



International Securities Association For Institutional Trade Communication

US Settlements and Confirmation Market Practice Requirements – SR 2008

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DISCLAIMER**

This market practice document has been developed by the International Securities Association for Institutional Trade Communication (ISITC) as a statement of professional practices recommended by ISITC. Institutions providing the information recommended in this document will benefit from the efficiencies inherent in a more automated transaction process. Although all institutions are encouraged to act consistently with this document, none are required to do so, and a failure to do so is not, in and of itself, evidence of negligent or inappropriate conduct.

Document History

Version Number	Date	Who	Description
1.0	12/00	Genevy Dimitrion	Create the US Settlement Market Practice Requirements.
2.0	05/24/01	Genevy Dimitrion	Update document based on feedback from March 2001 ISITC-IOA Conference
3.0	06/08/01	Genevy Dimitrion	Update document based on feedback from June 2001 ISITC-IOA Conference.
4.0	11/07/01	Genevy Dimitrion	Updated DTC, PTC BIC codes and SR 2001.
5.0	12/3/01	Stan Marshall	Updated documented based on feedback from December 2001 ISITC-IOA Conference which includes Book Transfer, block trade confirmation process.
6.0	12/17/01	Genevy Dimitrion	Update to DTC BIC being used. Changed to DTCYUS33.
7.0	1/17/02	Genevy Dimitrion	Update to Usage Rules to indicate length of both the DTCYID and USFW.
8.0	4/9/02	Genevy Dimitrion	Update to the Physical Address to use Option R or Q (remove the reference to field 70C), update to Narrative Market Practice.
9.0	6/26/02	Genevy Dimitrion	Update to PHY address – removal of PACO qualifier.
10.0	7/8/2002	Genevy Dimitrion	Update to change GNMA settlement to FED. Remove PTC from Settlement table.
11.0	7/29/2002	Genevy Dimitrion	Updated to example to remove /ACUS/ from 35B and replace with correct format /US/.
12.0	8/30/2002	Genevy Dimitrion	Updated to Free Template – Make Deal Price Optional
13.0	9/24/02	Genevy Dimitrion	Update to the documents: A. Clarify the formats available in cash parties. This is specific to the Pair-off process on page 52. B. Update to all templates to indicate that qualifier REGF should be used to indicate SEC fees. C. Footnote added to settlement matrix on page 57 to state that FED instructions should not be <input type="checkbox"/> verridden at the GC based on the BUYR/SELL value. D. Update to Free template to indicate that the SAFE of the REAG is mandatory for a DF – 542.
14.0	12/9/2002	Genevy Dimitrion	Include 2002 changes. Clarify how to do Book Transfer – Short Positions. Include use of Sequence F MEOR. Update to the use of BIC for BUYR/SELL on DTC trades in matrix. Update to Definition of DTCYID in both the REAG/DEAG and BUYR/SELL blocks.
15.0	4/1/2003	Genevy Dimitrion	Update to Pair-off MP.
16.0	6/5/2003	Genevy Dimitrion	Update to indicate version will support 2003 formats. No changes made to document.
17.0	6/26/2003	Genevy Dimitrion	TODO: Update Block process to refer to the SMPG document...it does not match. TODO: Update Cofirmation Block to include 36B ESTT, PSTT and RSTT
18.0	12/8/2003	Genevy Dimitrion	Update to Pairoff and Turnaround MP's to clarify cancel process. Update to the Account number for the DF's at DTC – it was incorrectly put in the REAG/DEAG SAFE rather than the BUYR/SELL. Inclusion of new supported codewords.
19.0	6/2004	Genevy Dimtirion	Update to indicate 2004 MP.
20.0	8/2004	Genevy Dimitrion	Update to Block Market Practice. Reference to SMPG.
21.0	11/2004	Genevy Dimitrion	Update to include 2005 changes to Appendix E.
22.0	3/2005	Genevy Dimitrion	Update to Physical MP in Settlements Matrix. Removal of Appendix E – 2005 Updates. Removal of Repo Market Practice – separate document to be created. Removal of TBA/Blocks/Time Deposits – added appendix to reference to individual USMP's or SMPG's. Update to Investment Type formats to simplify with single matrix.
23.0	6/2005	Genevy Dimitrion	Update to document with comments from co-chairs.
24.0	1/2006	Jim Robinson Jason Brasile	Updated footnotes for PP template. Updated verbiage around use of REGF for SEC Fees. Updated Section 1.2 to show that ISIN is preferred asset id scheme, but CUSIP and SEDOL are also accepted. Updated with 2006 changes including statement regarding use of narrative fields and pair-off market practice

			<p>Updated Scope and Appendix C: Supported Security Types</p> <p>Mutual Fund Template added</p> <p>Updated template footnotes to include:</p> <p>3 Commission/Fees/Charges/Accrued Interest as required. For SEC fees qualifier REGF must be used</p> <p>4 When Place of Settlement is Physical the value can either be Country Code or BIC.</p> <p>5 For Mutual Funds, when shares are unknown, deal price and quantity will be zero.</p> <p>6 ISIN preferred, if not available use Cusip</p> <p>7 For Mutual Funds, BIC should be populated for DTC settlement, using the 95P:: format in both the Executing Broker (BUYR/SELL) and the Clearing Broker (REAG/DEAG)</p> <p>8 For Mutual Funds, Amounts reflect future value only. No currency movement will occur.</p>
25.0	7/31/2006	Jason Brasile	Bank Loan template and ISITC sec. Type added
26.0	09/18/06	Jason Brasile	Bond Forward ISITC Sec. Type added.
27.0	10/30/06	Jason Brasile	Floating Rate Note (FRN) and Variable Rate Discount Note (VRDN) ISITC Sec. Types have been added. Updated codeword COMM recommended for Unique Trade reference field on Page 6 of doc. Data element previously added to list without codeword recommendation.
28.0	03/02/07	Jason Brasile	Update to footer to remove IOA reference to ISITC. New Sec Types CFDM and CFDF added to Appendix C.
29.0	05/02/07	Jason Brasile	Update with SR2007 changes as follows: 1. All factor based security type templates have been updated with removal of 36B::ORGV in FIA Block and replacement with 36B::SETT//FAMT in Sequence C.
30.0	06/08/07	Jim Robinson	Updates with new Best Practice for Fed \$50 Million Limit
31.0	02/15/08	Jim Robinson	Updates with additional verbiage around Fed and DTC 50 Million Quantity Limit.
32.0	05/08/08	Jason Brasile	<ol style="list-style-type: none"> 1. Updates with clarification on identification of Prime Broker within MT54x messages documented in Section 2.2.8 Prime Broker Identification. 2. Updates with clarification on usage of ISITC codeword PENS for Pending sell forwards in Section 2.2.9. 3. Updates with clarification on usage of SWIFT recommendation for PPN invalid characters within field 35B in Section 2.2.10. 4. Additional clarification added to required elements section of document to state the Transaction Reference ID is required to be unique. 5. SR2008 changes documented
32.1	09/12/08	Jason Brasile	Update to Section 2.2.9 regarding sell forwards to recommend proper qualifier of STCO instead of SETR when using the PENS codeword for Pending sell forwards.
32.2	12/02/08	Jason Brasile	Update to Settlements and Confirmation message data element list regarding Preparation Date/Time recommendation
32.3	02/13/09	Jason Brasile	Update to Section 2.2.11 stating recommendation on Resulting CCY amount.
32.4	10/14/09	Jason Brasile	Appendix E updated to include hyperlinks to additional MP documents

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Scope – Settlement & Confirmation Messages

The goal of this document is to provide institutions with the market practice requirements within the US which are based on the ISO15022 2001 format for the Settlement and Confirmation messages.

MT540	Receive Free
MT541	Receive Against Payment
MT542	Deliver Free
MT543	Deliver Against Payment
MT544	Confirmation of Receive Free
MT545	Confirmation of Receive Against Payment
MT546	Confirmation of Deliver Free
MT547	Confirmation of Deliver Against Payment

The document will list the common elements across all US products. The list of products supported are as follows:

BANKERS ACCEPTANCE	FUTURE	REPURCHASE AGREEMENT
CERTIFICATE OF DEPOSIT	GOVERNMENT NATIONAL MORTGAGE ASSOCIATION	REVERSE
COLLATERALIZED LOAN OBLIGATION	TREASURIES + AGENCY DEBENTURE	STUDENT LOAN MARKETING ASSOCIATION
COLLATERALIZED DEBT OBLIGATION	MORTGAGE IOETTE	TREASURY STRIPS
COLLATERALIZE MORTGAGE OBLIGATION (INCLUDES SINKING FUNDS)	MUTUAL FUND	TREASURY INFLATION PROTECTED SECURITIES
CORPORATE BOND	MORTGAGE INTEREST ONLY	SWAPS
COMMERCIAL PAPER	MORTGAGE PRINCIPLE ONLY	UNITIZED BONDS
CORPORATE PRIVATE PLACEMENT	MORTGAGE PRIVATE PLACEMENT	US TREASURY BILL
COMMON STOCK	MISCELLANEOUS PASS-THRU	UNITIZED BONDS WITH WARRANTS ??
EXCHANGE TRADED FUND	MUNICIPAL BOND	WARRANT
FEDERAL AGENCY DISCOUNT	OPTION	CATS, TIGERS & LIONS
FEDERAL HOUSING AUTHORITY	PREFERRED STOCK	
FEDERAL HOME LOAN	REPURCHASE AGREEMENT	
FEDERAL NATIONAL MORTGAGE ASSOCIATION	RIGHTS	

Required Elements – Settlements

BUSINESS ELEMENT NAME	Data FORMAT	US Market Practice M/O	Additional Information
Sender message reference	16x	M	Must uniquely identify message being sent.
Settlement date	8!n	M	
Trade date	8!n	M	
Original Face	15d	M	For Mortgage Backed Securities
Identification of Financial Instrument	ISIN 1!b!12!c	M	ISIN is preferred asset identifier, but CUSIP and SEDOL are also accepted
Quantity of financial instrument to be settled	4!c/15d	M	Fed Settlement limit is 50 Million. See section 2.2.8 for details.
Safekeeping account to be credited or debited	35x	M	
Delivering or Receiving agent	Local Clearing CODE	M	
Direct Client of Delivering or Receiving agent	Local Clearing Code	M	Note: If no Local Clearing Code is available, BIC should be provided.
Place of settlement	BIC	M	
Deal Price	15d	M	
Deal Amount	15d	M	
Additional Amounts – Commission, Taxes, Accrued Interest, Other Charges/Fees, Net Gain/Loss	15d	O	
Settlement amount (including currency)	3!a15d	M	
Unique Trade Reference	16x	O	For Matching – Agreed proper codeword is 20C::COMM within Seq. A1 Linkages

**WG agreed Preparation Date/Time is not a recommended field on the MT54x instruction messages*

Required Elements – Confirmations

The confirmation messages should include at a minimum the mandatory elements of the settlement message.

BUSINESS ELEMENT NAME	Data FORMAT	US Market Practice M/O	Additional Information
Sender message reference	16x	M	Must uniquely identify message being sent.
Settlement date	8!n	M	
Preparation Date	8!n	O	WG agreed format option C or E is acceptable as MP.
Trade date	8!n	M	
Identification of Financial Instrument	ISIN 1!b!12!c	M	
Quantity of financial instrument to be settled	4!c/15d	M	
Safekeeping account to be credited or debited	35x	M	
Delivering or Receiving agent	Local Clearing CODE	M	
Direct Client of Delivering or Receiving agent	Local Clearing Code	M	Note: If no Local Clearing Code is available, BIC should be provided.
Place of settlement	BIC	M	
Deal Price	15d	M	
Deal Amount	15d	M	
Settlement amount (including currency)	3!a15d	M	

Investment Type Matrix

Below you will find the supported ISO15022 fields to be used for each investment type.

			MT54x Settlement Messages – Investments Types A-C						
Field	Qualifier	Definition	BA	BKL	CD	CP	CLO	CMO	Corp
Sequence A – GENERAL									
16R	GENL	Start of General Information Sequence	M	M	M	M	M	M	M
20C	SEME	Sender's Reference Number	M	M	M	M	M	M	M
23G		Function of the Message	M	M	M	M	M	M	M
16S	GENL	End of General Information Sequence	M	M	M	M	M	M	M
Sequence B – TRADE									
16R	TRADEDET	Start of Transaction Details Sequence	M	M	M	M	M	M	M
98A		Settlement Date	M	M	M	M	M	M	M
98A		Trade Date	M	M	M	M	M	M	M
90A	DEAL	Deal Price	M	M	M	M	M	M	M
			PRCT	PRCT	PRCT	PRCT	PRCT	PRCT	PRCT
35B		Identification of the Financial Instrument ⁶	M	M	M	M	M	M	M
16S	TRADEDET	End of Transaction Details Sequence	M	M	M	M	M	M	M
Subsequence B1 – FINANCIAL INSTRUMENT ATTRIBUTES 1									
Sequence C – FINANCIAL INSTRUMENT/ACCOUNT									
16R	FIAC	Start of Financial Instrument / Account Sequence	M	M	M	M	M	M	M
36B	SETT	Quantity of the Financial Instrument to be Settled	M	M	M	M	M	M	M
			FAMT	FAMT	FAMT	FAMT	AMOR	AMOR	FAMT
36B	SETT	Quantity of the Financial Instrument to be Settled	N/A	N/A	N/A	N/A	M	M	N/A
			N/A	N/A	N/A	N/A	FAMT	FAMT	N/A
97A		Account	M	M	M	M	M	M	M
16S	FIAC	End of Financial Instrument / Account Sequence	M	M	M	M	M	M	M
Sequence E – SETTLEMENT DETAILS									
16R	SETDET	Start of Settlement Details Sequence	M	M	M	M	M	M	M
22F		Indicator	M	M	M	M	M	M	M
Subsequence E1 – SETTLEMENT PARTIES									
16R	SETPRTY	Start of Settlement Parties Subsequence	M	M	M	M	M	M	M
95P		Settlement Party (Location) - Primary	DTC	DTC	DTC	DTC	Physical ⁴	DTC	DTC
		Secondary ⁴	Physical	Physical	Physical	Physical			Physical
16S	SETPRTY	End of Settlement Parties Subsequence	M	M	M	M	M	M	M
16R	SETPRTY	Start of Settlement Parties Subsequence	M	M	M	M	M	M	M
95R		Settlement Party (Receiving/Delivering Agent)	M	M	M	M	M	M	M
			DTCYID	DTCYID	DTCYID	DTCYID	Option Q	DTCYID	DTCYID
97A		Safekeeping Account	O	O	O	O	O	O	O
16S	SETPRTY	End of Settlement Parties Subsequence	M	M	M	M	M	M	M
16R	SETPRTY	Start of Settlement Parties Subsequence	M	M	M	M	M	M	M
95R		Settlement Party (Buyer/Seller) – DTCYID or BIC (if no valid DTC exists)	M	M	M	M	M	M	M
97A		Safekeeping Account ²	O	O	O	O	O	O	O
16S	SETPRTY	End of Settlement Parties Subsequence	M	M	M	M	M	M	M
Subsequence E2 – CASH PARTIES									
16R	CSHPRTY	Start of Settlement Parties Subsequence	N/A	N/A	N/A	N/A	N/A	N/A	N/A
95R		Account with Institution (541=ACCW, 543=PAYE)	N/A	N/A	N/A	N/A	M	N/A	N/A
16S	CSHPRTY	End of Settlement Parties Subsequence	N/A	N/A	N/A	N/A	N/A	N/A	N/A
16R	CSHPRTY	Start of Settlement Parties Subsequence	N/A	N/A	N/A	N/A	N/A	N/A	N/A
95P		Beneficiary (BENM for 540/541 only)	N/A	N/A	N/A	N/A	M	N/A	N/A
97A		Cash Account (CASH for 540/541 only)	N/A	N/A	N/A	N/A	M	N/A	N/A
16S	CSHPRTY	End of Settlement Parties Subsequence	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Subsequence E3 – AMOUNTS									
16R	AMT	Start of Amounts Subsequence	M	M	M	M	M	M	M
19A		Deal Amount	M	M	M	M	M	M	M
16S	AMT	End of Amounts Subsequence	M	M	M	M	M	M	M
16R	AMT	Start of Amounts Subsequence	M	M	M	M	M	M	M
19A		Amount ³	O	O	O	O	O	O	O
16S	AMT	End of Amounts Subsequence	M	M	M	M	M	M	M
16R	AMT	Start of Amounts Subsequence	M	M	M	M	M	M	M
19A		Settlement Amount	M	M	M	M	M	M	M
16S	AMT	End of Amounts Subsequence	M	M	M	M	M	M	M
16S	SETDET	End of Settlement Details Sequence	M	M	M	M	M	M	M

MT54x Settlement Messages – Investments Types D – M										
Field	Qualifier	Definition	EQ	FHA	FHLMC	FNMA	GNMA	Ioette	Muni	MF
Sequence A – GENERAL										
16R	GENL	Start of General Information Sequence	M	M	M	M	M	M	M	M
20C	SEME	Sender's Reference Number	M	M	M	M	M	M	M	M
23G		Function of the Message	M	M	M	M	M	M	M	M
16S	GENL	End of General Information Sequence	M	M	M	M	M	M	M	M
Sequence B – TRADE										
16R	TRADDET	Start of Transaction Details Sequence	M	M	M	M	M	M	M	M
98A		Settlement Date	M	M	M	M	M	M	M	M
98A		Trade Date	M	M	M	M	M	M	M	M
90A	DEAL	Deal Price	M	M	M	M	M	M	M	M
			ACTU	PRCT	PRCT	PRCT	PRCT	PRCT	PRCT	ACTU5
35B		Identification of the Financial Instrument ⁶	M	M	M	M	M	M	M	M
16S	TRADDET	End of Transaction Details Sequence	M	M	M	M	M	M	M	M
Subsequence B1 – FINANCIAL INSTRUMENT ATTRIBUTES 1										
Sequence C – FINANCIAL INSTRUMENT/ACCOUNT										
16R	FIAC	Start of Financial Instrument / Account Sequence	M	M	M	M	M	M	M	M
36B	SETT	Quantity of the Financial Instrument to be Settled	M	M	M	M	M	M	M	M
			UNIT	AMOR	AMOR	AMOR	AMOR	AMOR	FAMT	UNIT5
36B	SETT	Quantity of the Financial Instrument to be Settled	N/A	M	M	M	M	M	N/A	N/A
			N/A	FAMT	FAMT	FAMT	FAMT	FAMT	N/A	N/A
97A		Account	M	M	M	M	M	M	M	M
16S	FIAC	End of Financial Instrument / Account Sequence	M	M	M	M	M	M	M	M
Sequence E – SETTLEMENT DETAILS										
16R	SETDET	Start of Settlement Details Sequence	M	M	M	M	M	M	M	M
22F	SETR	Settlement Indicator	M	M	M	M	M	M	M	M
22F	STCO	Settlement Transaction Condition	N/A	N/A	N/A	N/A	N/A	N/A	N/A	STCO//SHHE
Subsequence E1 – SETTLEMENT PARTIES										
16R	SETPRTY	Start of Settlement Parties Subsequence	M	M	M	M	M	M	M	M
95P		Settlement Party (Location) - Primary	DTC	FED	FED	FED	FED	DTC	DTC	DTC
		Secondary ⁴	Physical	Physical					Physical	Physical
16S	SETPRTY	End of Settlement Parties Subsequence	M	M	M	M	M	M	M	M
16R	SETPRTY	Start of Settlement Parties Subsequence	M	M	M	M	M	M	M	M
95R		Settlement Party (Receiving/Delivering Agent)	M	M	M	M	M	M	M	M
			DTCYID	USFW	USFW	USFW	USFW	DTCYID	DTCYID	BIC ⁷
97A		Safekeeping Account	O	M	M	M	M	O	O	N/A
16S	SETPRTY	End of Settlement Parties Subsequence	M	M	M	M	M	M	M	M
16R	SETPRTY	Start of Settlement Parties Subsequence	M	M	M	M	M	M	M	M
95R		Settlement Party (Buyer/Seller)	M	M	M	M	M	M	M	BIC ⁷
97A		Safekeeping Account ²	O	O	O	O	O	O	O	N/A
16S	SETPRTY	End of Settlement Parties Subsequence	M	M	M	M	M	M	M	M
Subsequence E2 – CASH PARTIES										
16R	CSHPRTY	Start of Settlement Parties Subsequence	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
95R		Account with Institution (541=ACCW, 543=PAYE)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
16S	CSHPRTY	End of Settlement Parties Subsequence	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
16R	CSHPRTY	Start of Settlement Parties Subsequence	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
95P		Beneficiary (BENM for 540/541 only)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
97A		Cash Account (CASH for 540/541 only)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
16S	CSHPRTY	End of Settlement Parties Subsequence	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Subsequence E3 – AMOUNTS										
16R	AMT	Start of Amounts Subsequence	M	M	M	M	M	M	M	M
19A		Deal Amount	M	M	M	M	M	M	M	M8
16S	AMT	End of Amounts Subsequence	M	M	M	M	M	M	M	M
16R	AMT	Start of Amounts Subsequence	M	M	M	M	M	M	M	M
19A		Amount ³	O	O	O	O	O	O	O	O8
16S	AMT	End of Amounts Subsequence	M	M	M	M	M	M	M	M
16R	AMT	Start of Amounts Subsequence	M	M	M	M	M	M	M	M
19A		Settlement Amount	M	M	M	M	M	M	M	M8
16S	AMT	End of Amounts Subsequence	M	M	M	M	M	M	M	M
16S	SETDET	End of Settlement Details Sequence	M	M	M	M	M	M	M	M

MT54x Settlement Messages – Investments Types N – Z									
Field	Qualifier	Definition	PS	Strip	SL	TIPS	TNBD	Warrant	Zoo
Sequence A – GENERAL									
16R	GENL	Start of General Information Sequence	M	M	M	M	M	M	M
20C	SEME	Sender's Reference Number	M	M	M	M	M	M	M
23G		Function of the Message	M	M	M	M	M	M	M
16S	GENL	End of General Information Sequence	M	M	M	M	M	M	M
Sequence B – TRADE									
16R	TRADEDET	Start of Transaction Details Sequence	M	M	M	M	M	M	M
98A		Settlement Date	M	M	M	M	M	M	M
98A		Trade Date	M	M	M	M	M	M	M
90A	DEAL	Deal Price	M ACTU5	M PRCT	M PRCT	M PRCT	M PRCT	M ACTU	M PRCT
35B		Identification of the Financial Instrument ⁶	M	M	M	M	M	M	M
16S	TRADEDET	End of Transaction Details Sequence	M	M	M	M	M	M	M
Subsequence B1 – FINANCIAL INSTRUMENT ATTRIBUTES 1									
Sequence C – FINANCIAL INSTRUMENT/ACCOUNT									
16R	FIAC	Start of Financial Instrument / Account Sequence	M	M	M	M	M	M	M
36B	SETT	Quantity of the Financial Instrument to be Settled	M FAMT5	M FAMT	M AMOR	M AMOR	M FAMT	M UNIT	M FAMT
36B	SETT	Quantity of the Financial Instrument to be Settled	N/A	N/A	M	M	N/A	N/A	N/A
			N/A	N/A	FAMT	FAMT	N/A	N/A	N/A
97A		Account	M	M	M	M	M	M	M
16S	FIAC	End of Financial Instrument / Account Sequence	M	M	M	M	M	M	M
Sequence E – SETTLEMENT DETAILS									
16R	SETDET	Start of Settlement Details Sequence	M	M	M	M	M	M	M
22F		Indicator	M	M	M	M	M	M	M
Subsequence E1 – SETTLEMENT PARTIES									
16R	SETPRTY	Start of Settlement Parties Subsequence	M	M	M	M	M	M	M
95P		Settlement Party (Location) -							
			Primary Secondary ⁴	DTC Physical	FED DTC	FED DTC	FED DTC	FED DTC	DTC Physical
16S	SETPRTY	End of Settlement Parties Subsequence	M	M	M	M	M	M	M
16R	SETPRTY	Start of Settlement Parties Subsequence	M	M	M	M	M	M	M
95R		Settlement Party (Receiving/Delivering Agent)	M	M	M	M	M	M	M
			DTCYID	USFW	USFW	USFW	USFW	USFW	DTCYID
97A		Safekeeping Account	O	M	M	M	M	O	O
16S	SETPRTY	End of Settlement Parties Subsequence	M	M	M	M	M	M	M
16R	SETPRTY	Start of Settlement Parties Subsequence	M	M	M	M	M	M	M
95R		Settlement Party (Buyer/Seller) –DTCYID or BIC (if no valid DTC exists)	M	M	M	M	M	M	M
97A		Safekeeping Account ²	O	O	O	O	O	O	O
16S	SETPRTY	End of Settlement Parties Subsequence	M	M	M	M	M	M	M
Subsequence E2 – CASH PARTIES									
16R	CSHPRTY	Start of Settlement Parties Subsequence	N/A	N/A	N/A	N/A	N/A	N/A	N/A
95R		Account with Institution (541=ACCW, 543=PAYE)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
16S	CSHPRTY	End of Settlement Parties Subsequence	N/A	N/A	N/A	N/A	N/A	N/A	N/A
16R	CSHPRTY	Start of Settlement Parties Subsequence	N/A	N/A	N/A	N/A	N/A	N/A	N/A
95P		Beneficiary (BENM for 540/541 only)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
97A		Cash Account (CASH for 540/541 only)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
16S	CSHPRTY	End of Settlement Parties Subsequence	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Subsequence E3 – AMOUNTS									
16R	AMT	Start of Amounts Subsequence	M	M	M	M	M	M	M
19A		Deal Amount	M	M	M	M	M	M	M
16S	AMT	End of Amounts Subsequence	M	M	M	M	M	M	M
16R	AMT	Start of Amounts Subsequence	M	M	M	M	M	M	M
19A		Amount ³	O	O	O	O	O	O	O
16S	AMT	End of Amounts Subsequence	M	M	M	M	M	M	M
16R	AMT	Start of Amounts Subsequence	M	M	M	M	M	M	M
19A		Settlement Amount	M	M	M	M	M	M	M
16S	AMT	End of Amounts Subsequence	M	M	M	M	M	M	M
16S	SETDET	End of Settlement Details Sequence	M	M	M	M	M	M	M

Footnotes:

1 Sequence is Mandatory when a valid ISIN/Cusip is not provided. Refer to Appendix B for correct use of Sub-Sequence B1.
2 For MT542 DTC Settlement Instructions the Account of the Buyer/Seller is Mandatory
3 Commission/Fees/Charges/Accrued Interest as required. For SEC fees qualifier REGF must be used
4 When Place of Settlement is Physical the value can either be Country Code or BIC.
5 For Mutual Funds, when shares are unknown, deal price and quantity will be zero.
6 ISIN preferred, if not available use Cusip
7 For Mutual Funds, BIC should be populated for DTC settlement, using the 95P:: format in both the Executing Broker (BUYR/SELL) and the Clearing Broker (REAG/DEAG)
8 For Mutual Funds, Amounts reflect future value only. No currency movement will occur.

2.1 Transaction Type Market Practice

The below will provide you with detailed information on the US Market Practice for the Transaction Types stated earlier in this document.

2.2.1 Book Transfer/In-kind Transfer Market Practice

The transfer types concerned will be called:

- Internal Account Transfer
- External Account Transfer
- Settlement Transaction Transfer

Internal Account Transfer: Transfer of securities free or against payment from one sender's account to another account of the same sender at the same message receiver.

External Account Transfer: All other transfers of securities free or against payment for which more than one sender and/or receiver are involved.

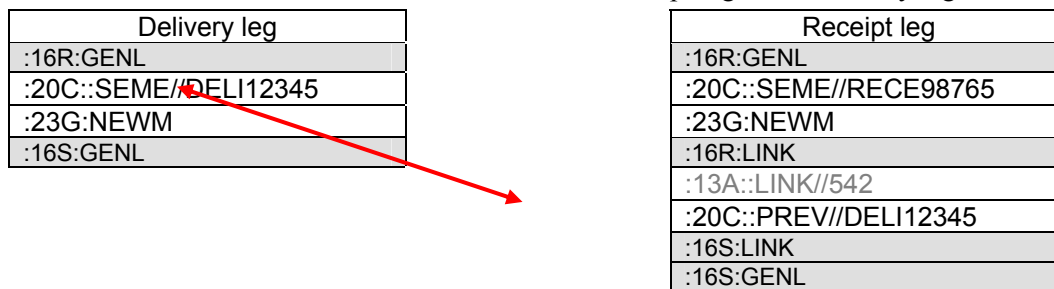
Settlement Transaction Transfer: plain vanilla free or against payment transactions settled internally at global custodian or sub-custodian level due to the fact the global custodian or sub-custodian institution is a common party in the settlement chain for both the receiving and delivering side.

Internal Account Transfer:

- **Two instructions (receive and deliver) must be instructed.**
- It is recommended to clearly identify the transaction as being part of an internal transfer by using, in the settlement details sequence E --- :22F::SETR//OWNI
- The party sequences E1 to be used in both receive and delivery instructions:

Qualifier	Business data	Example delivery leg	Example receive leg
BUYR/SELL ACCOUNT	Message sender's BIC Message sender's account at message receiver	:95P::BUYR//SENDXX22 :97A::SAFE//987654	:95P::SELL//SENDXX22 :97A::SAFE//123456
REAG/DEAG	Message receiver's BIC or local code ¹	:95P::REAG//RECEXX11 or :95R::REAG//CSDD/123	:95P::DEAG//RECEXX11 or :95R::DEAG//CSDD/123
PSET	CSD where the securities are to be delivered to/received from.	:95P::PSET//CSDDXXXX	:95P::PSET//CSDDXXXX

- The SMPG recommend the use of the linkage sequence. As it seems more logical that the delivery (shortage check) will be released first, it is recommended to link the receipt leg to the delivery leg as shown below:



- If an indication of change or no change of beneficial ownership is needed (following legal market requirements, for instance), the field 22F indicator with qualifier BENE will be used. Though a standing instruction override indicator, it may also be used when there is no standing instructions in place at the account servicer:

Qualifier and code	Definition
22F::BENE//NBEN	<ul style="list-style-type: none"> • If standing instruction in place: though standing instruction is CBO, this transaction is NCBO • If no standing instruction in place, it means NCBO
22F::BENE//YBEN	<ul style="list-style-type: none"> • If standing instruction in place: though standing instruction is NCBO, this transaction is

¹ When the book transfer messages are sent **to a local agent** on a market requiring local codes.
ISITC US Settlement Market Practice

	CBO <ul style="list-style-type: none"> If no standing instruction in place, it means CBO
--	---

External Account Transfer:

- **Two instructions (receive and deliver) must be instructed.**
- It is recommended to clearly identify the transaction as being part of an external transfer by using, in the settlement details sequence E --- :22F::SETR//OWNE
- The party sequences E1 to be used in both receive and delivery instructions will be the settlement chain applicable in a plain vanilla settlement instruction. The sender will always be included in the chain with mention of sender’s accounts concerned by the transfer.
- If an indication of change or no change of beneficial ownership is needed (following legal market requirements, for instance), the field 22F indicator with qualifier BENE will be used. Though a standing instruction override indicator, it may also be used when there is no standing instructions in place at the account servicer:

Qualifier and code	Definition
22F::BENE//NBEN	<ul style="list-style-type: none"> If standing instruction in place: though standing instruction is CBO, this transaction is NCBO If no standing instruction in place, it means NCBO
22F::BENE//YBEN	<ul style="list-style-type: none"> If standing instruction in place: though standing instruction is NCBO, this transaction is CBO If no standing instruction in place, it means CBO

Settlement Transaction Transfer:

- **Two instructions (receive and deliver) will be instructed.**
- The transactions will be formatted as plain vanilla transactions following the market practice of the place of settlement instructed.
- The global custodian or the local agent will just settle the trade internally instead of sending the instructions to the next level of the settlement chain.

Book Transfer for Short Positions:

- The IM will provide a Buy/RF to close out the short position and a Sell/DF to create the short position on the other account.

2.2.2 Pair-off Market Practice

The following information must be provided on the last transaction from the Investment Manager:

- Pair-off Indicator in Sequence E as 22F::SETR//PAIR
- Link all the associated reference numbers in repetitive sub-sequence A1 field 20C with qualifier PREV
- Include Quantity of Financial Instrument being paired-off in field 36B of Seq. A1
- Include Net Gain/Loss in field 19A with qualifier ANTO on the last message.
- Provide Cash wire instructions in Sequence E2.

The format of the Cash parties in Sequence E2 should be as follows:

Subsequence E2 – CASH PARTIES		M
16R	<i>CSHPRTY Start of Settlement Parties Subsequence</i>	M
95R	Account with Institution	[M] ACCW – Reflected as a FED Wire Number (<i>DSS = USFW</i>)
16S	<i>CSHPRTY End of Settlement Parties Subsequence</i>	M
16R	<i>CSHPRTY Start of Settlement Parties Subsequence</i>	M
95a	Beneficiary	[M] BENM – Reflected as Beneficiary BIC or name.
97A	Cash Account	[M] CASH – Reflected as Beneficiary Number
16S	<i>CSHPRTY End of Settlement Parties Subsequence</i>	M

*Use the 54x template for the specific product being traded. (i.e. If Equity use formats provided in Equity template.)

A cancellation of a pair-off will not impact any other instruction. The cancel only applies to the individual transaction.

2.2.3 Turnaround Market Practice

The following information must be provided on the last transaction from the Investment Manager:

- Turnaround Indicator in Sequence E as 22F::SETR//TURN
- Link all the associated reference numbers in repetitive sub-sequence A1 field 20C with qualifier PREV

A cancellation of a turnaround will not impact any other instruction. The cancel only applies to the individual transaction.

2.2.4 Message Originator/Other Parties Market Practice – MEOR

For messages that are being sent on behalf of the Client/Investment Manager by a 3rd party vendor it was agreed that Sequence F – Other parties should be used to identify the originator of the message. The originator of the message is the Investment Manager/Client.

The format of the block is as follows:

M	16R			Start of Block	OTHRPTY
M	95a	4!c	Party	Client/Investment Manager ID	P, Q or R 1
M	16S			End of Block	OTHRPTY

1 The preferred format is P with the BIC.

2.2.5 Free Transactions

The template format of the free instructions should be based on the same product template for the against payment instructions. The only format change will be that the Amounts sequence E3 becomes optional and the deal price becomes optional. A sample template is as follows:

CROSS BORDER MARKET PRACTICE WORKING GROUP

Market: US

Instrument Type: EQUITY

Settlement Location: Primary: DTC
Secondary: Physical

[] represent differences between SWIFT and US.

[M] represents not yet approved by SWIFT.

Repetitive	Field	Qualifier	Definition	MT540	MT542	MT544	MT546	COMMENTS
Sequence A – GENERAL				M	M	M	M	
16R	GENL		Start of General Information Sequence	M	M	M	M	
20C	SEME		Sender's Reference Number	M	M	M	M	
23G			Function of the Message	M	M	M	M	
16S	GENL		End of General Information Sequence	M	M	M	M	
Sequence B – TRADE				M	M	M	M	
16R	TRADDET		Start of Transaction Details Sequence	M	M	M	M	
98A			Settlement Date	M	M	M	M	
98A			Trade Date	[M]	[M]	[M]	[M]	
90B	DEAL		Deal Price	O	O	O	O	Reflected as Actual Amount – ACTU
35B			Identification of the Financial Instrument	M	M	M	M	ISIN preferred if not available use Cusip.
16S	TRADDET		End of Transaction Details Sequence	M	M	M	M	
Sequence C – FINANCIAL INSTRUMENT/ACCOUNT				M	M	M	M	
16R	FIAC		Start of Financial Instrument / Account Sequence	M	M	M	M	
36B	SETT		Quantity of the Financial Instrument to be Settled	M	M	M	M	Reflected as UNIT.
97A			Account	M	M	M	M	
16S	FIAC		End of Financial Instrument / Account Sequence	M	M	M	M	
Sequence E – SETTLEMENT DETAILS				M	M	M	M	
16R	SETDET		Start of Settlement Details Sequence	M	M	M	M	

22F	Indicator		M	M	M	M
Subsequence E1 – SETTLEMENT PARTIES			M	M	M	M
16R	<i>SETPRTY</i>	<i>Start of Settlement Parties Subsequence</i>	M	M	M	M
95P		Settlement Party (Location)	[M]	[M]	[M]	[M]
						Place of Settlement – Reflected as a BIC. (DTC= DTCYUS33)
16S	<i>SETPRTY</i>	<i>End of Settlement Parties Subsequence</i>	M	M	M	M
16R	<i>SETPRTY</i>	<i>Start of Settlement Parties Subsequence</i>	M	M	M	M
95R		Settlement Party (Receiving/Delivering Agent)	M	M	M	M
						DEAG/REAG – Reflected as a DTC number. (DSS = DTCYID)
97A		<i>Safekeeping Account</i>	[C]	[C]	[C]	[C]
16S	<i>SETPRTY</i>	<i>End of Settlement Parties Subsequence</i>	M	M	M	M
16R	<i>SETPRTY</i>	<i>Start of Settlement Parties Subsequence</i>	M	M	M	M
95R		Settlement Party (Buyer/Seller)	[M]	[M]	[M]	[M]
						BUYR/SELL – Reflected as a DTC number. (DSS = DTCYID)
16S	<i>SETPRTY</i>	<i>End of Settlement Parties Subsequence</i>	M	M	M	M
						The account number is mandatory for Deliver Free transactions.
Subsequence E3 – AMOUNTS			M	M	M	M
<i>16R</i>	<i>AMT</i>	<i>Start of Amounts Subsequence</i>	M	M	M	M
19A		Book Value	O	O	O	O
<i>16S</i>	<i>AMT</i>	<i>End of Amounts Subsequence</i>	M	M	M	M

2.2.6 Narrative Market Practice

-Unless bilaterally agreed between the Sender and Receiver, narrative field 70a must not contain information that can be provided in a structured field.

-If there is a need for Narrative information to be provided on the 54x Settlement message the following format should be provided

- Use of field 22F in Sequence E with qualifier STCO/SPDL.
- Use of field 70E in Sequence B with qualifier SPRO.

-For information that should be directed to the Sub-Custodian only and not be forced to non-STP at the Global Custodian field 22F::STCO/SPDL should NOT be provided, only provide information in field 70E.

2.2.7 Settlement Quantity Limits (50 million breakdown)

-Central Securities Depositories (CSDs) have quantity limits on the original face amount (FAMT) of settling trades. There are two such limits in the US Market:

- The Federal Reserve Bank (FRNYUS33) has a 50 million par/original face quantity settlement limit on all security trades settling through its system.
- Depository Trust and Clearing Corporation (DTCYUS33) has a 50 million settlement quantity limit on all Money Market trades. The settlement quantity limit for Non-Money Market products (e.g. Equity, Corporate Bonds, CMOs, etc.) is 9,999,999,999.

-For those cases where a maximum quantity limit exists, the Investment Manager (sending party) should break down the trade into separate messages of 50 million or less. The standard market practice is to break down trades over 50 million into increments of 50 million and one increment less than 50 million for the remainder.

To ensure trades can still be matched and confirmed between Investment Managers and Brokers, it is critical that brokers follow this same convention as well when booking their side of the trades.

Mortgage TBA's

-Mortgage TBAs are not securities and do not settle, they are place holders. These trades should be sent for the full amount and should not be broken down into 50 million or less pieces.

2.2.8 Prime Broker Identification

There is an expanding use by IM's of multiple Prime Brokers within a single account. This has resulted in the breakdown of the "single account # = single Prime Broker" logic, and the need for IM's to explicitly state the Prime Broker on the MT 54x message.

The use of multi-Prime Brokers has led to the need for **Reconciliation** services to expand to include the reconciliation of positions and of cash at the Prime Broker level within an account. Specific identification of a Prime Broker on the MT 54x trade message is critical in allowing the servicer to track the positions and cash by Prime Broker within each account.

Additionally, **Middle Office** service providers encounter the same scenario where current logic is “Account # = Prime Broker”, where there exists a one-to-one relationship. Again, having the prime Broker specifically identified facilitates instructing for the many-to-one relationships.

The approved recommendation is to identify the prime broker in :94B::SAFE/ISIT/PBRO/BIC Code for *prime broker*

Sample for Purchase - MT 541	Sample for Sale - MT 543
:16R:GENL	16R:GENL
:20C::SEME//10629701245555	:20C::SEME//041612051425555
:23G:NEWM	:23G:NEWM
:16S:GENL	:16S:GENL
:16R:TRADDET	:16R:TRADDET
:98A::SETT//20061027	:98A::SETT//20061027
:98A::TRAD//20061024	:98A::TRAD//20061024
:90B::DEAL//ACTU/USD12,3456	:90B::DEAL//ACTU/USD11,1111
:35B:ISIN US4370761029	:35B:ISIN US4370761029
IBM Inc	IBM Inc
:16S:TRADDET	:16S:TRADDET
:16R:FIAC	:16R:FIAC
:36B::SETT//UNIT/100,	:36B::SETT//UNIT/100,
:97A::SAFE//99999	:97A::SAFE//99999
:94B::SAFE/ISIT/PBRO/BIC Code for prime broker	:94B::SAFE/ISIT/PBRO/BIC Code for prime broker
:16S:FIAC	:16S:FIAC
:16R:SETDET	:16R:SETDET
:22F::SETR//TRAD	:22F::SETR//TRAD
:16R:SETPRTY	:16R:SETPRTY
:95R::DEAG/DTCYID/00000123	:95P::PSET/DTCYUS33
:16S:SETPRTY	:16S:SETPRTY
:16R:SETPRTY	:16R:SETPRTY
:95R::SELL/DTCYID/00123	:95R::REAG/DTCYID/0000123
:16S:SETPRTY	:16S:SETPRTY
:16R:SETPRTY	:16R:SETPRTY
:95P::PSET/DTCYUS33	:95R::BUYR/DTCYID/00123
:16S:SETPRTY	:16S:SETPRTY
:16R:AMT	:16R:AMT
:19A::DEAL//USD12345,67	:19A::SETT//USD12345,78
:16S:AMT	:16S:AMT
:16R:AMT	:16R:AMT
:19A::LOCO//USD9,	:19A::DEAL//USD12345,86
:16S:AMT	:16S:AMT
:16R:AMT	:16R:AMT
:19A::SETT//USD12345,67	:19A::EXEC//USD16,94
:16S:AMT	:16S:AMT
:16S:SETDET	:16R:AMT
	:19A::CHAR//USD1,14
	:16S:AMT

2.2.9 Pending Sell Notification Recommendation

A “Short Sale” is a sale of a security where a “borrowed” security is used to fulfil the sale obligation (usually there is no inventory of the security in the account, but this is not always the case). A “Pending Sale” is a sale of a security where there is no inventory currently in the account, but inventory will be in the account to fulfil the sale obligation by the time the trade settles. There is no borrowing of securities. This strategy is most commonly used in Fixed Income.

The need for an indicator for the “pending sell” was requested by the Custodian/Accounting Agents to allow them to distinguish between the “pending” and “short” sale cases. The Custodian/Accounting systems need to handle sales with no inventory differently than sales with inventory and they need to distinguish when it is pending versus a true short sale on a borrowed security.

There are different requirements that apply to “short” sales than apply to “pending” sales.

For example, shorting eligibility requirements either for the security or the account would not apply to a “pending” sell trade, thus identification of this type of transaction is required.

Thus, the need for a new codeword is required to distinguish the “short” vs. “pending” sale business cases appropriately.

A request has been submitted to SWIFT Standards for SR2009 consideration. But, the ISITC Settlements membership felt it necessary to agree to a short term codeword use utilizing the ISIT data source scheme. The recommendation from the group is the use of the **22F::STCO/ISIT/PENS** codeword.

2.2.10 Private Placement character limitation – Recommendation

PPN or Private Placement Number identifiers are street identifiers that are issued by the CUSIP Service Bureau that use Special Characters (*, @, #) in their identification scheme. The identified issue is that the characters (*, @, #) are not valid for the character type (Format option B within field 35B) where securities are identified. This means that when these identifiers are sent over the SWIFT network the message is either nacked, or the “special” character is omitted or replaced by a space when it reaches the recipient. ISITC has agreed to the following short term work around to address these character limitations with the MT54x messages:

To specify in a SWIFT FIN message a character that is not part of the format options character set, SWIFT recommends to use the Hexadecimal EBCDIC codes, preceded by two question marks (??).

Ex. 23984#AA6 would be represented as 23984??7BAA6.

EBCDIC Code translations:

@ ----> ??7C

_ ----> ??6D

& ----> ??50

% ----> ??6C

= ----> ??7E

* ----> ??5C

----> ??7B

\$ ----> ??5B

! ----> ??5A

^ ----> ??5F

~ ----> ??A1

There currently is no documented usage of the “?” as a valid identifier within the CUSIP today. So, the translation usage of the ?? as the escape sequence will not cause issue. It was confirmed Private Placement Ids do not map to ISIN, so there will not be a character length issue (ISINs limited to 12 characters). In order to account for the extra character length of the translated CUSIP (from 9 to 12 characters) within the filed 35B:: of the MT54x. The recommendation for stating the translated CUSIP is as follows:

:35B:/XX/23984??7BAA6

2.2.11 Resulting currency amount – Recommendation

In emerging markets where some currencies are volatile, securities that are traded in the local currency often settle in another currency with an implied FX at the time of trade execution. This causes the settlement currency to be different from the traded currency. Theoretically, the amount values (Deal, Fees, Commission, Accrued Interest, etc.) can be quoted in either local or settlement currency since the FX rate is mutually agreed prior to settlement date as part of an implied FX agreement. While there is no issue if instructions contain these amounts in the local currency and the net settlement amount in the settlement currency, IM's are being ask to provide the exchange rate (EXCH) "for fund accounting purposes". EXCH cannot exist without also providing FX conversion resulting amount (RESU).

The simplest example of a transaction that involves multiple currencies is a trade that is executed against one currency but settles against another. For performance/recordkeeping purposes, the trade needs to be reported against the currency of execution; however for settlement purposes it needs to be reported to the ISCD against another currency. Typically, there is an imbedded FX transaction associated with the conversion from trade to settlement currency.

For example.

An IM buys Colombia Republic 12% 10/22/2018 (ISIN XS0213272122)

Par: 1,000,000
Price: 100
Accrued: 76,931.51 COP
Net: 1,076,931.51 COP

The investor makes arrangements to buy the COP with the same dealer and settle the trade in Euroclear against 538,465.76 USD (COP/USD FX rate .5). Note: This is not the current rate but used for sake of this example. The FX may be confirmed as a separate transaction; however the securities and FX trades are linked and will settle as a single trade in Euroclear.

For performance/recordkeeping purposes, the bond trade needs reported in COP and a "dummy" FX reflecting the purchase of the COP against the USD amount. For custody purposes the trade should be instructed DVP in Euroclear against the USD amount. The message originator needs to communicate both the execution details and the settlement details within the MT543/545 so the recipient can properly account, settle, and reconcile the transaction.

```
:16R:AMT
:19A::DEAL//COP1000000,           Trade CCY
:16S:AMT
:16R:AMT
:19A::ACRU//COP76931,51         Trade CCY
:16S:AMT
:16R:AMT
:19A::SETT//USD538465,76       Settlement CCY
:92B::EXCH//COP/USD/2,         Mandatory when RESU populated
19A::RESU//COP1076931,51       Trade CCY
:16S:AMT
```

Upon receipt of these instructions the custodian should book the trade to accounting against COP, book an accounting only FX reflection the conversion, and book the trade to custody against USD.

The account servicer will need to have logic to read the specific Sequence E3 Amount Block 19A::RESU field for the Settlement amount. The field 19A::RESU is repeatable within any Sequence E3 Amount block, therefore the Settlement amount local currency equivalent will must be populated within this specific Amount block.

Appendix A: ISO15022 Settlement Matrix

DTC	FED	PHYSICAL
Buy/Receive Free	Buy/Receive Free	Buy/Receive Free
:16R:SETPRTY :95P::PSET//DTCYUS33 :16S:SETPRTY :16R:SETPRTY :95R::DEAG/DTCYID/00005132 ⁴ :16S:SETPRTY :16R:SETPRTY :95R::SELL/DTCYID/00005132 ¹ & ⁵ :97A::SAFE//12345 (Optional) :16S:SETPRTY	:16R:SETPRTY :95P::PSET//FRNYUS33 :16S:SETPRTY :16R:SETPRTY :95R::DEAG/USFW/021000018 ³ :97A::SAFE//GOLDMAN/CUST² :16S:SETPRTY :16R:SETPRTY :95R::SELL/DTCYID/00000005 :97A::SAFE//123456 (Optional)⁶ :16S:SETPRTY	:16R:SETDET :22F:SETR//TRAD :22F:STCO//PHYS :16R:SETPRTY :95C::PSET//US :16S:SETPRTY :16R:SETPRTY :95R::DEAG/DTCYID/00005132 :16S:SETPRTY OR :16R:SETPRTY :95R::SELL/DTCYID/00005132 :16S:SETPRTY :16R:CSHPRTY :95R::ACCW/USFW/021000018 or /NYCHUSCH/123456 :16S:CSHPRTY :16R:CSHPRTY :95Q::BENM//Salomon Mortgage Lending :97A::CASH//959-22 :16S:CSHPRTY
Sell/Deliver Free	Sell/Deliver Free	Sell/Deliver Free
:16R:SETPRTY :95P::PSET//DTCYUS33 :16S:SETPRTY :16R:SETPRTY :95R::REAG/DTCYID/00005132 :16S:SETPRTY :16R:SETPRTY :95R::BUYR/DTCYID/00005132 :97A::SAFE//12345⁷ :16S:SETPRTY	:16R:SETPRTY :95P::PSET//FRNYUS33 :16S:SETPRTY :16R:SETPRTY :95R::REAG/USFW/021000018 ³ :97A::SAFE//GOLDMAN/CUST² :16S:SETPRTY :16R:SETPRTY :95R::BUYR/DTCYID/00000005 :97A::SAFE//123456 (Optional)⁶ :16S:SETPRTY	:16R:SETDET :22F:SETR//TRAD :22F:STCO//PHYS :16R:SETPRTY :95C::PSET//US :16S:SETPRTY :16R:SETPRTY :95R::REAG/DTCYID/00005132 OR :95Q::REAG//Window 5 acct. Salomon 55 Water St. Mezz Level, New York NY 10004 :16S:SETPRTY :16R:SETPRTY :95R::BUYR/DTCYID/00005132 :16S:SETPRTY :16R:CSHPRTY :95R::PAYE/USFW/021000018 or /NYCHUSCH/123456 :16S:CSHPRTY
The value provided in the REAG/DEAG for DTC represents the Participant ID.		

¹ BIC can be used if no valid DTC ID exists. (If the executing broker is not a DTC participant then a BIC is acceptable.)

² This represents a standardized account number at the FED.

³ If FED instructions are provided on the message they should not be overridden by the GC's internal instructions which are derived from the BUYR/SELL.

⁴ The DTCYID in REAG/DEAG is the Participant ID.

⁵ The DTCYID in the BUYR/SELL can be either an Institutional ID or Participant ID. Participant ID is used if the firm self-clears and Institutional ID is used to represent for the underlying client/counterparty. (Additionally BIC can be used if no DTC ID is available.)

⁶ This field represents the For Further Credit Account at the FED. This is an optional field.

⁷ For Deliver Free DTC settlements the SAFE of the Buyer is Mandatory.

Appendix B: ISO15022 – Usage Rules

NOTE 1 The correct use of field 35B for identifying the security is as follows:

ISIN (preferred)	ISIN US1234567891
Cusip	/US/123456789
Sedol	/GB/1234567
Internal	/XX/1212211
Local Mkt	/ISO country code/ - Local Market Identifiers

NOTE 2 These fields are Mandatory if no valid ISIN or CUSIP is provided.

Subsequence B1 – FINANCIAL INSTRUMENT ATTRIBUTES			
35B		Identification of Financial Instrument	Complete Description of the Security must be provided in this field. (It is recommended to always provide the description if available.)
16R	<i>FIA</i>	<i>Start of the Financial Instrument Attributes Subsequence</i>	
12a		Type of Financial Instrument	Reflected as CLAS/ISIT/ followed by ISITC supported Security Type. Refer to appendix C.
98a		Issue Date	
98a		Maturity Date	
92a		Interest Rate	
16S	<i>FIA</i>	<i>End of Financial Instrument Attributes Subsequence</i>	

NOTE 3 A minimum of 2 parties must be provided within the settlement chain

NOTE 4 Sequence E3 – Amounts is mandatory if information is part of the trade. Commissions, Fees, Charges and Accrued Interest

NOTE 5 Sequence E1 – REAG/DEAG, BUYR/SELL - The length of the DTCYID should be 8. The length of the USFW should be 9.

Appendix C: Supported ISITC Security Types:

CLAS/ISIT/	PSET LIST ASSET TYPE	Security Types	Refer to Template
BA	MM	BANKERS ACCEPTANCE	BA
BKL	EQ	BANK LOANS	BKL
BFW	CORP	BOND FORWARD	CORP
CD	MM	CERTIFICATE OF DEPOSIT	CD
CFDF	??	CONTRACT FOR DIFFERENCE FUNDED	??
CFDM	??	CONTRACT FOR DIFFERENCE MARGIN	??
CLO	CORP	COLLATERALIZED LOAN OBLIGATION	CLO
CDO	CORP	COLLATERALIZED DEBT OBLIGATION	CLO
CMO	CORP	COLLATERALIZE MORTGAGE OBLIGATION (<i>INCLUDES SINKING FUNDS</i>)	CMO
CORP	CORP	CORPORATE BOND	CORP
CP	MM	COMMERCIAL PAPER	CP
CPP	N/A	CORPORATE PRIVATE PLACEMENT	Ref to template of underlying sec
CS	EQ	COMMON STOCK	EQ
ETF	EQ	EXCHANGE TRADED FUND	EQ
FAD	GOVT	FEDERAL AGENCY DISCOUNT	TNBD
FHA	GOVT	FEDERAL HOUSING AUTHORITY	FHA
FHL	GOVT	FEDERAL HOME LOAN	FHLMC
FN	GOVT	FEDERAL NATIONAL MORTGAGE ASSOCIATION	FNMA
FRN		FLOATING RATE NOTES	CORP
FUT	N/A	FUTURE	Refer to FUT/OPT MP
GN	GOVT	GOVERNMENT NATIONAL MORTGAGE ASSOCIATION	GNMA
GOVT	GOVT	TREASURIES + AGENCY DEBENTURE	TNBD
IET	N/A	MORTGAGE IOETTE	ioette
MF	EQ	MUTUAL FUND	MF
MIO	CORP	MORTGAGE INTEREST ONLY	??
MPO	CORP	MORTGAGE PRINCIPLE ONLY	??
MPP	CORP	MORTGAGE PRIVATE PLACEMENT	PP
MPT	CORP	MISCELLANEOUS PASS-THRU	??
MUNI	GOVT	MUNICIPAL BOND	Muni
OPT	N/A	OPTION	Refer to FUT/OPT MP
PS	EQ	PREFERRED STOCK	EQ
RP	N/A	REPURCHASE AGREEMENT	Refer to REPO MP
RTS	EQ	RIGHTS	Warrant
RVRP	N/A	REVERSE REPURCHASE AGREEMENT	Refer to REPO MP
SL	CORP	STUDENT LOAN MARKETING ASSOCIATION	SL
STRP	GOVT	TREASURY STRIPS	Strip
TIPS	GOVT	TREASURY INFLATION PROTECTED SECURITIES	TIPS
SWAP	N/A	SWAPS	Refer to AMF group MP
UNBD	EQ	UNITIZED BONDS	EQ
USTB	MM	US TREASURY BILL	TNBD
UBWW	EQ	UNITIZED BONDS WITH WARRANTS ??	??
VRDN		VARIABLE RATE DISCOUNT NOTE	CMO
WAR	EQ	WARRANT	Warrant

ZOO	GOVT	CATS, TIGERS & LIONS	Zoo
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Appendix D: Sample Messages

FED – MT541

:16R:GENL
:20C::SEME//ISITC-IOAUS-1
:23G:NEWM
:16S:GENL
:16R:TRADDET
:98A::SETT//20001102
:98A::TRAD//20001030
:90A::DEAL//PRCT/97,441
:35B:ISIN US12556DQ39
:16S:TRADDET
:16R:FIAC
:36B::SETT//FAMT/1895000,
:97A::SAFE//ACCT123
:16S:FIAC
:16R:SETDET
:22F::SETR//TRAD
:16R:SETPRTY
:95P::PSET//FRNYUS33
:16S:SETPRTY
:16R:SETPRTY
:95R::DEAG/USFW/021000018
:97A::SAFE//MORGAN STANLEY
:16S:SETPRTY
:16R:SETPRTY
:95R::SELL/DTCYID/00000901
:16S:SETPRTY
:16R:AMT
:19A::DEAL//USD1846506,95
:16S:AMT
:16R:AMT
:19A::ACRU//USD29385,66
:16S:AMT
:16R:AMT
:19A::SETT//USD1817121,29
:16S:AMT
:16S:SETDET

DTC – MT543

:16R:GENL
:20C::SEME//ISITCIOAUS-2
:23G:NEWM
:16S:GENL
:16R:TRADDET
:98A::SETT//20001102
:98A::TRAD//20001030
:90B::DEAL//ACTU/USD69,9683
:35B:ISIN US46185R100
:16S:TRADDET
:16R:FIAC
:36B::SETT//UNIT/1400,
:97A::SAFE//ACCT123
:16S:FIAC
:16R:SETDET
:22F::SETR//TRAD
:16R:SETPRTY
:95P::PSET//DTCYUS33
:16S:SETPRTY
:16R:SETPRTY
:95R::REAG/DTCYID/00000235
:16S:SETPRTY
:16R:SETPRTY
:95R::BUYR/DTCYID/00000235
:16S:SETPRTY
:16R:AMT

:19A::DEAL//USD97955,62
:16S:AMT
:16R:AMT
:19A::SETT//USD97955,62
:16S:AMT
:16S:SETDET

DTC – MT545

:16R:GENL
:20C::SEME//ISITCIOA545-1
:23G:NEWM
:16R:LINK
:20C::RELA//ISITCIOAUS-2
:16S:LINK
:16S:GENL
:16R:TRADDET
:98A::ESET//20001102
:98A::TRAD//20001030
:90B::DEAL//ACTU/USD69,9683
:35B: ISIN US46185R100
:16S:TRADDET
:16R:FIAC
:36B::ESTT//UNIT/1400,
:97A::SAFE//ACCT123
:16S:FIAC
:16R:SETDET
:22F::SETR//TRAD
:16R:SETPRTY
:95P::PSET//DTCYUS33
:16S:SETPRTY
:16R:SETPRTY
:95R::DEAG/DTCYID/00000235
:16S:SETPRTY
:16R:SETPRTY
:95R::SELL/DTCYID/00000235
:16S:SETPRTY
:16R:AMT
:19A::DEAL//USD97955,62
:16S:AMT
:16R:AMT
:19A::SETT//USD97955,62
:16S:AMT
:16S:SETDET

Appendix E: Reference Documents

US TBA Market Practice v5.4



H:\ISITC\
Conferences\Boston .

US Derivatives Market Practice v2.9



H:\ISITC\
Conferences\Boston .

US Repo Market Practice v2.7



H:\ISITC\
Conferences\Boston .

US Time Deposit Market Practice v2.0



H:\ISITC\
Conferences\Boston .

US Factor Based Securities Market Practice v1.7



H:\ISITC\
Conferences\Boston .

US Bank Loan MP v1.5



H:\ISITC\
Conferences\Boston .

SMPG Pair-Off Market Practice SMPG Block Trade Market Practice

The US Market Practice follows the Securities Market Practice Group format for Block Trades. The official market practice document can be found at www.smpg.info in the documents sections.

- Select Final Global and Country Specific documents
- Select Settlement and Reconciliation Global documents
- Select Block Trades final 5.2.pdf