool of collateral linked to the repo deal. As the new position will have to be closed like all the other collateralised positions, a new collateral movement, free of payment, will be instructed, linked to the repo deal by the use of the repo reference. See below (same applies to two-message MP).

2. Illustration with securities identical to already collateralised positions.

SELLGB22 MT 542 to SUBCXX12	BUYRGB22 MT 540 to SUBCYY34
:16R:GENL	:16R:GENL
:20C::SEME//REPOTOPU1	:20C::SEME//REPOTOPUA
:23G:NEWM	:23G:NEWM
:16R:LINK	:16R:LINK
:20C::PREV//REPOINSTR123	:20C::PREV//REPOINSTR456
:16S:LINK	:16S: LINK
:16S:GENL	:16S:GENL
:16R:TRADDET	:16R:TRADDET
:98A::TRAD//20030320	:98A::TRAD//20030320
:98A::SETT//20030323	:98A::SETT//20030323
:35B:ISIN XX0000294034	:35B:ISIN XX0000294034
:16S:TRADDET	:16S:TRADDET
:16R:FIAC	:16R:FIAC
:36B::SETT//FAMT/4000,	:36B::SETT//FAMT/4000,
:97A::SAFE//111111111	:97A::SAFE//333333333
:16S:FIAC	:16S:FIAC
:16R:REPO	:16R:REPO
:98A::TERM//20030415	:98A::TERM//20030415
:20C::REPO//REPO12345	:20C::REPO//REPO12345
:16S:REPO	:16S:REPO
:16R:SETDET	:16R:SETDET
:22F::SETR//COLO	**:22F::SETR//COLI**
:22F::REPT//TOPU	**:22F::REPT//TOPU**
:16R:SETPRTY	:16R:SETPRTY
:95P::BUYR//BUYRGB22	:95P::SELL//SELLGB22
:16S:SETPRTY	:16S:SETPRTY
:16R:SETPRTY	:16R:SETPRTY
:95P::REAG//SUBCYY34	:95P::DEAG//SUBCXX12
:16S:SETPRTY	:16S:SETPRTY
:16R:SETPRTY	:16R:SETPRTY
:95P::PSET//NCSDXX21	:95P::PSET//NCSDXX21
:16S:SETPRTY	:16S:SETPRTY
:16S:SETDET	:16S:SETDET

3. Illustration with securities different to already collateralised positions.

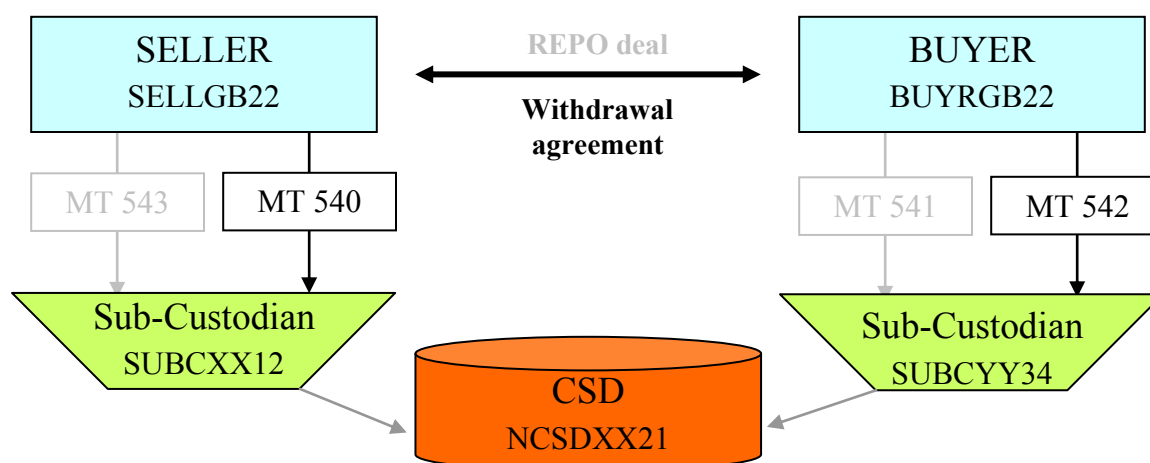| SELLGB22 MT 542 to SUBCXX12	BUYRGB22 MT 540 to SUBCYY34
:16R:GENL	:16R:GENL
:20C::SEME//REPOTOPU1	:20C::SEME//REPOTOPUA
:23G:NEWM	:23G:NEWM
:16R:LINK	:16R:LINK
:20C::PREV//REPOINSTR123	:20C::PREV//REPOINSTR456
:16S:LINK	:16S: LINK
:16S:GENL	:16S:GENL
:16R:TRADDET	:16R:TRADDET
:98A::TRAD//20030320	:98A::TRAD//20030320
:98A::SETT//20030323	:98A::SETT//20030323
:35B:ISIN XX0000294034	:35B:ISIN XX0000294034
:16S:TRADDET	:16S:TRADDET
:16R:FIAC	:16R:FIAC
:36B::SETT//FAMT/4000,	:36B::SETT//FAMT/4000,
:97A::SAFE//111111111	:97A::SAFE//333333333
:16S:FIAC	:16S:FIAC
:16R:REPO	:16R:REPO
:98A::TERM//20030415	:98A::TERM//20030415
:20C::REPO//REPO12345	:20C::REPO//REPO12345
:16S:REPO	:16S:REPO
:16R:SETDET	:16R:SETDET
:22F::SETR//REPO	**:22F::SETR//RVPO**
:16R:SETPRTY	:16R:SETPRTY
:95P::BUYR//BUYRGB22	:95P::SELL//SELLGB22
:16S:SETPRTY	:16S:SETPRTY
:16R:SETPRTY	:16R:SETPRTY
:95P::REAG//SUBCYY34	:95P::DEAG//SUBCXX12
:16S:SETPRTY	:16S:SETPRTY
:16R:SETPRTY	:16R:SETPRTY
:95P::PSET//NCSDXX21	:95P::PSET//NCSDXX21
:16S:SETPRTY	:16S:SETPRTY
:16S:SETDET	:16S:SETDET

G. **Withdrawal:**

1. General recommendations

In a withdrawal, the buyer instructs to return (the seller instructs to receive) securities due to excess of collateral following mark to market valuation.

- One delivery free message should be sent by the buyer, one receipt by the seller.

  The message will be identified as part of collateral adjustment using the indicator :22F::SETR//COLI or COLO[5]. The collateral (giver/out) return is reflected with a receipt with 22F::SETR//COLO. The collateral (taker/in) return is reflected with a delivery with 22F::SETR//COLI.

-

- The message will be linked to the original instruction using the Repo reference and/or a linkage sequence with the message reference of the original instruction.

- If the securities collateralised are identical to already collateralised securities, the account servicer will adjust the closing information to reflect the new quantity of collateral.

2. Illustration

SELLGB22 MT 540 to SUBCXX12	BUYRGB22 MT 542 to SUBCYY34
:16R:GENL	:16R:GENL
:20C::SEME//REPOWTHD1	:20C::SEME//REPOWTHDA
:23G:NEWM	:23G:NEWM
:16R:LINK	:16R:LINK
:20C::PREV//REPOINSTR123	:20C::PREV//REPOINSTR456
:16S:LINK	:16S: LINK
:16S:GENL	:16S:GENL
:16R:TRADDET	:16R:TRADDET
:98A::TRAD//20030320	:98A::TRAD//20030320
:98A::SETT//20030323	:98A::SETT//20030323
:35B:ISIN XX0000294034	:35B:ISIN XX0000294034
:16S:TRADDET	:16S:TRADDET
:16R:FIAC	:16R:FIAC
:36B::SETT//FAMT/2000,	:36B::SETT//FAMT/2000,
:97A::SAFE//111111111	:97A::SAFE//333333333
:16S:FIAC	:16S:FIAC
:16R:REPO	:16R:REPO
:98A::TERM//20030415	:98A::TERM//20030415

---

[5] OPEN: SMPG to consider the deletion of :22F::REPT//WTHD code if the recommendation is not to use it.

:20C::REPO//REPO12345	:20C::REPO//REPO12345
:16S:REPO	:16S:REPO
:16R:SETDET	:16R:SETDET
:22F::SETR//COLO	:22F::SETR//COLI
:22F::REPT//WTHD	:22F::REPT//WTHD
:16R:SETPRTY	:16R:SETPRTY
:95P::BUYR//BUYRGB22	:95P::SELL//SELLGB22
:16S:SETPRTY	:16S:SETPRTY
:16R:SETPRTY	:16R:SETPRTY
:95P::REAG//SUBCYY34	:95P::DEAG//SUBCXX12
:16S:SETPRTY	:16S:SETPRTY
:16R:SETPRTY	:16R:SETPRTY
:95P::PSET//NCSDXX21	:95P::PSET//NCSDXX21
:16S:SETPRTY	:16S:SETPRTY
:16S:SETDET	:16S:SETDET

Two Messages Market Practice:

I. General Market Practice Rules:

Seller and buyer will release the **message types corresponding to movement of the securities** they are instructing. The same rule applies for cancellation/replacement process and the settlement confirmations. There is a need to be consistent with the use of the message types.

·   The party receiving the cash in exchange of the securities collateral (the seller) will always send a delivery message for the opening and a receive instruction for the closing of the repo.

·   The party receiving the securities collateral and delivering the cash (the buyer) will always send a receive message for the opening and a delivery instruction for the closing of the repo.

Both messages do NOT need to be released at the same time. The second message and following MUST be **linked to the opening leg**.

In case of multiple pieces of collateral, each piece of collateral will have its opening and closing message. Each respective closing will be linked to its closing message.

A. **Opening of the repo/reverse repo:**

1. Instruction:

-    The instruction will be identified as being the settlement of a repo operation by using Sequence E field **22F indicator SETR//REPU.**

  The instruction will be identified as being the settlement of a reverse repo operation by using Sequence E field **22F indicator SETR//RVPO.**

The repo sequence will include.

-    The closing date (may be open)

-    The repo deal reference (the best way to identify uniquely a repo operation, whatever is the number of messages that needs to be sent it).

-    The necessary info to calculate the repurchase amount (repo rate…) or the repurchase amount itself.

-    When multiple pieces of collateral are concerned, the **total number of collateral** should also be included. In that case, the various messages needed for the repo operation will be linked using the repo reference. The repurchase amount (repo sequence) should contain **the total REPO amount** (the addition of the various pieces of collateral Repurchase amounts)

2. Amendments:

For amendments, a corresponding cancellation and replacement is to be sent. This only if amendment of the opening is still possible (amending the settlement date of the opening leg when already settled is of course not possible).

3. Settlement Confirmation:

-    The confirmation message corresponding to the effective movements of securities (against cash) is to be sent (MT 544 for confirmation of a receive free, MT 545 for a receive versus payment, MT 546 for a delivery free and MT 547 for a delivery versus payment).

-    N indicator is not required as the message type and repo type indicator provide the necessary information to derive the direction of the securities and the cash.

-    For multiple pieces of collateral repo, confirmations are required for each piece of collateral.

-    The confirmation messages business data should reflect the reality of the settlement it confirmed.

-    Linkage to the original instruction (with qualifier RELA) is mandatory.

-    Settlement and Repo transaction type should be present.

B. __Closing of the repo/reverse repo:__

1. Instruction:
- The instruction will be identified as being the settlement of a repo operation by using Sequence E field **22F indicator SETR//REPU**.

  The instruction will be identified as being the settlement of a reverse repo operation by using Sequence E field **22F indicator SETR//RVPO**.
- The linkage subsequence A1 must be used with a PREV reference field linking to the corresponding opening leg previously sent.

The repo sequence will include.
- The closing date (may be open)
- The repo deal reference (the best way to identify uniquely a repo operation, whatever is the number of messages that needs to be sent it).
- Repurchase amount information:
  - If the repurchase amount is known, it must be provided in the **settlement amount field**. No other repurchase amount info will be provided in the repo sequence to avoid confusion with the next scenario:
  - If the repurchase amount is to be calculated, the **needed info to calculate** it must be indicated in the repo sequence. The settlement amount should then carry the original opening settlement amount.
- When multiple pieces of collateral are concerned, the total number of collateral should also be included. In that case, the various messages needed for the repo operation will be linked using the repo reference.

2. Amendments:

For amendments, a corresponding cancellation and replacement is to be sent, this only if an amendment of the closing is still possible.

3. Settlement Confirmation:
- The respective confirmation message is to be sent (MT 544 for confirmation of a MT 540, MT 545 for MT 541, MT 546 for MT 542 and MT 547 for MT 543).
- N indicator is not required as the message type and repo type indicator provide the necessary information to derive the direction of the securities and the cash.
- For multiple pieces of collateral repo, confirmations are required for **each piece** of collateral.
- The confirmation messages business data should reflect the **reality of the settlement** it confirms.
- **Linkage** to the repo instruction (with qualifier RELA) is mandatory.
- Settlement and Repo transaction type should be present.

II. Illustrations:

A. Instruction
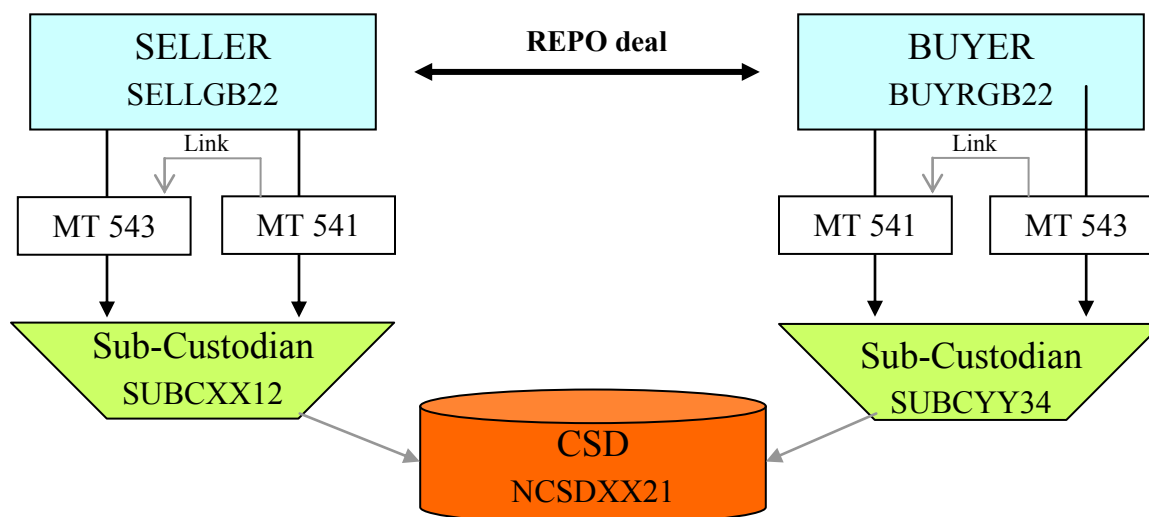
1. Opening Leg of the REPO

SELLGB22 MT 543 to SUBCXX12		BUYRGB22 MT 541 to SUBCYY34
:16R:GENL		:16R:GENL
:20C::SEME//REPOINSTR123	**Message reference**	:20C::SEME//REPOINSTR456
:23G:NEWM	**Function of the message**	:23G:NEWM
:98A::PREP//20010305		:98A::PREP//20010305
:16S:GENL		:16S:GENL
:16R:TRADDET		:16R:TRADDET
:98A::TRAD//20010305	**Trade Date**	:98A::TRAD//20010305
:98A::SETT//20010308	**Settlement date** of the opening leg	:98A::SETT//20010308
:35B:ISIN XX0000294034	**Securities ISIN**	:35B:ISIN XX0000294034
:16S:TRADDET		:16S:TRADDET
:16R:FIAC		:16R:FIAC
:36B::SETT//FAMT/100050000,	**Quantity of securities**	:36B::SETT//FAMT/100050000,
:97A::SAFE//111111111	**Safekeeping account**	:97A::SAFE//333333333
:16S:FIAC		:16S:FIAC
:16R:REPO		:16R:REPO
:98A::TERM//20010315	Closing date of the repo (may be open)	:98A::TERM//20010315
:20C::SECO//REPORETURN123	If known, the second leg repo reference may be provided.	:20C::SECO//REPORETURN456
:19A::TRTE//EUR9910780,	Repurchase amount[6]	:19A::TRTE//EUR9910780,
:16S:REPO		:16S:REPO
:16R:SETDET		:16R:SETDET
:22F::SETR//REPU	**Identification the settlement is linked to a repo**	:22F::SETR//RVPO
:16R:SETPRTY		:16R:SETPRTY
:95P::BUYR//BUYRGB22		:95P::SELL//SELLGB22
:16S:SETPRTY		:16S:SETPRTY

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[6] May be present either the repurchase amount or the needed information to calculate this amount (repo rate, calculation method…)

:16R:SETPRTY		:16R:SETPRTY
:95P::REAG//SUBCYY34		:95P::DEAG//SUBCXX12
:16S:SETPRTY		:16S:SETPRTY
:16R:SETPRTY		:16R:SETPRTY
:95P::PSET//NCSDXX21		:95P::PSET//NCSDXX21
:16S:SETPRTY		:16S:SETPRTY
:16R:AMT		:16R:AMT
:19A::SETT//EUR9900000,	**Settlement amount** of the opening leg	:19A::SETT//EUR9900000,
:16S:AMT		:16S:AMT
:16S:SETDET		:16S:SETDET

2. Closing Leg of the REPO

SELLGB22 MT 541 to SUBCXX12		BUYRGB22 MT 543 to SUBCYY34
:16R:GENL		:16R:GENL
:20C::SEME//REPORETURN123		:20C::SEME//REPORETURN456
:23G:NEWM		:23G:NEWM
:98A::PREP//20010305		:98A::PREP//20010305
:16R:LINK		:16R:LINK
:20C::PREV//REPOINSTR123	**Link to the opening leg** (SEME) reference	:20C::PREV//REPOINSTR456
:16S:LINK		:16S:LINK
:16S:GENL		:16S:GENL
:16R:TRADDET		:16R:TRADDET
:98A::TRAD//20010305	**Trade date**	:98A::TRAD//20010305
:98A::SETT//20010315	**Settlement date** (closing date)	:98A::SETT//20010315
:35B:ISIN XX0000294034		:35B:ISIN XX0000294034
:16S:TRADDET		:16S:TRADDET
:16R:FIAC		:16R:FIAC
:36B::SETT//FAMT/100050000,		:36B::SETT//FAMT/100050000,
:97A::SAFE//111111111		:97A::SAFE//333333333
:16S:FIAC		:16S:FIAC
:16R:REPO		:16R:REPO
:98A::TERM//20010315	Closing date (may be open)	:98A::TERM//20010315
:19A::TRTE//EUR9910780,	Repurchase amount. If the account servicer is calculating the repo amount, the calculation method (rate…) MUST be instructed.	:19A::TRTE//EUR9910780,
:16S:REPO		:16S:REPO
:16R:SETDET		:16R:SETDET
:22F::SETR//REPU	**Identification the settlement is linked to a repo**	:22F::SETR//RVPO
:16R:SETPRTY		:16R:SETPRTY
:95P::SELL//BUYRGB22		:95P::BUYR//SELLGB22
:16S:SETPRTY		:16S:SETPRTY
:16R:SETPRTY		:16R:SETPRTY
:95P::DEAG//SUBCYY34		:95P::REAG//SUBCXX12
:16S:SETPRTY		:16S:SETPRTY
:16R:SETPRTY		:16R:SETPRTY
:95P::PSET//NCSDXX21		:95P::PSET//NCSDXX21
:16S:SETPRTY		:16S:SETPRTY
:16R:AMT		:16R:AMT
:19A::SETT//EUR9910780,	**Settlement amount = repurchase amount**. If repurchase amount to be	:19A::SETT//EUR9910780,

		calculated by account servicer, settlement amount of the opening leg should be provided		
:16S:AMT			:16S:AMT	
:16S:SETDET			:16S:SETDET	

Amendments (if possible/allowed) and settlement confirmation works as for any other trades.

III. Additional REPO Processes:

	ISO 15022	Repo transaction type	Description
1	CADJ	Swap/Substitution	Relates to a repo collateral substitution.
2	CALL	Repo Call	Relates to a change at an earlier date of the closing or maturity date or the providing of the termination date for an open repo.
3	PAIR	Pair-off	Relates to a repo that is part of a pair-off.
3	RATE	Repo Rate	Relates to a change in the repo rate.
4	ROLP	Rollover	Relates to a repo rollover of a position extending the closing or maturity date.
5	TOPU	Top-up	Relates to a cover of securities position due to deficit of collateral following mark to market valuation.
6	WTHD	Withdrawal	Relates to a return of securities position due to excess of collateral following mark to market valuation.

Differences with the one message market practice are in <mark>blue</mark>.

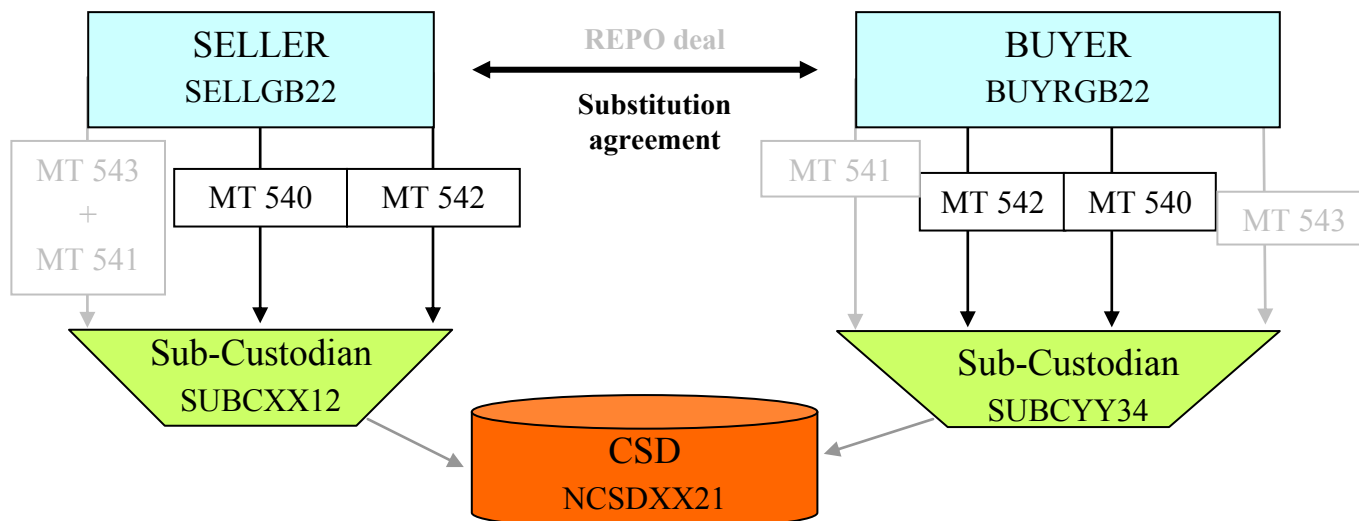## A. SWAP/Substitution:

1. General recommendations

In a substitution operation, the account owner instructs the account servicer to recall the collateral originally instructed and to replace it by other collateral.

- Two messages should be sent on the seller side, one to receive back the original collateral and one to deliver the new one. They should be linked to each other using a linkage sequence with a PREV reference and a linkage indicator :22F::LINK//WITH. Indeed, it is important that both instructions settle simultaneously to avoid one party to be doubly exposed.
- Two messages should be sent on the buyer side, one to deliver back the original collateral and one to receive the new one. They should be linked to each other using a linkage sequence with a PREV reference and a linkage indicator :22F::LINK//WITH. Indeed, it is important that both instructions settle simultaneously to avoid one party to be doubly exposed.
- The two messages will be identified as part of a substitution transaction using the Repo Type indicator :22F::REPT//CADJ
- The two messages will be linked to the original instruction using the Repo reference and/or a linkage sequence with the message reference of the original instruction.
- It may happen that when the collateral substitution is instructed, the closing leg has not yet been instructed (e.g. open ended repo). See buyer message flow example.
  - If the closing leg instruction was already sent, the SWAP MT 540-542 instruction should also lead to the amendment of the closing leg to reflect the collateral change. The account owner should not have to cancel and replace the closing leg.
  - If the closing leg instruction was not sent yet, when it is eventually sent, it must reflect the repo details at the time it is sent, i.e. provide the correct collateral if it has been swapped.

- Settlement confirmations will be sent for both receive and delivery instructions.

2. Illustration

This illustration is **an example** that does not represents all practices in all markets. In some markets, for instance, repo does not settle against but free of payment at the CSD. There could also be a global custodian or another intermediary involved in the process. This is only **an example.**

SELLGB22 MT 540 to SUBCXX12	SELLGB22 MT 542 to SUBCXX12	BUYRGB22 MT 542 to SUBCYY34	BUYRGB22 MT 540 to SUBCYY34
:16R:GENL	:16R:GENL	:16R:GENL	:16R:GENL
:20C::SEME//REPOSUBST1	:20C::SEME//REPOSUBST2	:20C::SEME//REPOSUBSTA	:20C::SEME//REPOSUBSTB
:23G:NEWM	:23G:NEWM	:23G:NEWM	:23G:NEWM
:16R:LINK	:16R:LINK	:16R:LINK	:16R:LINK
:20C::PREV//REPOINSTR123	:20C::PREV//REPOINSTR123	:20C::PREV//REPOINSTR456	:20C::PREV//REPOINSTR456
:16S:LINK	:16S:LINK	:16S: LINK	:16S: LINK
	:16R:LINK		:16R:LINK
	:22F::LINK//WITH		:22F::LINK//WITH
	:20C::PREV//REPOSUBST1		:20C::PREV//REPOSUBSTA
	:16S:LINK		:16S:LINK
:16S:GENL	:16S:GENL	:16S:GENL	:16S:GENL
:16R:TRADDET	:16R:TRADDET	:16R:TRADDET	:16R:TRADDET
:98A::TRAD//20030320	:98A::TRAD//20030320	:98A::TRAD//20030320	:98A::TRAD//20030320
:98A::SETT//20030323	:98A::SETT//20030323	:98A::SETT//20030323	:98A::SETT//20030323
:35B:ISIN XX0000294034	:35B:ISIN YY0009876543	:35B:ISIN XX0000294034	:35B:ISIN YY0009876543
:16S:TRADDET	:16S:TRADDET	:16S:TRADDET	:16S:TRADDET
:16R:FIAC	:16R:FIAC	:16R:FIAC	:16R:FIAC
:36B::SETT//FAMT/100050000,	:36B::SETT//FAMT/99950000,	:36B::SETT//FAMT/100050000,	:36B::SETT//FAMT/99950000,
:97A::SAFE//111111111	:97A::SAFE//111111111	:97A::SAFE//333333333	:97A::SAFE//333333333
:16S:FIAC	:16S:FIAC	:16S:FIAC	:16S:FIAC
:16R:REPO	:16R:REPO	:16R:REPO	:16R:REPO
:98A::TERM//20030415	:98A::TERM//20030415	:98A::TERM//20030415	:98A::TERM//20030415
:20C::REPO//REPO12345	:20C::REPO//REPO12345	:20C::REPO//REPO12345	:20C::REPO//REPO12345
:16S:REPO	:16S:REPO	:16S:REPO	:16S:REPO
:16R:SETDET	:16R:SETDET	:16R:SETDET	:16R:SETDET
:22F::SETR//REPU	:22F::SETR//REPU	:22F::SETR//RVPO	:22F::SETR//RVPO
:22F::REPT//CADJ	:22F::REPT//CADJ	:22F::REPT//CADJ	:22F::REPT//CADJ
:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY

:95P::BUYR//BUYRGB22	:95P::SELL//SELLGB22	:95P::SELL//SELLGB22	:95P::SELL//SELLGB22
:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY
:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY
:95P::REAG//SUBCYY34	:95P::DEAG//SUBCXX12	:95P::DEAG//SUBCXX12	:95P::DEAG//SUBCXX12
:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY
:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY
:95P::PSET//NCSDXX21	:95P::PSET//NCSDXX21	:95P::PSET//NCSDXX21	:95P::PSET//NCSDXX21
:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY
:16S:SETDET	:16S:SETDET	:16S:SETDET	:16S:SETDET

B. Repo Call:

1. General recommendations

In a repo call operation, the account owner instructs the account servicer to change the closing date of the closing leg instruction to an earlier date.

#### a. If the closing leg was already instructed

- Two messages should be sent on both sides, one cancel and one replace with the new closing date.
- The message type to be cancelled and replaced is the closing leg.
- The cancel and replace[7] instruction will be identified as being due to a repo call by using the repo type indicator :22F::REPT//CALL.
- The two messages will be linked to the original instruction using the Repo reference and/or a linkage sequence with the message reference of the original instruction.
- In addition of the above information, the amended instruction should contain the recommended elements defined in the Repo Market Practice document, i.e. the repo reference, the recalculated repo amount or necessary details to calculate it.

b. If the closing leg was not instructed yet

- When the closing leg will be instructed, it will reflect the reality, i.e. the new closing date.
- The format of the closing leg should follow the two-messages market practice recommendations for the instruction of a second leg repo (see REPO Final).

2. Illustration

Illustration refers to a scenario when the closing leg was already instructed.

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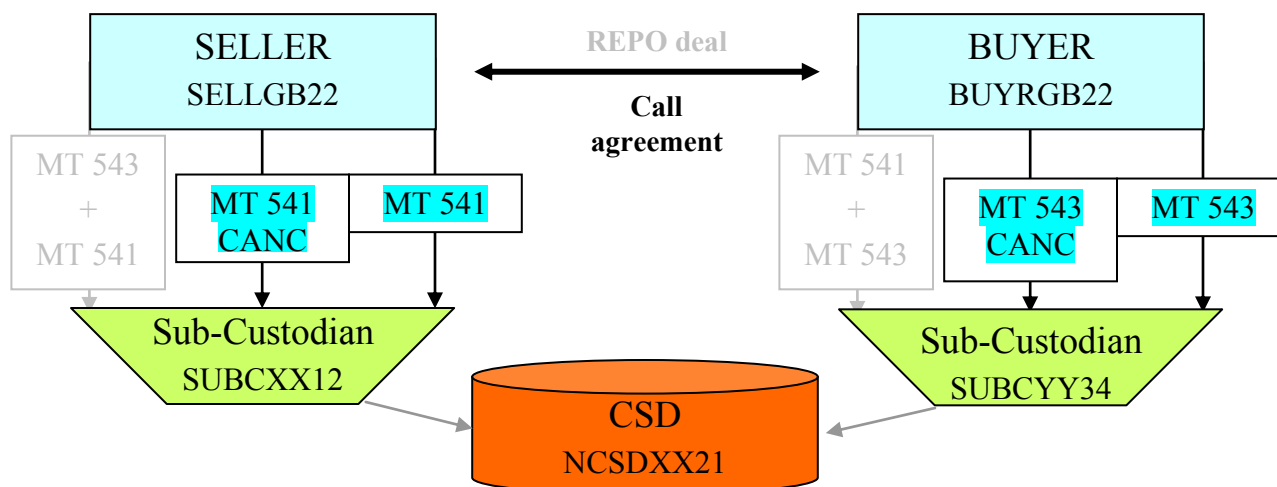
[7] As from SR 2006.

SELLGB22 MT 541 CANC to SUBCXX12	SELLGB22 MT 541 to SUBCXX12	BUYRGB22 MT 543 CANC to SUBCYY34	BUYRGB22 MT 543 to SUBCYY34
:16R:GENL	:16R:GENL	:16R:GENL	:16R:GENL
:20C::SEME//REPOCALL1	:20C::SEME//REPOCALL2	:20C::SEME//REPOCALLA	:20C::SEME//REPOCALLB
:23G:CANC	:23G:NEWM	:23G:CANC	:23G:NEWM
:16R:LINK	:16R:LINK	:16R:LINK	:16R:LINK
:20C::PREV//REPOINSTR123	:20C::PREV//REPOINSTR123	:20C::PREV//REPOINSTR456	:20C::PREV//REPOINSTR456
:16S:LINK	:16S:LINK	:16S: LINK	:16S: LINK
:16S:GENL	:16S:GENL	:16S:GENL	:16S:GENL
:16R:TRADDET	:16R:TRADDET	:16R:TRADDET	:16R:TRADDET
:98A::TRAD//20030305	:98A::TRAD//20030305	:98A::TRAD//20030305	:98A::TRAD//20030305
:98A::SETT//20030315	:98A::SETT//20030329	:98A::SETT//20030315	:98A::SETT//20030329
:35B:ISIN XX0000294034	:35B:ISIN XX0000294034	:35B:ISIN XX0000294034	:35B:ISIN XX0000294034
:16S:TRADDET	:16S:TRADDET	:16S:TRADDET	:16S:TRADDET
:16R:FIAC	:16R:FIAC	:16R:FIAC	:16R:FIAC
:36B::SETT//FAMT/100050000,	:36B::SETT//FAMT/100050000,	:36B::SETT//FAMT/100050000,	:36B::SETT//FAMT/100050000,
:97A::SAFE//111111111	:97A::SAFE//111111111	:97A::SAFE//333333333	:97A::SAFE//333333333
:16S:FIAC	:16S:FIAC	:16S:FIAC	:16S:FIAC
:16R:REPO	:16R:REPO	:16R:REPO	:16R:REPO
:98A::TERM//20030415	:98A::TERM//20030329	:98A::TERM//20030415	:98A::TERM//20030329
:20C::REPO//REPO12345	:20C::REPO//REPO12345	:20C::REPO//REPO12345	:20C::REPO//REPO12345
:19A::TRTE//EUR9910780,	:19A::TRTE//EUR9920000,	:19A::TRTE//EUR9910780,	:19A::TRTE//EUR9920000,
:16S:REPO	:16S:REPO	:16S:REPO	:16S:REPO
:16R:SETDET	:16R:SETDET	:16R:SETDET	:16R:SETDET
:22F::SETR//REPU	:22F::SETR//REPU	:22F::SETR//RVPO	:22F::SETR//RVPO
:22F::REPT//CALL	:22F::REPT//CALL[8]	:22F::REPT//CALL	:22F::REPT//CALL
:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY
:95P::BUYR//BUYRGB22	:95P::SELL//SELLGB22	:95P::SELL//SELLGB22	:95P::SELL//SELLGB22
:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY
:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY
:95P::REAG//SUBCYY34	:95P::DEAG//SUBCXX12	:95P::DEAG//SUBCXX12	:95P::DEAG//SUBCXX12
:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY
:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY
:95P::PSET//NCSDXX21	:95P::PSET//NCSDXX21	:95P::PSET//NCSDXX21	:95P::PSET//NCSDXX21
:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY
:16R:AMT	:16R:AMT	:16R:AMT	:16R:AMT
:19A::SETT//EUR9910780,	:19A::SETT//EUR9920000,	:19A::SETT//EUR9910780,	:19A::SETT//EUR9920000,
:16S:AMT	:16S:AMT	:16S:AMT	:16S:AMT
:16S:SETDET	:16S:SETDET	:16S:SETDET	:16S:SETDET

C. **Pair-off:**

This will be handled separately from the rest of the documents with the parties effectively having such a process. Once finalized with those parties, it will be submitted to the SMPG for inclusion in the global MP.

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[8] SR 2006

D. Repo Rate Change:

1. General recommendations

In a repo rate change operation, the account owner instructs the account servicer to modify the repo rate of the repo instruction. This process may lead to the modification of the repo closing date as well.
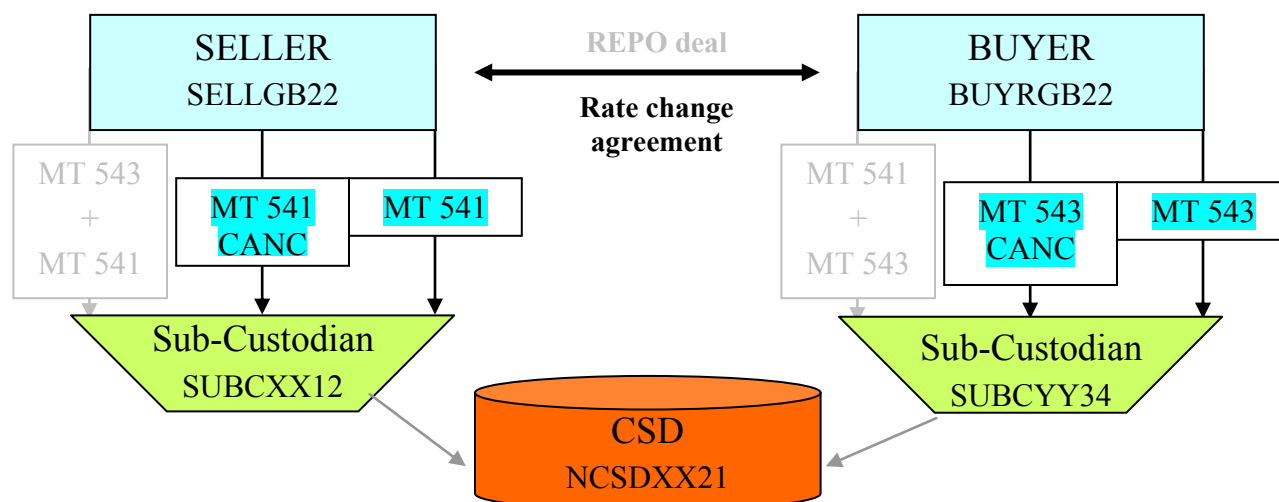
a. If the repo closing leg was already instructed;

- Two messages should be sent on both sides, one cancel and one replace with the new rate.
- The message type to be cancelled and replaced is the closing leg.
- The cancel and replace will be identified as being due to a repo rate change by using the repo type indicator :22F::REPT//RATE.
- The replace instruction will contain the amended rate :92a::REPO, VASU or RSPR..
- The two messages will be linked to the original instruction using the Repo reference and/or a linkage sequence with the message reference of the original instruction.
- In addition of the above information, the amended instruction should contain the recommended elements defined in the Repo Market Practice document, i.e. the closing date, the repo reference, the new repo amount or the necessary details to calculate it.

b. If the repo closing leg was not instructed yet;

- When the closing leg will be instructed, it will reflect the reality, i.e. the new rate and potential other modified data.
- The format of the closing leg should follow the two-messages market practice recommendations for the instruction of a second leg repo (see REPO Final).

2. Illustration

Illustration only refers to the scenario when the closing leg was already instructed.

SELLGB22 MT 541 CANC to SUBCXX12	SELLGB22 MT 541 to SUBCXX12	BUYRGB22 MT 543 CANC to SUBCYY34	BUYRGB22 MT 543 to SUBCYY34
:16R:GENL	:16R:GENL	:16R:GENL	:16R:GENL
:20C::SEME//REPORATE1	:20C::SEME//REPORATE2	:20C::SEME//REPORATEA	:20C::SEME//REPORATEB
:23G:CANC	:23G:NEWM	:23G:CANC	:23G:NEWM
:16R:LINK	:16R:LINK	:16R:LINK	:16R:LINK
:20C::PREV//REPOINSTR123	:20C::PREV//REPOINSTR123	:20C::PREV//REPOINSTR456	:20C::PREV//REPOINSTR456
:16S:LINK	:16S:LINK	:16S: LINK	:16S: LINK
:16S:GENL	:16S:GENL	:16S:GENL	:16S:GENL
:16R:TRADDET	:16R:TRADDET	:16R:TRADDET	:16R:TRADDET

:98A::TRAD//20030305	:98A::TRAD//20030305	:98A::TRAD//20030305	:98A::TRAD//20030305
:98A::SETT//20030415	:98A::SETT//20030415	:98A::SETT//20030415	:98A::SETT//20030415
:35B:ISIN XX0000294034	:35B:ISIN XX0000294034	:35B:ISIN XX0000294034	:35B:ISIN XX0000294034
:16S:TRADDET	:16S:TRADDET	:16S:TRADDET	:16S:TRADDET
:16R:FIAC	:16R:FIAC	:16R:FIAC	:16R:FIAC
:36B::SETT//FAMT/100050000,	:36B::SETT//FAMT/100050000,	:36B::SETT//FAMT/100050000,	:36B::SETT//FAMT/100050000,
:97A::SAFE//111111111	:97A::SAFE//111111111	:97A::SAFE//333333333	:97A::SAFE//333333333
:16S:FIAC	:16S:FIAC	:16S:FIAC	:16S:FIAC
:16R:REPO	:16R:REPO	:16R:REPO	:16R:REPO
:98A::TERM//20030415	:98A::TERM//20030415	:98A::TERM//20030415	:98A::TERM//20030415
:20C::REPO//REPO12345	:20C::REPO//REPO12345	:20C::REPO//REPO12345	:20C::REPO//REPO12345
:92A::REPO//5,15	:92A::REPO//6,	:92A::REPO//5,15	:92A::REPO//6,
:22F::MICO//A005	:22F::MICO//A005	:22F::MICO//A005	:22F::MICO//A005
:16S:REPO	:16S:REPO	:16S:REPO	:16S:REPO
:16R:SETDET	:16R:SETDET	:16R:SETDET	:16R:SETDET
:22F::SETR//REPU	:22F::SETR//REPU	:22F::SETR//RVPO	:22F::SETR//RVPO
:22F::REPT//RATE	:22F::REPT//RATE	:22F::REPT//RATE	:22F::REPT//RATE
:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY
:95P::BUYR//BUYRGB22	:95P::SELL//SELLGB22	:95P::SELL//SELLGB22	:95P::SELL//SELLGB22
:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY
:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY
:95P::REAG//SUBCYY34	:95P::DEAG//SUBCXX12	:95P::DEAG//SUBCXX12	:95P::DEAG//SUBCXX12
:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY
:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY
:95P::PSET//NCSDXX21	:95P::PSET//NCSDXX21	:95P::PSET//NCSDXX21	:95P::PSET//NCSDXX21
:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY
:16R:AMT	:16R:AMT	:16R:AMT	:16R:AMT
:19A::SETT//EUR9900000,	:19A::SETT//EUR9900000,	:19A::SETT//EUR9900000,	:19A::SETT//EUR9900000,
:16S:AMT	:16S:AMT	:16S:AMT	:16S:AMT
:16S:SETDET	:16S:SETDET	:16S:SETDET	:16S:SETDET

E. **Repo Rollover:**

1. General recommendations

In a repo rollover operation, the account owner instructs the account servicer to extend the closing date of the repo. This process can, for example, be used in a scenario where there is a simultaneous maturity of an existing repo and an opening of a new one with the same quantity of the same collateral.

a. *If the repo closing leg was already instructed;*

- Two messages should be sent on both sides, one cancel and one replace with the new repo deal information.
- The message type to be cancelled and replaced is the closing leg.
- The cancel and replace will be identified as being due to a roll-over by using the repo type indicator :22F::REPT//ROLP.
- The replace instruction will contain the new repo deal information, ie, the recommended elements defined in the Repo Market Practice document: the new closing date, the new repo reference (if applicable), the recalculated repo amount or necessary details to calculate it.
- The cancel and replace messages will be linked to the original repo instruction using <u>a linkage sequence</u> with the message reference of the original instruction.
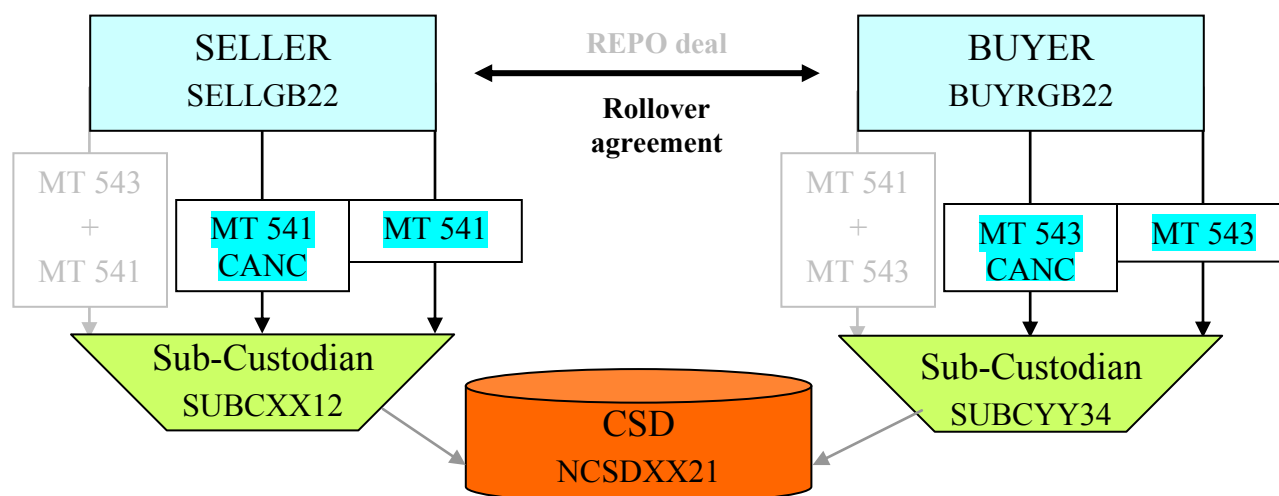
b. *If the repo closing leg was not instructed yet;*

- When the closing leg will be instructed, it will reflect the reality, i.e. the new rate and potential other modified data.
- The format of the closing leg should follow the two-messages market practice recommendations for the instruction of a second leg repo (see REPO Final).

2. Illustration

Illustration only refers to the scenario when the closing leg was already instructed.

SELLGB22 MT 541 CANC to SUBCXX12	SELLGB22 MT 541 to SUBCXX12	BUYRGB22 MT 543 CANC to SUBCYY34	BUYRGB22 MT 543 to SUBCYY34
:16R:GENL	:16R:GENL	:16R:GENL	:16R:GENL
:20C::SEME//REPCCANC1	:20C::SEME//REPOROLP2	:20C::SEME//REPCCANCA	:20C::SEME//REPOROLPB
:23G:CANC	:23G:NEWM	:23G:CANC	:23G:NEWM
:16R:LINK	:16R:LINK	:16R:LINK	:16R:LINK
:20C::PREV//REPOINSTR123	:20C::PREV//REPOROLP1	:20C::PREV//REPOINSTR456	:20C::PREV//REPOROLPA
:16S:LINK	:16S:LINK	:16S: LINK	:16S: LINK
:16S:GENL	:16S:GENL	:16S:GENL	:16S:GENL
:16R:TRADDET	:16R:TRADDET	:16R:TRADDET	:16R:TRADDET
:98A::TRAD//20030412	:98A::TRAD//20030512	:98A::TRAD//20030412	:98A::TRAD//20030512
:98A::SETT//20030515	:98A::SETT//20030615	:98A::SETT//20030515	:98A::SETT//20030615
:35B:ISIN XX0000294034	:35B:ISIN XX0000294034	:35B:ISIN XX0000294034	:35B:ISIN XX0000294034
:16S:TRADDET	:16S:TRADDET	:16S:TRADDET	:16S:TRADDET
:16R:FIAC	:16R:FIAC	:16R:FIAC	:16R:FIAC
:36B::SETT//FAMT/100050000,	:36B::SETT//FAMT/100050000,	:36B::SETT//FAMT/100050000,	:36B::SETT//FAMT/100050000,
:97A::SAFE//111111111	:97A::SAFE//111111111	:97A::SAFE//333333333	:97A::SAFE//333333333
:16S:FIAC	:16S:FIAC	:16S:FIAC	:16S:FIAC
:16R:REPO	:16R:REPO	:16R:REPO	:16R:REPO
:98A::TERM//20030515	:98A::TERM//20030615	:98A::TERM//20030515	:98A::TERM//20030615
:20C::REPO//REPO987654	:20C::REPO//REPO123456	:20C::REPO//REPO987654	:20C::REPO//REPO123456
:19A::TRTE//EUR10010987,	:19A::TRTE//EUR10011898,	:19A::TRTE//EUR10010987,	:19A::TRTE//EUR10011898,
:16S:REPO	:16S:REPO	:16S:REPO	:16S:REPO
:16R:SETDET	:16R:SETDET	:16R:SETDET	:16R:SETDET
:22F::SETR//REPU	:22F::SETR//REPU	:22F::SETR//RVPO	:22F::SETR//RVPO
:22F::REPT//ROLP	:22F::REPT//ROLP	:22F::REPT//ROLP	:22F::REPT//ROLP
:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY
:95P::BUYR//BUYRGB22	:95P::SELL//SELLGB22	:95P::SELL//SELLGB22	:95P::SELL//SELLGB22
:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY

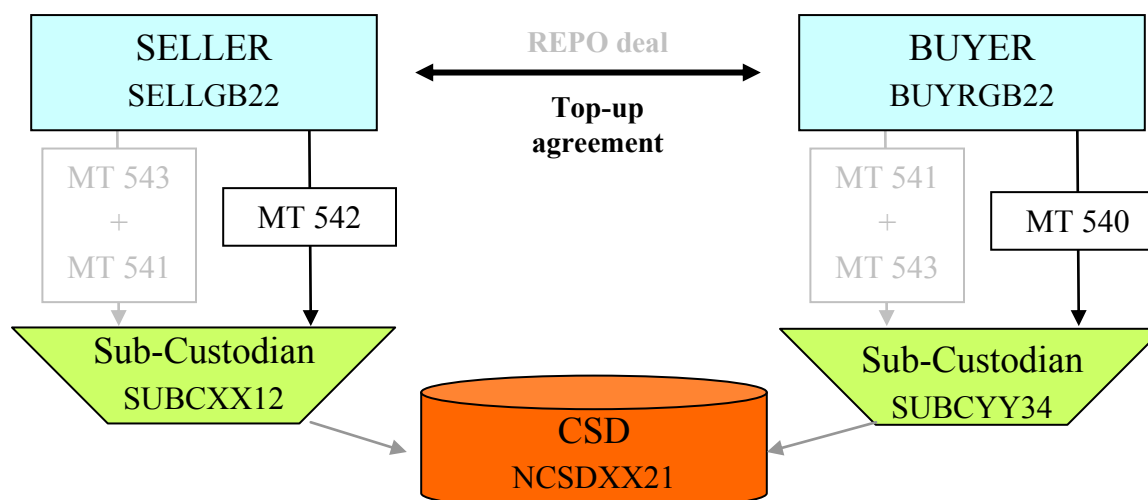|			
:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY
:95P::REAG//SUBCYY34	:95P::DEAG//SUBCXX12	:95P::DEAG//SUBCXX12	:95P::DEAG//SUBCXX12
:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY
:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY	:16R:SETPRTY
:95P::PSET//NCSDXX21	:95P::PSET//NCSDXX21	:95P::PSET//NCSDXX21	:95P::PSET//NCSDXX21
:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY	:16S:SETPRTY
:16R:AMT	:16R:AMT	:16R:AMT	:16R:AMT
:19A::SETT//EUR10010987,	:19A::SETT//EUR10011898,	:19A::SETT//EUR10010987,	:19A::SETT//EUR10011898,
:16S:AMT	:16S:AMT	:16S:AMT	:16S:AMT
:16S:SETDET	:16S:SETDET	:16S:SETDET	:16S:SETDET

F. Top-up:

1. General recommendations

In a top-up, the seller instructs to deliver (the buyer instructs to receive) additional securities to cover a position due to deficit of collateral following mark to market valuation. This process will lead to the addition of the same securities or other securities to bring the collateral to the correct market value.

- One delivery free message should be sent by the seller, one receipt by the buyer.

   The message will be identified as part of collateral adjustment using the indicator :22F::SETR//COLO or COLI and REPT//TOPU. The collateral (giver/out) initiation is reflected with a delivery with 22F::SETR//COLO. The collateral (taker/in) initiation is reflected with a receipt with 22F::SETR//COLI.

- The message will be linked to the original instruction using the Repo reference and/or a linkage sequence with the message reference of the original instruction.

- If the securities collateralised are identical to already collateralised securities, the account servicer will adjust the closing information to reflect the new quantity of collateral.

- If the securities collateralised are not identical, the new securities will be added to the pool of collateral linked to the repo deal.

- The message will be linked to the original instruction using the Repo reference and/or a linkage sequence with the message reference of the original instruction.

- If the securities collateralised are identical to already collateralised securities, the account servicer will adjust the closing information to reflect the new quantity of collateral.

- If the securities collateralised are not identical, the new securities will be added to the pool of collateral linked to the repo deal. As the new position will have to be closed like all the other collateralised positions, a new collateral movement, free of payment, will be instructed, linked to the repo deal.
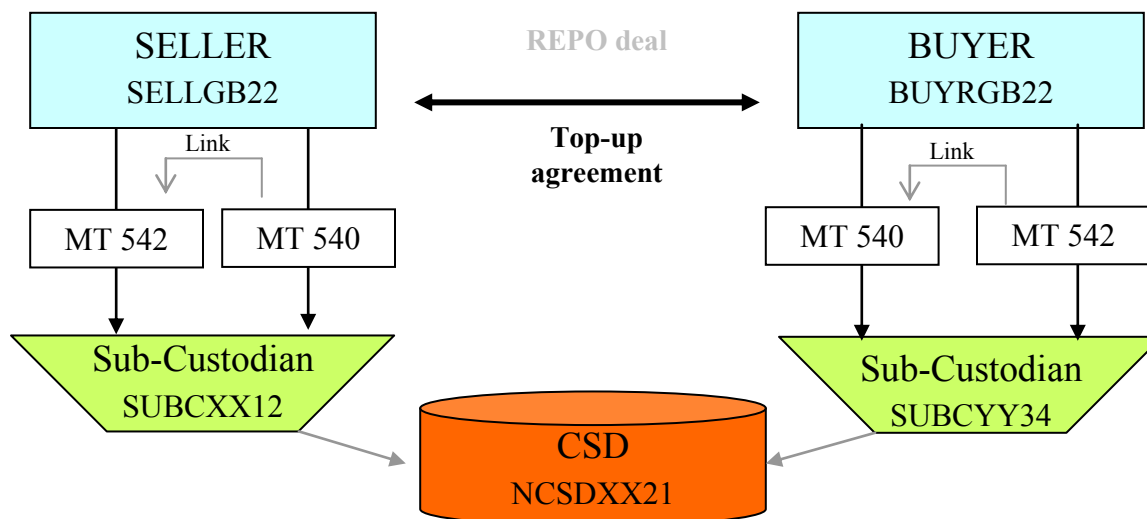
2. Illustration with securities identical to already collateralised positions.

Illustration only refers to the scenario when the closing leg was already instructed.

SELLGB22 MT 542 to SUBCXX12	BUYRGB22 MT 540 to SUBCYY34
:16R:GENL	:16R:GENL
:20C::SEME//REPOTOPU1	:20C::SEME//REPOTOPUA
:23G:NEWM	:23G:NEWM
:16R:LINK	:16R:LINK
:20C::PREV//REPOINSTR123	:20C::PREV//REPOINSTR456
:16S:LINK	:16S: LINK
:16S:GENL	:16S:GENL
:16R:TRADDET	:16R:TRADDET
:98A::TRAD//20030320	:98A::TRAD//20030320
:98A::SETT//20030323	:98A::SETT//20030323
:35B:ISIN XX0000294034	:35B:ISIN XX0000294034
:16S:TRADDET	:16S:TRADDET
:16R:FIAC	:16R:FIAC
:36B::SETT//FAMT/4000,	:36B::SETT//FAMT/4000,
:97A::SAFE//111111111	:97A::SAFE//333333333
:16S:FIAC	:16S:FIAC
:16R:SETDET	:16R:SETDET
:22F::SETR//COLO	:22F::SETR//COLI
:22F::REPT//TOPU	:22F::REPT//TOPU
:16R:SETPRTY	:16R:SETPRTY
:95P::BUYR//BUYRGB22	:95P::SELL//SELLGB22
:16S:SETPRTY	:16S:SETPRTY
:16R:SETPRTY	:16R:SETPRTY
:95P::REAG//SUBCYY34	:95P::DEAG//SUBCXX12
:16S:SETPRTY	:16S:SETPRTY
:16R:SETPRTY	:16R:SETPRTY
:95P::PSET//NCSDXX21	:95P::PSET//NCSDXX21
:16S:SETPRTY	:16S:SETPRTY
:16S:SETDET	:16S:SETDET

3. Illustration with securities different to already collateralised positions.

a. *Opening Leg*

SELLGB22 MT 542 to SUBCXX12	BUYRGB22 MT 540 to SUBCYY34
:16R:GENL	:16R:GENL

:20C::SEME//REPOTOPU1
:23G:NEWM
:16R:LINK
:20C::PREV//REPOINSTR123
:16S:LINK
:16S:GENL
:16R:TRADDET
:98A::TRAD//20030320
:98A::SETT//20030323
:35B:ISIN XX0001234567
:16S:TRADDET
:16R:FIAC
:36B::SETT//FAMT/4000,
:97A::SAFE//111111111
:16S:FIAC
:16R:REPO
:20C::SECO//REPOTOPRET123
:16S:REPO
:16R:SETDET
:22F::SETR//REPU
:16R:SETPRTY
:95P::BUYR//BUYRGB22
:16S:SETPRTY
:16R:SETPRTY
:95P::REAG//SUBCYY34
:16S:SETPRTY
:16R:SETPRTY
:95P::PSET//NCSDXX21
:16S:SETPRTY
:16S:SETDET

:20C::SEME//REPOTOPUA
:23G:NEWM
:16R:LINK
:20C::PREV//REPOINSTR123
:16S:LINK
:16S:GENL
:16R:TRADDET
:98A::TRAD//20030320
:98A::SETT//20030323
:35B:ISIN XX0001234567
:16S:TRADDET
:16R:FIAC
:36B::SETT//FAMT/4000,
:97A::SAFE//333333333
:16S:FIAC
:16R:REPO
:20C::SECO//REPOTOPRET456
:16S:REPO
:16R:SETDET
:22F::SETR//RVPO
:16R:SETPRTY
:95P::SELL//SELLGB22
:16S:SETPRTY
:16R:SETPRTY
:95P::DEAG//SUBCXX12
:16S:SETPRTY
:16R:SETPRTY
:95P::PSET//NCSDXX21
:16S:SETPRTY
:16S:SETDET

b. Closing Leg

SELLGB22 MT 541 to SUBCXX12
:16R:GENL
:20C::SEME//REPOTOPRET123
:23G:NEWM
:16R:LINK
:20C::PREV//REPOTOPU1
:16S:LINK
:16S:GENL
:16R:TRADDET
:98A::TRAD//20010305
:98A::SETT//20010315
:35B:ISIN XX0000294034
:16S:TRADDET
:16R:FIAC
:36B::SETT//FAMT/100050000,
:97A::SAFE//111111111
:16S:FIAC
:16R:SETDET
:22F::SETR//REPU
:16R:SETPRTY
:95P::SELL//BUYRGB22
:16S:SETPRTY
:16R:SETPRTY

BUYRGB22 MT 543 to SUBCYY34
:16R:GENL
:20C::SEME//REPOTOPRET456
:23G:NEWM
:16R:LINK
:20C::PREV//REPOTOPUA
:16S:LINK
:16S:GENL
:16R:TRADDET
:98A::TRAD//20010305
:98A::SETT//20010315
:35B:ISIN XX0000294034
:16S:TRADDET
:16R:FIAC
:36B::SETT//FAMT/100050000,
:97A::SAFE//333333333
:16S:FIAC
:16R:SETDET
:22F::SETR//RVPO
:16R:SETPRTY
:95P::BUYR//SELLGB22
:16S:SETPRTY
:16R:SETPRTY

:95P::DEAG//SUBCYY34	:95P::REAG//SUBCXX12
:16S:SETPRTY	:16S:SETPRTY
:16R:SETPRTY	:16R:SETPRTY
:95P::PSET//NCSDXX21	:95P::PSET//NCSDXX21
:16S:SETPRTY	:16S:SETPRTY
:16S:SETDET	:16S:SETDET

G. **Withdrawal:**
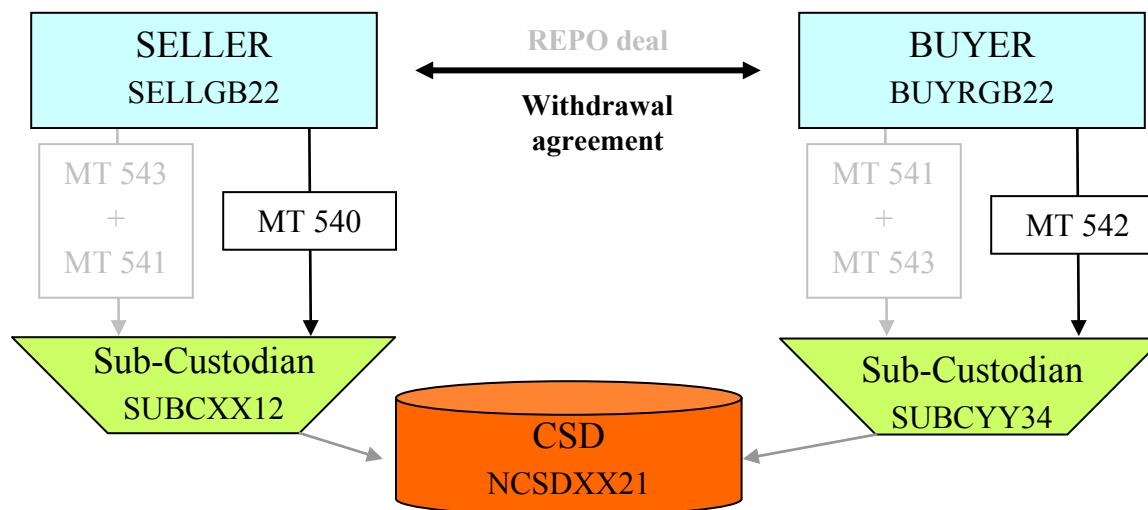
1. General recommendations

In a withdrawal, the buyer instructs to return (the seller instructs to receive) securities due to excess of collateral following mark to market valuation.

- One delivery free message should be sent by the buyer, one receipt by the seller.

  The message will be identified as part of collateral adjustment using the indicator :22F::SETR//COLI or COLO. The collateral (giver/out) return is reflected with a receipt with 22F::SETR//COLO. The collateral (taker/in) return is reflected with a delivery with 22F::SETR//COLI.

-
- The message will be linked to the original instruction using the Repo reference and/or a linkage sequence with the message reference of the original instruction.
- If the securities collateralised are identical to already collateralised securities, the account servicer will adjust the closing information to reflect the new quantity of collateral.

2. Illustration

SELLGB22 MT 540 to SUBCXX12	BUYRGB22 MT 542 to SUBCYY34
:16R:GENL	:16R:GENL
:20C::SEME//REPOWTHD1	:20C::SEME//REPOWTHDA
:23G:NEWM	:23G:NEWM
:16R:LINK	:16R:LINK
:20C::PREV//REPOINSTR123	:20C::PREV//REPOINSTR456
:16S:LINK	:16S: LINK
:16S:GENL	:16S:GENL
:16R:TRADDET	:16R:TRADDET
:98A::TRAD//20030310	:98A::TRAD//20030310
:98A::SETT//20030313	:98A::SETT//20030313
:35B:ISIN XX0000294034	:35B:ISIN XX0000294034
:16S:TRADDET	:16S:TRADDET

:16R:FIAC	:16R:FIAC
:36B::SETT//FAMT/2000,	:36B::SETT//FAMT/2000,
:97A::SAFE//111111111	:97A::SAFE//333333333
:16S:FIAC	:16S:FIAC
:16R:REPO	:16R:REPO
:98A::TERM//20030415	:98A::TERM//20030415
:20C::REPO//REPO12345	:20C::REPO//REPO12345
:16S:REPO	:16S:REPO
:16R:SETDET	:16R:SETDET
:22F::SETR//COLO	:22F::SETR//COLI
:22F::REPT//WTHD	:22F::REPT//WTHD
:16R:SETPRTY	:16R:SETPRTY
:95P::BUYR//BUYRGB22	:95P::SELL//SELLGB22
:16S:SETPRTY	:16S:SETPRTY
:16R:SETPRTY	:16R:SETPRTY
:95P::REAG//SUBCYY34	:95P::DEAG//SUBCXX12
:16S:SETPRTY	:16S:SETPRTY
:16R:SETPRTY	:16R:SETPRTY
:95P::PSET//NCSDXX21	:95P::PSET//NCSDXX21
:16S:SETPRTY	:16S:SETPRTY
:16S:SETDET	:16S:SETDET