



# **Market Practice Tri-party Reverse Repurchase Agreement**

**Version: 3.5**  
**Publication Date: Final**  
**Author(s): Settlements Working Group**

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## **DISCLAIMER**

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## Document History

Version #	Change Date	Description of Change	Page	Author
1.0	07/18/2006	Initial Draft		Krista Scharfenberger
1.1	08/30/2006	Updates from 7/18/2007 call		Krista Scharfenberger
1.2	08/30/2006	Updates from 8/30/2007 call changes to PSET and Issue Date		Krista Scharfenberger
1.3	01/31/2007	Updates to block section to include total amount of Repo (REPA)		Krista Scharfenberger
1.4	10/1/2007	Updates for SR2007, addition of Quad Party Repos (TBD)		Krista Scharfenberger
1.5	10/17/2008	Updates to Market Practice Document Template		Krista Scharfenberger
1.6	02/24/2009	Updates from October Call, Removal of Quad Party Repos		Krista Scharfenberger
1.7	10/27/2009	Updates from SWIFT Standards		Krista Scharfenberger
1.8	12/3/2009	Updates from final review		Krista Scharfenberger
1.81	03/17/2010	Clarification within Definition Section		Krista Scharfenberger
1.9	08/31/2010	Updated fonts and sample to include interest.	19-21	Erica Choinski
2.0	06/05/2011	Included content from ISITC Settlements Tri Party Repo Netting Clarification Final 05022011.docx as voted upon on May 20, 2011.		Erica Choinski
2.1	07/08/2011	Updated Market Practice rules and Samples to include Linking and Netting indicator.		Erica Choinski
2.2	07/21/2011	Updated Market Practice to include ISITC Settlements Tri Party Repo Netting Business Case - Option 2 and 3 v2		Erica Choinski
2.3	07/22/2011	Updated Market Practice to clarify use of ANTO in netting options 2 and 3. Modified limitations of netting in scope section.		Erica Choinski
2.4	07/29/2011	Update scope to clarify that open Tri-party Reverse repos are out of scope. Update Actors/Roles to remove reference to Settlement instructions. Updated the message templates to have generic information and included a Note to clarify the purpose of the section.	4-5, 12	Erica Choinski
2.5	08/29/2011	Updated examples to include TERM to be consistent across examples and best practice rules.	24,25, 27,29	Erica Choinski
2.6	11/7/2012	Updated examples to reflect accurate BENM format in the cash sequence. In addition, some inaccuracies in dates were corrected.	24-36	Shereef Zedan
2.7	08/22/2013	Clarification on usage of 95C::PSET//US		J. Brasile



2.8-3.4	6/13/2015	Rewrite of Market Practice to reflect changes stemming from Tri-Party Market Reform. Primary change is the recommendation of separate security and cash instructions.	All	C.Blow
3.5	08/12/15	Removal of linking sequence usage and net gain/loss recommendations on contract rolls within section 3.1.2. Rolls were discussed during the 2015 re-write and agreed to be removed in favor of a new contract instruction instead. The samples were updated, but the wording in section 3.1.2 was missed.	13	J. Brasile



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## 1.0 Background

This document is intended to establish the position of the US NMPG (ISITC N.A. - Settlements Working Group) regarding Tri-party Reverse Repurchase Agreement settlement and confirmation market practice between Investment Managers and Custodian Banks and/or Accounting Agents in the US markets.

### 1.1 Scope

The scope of this document is to define Tri-party Reverse Repurchase Agreement business practices between the Investment Manager, Custodian Bank, and/or Accounting Agent. This document covers the following scenarios:

1. Single Tri-party Reverse Repurchase Agreement
2. Block Tri-party Reverse Repurchase Agreement
3. Cancellations
4. Confirmations (on cash instructions)

The Tri-party Reverse Repos defined in this document are for overnight or fixed term settlement, and have a fixed or variable rate, therefore a second message for the maturity of the transaction is not necessary. For the purposes of this document, the Custodian Bank/Accounting Agent, receiving the instructions from the Investment Manager, is not involved in the collateral management of Tri-party Repo.

As a result of tri-party repo reform the manner in which tri-party reverse repurchase agreement transactions should be instructed is changing. Funding times are becoming accelerated and the cash settlement component of tri-party reverse repo executions more heavily scrutinized. Netting cycles are shifting toward multiple per day vs. end of day only.

As a result, the tri-party repo market practice has been updated to address this reform. ***The previously in-scope netting scenarios have been omitted as the recommendation is that tri-party repo transactions will be communicated for reporting purposes only (MT54x) and the netted principal cash movements will be instructed via separate cash instructions (MT2x) as netting cycles occur. It is recommended that interest payments are instructed separately from the netted principal cash movements.***

***NOTE: custodians /accounting agents may need to work with the Investment Manager / Service Provider to obtain netting reports to facilitate reconciliations.***

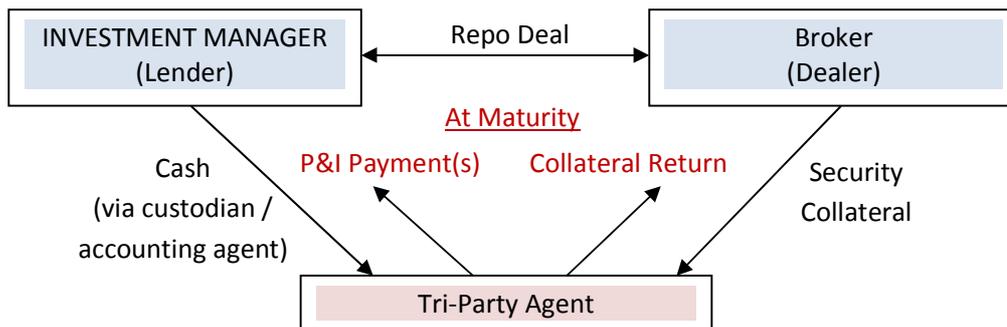
This document does not address the following flows at this time:

1. Tri-party repo confirmations between IM and Brokers at the Tri-Party Agent.
2. Quad-Party best practices
3. Netting on block instructions
4. Open Tri-party Reverse Repos



## 1.2 Definitions

Tri-party Repos differ from Bilateral Repos in that a third party (the tri-party agent) acts as an intermediary between the two parties to the Repo. The Tri-Party agent is responsible for the administration of the transaction including collateral allocation, marking to market, and substitution of collateral, as well as the cash settlement between themselves and the Custodian Bank/Accounting Agent



In a Tri-party Reverse Repo, once the deal is executed, collateral moves from the Broker to the Tri-party Agent and cash moves from the Custodian to the Tri-party agent based on instruction from the Investment Manager. On a daily basis, principal payment activity (e.g., new deals, maturing deals, rolling deals) is netted. It is expected that the Investment Manager is able to communicate to the Custodian the netted amount of cash to be sent to or received from the Tri-party agent. In addition, it is expected that the Investment Manager will instruct the Custodian of expected interest receipts on a trade by trade basis (e.g., not netted with principal payments)

Note: while it is common operationally to view the receive vs. pay instruction from the Investment Manager to the Custodian/Accounting Agent as a Tri-party Repo instruction, ISITC Settlements Working Group will remain consistent with the SWIFT definition published in the SWIFT User Handbook for Tri-party Reverse Repo based on the direction of the collateral movement/ownership, between the broker and the Tri-party Agent and role each party plays. Therefore, what is commonly referred to today as a Tri-party Repo, will in fact be communicated as a Tri-party Reverse Repo.

As noted in the scope section, this document covers the following tri-party repo scenarios (as well as applicable confirmation and cancellation messages):

1. **Single Transaction:** A Tri-party reverse repo for a single client (Custody) account that is settled against a single wire to/from the Tri-party (cash) agent.
2. **Block Transaction:** A Tri-party reverse repo distributed across multiple client accounts at the custodian that will settle against one wire to/from the Tri-party (cash) agent.

## 1.3 Actors and Roles

There are three primary actors involved in the instruction and receipt of tri-party reverse repurchase agreement transactions:

- Instructing party- the instructing party is the seller of the tri-party reverse repo who provides the source data and terms of the transaction
- Sender – the sender is the party who sends the message containing the trade data but is not necessarily the provider of the source data or terms of the transaction. Often times the sender and the instructing party are the same.



- Recipient – the recipient is the party who receives the messages containing the source data and terms of the transaction from the sender

There are multiple actors involved in the process and each actor may play more than one of the roles outlined above

Instructing Party	Sender	Recipient
Investment Manager	Investment Manager	Custodian Bank (Transaction Instructions)
	Service Provider	Accounting Agent (Transaction Instructions)
	Custodian Bank (cash confirmations)	Investment Manager (cash confirmations)
		Service Provider (cash confirmations)

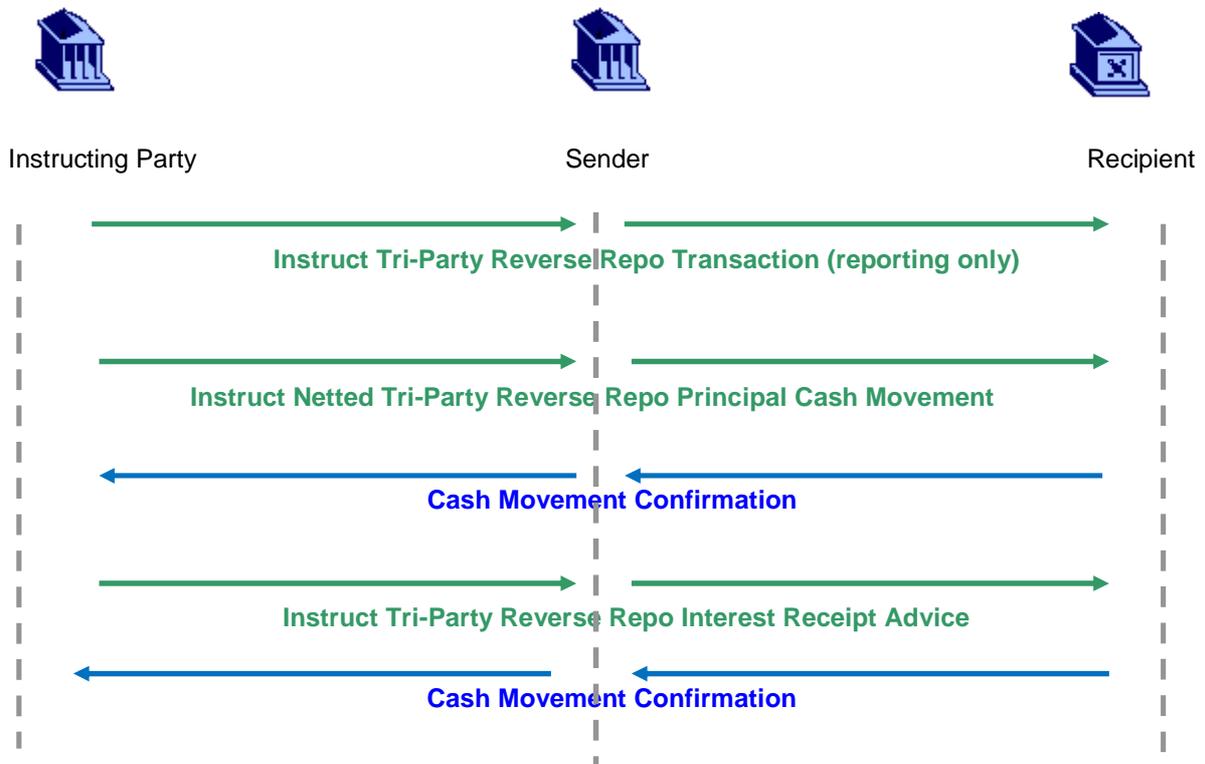
### 1.4 Sequence Diagram

In **green**: the main communication requirements for this process.

In **blue**: the surrounding communication requirements.

In **dotted line**, the optional/potential supporting communication requirements.

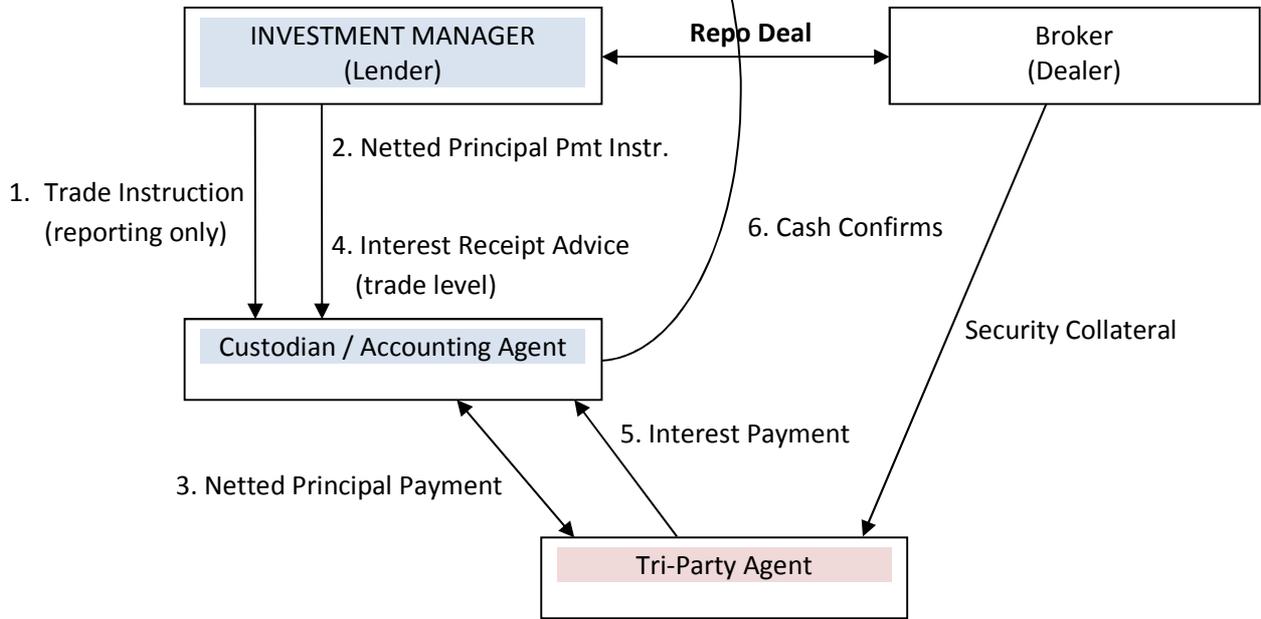
For example:





### 1.5 Activity Diagram

#### Tri-party Reverse Repo





## 2.0 Business Definition

### 2.1 Trade Instruction Business Data Requirements

Outlined in the table below are the business data element requirements for tri-party reverse repo transaction communication between Investment Manager and Custodian / Accounting Agent.

Business Element	Comments
<b>Transaction Communication</b>	
Message Reference	
Trade Date	ISO 8601 Date
Settlement Date	ISO 8601 Date
Deal Price	
Security Identifier	S&P Issued Standard Collateral Cusips
Financial Instrument Description	
Type of Financial Instrument	
Issuer	If different from Executing Broker
Quantity of Financial Instrument	
Safekeeping Account	At the Receiver
Maturity Date	
Variable Rate Indicator	If necessary for the transaction type
Repo Rate	Interest Rate
Transaction Type Indicator	Tri-party Reverse Repo Indicator
Settlement Condition Indicator	Identifies Trade as for Reporting Purposes Only
Tri-party Agent	
Executing Broker	
Repo Term	
Accrued Interest	
Principal	
Settlement Amount	
Previous reference	For cancellations
<b>Additional Elements for Block Transactions:</b>	
Instruction Number	That instruction's number within the block
Total number of Child Transactions	
Block Reference Number	Links the Children and Parent together to create the block
Parent and Child Indicators	
Total Amount of the Repurchase Agreement	Loan amount without interest



Outlined in the table below are the business data element requirements for tri-party reverse repo cash payment instructions between Investment Manager and Custodian / Accounting Agent.

Business Element	Comments
<b>Cash Settlement Communication</b>	
Message Identification	Reference number to unambiguously identify the message.
Debtor (Account Owner)	Party that owes an amount of money to the ultimate creditor**
Requested Execution Date/Settlement Date	Date on which the debtor's account is debited.
End-to-end Identification	Unique identification assigned by initiating party to unambiguously identify the payment. This id is passed on, unchanged, throughout the entire end-to-end chain, which all parties in the chain can use to identify this particular payment
Currency of Payment	Currency
Instructed Amount of Payment	Amount of money to be moved between the debtor and creditor, expressed in currency as ordered by initiating party.
Cash Purpose Code	<p>Underlying reason for the payment transaction (see ISITC Reference Data Classification Code list for approved ISITC cash purpose codes).</p> <p>For the Scope of this market practice, the Cash Purpose Codeword Recommendation is TPRP (Tri-party Repo related net gain/loss cash movement)</p> <p>In order to clearly distinguish tri-party interest payments from other interest a new codeword has been created (TPRI).</p>
Intermediary Agent	The agent between the debtor agent and creditor agent. Optional to be used (or not used) as required for payment chain.
Creditor agent	Financial institution servicing an account for the creditor
Creditor	Party to which an amount of money is due.

\*\*The amount of detail required may vary in accordance with OFAC and/or other regulatory requirements. As this needs to be determined on a case by case basis by individual institution(s), it is therefore not included in the market practice.



## 2. 2 Market Practice Rules

### 2.2.1 Instruction of a Tri-party Reverse Repo:

- The instruction must specifically identify the transaction as being a Tri-Party Reverse Repo
- Instruction of a tri-party reverse repo transaction should be for reporting purposes as only the cash portion is actually settled and that will be communicated via separate cash payment instruction(s)
- In an effort to eliminate dummy CUSIP usage, standardize identifiers, improve STP and facilitate identifier alignment across all tri-party repo deal stakeholders (IMs/Agent Banks/Broker-Dealers/Custodian/Accounting), it is recommended that the currently available 19 standard collateral IDs (as issued by S&P) are communicated between Sender and Recipient.
  - The 19 Standard Collateral ID's are:
    - 1) 371494AA3 - ABS Investment Grade
    - 2) 371494AB1 - ABS Non-Investment Grade
    - 3) 371494AC9 - Agency CMO's
    - 4) 371494AD7 - Agency Debentures & Strips
    - 5) 371494AE5 - Agency MBS
    - 6) 371494AF2 - Convertible Bonds
    - 7) 371494AG0 - CMO Private Label Investment Grade
    - 8) 371494AH8 - CMO Private Label Non-Investment Grade
    - 9) 371494AJ4 - Corporate FDIC Guaranteed
    - 10) 371494AK1 - Corporate Investment Grade
    - 11) 371494AL9 - Corporate Non-Investment Grade
    - 12) 371494105 - Equities
    - 13) 371494AM7 - Money Market Instruments
    - 14) 371494AN5 - US Treasuries Excluding Strips
    - 15) 371494AP0 - Treasury Strips
    - 16) 371494AQ8 -Municipality Debt
    - 17) 371494AR6 -Whole Loans/Trust Receipts
    - 18) 371494AS4 - Any (defaults to collateral schedule)
    - 19) 371494AT2 - GNMA
- It is recommended that the financial instrument attributes necessary for the set up of the tri-party reverse repo contract continue to be provided in the trade communication between sender and recipient

### 2.2.2 Tri Party Reverse Repo Block Trade Requirements:

- The Tri-party Reverse instruction will conform to the SMPG Block Trade market practice and contain the block parent and children.
- The parent and child messages are linked using a unique pool reference.
- The total number of child messages must be included in the parent and child messages.
- The instruction number of each message must be provided.
- The fixed rate transactions total amount of the REPO across all of the child transactions, (e.g. – the sum of the amounts of Principal + Interest due back at maturity) must be provided.
- Netting of block transactions is not in scope.

### 2.2.3 Tri-Party Reverse Repo Amendments/Cancellation:

- The general rule is to cancel and send a new message (same message type) with the modified data.
- The cancellation of the instruction implies the cancellation of the maturity.
- The cancel must link to the original instruction being cancelled.
- When applicable, every message in the block must be cancelled.

### 2.2.4 Tri-party Reverse Repo Cash Settlement Instruction

- Investment Managers should instruct principal payment movements via separate wire instruction(s)



- The wire instruction should include a cash purpose code word to clearly identify that the movement is related to a tri-party repo settlement
- Interest payments should be communicated separately via separate MT210 receipt instructions

### **2.2.5 Tri-party Reverse Repo Cash Settlement Instruction Cancellation**

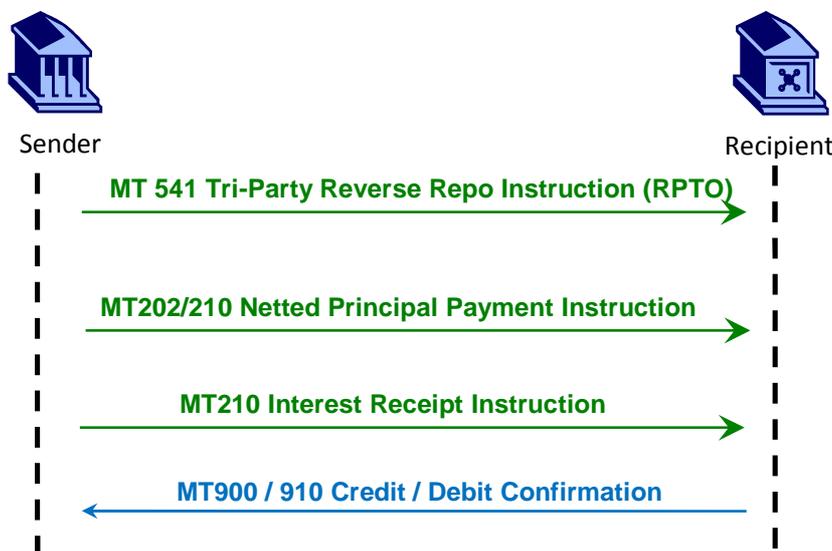
- Cancellations related to cash instructions should be addressed at the IM to custodian level. Initial recommendations are for the IM to cancel the initial cash payment instruction which in effect will result in a reversal of the initial instruction followed by a new cash instruction



## 3.0 Appendix

### 3.1 ISO15022 Syntax

#### 3.1.1 Message Sequence Diagram



#### 3.1.2 ISO 15022 Market Practice Rules

##### Single Transaction

- The Tri-party reverse instruction will be identified by using Sequence E indicator Field :22F::SETR//TRVO.
- The 19 standard industry collateral cusips (as issued by S&P) should be leveraged within the Mandatory Trade details Sequence E
  - :35B:/US/012345670
- It is recommended that the financial instrument attributes necessary for the set up of the tri-party reverse repo contract be provided in both the FIA Sequence (B1) and the Two Leg Transaction Sequence (D).
- Since Tri-party Reverse Repos do not settle in an actual market/depository, place of settlement will be provided in Sequence E1 :95C::PSET//US
- As there is no settlement by the Custodian on the tri-party transaction and the cash will be settled via separate instruction, the message should indicate that it is for reporting purposes only, :22F::STCO//RPTO
- For security transaction cancellations, the linkage sequence on the cancellation message will contain PREV with the Sequence A Field 20C SEME of the original message being cancelled



## Tri-party Reverse Repo Market Practice

### Cash Settlement Instructions

- **Custodians will NOT rely on the MT54x message sent by the Investment Manager to wire the money.** The MT541 instructions are for reporting purposes only (RPTO) as there is no settlement by the Custodian on the tri-party transaction.
- The cash movements should be instructed by separate MT2x message with the appropriate cash purpose code words
  - :21:TPRP (for netted principal amounts)
  - :21:TPRI for tri-party repo interest payments
- Cancellations related to cash instructions should be addressed at the IM to custodian level. Initial recommendations are for the IM to cancel the initial cash payment instruction via MT292 message which in effect will result in a reversal of the initial instruction followed by a new cash instruction.

### Block Transaction

#### Instruction of a Tri-party Reverse Repo:

- Instruction of a tri-party reverse repo for a block transaction will follow the same rules as outlined in the single transaction section with the addition of the below block trade requirements.

#### Block Trade Requirements:

- The Tri-party reverse instruction will conform to the SMPG Block Trade market practice and contain the block parent and child indicators in Sequence E Field :22F::BLOC//BLPA or BLCH.
- The parent and child messages are linked using a unique pool reference number in sub-sequence A1 Field :20C::POOL//.
- The total number of child messages is to be provided in Sequence A Field :99B::TOSE//
- The instruction number of each message is to be provided in Sequence A Field :99B::SETT// (the parent is SETT//000)
- The 19A::TRTE field should be used to show the TOTAL amount of the REPO across all of the child transactions, (e.g. – for fixed rate transactions, the sum of the amounts of Principal + Interest due back at maturity)



### 3.1.3 ISO 15022 Message Structure and Requirements

#### Tri-party Reverse Repo Settlement Instruction Template

The template below provides ISO15022 message field requirements for both single and block tri-party reverse repo instructions. Unique field requirements for Block Transactions are identified in the Comments section

Index	Message Item	Definition	Mult.	Syntax	Usage Rule / Comments
1.0	Message Type	MT541 – Receive against payment	NA	ISO15022	MT541 is used to instruct a reverse repurchase agreement.

M/O	Tag	Qualifier	Generic Field Name	Detailed Field Name	Content/Options	Comments	No
<b>Mandatory Sequence A General Information</b>							
M	16R			<a href="#">Start of Block</a>	GENL		1
M	20C	SEME	Reference	<a href="#">Sender's Message Reference</a>	:4!c//16x		2
M	23G			<a href="#">Function of the Message</a>	4!c[4!c]	NEWM// or CANC//	3
----->							
O	99B	4!c	Number Count	<a href="#">(see qualifier description)</a>	:4!c//3!n	<u>Block Transaction Only</u> SETT// (Instruction # within the block. Parent is always 000)  TOSE// ( Total # of Child Transactions)	5
-----							
<b>-----&gt; Optional Repetitive Subsequence A1 Linkages</b>							
M	16R			<a href="#">Start of Block</a>	LINK		6
M	20C	4!c	Reference	<a href="#">(see qualifier description)</a>	:4!c//16x	PREV//(senders previous reference number) – required when cancelling a previous instruction  <u>Block Transactions Only</u> POOL//(common block reference number for all transactions of the block)	9
M	16S			<a href="#">End of Block</a>	LINK		11
-----  <b>End of Subsequence A1 Linkages</b>							
M	16S			<a href="#">End of Block</a>	GENL		12
<b>End of Sequence A General Information</b>							
<b>Mandatory Sequence B Trade Details</b>							
M	16R			<a href="#">Start of Block</a>	TRADDET		13
----->							
M	98a	4!c	Date/Time	<a href="#">(see qualifier description)</a>	A, B, C, or E	TRAD// (use as issue date) SETT//	15
-----							
O	90a	DEAL	Price	<a href="#">Deal Price</a>	A or B	DEAL//PRCT/	16



Tri-party Reverse Repo Market Practice

M	35B			<a href="#">Identification of the Financial Instrument</a>	[ISIN1!e12!c] [4*35x]	Populate with one of the currently available 19 Standard Cusips as issued by S&P. 1) 371494AA3 - ABS Investment Grade 2) 371494AB1 - ABS Non Investment Grade 3) 371494AC9 - Agency CMO's 4) 371494AD7 - Agency Debentures & Strips 5) 371494AE5 - Agency MBS 6) 371494AF2 - Convertible Bonds 7) 371494AG0 - CMO Private Label Investment Grade 8) 371494AH8 - CMO Private Label Non-Investment Grade 9) 371494AJ4 - Corporate FDIC Guaranteed 10) 371494AK1 - Corporate Investment Grade 11) 371494AL9 - Corporate Non Investment Grade 12) 371494I05 - Equities 13) 371494AM7 - Money Market Instruments 14) 371494AN5 - US Treasuries Excluding Strips 15) 371494AP0 - Treasury Strips 16) 371494AQ8 -Municipality Debt 17) 371494AR6 -Whole Loans/Trust Receipts 18) 371494AS4 - Any (defaults to collateral schedule) 19) 371494AT2 - GNMA	18
C				<a href="#">/XISS/JPM3</a>		/XISS/ Used to communicate the Issuer Code if different from 95a::SELL	
<b>Optional Subsequence B1 Financial Instrument Attributes</b>							
M	16R			<a href="#">Start of Block</a>	FIA		19
----->							
M	12a	4!c	Type of Financial Instrument	<a href="#">(see qualifier description)</a>	A, B, or C	ISIT//RTRP	22
M	:98A	4!c	Maturity Date	<a href="#">(see qualifier description)</a>	:4!c//8!n	MATU// ISSU//	24
M	:92A	[N]15d	Interest Rate		:4!c//[N]15d	INTR//	25
-----							
M	16S			<a href="#">End of Block</a>	FIA		32
<b>End of Subsequence B1 Financial Instrument Attributes</b>							
M	16S			<a href="#">End of Block</a>	TRADEDET		37
<b>End of Sequence B Trade Details</b>							
<b>Mandatory Sequence C Financial Instrument/Account</b>							
M	16R			<a href="#">Start of Block</a>	FIAC		38
----->							
M	36B	SETT	Quantity of Financial Instrument	<a href="#">Quantity of Financial Instrument to be Settled</a>	:4!c//4!c/15d	//FAMT/	39
-----							
----->							
M	97a	4!c	Account	<a href="#">(see qualifier description)</a>	A, B, or E	SAFE//	43
-----							
M	16S			<a href="#">End of Block</a>	FIAC		52
<b>End of Sequence C Financial Instrument/Account</b>							
<b>Optional Sequence D Two Leg Transaction Details</b>							



Tri-party Reverse Repo Market Practice

M	16R			<a href="#">Start of Block</a>	REPO	This Sequence is required for Repurchase and Reverse repurchase agreements, this is the start of the second leg sequence	53
----->							
M	98a	4!c	Date/Time	<a href="#">(see qualifier description)</a>	A, B, or C	TERM// (closing date/time, or maturity of the repo)	54
-----							
----->							
O	20C	4!c	Reference	<a href="#">(see qualifier description)</a>	:4!c//16x	REPO// (unique reference through life of repo)	56
-----							
----->							
M	92a	4!c	Rate	<a href="#">(see qualifier description)</a>	A or C	REPO// (Repurchase Rate)	57
-----							
----->							
M	19A	4!c	Amount	<a href="#">(see qualifier description)</a>	:4!c//[N]3!a15 d	ACRU// (Accrued Interest Amount) TRTE// (Termination Transaction Amount)	59
-----							
M	16S			<a href="#">End of Block</a>	REPO		61
<b>End of Sequence D Two Leg Transaction Details</b>							
<b>Mandatory Sequence E Settlement Details</b>							
M	16R			<a href="#">Start of Block</a>	SETDET		62
----->							
M	22F	4!c	Indicator	<a href="#">(see qualifier description)</a>	:4!c/[8c]/4!c	<u>Settlement Transaction Type Indicator:</u> SETR/TRVO (tri-party reverse repo) – required on all transactions  <u>Settlement Condition Indicator</u> STCO/RPTO (reporting only) – required on all transactions <u>Block Transactions Only</u> BLOC//BLPA or BLCH	63
-----							
-----> <b>Mandatory Repetitive Subsequence E1 Settlement Parties</b>							
M	16R			<a href="#">Start of Block</a>	SETPRTY		64
----->							
M	95a	4!c	Party	<a href="#">(see qualifier description)</a>	C, P, Q, R, or S	BUYR// or SELL//  REAG// or DEAG//  PSET// (The recommendation is to use the 95C::PSET with applicable county code)	65
-----							
M	16S			<a href="#">End of Block</a>	SETPRTY		70



Tri-party Reverse Repo Market Practice

-----  End of Subsequence E1 Settlement Parties							
-----> Mandatory Repetitive Subsequence E3 Amount							
M	16R			<a href="#">Start of Block</a>	AMT		76
----->							
M	19A	4!c	Amount	<a href="#">(see qualifier description)</a>	:4!c//[N]3!a15 d	DEAL//Deal (principal) amount SETT//Settlement Amount	78
-----							
M	16S			<a href="#">End of Block</a>	AMT		81
-----  End of Subsequence E3 Amount							
M	16S			<a href="#">End of Block</a>	SETDET		82
End of Sequence E Settlement Details							



Tri-party Reverse Repo Market Practice

**FIN MT202 Message Structure and Requirements – Tri-Party Reverse Repo Cash Settlement**

Business Element	Field Name	Definition	Usage Rule/ Comment	Tag	Example
Message Identification	Transaction Reference Number	This field specifies the reference assigned by the Sender to unambiguously identify the message.		20	:20: <b>123456789</b>
Cash Purpose Code	Related Reference	This field contains a reference to the related transaction.  <i>Note: Field Length is limited to 16x after the :21:</i>	<b>ISITC</b> recommends populating this tag with an ISITC approved Cash Purpose Code, available on the ISITC Classification Code list on the Reference Data Working Group web-page.  ISITC understands the MT 202 has been utilized by the security industry for a number of years, and that organizations have already hard coded this field with other formats. Therefore, the market practice includes the following commonly used alternative formats: <ul style="list-style-type: none"> <li>- Cash Purpose Code/Reference Number</li> <li>- Reference Number transaction.</li> <li>- NONREF</li> </ul>	21	:21: <b>TPRP</b> Or :21: <b>TPRP/Ref Number</b> Or :21: <b>Ref Number</b> Or :21: <b>NONREF</b>
Payment Method			This business element is not applicable to the MT 202 Message		
1) Requested Execution Date / Settlement Date 2) Currency of Payment 3) Instructed Amount	1) Value Date 2) Currency Code 3) Amount	This field specifies the value date, currency and amount to be transferred.		32A	:32A: <b>090203GBP150000,</b>
Debtor (Account Owner)	Sender's Correspondent	This field specifies the account or branch of the Sender or another financial institution through which the Sender will reimburse the Receiver.	<b>ISITC</b> recommends the use of this field be mandatory; it specifies the debtor's account number that will be debited by the account servicer (normally the receiver of the MT 202 instruction) in order to make the payment.	53a	:53B: <b>/47896325</b>

Business Element	Field Name	Definition	Usage Rule/ Comment	Tag	Example
Intermediary Agent	Intermediary	This field specifies the financial institution through which the transaction must pass to reach the account with institution.	<b>ISITC</b> recommends using option A with BIC address.  The field should be populated with the local market clearing id; otherwise populate the BIC code. <ul style="list-style-type: none"> <li>• For three levels of clearing, tags 56, 57, and 58 should be populated.</li> <li>• For two levels of clearing, tags 57 and 58 should be</li> </ul>	56a	:56A: <b>FIBAUS33XXX</b> Or :56D: <b>//FW021000ABA</b>



Tri-party Reverse Repo Market Practice

Business Element	Field Name	Definition	Usage Rule/ Comment	Tag	Example
			populated.		
Creditor agent	Account With Institution	This field identifies the financial institution which will pay or credit the beneficiary institution.	<p><b>ISITC</b> recommends the use of this field as mandatory and using option A.</p> <ul style="list-style-type: none"> <li>Where it is the first level of clearing, ISITC recommends populating the local market clearing id; otherwise populate the BIC code.</li> <li>Where it is the second level of clearing, ISITC recommends populating both the BIC code and the creditor agent's account number with the Intermediary Agent in tag 56a.</li> <li>If Counterparty BIC address is not available the preferred method is to identify the Bank using option D (including name and address in the party field)</li> </ul>	57a	<p><u>First level:</u> :57D://<b>FW021000ABA</b></p> <p>Or :57A:<b>FIB AUS33XXX</b></p> <p><u>Second Level:</u> :57A/<b>1234556</b> <b>FIBADEFFXXX</b></p> <p><u>Third Level:</u> 57D: //<b>AC123456</b> <b>Paying Agent XYZ</b></p>
Creditor	Beneficiary Institution	This field specifies the financial institution which has been designated by the ordering institution as the ultimate recipient of the funds being transferred.	<p><b>ISITC</b> recommends the use of this field as mandatory and using option A. It should be populated with both the creditor's BIC code and their account number with the creditor's agent in tag 57a.</p> <ul style="list-style-type: none"> <li>If Counterparty BIC address is not available the preferred method is to identify the Beneficiary using option D (including name and address in the party field)</li> </ul>	58a	<p>:58A/<b>456789</b> <b>FIBADEFFXXX</b></p> <p>58D:/<b>ACCT123</b> <b>Beneficiary Name</b></p>



### MT210 Message Structure and Requirements – Cash Receipt

The loan funding receipt instructions should adhere to the SWIFT FIN MT messaging standard. The message structure is provided below.

Business Element	Field Name	Definition	Usage Rule/Comment	Tag	Format
Message Identification	Transaction Reference Number	This field specifies the reference assigned by the Sender to unambiguously identify the message.		20	:20: <b>123456789</b>
Credit Account	Account Identification	This field identifies the account to be credited with the incoming funds	<b>ISITC</b> recommends the use of this field be mandatory; it specifies the creditor's account number that will be credited by the account servicer (normally the receiver of the MT 210 notification).	25	25: <b>1234567</b>
Value Date	Value Date	This field contains the value date of all incoming funds specified in this message		30	:30: <b>091015</b>
Cash Purpose Code	Related Reference	This field contains a related transaction reference Number, or other common reference,  <i>Note: Field Length is limited to 16x after the :21:</i>	<b>ISITC</b> recommends populating this field with an ISITC approved Cash Purpose Code.**  ISITC recognizes that the MT 210 has been utilized by the security industry for a number of years, and that many organizations have already hard coded other formats. Therefore, the market practice also includes the following commonly used alternative formats: <ul style="list-style-type: none"> <li>- Cash Purpose Code/Reference Number</li> <li>- Reference Number transaction.</li> <li>- NONREF</li> </ul> **Please see the ISITC Classification Code list on the Reference Data Working Group web-page.	21	:21: <b>TPRP or TPRI</b> Or :21: <b>TPRP/Ref Number</b> Or :21: <b>Ref Number</b> Or :21: <b>NONREF</b>
Requested Receipt Currency and Amount	Currency Code, Amount	This field specifies the currency and amount to be received.		32B	:32B: <b>USD1200</b>
Ordering Institution	Ordering Institution BIC Address	This field specifies the party which owns the funds and is ordering their account to be debited to make the payment	After discussions with SWIFT Standards it was clarified that the ordering institution is the party who owns the money and is ordering the money to be debited from their account in order to make the payment. Example: If IM ABC is ordering account servicer DEF to debit their (ABC's) account and make a payment to counterparty 123, then IM ABC should be populated in field 52a of the MT210.	52a	52A: <b>GOLDJPJX</b>



Tri-party Reverse Repo Market Practice

Intermediary	Intermediary Institution BIC	This field specifies the financial institution from which the Receiver is to receive the funds. Identifier Code must be a registered BIC.	<b>ISITC</b> recommends the use of this field be mandatory. If an intermediary party is not applicable to the receipt of funds, the ordering institution clearing agent should be populated.	56a	:56A: <b>BKTRUS33</b>
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### 3.1.4 ISO 15022 Sample Message Formats – Single Transaction

Field Requirements	Business Element	Comment	Reverse Tri-Party Repo "Initiation"	Reverse Tri-Party Repo "Cancel"
.16R:GENL	Start of Block			
.20C::SEME//	Senders Message Reference		TRADEREF	CANCEL1
.23G:	Function of Message		NEWM	CANC
.99B::SETT//	Instruction # within Block	Block Trades Only. Parent is 000		
.99B::TOSE//	Total # of Child Transactions	Block Trades Only		
.16R:LINK				
.20C::PREV//	Previous Reference			TRADEREF
.20C::POOL//	Block Reference #	Block Trades Only		
.16S:LINK				
.16S:GENL				
.16R:TRADDET				
.98A::TRAD//	Trade Date		20110303	20110303
.98A::SETT//	Settlement Date		20110303	20110303
.90B::DEAL//PRCT/	Price		100,	100,
.35B::XX/	Security Identifier	S&P Issued Standard Collateral Type Cusip	/US/371494AC9 Agency CMO	/US/371494AC9 Agency CMO
.16R:FIA				
.12A::CLAS/ISIT/	Classification Code	Identifies the instrument as a Tri-Party Repo	RTRP	RTRP
.98A::MATU//	Maturity Date		20110304	20110304
.98A::ISSU//	Issue Date		20081212	20081212
.92A::INTR//	Interest Rate		0,14	0,14
.16S:FIA				
.16S:TRADDET				
.16R:FIAC				
.36B::SETT//FAMT/	Quantity of Financial Instrument		15400000,	15400000,
.97A::SAFE//	Safekeeping Account		12345	12345
.16S:FIAC				
.16R:REPO				
.98A::TERM//	Closing Date	Maturity Date	20110304	20110304
.22F::RERT//	Repurchase Rate Type		FIXE	FIXE
.22F::MICO//	Accrual Basis		A001	A001
.20C::REPO//	Repo Reference Number		11111111	11111111
.92A::REPO//	Repurchase Rate	Interest Rate	0,14	0,14
.19A::ACRU//	Accrued Interest Amt		USD59,89	USD59,89
.19A::TRIE//	Total Repurchase Amount	Total Amount of Repo (P&I)	USD15400059,89	USD15400059,89
.16S:REPO				
.16R:SETDET				
.22F::SETR//	Settlement Transaction Type		TRVO	TRVO
.22F::REPT//	Repurchase Type	Used on Rollovers		
.22F::BLOC	Block Trade Indicator			
.22F::STCO//	Settlement Condition	Identifies the transaction as for Reporting	RPTO	RPTO
.16R:SETPRTY				
.95R::DEAG/	Party	DTC ID or BIC	DTCYID/00000773	DTCYID/00000773
.16S:SETPRTY				
.16R:SETPRTY				
.95R::SELL/	Broker / Agent Details	DTC ID or BIC	DTCYID/00000773	DTCYID/00000773
.16S:SETPRTY				
.16R:SETPRTY				
.95P::PSET//	Place of Settlement	Recommendation is to use the 95C::PSET with applicable county code	US	US
.16S:SETPRTY				
.16R:AMT				
.19A::DEAL//	Deal (principal) Amount		USD15400000,	USD15400000,
.16S:AMT				
.16R:AMT				
.19A::SETT//	Settlement Amount		USD15400000,	USD15400000,
.16S:AMT				
.16R:AMT				
.19A::ANTO//	Net Gain / Loss			
.16S:AMT				
.16S:SETDET				
<b>RESULTING IMPACT</b>			Tri-party Repo contract is established from a reporting (accounting) only perspective to mature on 3/4/11. No custody movement is effected for principal amount as netted cash settlement amount will be instructed via separate MT202/210 payment instruction and interest expect will be instructed via separate MT210.	Tri-party Repo initiation message for maturity 3/4/11 is cancelled



Tri-party Reverse Repo Market Practice

**3.1.5 ISO 15022 Sample Message Format - Block Tri-party Repo**

Field Requirements	Business Element	Comment	Block Reverse Tri-Party Repo		
			Parent Record	Child 1 Record	Child 2 Record
:16R:GENL	Start of Block				
:20C::SEME//	Senders Message Reference		PARENTREF	CHILD1REF	CHILD2REF
:23G:	Function of Message		NEWM	NEWM	NEWM
:99B::SETT//	Instruction # within Block	Block Trades Only. Parent is 000	000	001	002
:99B::TOSE//	Total # of Child Transactions	Block Trades Only	002	002	002
:16R:LNK					
:20C::PREV//	Previous Reference				
:20C::POOL//	Block Reference #	Block Trades Only	BLOCK123	BLOCK123	BLOCK123
:16S:LINK					
:16S:GENL					
:16R:TRADDET					
:98A::TRAD//	Trade Date		20100507	20100507	20100507
:98A::SETT//	Settlement Date		20100507	20100507	20100507
:90B::DEAL//PRCT/	Price		100,	100,	100,
:35B::XX/	Security Identifier	S&P Issued Standard Collateral Type Cusip	/US/371494AC9 Agency CMO	/US/371494AC9 Agency CMO	/US/371494AC9 Agency CMO
:16R:FIA					
:12A::CLAS/ISIT/	Classification Code	Identifies the instrument as a Tri-Party Repo	RTRP	RTRP	RTRP
:98A::MATU//	Maturity Date		20100507	20100507	20100507
:98A::ISSU//	Issue Date		20090121	20090121	20090121
:92A::INTR//	Interest Rate		0,21	0,21	0,21
:16S:FIA					
:16S:TRADDET					
:16R:FLAC					
:36B::SETT//FAMT/	Quantity of Financial Instrument		USD16700000,	USD8350000,	USD8350000,
:97A::SAFE//	Safekeeping Account		PARENTACCT1	CHILDACCT1	CHILDACCT2
:16S:FLAC					
:16R:REPO					
:98A::TERM//	Closing Date	Maturity Date	20100508	20100508	20100508
:22F::RERT//	Repurchase Rate Type		FIXE	FIXE	FIXE
:22F::MICO//	Accrual Basis		A001	A001	A001
:20C::REPO//	Repo Reference Number		TRIPARTYREF	TRIPARTYREF	TRIPARTYREF
:92A::REPO//	Repurchase Rate	Interest Rate	0,21	0,21	0,21
:19A::ACRU//	Accrued Interest Amt		USD97,42	USD48,71	USD48,71
:19A::TRTE//	Total Repurchase Amount	Total Amount of Repo (P&I)	USD16700097,42	USD8350048,71	USD8350048,71
:16S:REPO					
:16R:SEIDET					
:22F::SETR//	Settlement Transaction Type		TRVO	TRVO	TRVO
:22F::REPT//	Repurchase Type	Used on Rollovers			
:22F::BLOC	Block Trade Indicator		BLPA RPTO	BLCH RPTO	BLCH RPTO
:22F::STCO//	Settlement Condition	Identifies the transaction as for Reporting			
:16R:SETPRTY					
:95R::DEAG/	Party	DTC ID or BIC	DTCYID/05235	DTCYID/05235	DTCYID/05235
:16S:SETPRTY					
:16R:SETPRTY					
:95R::SELL/	Broker / Agent Details	DTC ID or BIC	DTCYID/05235	DTCYID/05235	DTCYID/05235
:16S:SETPRTY					
:16R:SETPRTY					
:95P::PSET//	Place of Settlement	Recommendation is to use the 95C::PSET with applicable county code	US	US	US
:16S:SETPRTY					
:16R:AMT					
:19A::DEAL//	Deal (principal) Amount		USD16700000,	USD8350000,	USD8350000,
:16S:AMT					
:16R:AMT					
:19A::SETT//	Settlement Amount		USD16700000,	USD8350000,	USD8350000,
:16S:AMT					
:16R:AMT					
:19A::ANTO//	Net Gain / Loss				
:16S:AMT					
:16S:SETDET					
<b>RESULTING IMPACT</b>			Notification of a block tri-party reverse repo transaction. No net cash settlement amount is moved based on this instruction as netted cash amount will be instructed via MT202/210.	Child level tri-party reverse repo contract established for accounting purposes only. No net cash settlement amount is moved based on this instruction as netted cash amount will be instructed via MT202/210.	Child level tri-party reverse repo contract established for accounting purposes only. No net cash settlement amount is moved based on this instruction as netted cash amount will be instructed via MT202/210.



Tri-party Reverse Repo Market Practice

### 3.1.6 FIN MT202 Sample Message Format – Netted Principal Payment Wire Instruction

#### USD Payment via Fed Wire with two levels of clearing

20 : 109800190352  
**21: TPRP**  
32A: 090203USD150000,  
53B: /47896325  
57D: //FW021000ABA  
58A: /456789  
FIBADEFFXXX

### 3.1.7 FIN MT210 Sample Message Format – Netted Principal Payment Receipt Advice

#### USD Advice to Receive

:20: CU123456789  
:25: 2233707  
:30: 091016  
**:21: TPRP**  
:32B: USD1200,  
:52A: GOLDJPJX  
:56A: BKTRUS33

### 3.1.8 FIN MT210 Sample Message Format – Interest Payment Receipt Advice

#### USD Advice to Receive

:20: CU123456789  
:25: 2233707  
:30: 091016  
**:21: TPRI**  
:32B: USD1200,  
:52A: GOLDJPJX  
:56A: BKTRUS33