



SETTLEMENT & RECONCILIATION STANDARDS (ISO15022)

GERMANY MARKET PRACTICE

Status:	
Preparation date:	November 2011
Update date:	November 2011
Update. Impl. date:	
Author:	DE NMPG



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Changes to previous versions			
Version 1.0 November 2011	new		
Version 1.1	Minor update	Typo in table page 4 field 35B iso 36B	

I. Introduction:

The German SWIFT Securities User Group (DESSUG) is obliged to provide their market practice guidelines for the usage of the new SWIFT messages to the Securities Market Practice

Group (SMPG). The purpose of this document is to define a basis of field usage principals for the SWIFT messages associated with the settlement of securities transactions in the German market. The current version of this document represents the German market practice standard including the changes of SWIFT release 2011.

The content of this document represent an iteration of information discussed within the forum of the German SWIFT user Group and is now present for common consensus acceptance of the previously mentioned group.

II. Principals:

The contents of this document have been based on the settlement procedures typically associated with the performing transactions in the German market.

III. Scope:

The scope of this document has set out to cover the majority of the messages in the Settlement & Reconciliation Message User Groups. This document provide minimal requirement for messages from client to agent and information about field population in the reporting back to the client.

German CSD (Clearstream Banking Frankfurt) is not obliged to comply with all the requirements stated in this document.

In addition an example has been provided as to how the content of each mandatory or optional field should be populated.

It should be clearly noted that the purpose of this documentation is to provide the securities industry with a SWIFT syntax and ISO 15022 view of our compliance to the requirements and operating standards of the German settlements system currently operating today.

This document is focusing on German domestic transactions with involvement of Clearstream Banking Frankfurt.

IV. Settlement:

A. Instruction:

a. OTC

Settlement instructions in the German market should contain all the SWIFT mandatory fields and SWIFT optional fields which are mandatory required for matching. Matching fields are:

Business elements	Field	Example
Securities	:35B: ISIN	:35B: ISIN//DE0005140008
Settlement Date	:98A::SETT	:98A::SETT//20110301
Trade Date	:98A::TRAD	:98A::TRAD//20110301
Settlement Amount (vs. Payment transactions)	:19A::SETT	:19A::SETT//EUR100,02
Quantity	:36B::SETT	:36B::SETT//UNIT/100,
Counterparty	:95(P/R): DEAG / REAG + :97A::SAFE (if 95P is provided)	:95P::DEAG//DEUTDEFFXXX :97A::SAFE//7015000 or :95R::DEAG/DAKV/7015000
Buyer (for free of payment delivery transaction)	:95(P/Q): BUYR + :97A::SAFE	:95P::BUYR//DEUTDEFFXXX :97A::SAFE//100912345600 or :95Q::BUYR//HANS MUELLER :97A::SAFE//100912345600

Mandatory field which must be present in the instruction message:

Business elements	Field	Example
Sender's Reference	:20C::SEME	:20C::SEME//MESSAGE123
Safekeeping account	:97A::SAFE	:97A::SAFE//100123456700
Settlement Conditions	:22F::SETR	:22F::SETR//TRAD
Place of Settlement	:95P::PSET	:95P::PSET//DAKVDEFF
Function of the Message	:23G:	:23G:NEWM :23G:PREA :23G:CANC
Previous Reference (mandatory for cancellation messages only)	:20C::PREV	:20C::PREV//MESSAGE123

Optional fields which might be useful to fulfil securities settlement:

Business elements	Field	Example
Place of Safekeeping	:94B::SAFE//	:94F::SAFE//NCS/DAKVDEFF
Real Time Settlement Indicator	:22F::RTGS	:22F::RTGS//YRTG
Trade Conditions	:22F:TTCO//	:22F:TTCO//SPEX
Priority	:22F:PRIR//	:22F:PRIR//0004

Examples:

MT542	
:16R:GENL	
:20C::SEME//DEMP-1	Sender's reference
:23G:NEWM	Function of the Message
:16S:GENL	
:16R:TRADDET	
:98A::SETT//20101102	Settlement Date/Time
:98A::TRAD//20101029	Trade Date/Time
:35B:ISIN DE0005140008	Identification of the Financial Instrument
:16S:TRADDET	
:16R:FIAC	
:36B::SETT//UNIT/1000,	Quantity of Financial Instrument to be Settled
:97A::SAFE//100987654300	Safekeeping Account
:16S:FIAC	
:16R:SETDET	
:22F::SETR//TRAD	Indicator
:16R:SETPRTY	
:95P::BUYR//BAERCHZZ	Party
:97A::SAFE//300987654300	Account
:16S:SETPRTY	
:16R:SETPRTY	
:95P::REAG//COBADEFF	Party
:97A::SAFE//7004000	Account
:16S:SETPRTY	
:16R::SETPRTY	
:95P::PSET//DAKVDEFF	Place of Settlement
:16S::SETPRTY	
:16S::SETDET	

MT541	
:16R:GENL	
:20C::SEME//DEMP-1	Sender's reference
:23G:NEWM	Function of the Message
:16S:GENL	
:16R:TRADDET	
:98A::SETT//20101102	Settlement Date/Time
:98A::TRAD//20101029	Trade Date/Time
:35B:ISIN DE0005140008	Identification of the Financial Instrument
:16S:TRADDET	
:16R:FIAC	
:36B::SETT//UNIT/1000,	Quantity of Financial Instrument to be Settled
:97A::SAFE//100987654300	Safekeeping Account
:16S:FIAC	
:16R:SETDET	
:22F::SETR//TRAD	Indicator
:16R:SETPRTY	
:95P::DEAG//COBADEFF	Party
:97A::SAFE//7004000	Account
:16S:SETPRTY	
:16R::SETPRTY	
:95P::PSET//DAKVDEFF	Place of Settlement
:16S::SETPRTY	
:16R:SETPRTY	
:16R::AMT	
:19A:SETT//EUR2651,35	Settlement Amount
:16S::AMT	
:16S::SETDET	

b. On Exchange

There are some business scenarios in the German market where clients are instructing for trades which doesn't need to be instructed to CSD. Such transactions are settlements for trades done on the exchange, e.g. Xetra. Those transactions are instructed for CSD settlement directly by the exchange. In order to recognize if the client instruction is supposed to be OTC or OnExchange instruction Place of Trade should be used, which identifies the right trading platform.

Business element	Field	Example
Place of Trade	:94B::TRAD//	:94B::TRAD//EXCH/XTRA

It is expected that DEAG/REAG for CCP transactions contains counterparty number 8501000 and non-CCP transactions counterparty number 7501000.

c. Mark-Up/ Mark-Down

Instructions which are sent in order to increase or decrease used volume on securities within global certificate are sent to the service provider as a so-called Mark-Up or Mark-Down (MU/MD) instructions. MU/MD instruction should contain two elements in addition to the standard settlement instruction: MU/MD Indicator and Certificate Number.

Settlement should be instructed always against appropriate CBF account where certificate has been registered.

Business elements	Field	Example
Settlement Conditions	:22F::STCO/	:22F::STCO/ /MKUP or :22F::STCO//MKDW
Certificate Number	:13B::CERT//	000001

d. Registered shares account transfer (MT542)

Account transfers from the registered positions of one depository to the registered positions of another depository without a change of ownership can be instructed within CBF. In this external account transfer the Settlement Transaction Indicator has to be 'OWNE'. The shareholder number has to be provided following the prefix 'SHNN' in the declaration details of the instruction.

Securities account transfers due to a change in the customer reference number (without change of ownership) take place within the bank's CBF account. The debit bank and the credit bank have to be identical. In this own account transfer the Settlement Transaction Indicator has to be 'OWNI'. The shareholder number has to be provided following the prefix 'SHNN' in the declaration details of the instruction.

Business elements	Field	Example
Settlement Transaction Indicator	:22F::SETR/	:22F::SETR/ /OWNI or :22F::SETR/ /OWNE
Declaration Details Narrative	:70E::DECL//	:70E::DECL//SHNN 1234567

B. Cancellation:

Cancellation should contain exact the same fields like original instruction. In addition to original contents a linkage sequence should be delivered which contains sender’s reference from the original instruction.

Example:

MT541	
:16R:GENL	
:20C::SEME//DEMP-2	Sender's reference
:23G:CANC	Function of the Message
:16S:LINK	
:16R::PREV//DEMP-1	Previous Reference
:16R:LINK	
:16S:GENL	
:16R:TRADDET	
:98A::SETT//20101102	Settlement Date/Time
:98A::TRAD//20101029	Trade Date/Time
:35B:ISIN DE0005140008	Identification of the Financial Instrument
:16S:TRADDET	
:16R:FIAC	
:36B::SETT//UNIT/1000,	Quantity of Financial Instrument to be Settled
:97A::SAFE//100987654300	Safekeeping Account
:16S:FIAC	
:16R:SETDET	
:22F::SETR//TRAD	Indicator
:16R:SETPRTY	
:95P::DEAG//COBADEFF	Party
:97A::SAFE//7004000	Safekeeping Account
:16S:SETPRTY	
:16R::SETPRTY	
:95P::PSET//DAKVDEFF	Place of Settlement
:16S::SETPRTY	
:16R:SETPRTY	
:16R::AMT	
:19A:SETT//EUR2651,35	Settlement Amount
:16S::AMT	
:16S::SETDET	

C. Confirmation:

Settlement confirmations in the German market should contain all the SWIFT mandatory fields and SWIFT optional fields which are mandatory required for matching.

Example:

MT545	
:16R:GENL	
:20C::SEME//DEMP-1	Sender's reference
:23G:NEWM	Function of the Message
:16R:LINK	
:20C::RELA//DEMP-1	Related reference
:16S:LINK	
:16S:GENL	
:16R:TRADDET	
:98A::ESET//20101102	Settlement Date/Time
:98A::TRAD//20101029	Trade Date/Time
:35B:ISIN DE0005140008	Identification of the Financial Instrument
:16S:TRADDET	
:16R:FIAC	
:36B::ESTT//UNIT/1000,	Quantity of Financial Instrument to be Settled
:97A::SAFE//100123456700	Safekeeping Account
:16S:FIAC	
:16R:SETDET	
:22F::SETR//TRAD	Indicator
:16R:SETPRTY	
:95P::DEAG//COBADEFF	Party
:97A::SAFE//7004000	Account
:16S:SETPRTY	
:16R::SETPRTY	
:95P::PSET//DAKVDEFF	Place of Settlement
:16S::SETPRTY	
:16R:SETPRTY	
:16R::AMT	
:19A:ESTT//EUR2651,35	Settlement Amount
:16S::AMT	
:16S::SETDET	

D. Status:

It was agreed within the German SWIFT Securities User Group (DESSUG) to populate one status and one reason per transaction and to populate one Sequence B for each single transaction.

German Market practice standard is to provide information about the matching status and the settlement problems (e.g. match status: not matched + reason: counterparty instruction missing).

Business elements	Field	Example
Sender's Reference	:20C::SEME	:20C::SEME//100TX000123456
Function of the message	:23G:	:23G:INST
Related Reference	:20C::RELA	:20C::RELA//MESSAGE123
Status	:25D::	:25D::MTCH//NMAT
Reason (conditional)	:24B::	:24B::NMAT//CMIS
Securities	:36B: ISIN	: 35B: ISIN//DE0005140008
Quantity	:36B::SETT	:36B::SETT//UNIT/100,
Settlement Amount (vs. Payment transactions)	:19A::SETT	:19A::SETT//EUR100,02
Safekeeping account	:97A::SAFE	:97A::SAFE//100123456700
Settlement Conditions	:22F::SETR	:22F::SETR//TRAD
Indicator	:22H::REDE :22H::PAYM	:22H::REDE//RECE or DELI :22H::PAYM//APMT or FREE
Settlement Date	:98A::SETT	:98A::SETT//20110301
Trade Date	:98A::TRAD	:98A::TRAD//20110301
Counterparty	:95(P/R): DEAG / REAG + :97A::SAFE (if 95P is provided)	:95P::DEAG//DEUTDEFFXXX :97A::SAFE//7015000 or :95R::DEAG/DAKV/7015000

Example:

MT548	
:16R:GENL	Sender's reference
:20C::SEME//100TX000123456	Function of the Message
:23G:INST	
:16R:LINK	
:20C::RELA// MESSAGE123	Related reference
:16S:LINK	
:16R:STAT	
:25D::MTCH//NMAT	Status
:16R:REAS	
:24B::NMAT//CMIS	Reason
:16S:REAS	
:16S:STAT	
:16S:GENL	
:16R:SETTRAN	
:35B:ISIN DE0005140008	Identification of the Financial Instrument
:36B::SETT//UNIT/1000,	Quantity of Financial Instrument
:19A:SETT//EUR2651,35	Settlement Amount (only for against payment transactions)
:97A::SAFE//100123456700	Safekeeping Account
:22F::SETR//TRAD	Indicator
:22H::REDE//RECE	Indicator
:22H::PAYM//APMT	Indicator
:98A::SETT//20101102	Settlement Date/Time
:98A::TRAD//20101029	Trade Date/Time
:16R:SETPRTY	
:95P::DEAG//COBADEFF	Party
:97A::SAFE//7004000	Account
:16S:SETPRTY	
:16S:SETTRAN	
:16S::AMT	
:16S::SETDET	
:16S:SETTRAN	

E. Allegements

Allegements are provided for each counterparty instruction which has been send to Clearstream Banking Frankfurt. In belongs to the market practice in Germany to provide allegement cancellations (CANC) and removals (REMO).

Example:

MT578	
:16R:GENL	
:20C::SEME//100TX000123456	Sender's reference
:23G:INST	Function of the Message
:16R:LINK	
:20C::RELA// MESSAGE123	Related reference
:16S:LINK	
:16R:STAT	
:16S:GENL	
:16R:TRADDET	
:98A::SETT//20101102	Settlement Date/Time
:98A::TRAD//20101029	Trade Date/Time
:35B:ISIN DE0005140008	Identification of the Financial Instrument
:22H::REDE//DELI	Indicator
:22H::PAYM//APMT	Indicator
:16S:TRADDET	
:16R:FIAC	
:36B::SETT//UNIT/1000,	Quantity of Financial Instrument
:97A::SAFE//100123456700	Safekeeping Account
:16S:FIAC	
:16R:SETDET	
:22F::SETR//TRAD	Indicator
:16R:SETPRTY	
:95P::SELL// IRVTDEFXXXX	Party
:97A::SAFE//123456789	Account
:16S:SETPRTY	
:16R:SETPRTY	
:95P::DEAG//BHFBDEFFXXX	Party
:97A::SAFE//7001000	Account
:16S:SETPRTY	
:16R:SETPRTY	
:95P::REAG//DEUTDEFF	Party
:97A::SAFE//7015000	Account
:16S:SETPRTY	
:16R:SETPRTY	
:95P::BUYR//DEUTGB2	Party
:97A::SAFE//100912345600	Account
:16S:SETPRTY	
:16R:SETPRTY	



:95P::PSET//DAKVDEFF
:16S:SETPRTY
:16R:AMT
:19A:SETT//EUR2651,35
:16S:AMT
:16S:SETDET

Place of Settlement

Settlement Amount (for against payment transactions only)

F. Special Contents

According to “compensation tax” it is required to transfer information about purchase details. In order to fulfil this requirement Clearstream Banking Frankfurt has established an application where market participants may deliver to and receive from information. As an unambiguous reference the CBF reference of the delivering party is used within this application.

In addition to that the CBF reference from receiver might be provided to the client.

Example:

MT545	
:16R:GENL	
:20C::SEME//DEMP-1	Sender's reference
:23G:NEWM	Function of the Message
:16R:LINK	
:20C::RELA//DEMP-1	Related reference
:16S:LINK	
:16R:LINK	
:20C::TRRF//KP70030201234560	Receiver Reference
:16S:LINK	
:16S:GENL	
...	
:16R::SETPRTY	
:95P::PSET//DAKVDEFF	Party
:20C::PROC//KP70030201234560	Deliverer reference
:16S::SETPRTY	
...	

MT547	
:16R:GENL	
:20C::SEME//DEMP-2	Sender's reference
:23G:NEWM	Function of the Message
:16R:LINK	
:20C::RELA//DEMP-2	Related reference
:16S:LINK	
:16R:LINK	
:20C::TRRF//KP70010201234560	Receiver Reference
:16S:LINK	
:16S:GENL	
...	
:16R::SETPRTY	
:95P::PSET//DAKVDEFF	Party
:20C::PROC// KP70030201234560	Deliverer reference
:16S::SETPRTY	
...	

V. Reconciliation:

A. Statement of Holding

For MT535 messages GMP applies.

Example:

MT535
:16R:GENL
:28E:1/ONLY
:20C::SEME//DEMP-0
:23G:NEWM
:98C::PREP//20110225120000
:98A::STAT//20110225
:22F::SFRE//WEEK
:22F::CODE//COMP
:22F::STTY//CUST
:22F::STBA//SETT
:97A::SAFE//100123456700
:17B::ACTI//Y
:17B::CONS//N
:16R:GENL
:16R:SUBSAFE
:16R:FIN
:35B:ISIN DE0005140008
:93B::AGGR//UNIT/1680,
:16R:SUBBAL
:93B::AGGR//UNIT/1680,
:93B::AVAI//UNIT/1680,
:94C::SAFE//DE
:16S:SUBBAL
:16S:FIN
:16R:FIN
...
:16S:FIN
...

Page Number/Continuation Indicator

Sender's reference

Function of the Message

Preparation Date/Time

Statement Date

Indicator

Indicator

Indicator

Indicator

Safekeeping Account

Flag

Flag

Identification of the Financial Instrument

Balance

Balance

Balance

Place of Safekeeping



In case that an account is not having any holdings at the moment of statement creation a so-called “zero statement” should be send out.

MT535
:16R:GENL
:28E:1/ONLY
:20C::SEME//DEMP-0
:23G:NEWM
:98C::PREP//20110225120000
:98A::STAT//20110225
:22F::SFRE//WEEK
:22F::CODE//COMP
:22F::STTY//CUST
:22F::STBA//SETT
:97A::SAFE//100912345600
:17B::ACTI//N
:16S:GENL

Page Number/Continuation Indicator
 Sender's reference
 Function of the Message
 Preparation Date/Time
 Statement Date
 Indicator
 Indicator
 Indicator
 Indicator
 Safekeeping Account
 Flag

B. Statement of Transactions

Example:

MT536	
:16R:GENL	Page Number/Continuation Indicator
:28E:1/ONLY	Sender's reference
:20C::SEME//DEMP-0	Function of the Message
:23G:NEWM	Preparation Date/Time
:98A::PREP//20110225	Statement Period
:69A::STAT//20110309/20110309	Indicator
:22F::SFRE//DAIL	Indicator
:22F::CODE//COMP	Indicator
:22F::STBA//SETT	Indicator
:97A::SAFE//100912345600	Safekeeping Account
:17B::ACTI//Y	Flag
:17B::CONS//N	Flag
:16S:GENL	
:16R:SUBSAFE	
:16R:FIN	
:35B:ISIN DE0005140008	Identification of the Financial Instrument
:93B::FIOP//UNIT/0,	Opening Balance
:93B::FICL//UNIT/0,	Closing Balance
:16R:TRAN	
:16R:LINK	
:20C::RELA//2448835892-001	Related Reference
:16R:LINK	
:16R:LINK	
:20C::PREV//2448835892-001	Previous Reference
:16R:LINK	
:16R:TRANSDET	
:36B::PSTA//UNIT/178,	Posting Quantity
:19A:SETT//EUR2651,35	Posting Amount (for against payment transactions only)
:22H::TRAN//SETT	Indicator
:22H::REDE//DELI	Indicator
:22H::PAYM//APMT	Indicator
:22H::SETR//TRAD	Indicator
:98A::ESTT//20101102	Settlement Date/Time
:98A::TRAD//20101102	Trade Date/Time
:16R:SETPRTY	
:95P::DEAG//BHFBDEFFXXX	Party
:97A::SAFE//7001000	Account
:16S:SETPRTY	
:16S:TRANSDET	
:16S:TRANSDET	
:16R:TRAN	
...	
:16S:TRAN	
:16S:FIN	



:16R:FIN
...
:16S:FIN
:16S:SUBSAFE

C. Statement of Pending Transactions

Example:

MT537
:16R:GENL
:28E:2/LAST
:20C::SEME//DEMP-0
:23G:NEWM
:98A::STAT//20110225
:22F::SFRE//DAIL
:22F::CODE//COMP
:97A::SAFE//100912345600
:17B::ACTI//Y
:16S:GENL
:16R:STAT
:25D::SETT//PEND
:16R:REAS
:24B::PEND//LACK
:16S:REAS
:16R:TRAN
:16R:LINK
:20C::RELA//2448835892-001
:16R:LINK
:16R:LINK
:20C::PREV//2448835892-001
:16R:LINK
:16R:TRANSDET
:35B:ISIN DE0005140008
:36B::PSTA//UNIT/178,
:19A::PSTA//EUR2651,35
:22H::TRAN//SETT
:22H::REDE//DELI
:22H::PAYM//APMT
:22H::SETR//TRAD
:22H::STCO//PHYS
:16R:LINK
:16R:LINK
:20C::PREV//2448835892-001
:16R:LINK
:16R:TRANSDET
:36B::PSTA//UNIT/178,
:19A:SETT//EUR2651,35
:22H::TRAN//SETT
:22H::REDE//DELI
:22H::PAYM//APMT
:22H::TRAN//SETT
:22H::SETR//TRAD
:98A::ESTT//20101102

Page Number/Continuation Indicator
 Sender's reference
 Function of the Message
 Statement Date
 Indicator
 Indicator
 Safekeeping Account
 Flag

 Status

 Reason

 Related Reference

 Previous Reference

 Identification of the Financial Instrument
 Posting Quantity
 Posting Amount (for against payment transactions only)
 Indicator
 Indicator
 Indicator
 Indicator
 Indicator

 Previous Reference

 Posting Quantity
 Posting Amount (for against payment transactions only)
 Indicator
 Indicator
 Indicator
 Indicator
 Indicator
 Settlement Date/Time



:98A::TRAD//20101102
:16R:SETPRTY
:95P::DEAG//BHFBDEFFXXX
:97A::SAFE//7001000
:16S:SETPRTY
:16S:TRANSDET
:16S:TRANSDET
:16R:TRAN
:16S:TRAN
:16S:FIN
:16R:FIN
:16S:FIN
:16S:SUBSAFE

Trade Date/Time
Start of Block
Party
Account