Listed Derivative
Market Practice Guide

Derivatives Working Group

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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 #	Change Date	Description of Change	Page	Author
1.0	MM/DD/YYYY	Detailed reason for change.		Name
1.0		Initial Templates Defined.		J. Booth
2.0	10/22/2004 03/17/2005	Formatted and added business language to document.		J. Derrick G. Rothman
2.1	09/16/2005	Updated PSET to be 95Q//XX, since the XX country code with option C won't work. Added more options for DEAG/REAG. Added cash sequence to OTC (unlisted) Option Template. Updated some typos.		G. Rothman J. Booth
2.2	01/24/2006	Updates based on Sept 29 Conference Call and correct typos.		J. Booth G. Rothman
2.3	03/09/2006	Update Bloomberg ticker, typos.		J. Booth G. Rothman
2.4	03/21/2006	Final		J. Booth G. Rothman
2.5	04/26/2006	Updates based off zoomerang feedback 1. Sequence B field 90a should be Option B for Amount Code to be populated. 2. OTC derivative sample added with new 2006 underlying sec. Field included. 3. Introduction and scope section updated to clarify confirmation process for derivatives messaging. 4. Addition of an optional safekeeping account field recommendation under the Clearing agent ID SETPRTY sequence. An optional field for highlighting the individual client account at the broker in scenarios which the client holds multiple futures accounts for one custodian account		J. Booth
2.6	11/07/06	Update to field 19A::SETT within Futures template to highlight scenario in which the N indicator would be appropriate for usage. Page 10 of document contains clarification and sample.		J. Brasile
2.7	11/17/06	Update to all three templates to fix typo: BUYR/SELL field format options are P, Q, R. Previously stated option A instead of P in error.		J. Brasile
2.8	03/09/07	Update to document for clarification on indicating the sell to open of derivatives with no inventory.		J. Brasile
2.9	11/07/07	Update to OTC Field 95a in Cashparty Sequence to clarify usage of PAYE vs. BENM on page 22 and 27. Converted to PDF		J. Brasile
3.0	09/01/2010	Updates for Clarification of OTC Derivatives in the Listed Derivative Market Practice.		M. Burg
3.0	11/21/2011	Update to current ISITC Market Practice Template		K. Dong

Version #	Change Date	Description of Change	Page	Author
3.1	11/08/2012	Update to Listed Options to expand usage rule on field 35B to allow additional /4!c/ codes beyond ISIN and /2!c/.		K. Dong
3.2	08/31/2016	Updated to include Exercise and Assignment Requirements. Removal of BLOM and replaced with FIGI for field tag 35b Identification of Financial Instrument. Updated open issues.		M. Burg
3.3	4/24/2020	Workaround for negative prices added		B. Manning

Table of Contents

1.0 Background

This document provides guidelines for the use of ISO 15022 MT541 and MT543 messages in the communication of settlement for Listed Futures, Listed Options, and OTC (Over the Counter) Options in the US Markets. The document will also include the communication of an exercise or assignment of the option contract. The document addresses messaging guidelines and requirements for simple OTC Equity and Index option transactions only. More "exotic" types of OTC Options consisting of, but not limited to Swaptions, Barriers, and Cap/Floors will be addressed in the OTC Derivative Market Practice.

1.1 Scope
This document does not provide any guidelines for the communication of any derivatives other than those listed above.

It should be noted that listed futures & listed options do not settle. For listed futures, variation margin is paid to the Futures Commission Merchant (FCM) on the behalf of the exchange until the contract is closed, exercised, or expired. For listed options on futures, premium is paid as part of the variation margin payment. For other listed options a charge (a DTCC SPO charge in the case of the US) is paid or received for the premium.

If a listed future is held to maturity or an option is exercised then depending on the type of future/option the final settlement will be made either in cash or the delivery of the underlying.

Please note that the settlement of an underlying security or cash resulting form an exercise or assignment of an option
is outside the scope of this document.

In the case of OTC options, where no exchange is involved there is a settlement of premium from the buyer to the seller. However, any resulting exercising and settlement of the underlying in cash or security is not part of the scope of this document.

Derivative trades do not sell short. However, exchanges and accounting systems do require instructions to indicate whether the trade is an opening (OPEP) or closing (CLOP) of a position for every buy or sell trade. The SHOR codeword is not required for derivatives as they are for equity securities as there is not the same regulatory requirement by SEC for derivatives. Therefore, only the following codes should be present for the transactions discussed in this document:

Sell to Open	MT542/543
	Seq. B 22F::PROC//OPEP
Sell to Close	MT542/543
	Seq. B 22F::PROC//CLOP
Buy to Open	MT540/541
	Seq. B 22F::PROC//OPEP
Buy to Close	MT540/541
	Seq. B 22F::PROC//CLOP

The confirmation of a Listed Future, Option or OTC Option should contain at a minimum the mandatory elements as outlined in the US Settlements MP documentation. Please refer to this document posted to the ISITC website for more information. The underlying security ID is not a mandatory element for the confirmation message as the related reference ID and other mandatory elements noted for all 54x instructions should be sufficient to identify the trade.

1.2 Definitions

This document was compiled using the SWIFT 2005 SRG as reference documentation.

Term / Codeword	Definition
American Option	An option which may have rights exercised at any time prior to the expiry date
Asian Option	An option where the payoff is dependent upon the average value of the underlying security for a specified period of time. Also known as an average option.
Assignment	Occurs when the option writer (short) is obligated to purchase, sell, or cash settle on the underlying security the option contract is tied to. This can be done prior to expiration date for an American style option, or only on the expiration date for a European style option.
Call Option	A call option gives the investor the right to buy a specific security at a set price for a specified period of time.
European Option	An option that may be exercised during a specified short period of time, prior to expiration – generally one day.
Exercise	The election of an option buyer (long) to purchase, sell, or cash settle on the underlying security the option contract is tied to. This can be done prior to expiration date for an American style option, or only on the expiration date for a European style option.
Exotic	Exotic options, traded over the counter allow greater flexibility in contract specifics than "plain vanilla" options.
Forward	Similar to futures, declaring the price, quantity and date of purchase or sale of security on a future date except they are not traded on an exchange (OTC) and therefore not standardized.
Future	An agreement to buy or sell a type of security/commodity for delivery at an agreed time in the future on an exchange. Futures are generally not delivered, but closed out prior to expiration date.
Listed	An option or future that has been approved for trading on an exchange.
MIC	Market Identification Code – Valid MIC Code may be found in ISO 10383 documentation. http://www.iso15022.org/MIC/homepageMIC.htm
Option	A securities contract, giving the right, not the obligation, to buy or sell shares of a security at a set price for a specific period of time.
Option Style	The style of option being traded – American, Asian or European
Option Type	Call or Put
OTC	Over-the-Counter; the trading of securities or derivatives through a broker-dealer without utilizing an exchange.
Put Option	A put option gives the investor the right to sell a specific security at a set price for a specified period of time.
Unlisted	An option or forward that does not trade on an exchange. Unlisted securities are traded between entities, without exchange involvement.

1.3 Actors and Roles

Settlement Instructing Party	Settlement Executing Party
Any CSD Participant, i.e., investment manager, custodian, broker, etc.	Central Securities Depository, custodian, third-party administrators, etc.

2.0 Market Practice

2.1 Message Structure and Requirements

Index	Message Item	Definition	Mult.	Syntax	Usage Rule / Comments
NA	Message Type	MT541 – Receive Against Payment MT543 – Deliver Against Payment	NA	ISO 15022	MT541 should be used to indicate a buy/buy cover of a listed derivative MT543 should be used to indicate a sell/sell short of a listed derivative

2.2 Futures Market Practice

M/O/C	Tag	Qualifier	Generic Field Name	Detailed Field Name	Content Options	Best Practice
Sequence A – General Information						
M	20C	SEME	Reference	Sender's Message Reference	:4!c//16x	ISITC-IOA conforms to SWIFT tag use rule. :20C::SEME//
M	23G			Function of the Message	4!c[/4!c]	ISITC-IOA conforms to SWIFT tag use rule. :23G:NEWM or :23G:CANC
Sequence A1 – Linkages						
C	20C	SEME	Reference	Sender's Message Reference	:4!c//16x	ISITC-IOA conforms to SWIFT tag use rule. :20C::PREV// Used on Cancels to indicate trade being cancelled.
Sequence B – Trade Details						

O	94B	TRAD	Place	Place of Trade	:4!c/[8c]/4!c[/30x]	TRAD//EXCH/MIC Code Using ISO 10383. A listing of MICs can be found at http://www.iso15022.org/MIC/homepageMIC.htm Since tickers are not always unique, a MIC code is suggested. (Please note that to facilitate STP, the MIC will become mandatory in the future.)
M	98A	SETT	Date/Time	Settlement Date		ISITC-IOA Conforms to SWIFT tag use rule. Since listed futures do not settle, use the date the first variation margin payment is due. If this date is not known, use trade date.
M	98A	TRAD	Date/Time	Trade Date		ISITC-IOA Conforms to SWIFT tag use rule.
M	90B	DEAL	Price	Deal Price		Reflected as per contract price using ACTU. DEAL//ACTU
M	35B			Identification of the Financial Instrument	[ISIN1!e12!c] [4*35x]	/TS/<Ticker> Exchange, Reuters or Bloomberg Ticker agreed upon by sender and receiver using SLA. The ticker should be the full ticker including expiry date. If Ticker is not provided, then the optional fields in FIA Block must be populated. Underlying security ID AUID/ISIN or AUID/US/<CUSIP> or AUID/GB/<SEDOL> or /XX/provide as much security detail as possible. Underlying Security Description /AUDE/<Security Description> Optional if Ticker is provided, else mandatory. Note: Replaced in SWIFT 2006, by 35B field in FIA block (see below). ISO maintenance working group met end of August 2010 and approved request to expand usage rule on field 35B to allow additional /4!c/ codes beyond ISIN and /2!c/ listed.

						/FIGI/ <representing the Financial Instrument Global Identifier> /RICC/ <representing the Reuters RIC code>
Sub-Sequence B1 – Financial Instrument Attributes						
M	12A	4!c	Type of Financial Instrument	Classification Type		Use of ISITC Data Source Scheme is required. CLAS/ISIT/FUT
C	11A	DENO	Currency	Currency of Denomination	:4!c//3!a	ISITC-IOA conforms to SWIFT tag use rule. DENO// Required if industry standard ticker not provided.
C	98A	EXPI	Date/Time	Expiry Date		ISITC-IOA conforms to SWIFT tag use rule. EXPI// Required if industry standard ticker not provided.
C	36B	4!c	Quantity of Financial Instrument	Quantity of Financial Instrument – Contract Size	:4!c//4!c/15d	The number of shares or multiplier of the underlying security per contract reflected as units. SIZE//UNIT Required if industry standard ticker not provided.
C	35B			Underlying Security	[ISIN1!e12!c] [4*35x]	ISITC-IOA conforms to SWIFT tag use rule. Security ID and description of underlying security. Required if industry standard ticker not provided. Note: New in SWIFT 2006 release – Nov. 2006.

					Exchange and accounting systems require instructions to indicate whether the trade is an opening (OPEP) or closing (CLOP) of a position for every buy or sell trade. The SHOR codeword is not required for derivatives as they are for equity securities as there is not the same regulatory requirement by SEC for derivatives. Sell to Open MT542/543 Seq. B 22F::PROC//OPEP Sell to Close MT542/543 Seq. B 22F::PROC//CLOP Buy to Open MT540/541 Seq. B 22F::PROC//OPEP Buy to Close MT540/541
M	22F	4!c	Indicator	Open or Closing Position	Seq. B 22F::PROC//CLOP
Sequence C – Financial Instrument Account					
M	36B	4!c	Quantity of Financial Instrument	Quantity of Financial Instrument to be Settled	:4!c//4!c/15d	The number of contracts reflected as units. SETT//UNIT
M	97A	SAFE	Account	Safekeeping Account		ISITC-IOA Conforms to SWIFT tag use rule. SAFE//
Sequence E – Settlement Details					
M	22F	4!c	Indicator	Indicator		ISITC-IOA conforms to SWIFT tag use rule. SETR//TRAD
Sub-Sequence E1 – Settlement Parties					
M	95Q	4!c	Party	Settlement Party (Location)		PSET//XX (Since Listed Futures don't settle, we are using XX as a universal "no country" code. Since XX is not an actual country, we are using 95Q, instead of 95C)
M	95R	4!c	Party	Settlement Party (Buyer/Seller)		DTCYID Preferred, BIC or Name Address if not available. 95R::BUYR/DTCYID/<DTC ID> or 95R::SELL/DTCYID/<DTC ID> 95P::BUYR//<BIC Code> or 95P::SELL//<BIC Code> 95Q::BUYR//Name Address or 95Q::SELL//Name Address

M	95R	4!c	Party	Settlement Party (Delivering/Receiving Agent)		Since Listed Futures don't settle as individual trades, but as part of a variation margin payment, this field is not used for settlement purposes. It can be populated with the same id as the BUYR/SELL or it can be used to place the Futures Commission Merchant (FCM) identifier for the purpose of receiving this information back on reconciliation messages for use by the sender. DTCYID Preferred, BIC, OCC Code, or Name/Address if not available. 95R::DEAG/DTCYID/<DTC ID> or 95R::REAG/DTCYID/<DTCID> 95R::DEAG/OCCX/<OCC Part ID> or 95R::REAG/OCCX/<OCC Part ID> OCC Participant IDs can be obtained from the OCC website at: (http://www.optionsclearing.com/about/member_listing_stat.jsp) 95P::DEAG//BIC Code or 95P::REAG//BIC Code 95Q::DEAG//Name Address or 95Q::REAG//Name Address
O	97A	SAFE	Account	Account of Client at the Broker		This use of the safekeeping account field under the Clearing Agent should be used to state the individual client account at the broker in scenarios which the client holds multiple futures accounts for one custodian account. SAFE//
Sequence E3 – Amounts						

M	19A			Deal Amount			Send as 0 or omit from the message. The reason for zero or omission is that in the case of listed futures the resulting deal amount (price * quantity * contract size) can be too big to fit into the field. Since listed futures don't settle, this amount is not required.
C	19A			Commission, Fees, Charges, Accrual			Required when there are commissions associated with trades. ISITC-IOA conforms to SWIFT tag use rule. EXEC// (for commissions)
M	19A			Settlement Amount			ISITC-IOA conforms to SWIFT tag use rule. SETT// This will be equal to the value of the Commission. If there are no Commission then set the value to 0. In the case of a sale futures trade, the resultant SETT amount could be a negative (N) to reflect the fees/commissions as a debit instead of a credit as per the Swift recommendation that the negative indicator should be used when the direction of the payment is opposite than the normal way for a buy or sell transaction.

Sample of Use of Negative Indicator to reflect fees/commissions on Sale Futures Trade.

:19A::SETT//NUSD1925,00

:16S:AMT

:16R:AMT

:19A::DEAL//USD0,00

:16S:AMT

:16R:AMT

:19A::EXEC//USD1925,00

2.3 Listed Options Market Practice

Listed Options, while traded on the exchange, are not settled at the CSD therefore

PSET will be set to XX.

M/O/C	Tag	Qualifier	Generic Field Name	Detailed Field Name	Content Options	Best Practice
Sequence A – General Information						
M	20C	SEME	Reference	Sender's Message Reference	:4!c//16x	ISITC-IOA conforms to SWIFT tag use rule. :20C::SEME//
M	23G			Function of the Message	4!c[/4!c]	ISITC-IOA conforms to SWIFT tag use rule. :23G:NEWM or :23G:CANC
Sequence A1 – Linkages						
C	20C	SEME	Reference	Sender's Message Reference	:4!c//16x	ISITC-IOA conforms to SWIFT tag use rule. :20C::PREV// Used on Cancels to indicate trade being cancelled.
Sequence B – Trade Details						
O	94B	TRAD	Place	Place of Trade	:4!c/[8c]/4!c[/30x]	TRAD//EXCH/MIC Code Using ISO 10383. A listing of MICs can be found at http://www.iso15022.org/MIC/homepageMIC.htm Since tickers are not always unique, a MIC code is suggested. (Please note that to facilitate STP, the MIC will become mandatory in the future.)
M	98A	SETT	Date/Time	Settlement Date		ISITC-IOA Conforms to SWIFT tag use rule. The date of the settlement of the first premium/variation margin payment.
M	98A	TRAD	Date/Time	Trade Date		ISITC-IOA Conforms to SWIFT tag use rule.
M	90B	DEAL	Price	Deal Price		Reflected as per contract price using ACTU. DEAL//ACTU

						/TS/<Ticker> Exchange, Reuters or Bloomberg Ticker agreed upon by sender and receiver using SLA. The ticker should be the full ticker including expiry date. If Ticker is not provided, then the optional fields in FIA Block must be populated. Underlying security ID AUID/ISIN or AUID/US/<CUSIP> or AUID/GB/<SEDOL> or /XX/provide as much security detail as possible. Underlying Security Description /AUDE/<Security Description> Optional if Ticker is provided, else mandatory. Note: Replaced in SWIFT 2006, by 35B field in FIA block (see below). ISO maintenance working group met end of August 2010 and approved request to expand usage rule on field 35B to allow additional /4!c/ codes beyond ISIN and /2!c/ listed. /OCCS/ <representing the new 21 character OCC code> /OPRA/ <representing the 17 character OPRA code> /FIGI/ <representing the Financial Instrument Global Identifier>
M	35B			Identification of the Financial Instrument	[ISIN1!e12!c] [4*35x]	/RICC/ <representing the Reuters RIC code>
Sub-Sequence B1 – Financial Instrument Attributes						
M	12A	4!c	Type of Financial Instrument	Classification Type		Use of the ISITC Data Source Scheme is required. ISIT//OPT

C	12B	4!c			Option Style		OPST//AMER – Option is American style OPST//ASIA – Option is Asian style OPST//EURO – Option is European style Required if industry standard ticker not provided.
C	12B	4!c			Option Type		OPTI//CALL – Option is a Call OPTI//PUTO – Option is a Put Required if industry standard ticker not provided.
C	11A	DENO	Currency	Currency of Denomination	:4!c//3!a	ISITC-IOA conforms to SWIFT tag use rule. DENO//ISO Currency code Required if industry standard ticker not provided.
C	98A	EXPI	Date/Time	Expiry Date		ISITC-IOA conforms to SWIFT tag use rule. EXPI// Required if industry standard ticker not provided.
C	90B	EXER		Exercise Price		ISITC-IOA conforms to SWIFT tag use rule. EXER// Required if the strike price is not implied by the Ticker, or if industry standard ticker not provided.
C	36B	4!c	Quantity of Financial Instrument	Quantity of Financial Instrument – Contract Size	:4!c//4!c/15d	The number of shares or multiplier of the underlying security per contract reflected as units. SIZE//UNIT Required if industry standard ticker not provided.
C	35B			Underlying Security	[ISIN1!e12!c] [4*35x]	ISITC-IOA conforms to SWIFT tag use rule. Security ID and description of underlying security. Required if industry standard ticker not provided.

M	22F	4!c	Indicator	Open or Closing Position		Note: New in SWIFT 2006 release – Nov. 2006. Exchange and accounting systems require instructions to indicate whether the trade is an opening (OPEP) or closing (CLOP) of a position for every buy or sell trade. The SHOR codeword is not required for derivatives as they are for equity securities as there is not the same regulatory requirement by SEC for derivatives. Sell to Open MT542/543 Seq. B 22F::PROC//OPEP Sell to Close MT542/543 Seq. B 22F::PROC//CLOP Buy to Open MT540/541 Seq. B 22F::PROC//OPEP Buy to Close MT540/541 Seq. B 22F::PROC//CLOP
Sequence C – Financial Instrument Account						
M	36B	4!c	Quantity of Financial Instrument	Quantity of Financial Instrument to be Settled	:4!c//4!c/15d	The number of contracts reflected as units. SETT//UNIT
M	97A	SAFE	Account	Safekeeping Account		ISITC-IOA Conforms to SWIFT tag use rule. SAFE//
Sequence E – Settlement Details						
M	22F	4!c	Indicator	Indicator		ISITC-IOA conforms to SWIFT tag use rule. SETR//TRAD To instructed an exercise*: STCO//EXER To instruct an assignment*: STCO//ASGN • *When instructing an Exercise ,message type should be MT543 and SUB Sequence B1 (22F) should be: PROC//CLOP* • *When instructing an Assignment, message type should be MT541*

							and Sub Sequence B1 (22F) should be: PROC//CLOP
Sub-Sequence E1 – Settlement Parties							
M	95Q	4!c	Party		Settlement Party (Location)		ISITC-IOA conforms to SWIFT tag use rule. PSET//XX (Since Listed Options don't settle, we are using XX as a universal "no country" code. Since XX is not an actual country, we are using 95Q, instead of 95C)
M	95R	4!c	Party		Settlement Party (Buyer/Seller)		DTCYID Preferred, BIC or Name Address if not available. 95R::BUYR/DTCYID/<DTC ID> or 95R::SELL/DTCYID/<DTC ID> 95P::BUYR//<BIC Code> or 95P::SELL//<BIC Code> 95Q::BUYR//Name Address or 95Q::SELL//Name Address
M	95R	4!c	Party		Settlement Party (Delivering/Recei ving Agent)		Since Listed Options don't settle themselves, the field is not used for settlement purposes. It can be populated with the same id as the BUYR/SELL or it can be used to place the Futures Commission Merchant (FCM) identifier for the purpose of receiving this information back on reconciliation messages for use by the sender. DTCYID Preferred, BIC, OCC Code, or Name/Address if not available. 95R::DEAG/DTCYID/<DTC ID> or 95R::REAG/DTCYID/<DTC ID> 95R::DEAG/OCCX/<OCC Part ID> or 95R::REAG/OCCX/<OCC Part ID> OCC Participant IDs can be obtained from the OCC website at:

						(http://www.optionsclearing.com/about/member_listing_stat.jsp) 95P::DEAG//<BIC Code> or 95P::REAG//<BIC Code> 95Q::DEAG//Name Address or 95Q::REAG//Name Address
O	97A	SAFE	Account	Account of Client at the Broker		This use of the safekeeping account field under the Clearing Agent should be used to state the individual client account at the broker in scenarios which the client holds multiple futures accounts for one custodian account. SAFE//
Sequence E2 – Cash Parties						
M	95R			Account with Institution		ACCW - Reflected as a FED Wire Number (DSS = USFW) or CHIPs UID (DSS = USCH) 95R ::ACCW/USFW/<ABA Number> 95R::ACCW/USCH/<CHIPS UID>
M	95A			Beneficiary		BENM/PAYE - Reflected as Beneficiary BIC or name. 95P::BENM//<BIC Code> For Payments Or 95P::PAYE//<BIC Code> For Receipts 95Q::BUYR/Name Address

						or 95Q::SELL/Name Address
M	97A			Cash Account		CASH - Reflected as Beneficiary Number 97A::CASH//<Beneficiary Number>
Sequence E3 – Amounts						
M	19A			Deal Amount		Price * Quantity * Contract size DEAL///
C	19A			Commission, Fees, Charges, Accrual		Required when there are commissions associated with trades ISITC-IOA conforms to SWIFT tag use rule. EXEC// (for commissions)
M	19A			Settlement Amount		ISITC-IOA conforms to SWIFT tag use rule. SETT//

3.0 Appendix

3.1 Syntax Type - eg ISO 15022

3.1.1 Message Sequence Diagram
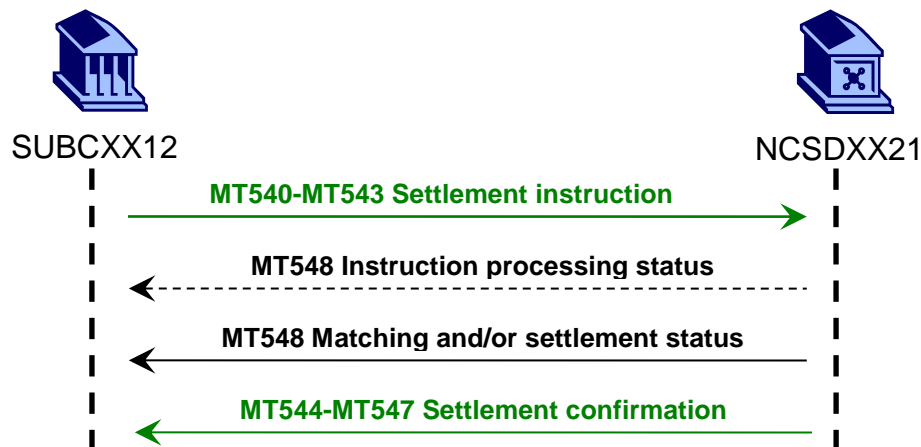
3.1.2 Futures Template

Status	Tag	Qualifier	Generic Field Name	Detailed Field Name	Content/Options
Sequence A- General Information (Mandatory)					
M	16R			Start of Block	GENL
M	20C	SEME	Reference	Senders Reference	
M	23G			Function of the Message	
M	16S			End of Block	GENL
Sequence B – Trade Details (Mandatory)					
M	16R			Start of Block	TRADDET
O	94B	TRAD	Place	Place of Trade	EXCH/<MIC Code>
M	98a	TRAD	Date/Time	Trade Date	A, B, or C
M	98a	SETT	Date/Time	Settlement Date	A, B or C
M	90a	DEAL	Price	Deal Price	A or B
M	35B			Identification of Financial Instrument	/TS/Ticker
Sub-Sequence B1 – Financial Instrument Attributes (Optional)					
M	16R			Start of Block	FIA
O	22F		Indicator		
M	12A		Type	Type of Financial Instrument	/ISIT/FUT
O	11A	DENO	Currency	Currency of Denomination	:4!c//3!a
O	98a	EXPI	Date	Expiry Date	A, B or C
O	36B	SIZE	Quantity	Quantity of Financial Instrument	UNIT
C1	35B			Identification of Underlying Financial Instrument	/ISIN/

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M	16S			End of Block	FIA
M	22F	PROC	Indicator	Open or Close Position	OPEP – Open Position CLOP – Close Position
M	16S			End of Block	TRADDET
Sequence C – Financial Instrument/Account (Mandatory/Repetitive)					
M	16R			Start of Block	FIAC
M	36B	SETT	Quantity	Quantity of Financial Instrument	UNIT
M	97a	SAFE	Account		B or A
M	16A				FIAC
Sequence E – Settlement Details (Mandatory)					
M	16R			Start of Block	SETDET
M	22F	SETR	Indicator		TRAD
Sequence E1 – Settlement Parties (Mandatory/Repetitive)					
M	16R			Start of Block	SETPRTY
M	95a	PSET	Party		Q
M	16S			End of Block	SETPRTY
M	16R			Start of Block	SETPRTY
M	95R	BUYR/SELL	Party	Buyer or Seller	P, R or Q
M	16S			End of Block	SETPRTY
M	16R			Start of Block	SETPRTY
M	95R	DEAG/REAG	Party	Delivering/Receiving Agent	Same as BUYR/SELL
M	16S			End of Block	SETPRTY
Sequence E3 – Amounts (Mandatory/Repetitive)					
M	16R			Start of Block	AMT
M	19A	DEAL	Amount	Deal Amount	Send as 0 or omit
M	16S			End of Block	AMT
M	16R			Start of Block	AMT
C	19A		Amount	Commission, Fees, Charges, Accrual as necessary.	EXEC/
M	16S			End of Block	AMT
M	16R			Start of Block	AMT
M	19A	SETT	Amount	Settlement Amount	
M	16S			End of Block	AMT
M	16S			End of Block	SETDET

1 This field is a SR2006 field addition that will not be available until November 2006. The field is conditional mandatory based on if an industry standard ticker is not provided in field 35B, sequence B.

3.1.3   Listed Options Template

Status	Tag	Qualifier	Generic Field Name	Detailed Field Name	Content/Options
Sequence A- General Information (Mandatory)					
M	16R			Start of Block	GENL
M	20C	SEME	Reference	Senders Reference	
M	23G			Function of the Message	

M	16S			End of Block	GENL
Sequence B – Trade Details (Mandatory)					
M	16R			Start of Block	TRADDET
O	94B	TRAD	Place	Place of Trade	EXCH/<MIC Code>
M	98a	TRAD	Date/Time	Trade Date	A, B, or C
M	98a	SETT	Date/Time	Settlement Date	A, B or C
M	90a	DEAL	Price	Deal Price	A or B
M	35B			Identification of Financial Instrument	/TS/Ticker /OCCS/ <representing the new 21 character OCC code> /OPRA/ <representing the 17 character OPRA code> /FIGI/ <representing the Financial Instrument Global Identifier> /RICC/ <representing the Reuters RIC code>
Sub-Sequence B1 – Financial Instrument Attributes (Optional)					
M	16R			Start of Block	FIA
O	22F		Indicator		
M	12A		Type	Type of Financial Instrument	/ISIT/OPT
O	12B		Option Style		AMER, ASIA or EURO
O	12B		Option Type		CALL or PUTO
O	11A	DENO	Currency	Currency of Denomination	:4!c//3!a
O	98a	EXPI	Date	Expiry Date	A, B or C
O	90B	EXER	Price	Exercise Price	
O	36B	SIZE	Quantity	Quantity of Financial Instrument	UNIT
M	16S			End of Block	FIA
C1	35B			Identification of Underlying Financial Instrument	/ISIN/
M	22F	PROC	Indicator	Open or Close Position	OPEP – Open Position CLOP – Close Position
M	16S			End of Block	TRADDET
Sequence C – Financial Instrument/Account (Mandatory/Repetitive)					
M	16R			Start of Block	FIAC
M	36B	SETT	Quantity	Quantity of Financial Instrument	UNIT
M	97a	SAFE	Account		B or A
M	16A				FIAC
Sequence E – Settlement Details (Mandatory)					
M	16R			Start of Block	SETDET

Status	Tag	Qualifier	Generic Field Name	Detailed Field Name	Content/Options
M	22F	SETR STCO STCO	Indicator		TRAD EXER ASGN
Sequence E1 – Settlement Parties (Mandatory/Repetitive)					
M	16R			Start of Block	SETPRTY
M	95a	PSET	Party		Q
M	16S			End of Block	SETPRTY
M	16R			Start of Block	SETPRTY
M	95R	BUYR/SELL	Party	Buyer or Seller	P, R or Q
M	16S			End of Block	SETPRTY
M	16R			Start of Block	SETPRTY
M	95R	DEAG/REAG	Party	Delivering/Receiving Agent	Same as BUYR/SELL
M	16S			End of Block	SETPRTY
Sequence E2 – Cash Parties (Optional)					
M	16R			Start of Block	CSHPRTY
M	95R	ACCW	Party	Account with Institution	R
M	16S			End of Block	CSHPRTY
M	16R			Start of Block	CSHPRTY
O	97A	CASH	Account	Cash Account	A
M	16S			End of Block	CSHPRTY
Sequence E3 – Amounts (Mandatory/Repetitive)					
M	16R			Start of Block	AMT
M	19A	DEAL	Amount	Deal Amount	
M	16S			End of Block	AMT
M	16R			Start of Block	AMT
C	19A		Amount	Commission, Fees, Charges, Accrual as necessary.	EXEC/
M	16S			End of Block	AMT
M	16R			Start of Block	AMT
M	19A	SETT	Amount	Settlement Amount	
M	16S			End of Block	AMT
M	16S			End of Block	SETDET

1 This field is a SR2006 field addition that will not be available until November 2006. The field is conditional mandatory for Listed Options based on if an industry standard ticker is not provided in field 35B, sequence B.

3.1.4   OTC (Unlisted) Options Template

Status	Tag	Qualifier	Generic Field Name	Detailed Field Name	Content/Options
Sequence A- General Information (Mandatory)					

M	16R			Start of Block	GENL
M	20C	SEME	Reference	Senders Reference	
M	23G			Function of the Message	
M	16S			End of Block	GENL
Sequence B – Trade Details (Mandatory)					
M	16R			Start of Block	TRADDET
O	94B	TRAD	Place	Place of Trade	OTCO
M	98a	TRAD	Date/Time	Trade Date	A, B, or C
M	98a	SETT	Date/Time	Settlement Date	A, B or C
M	90a	DEAL	Price	Deal Price	A or B
M	35B			Identification of Financial Instrument	/TS/Ticker
Sub-Sequence B1 – Financial Instrument Attributes (Optional)					
M	16R			Start of Block	FIA
O	22F		Indicator		
M	12A		Type	Type of Financial Instrument	/ISIT/OPT
M	12B		Option Style		AMER, ASIA or EURO
M	12B		Option Type		CALL or PUTO
M	11A	DENO	Currency	Currency of Denomination	:4!c//3!a
M	98a	EXPI	Date	Expiry Date	A, B or C
M	90B	EXER	Price	Exercise Price	
M	36B	SIZE	Quantity	Quantity of Financial Instrument	UNIT
M1	35B			Quantity of Underlying Financial Instrument	/ISIN/
O	70E	FIAN	Narrative	FIA Narrative	
M	16S			End of Block	FIA
O	22F	PROC	Indicator	Open or Close Position	OPEP – Open Position CLOP – Close Position
M	16S			End of Block	TRADDET
Sequence C – Financial Instrument/Account (Mandatory/Repetitive)					
M	16R			Start of Block	FIAC
M	36B	SETT	Quantity	Quantity of Financial Instrument	UNIT
O	19A	SETT	Amount	Settlement Amount	
M	97a	SAFE	Account		B or A
M	16A				FIAC
Sequence E – Settlement Details (Mandatory)					
M	16R			Start of Block	SETDET
M	22F	SETR STCO STCO	Indicator		TRAD EXER ASGN
Sequence E1 – Settlement Parties (Mandatory/Repetitive)					
M	16R			Start of Block	SETPRTY
M	95a	PSET	Party		Q
M	16S			End of Block	SETPRTY
M	16R			Start of Block	SETPRTY
M	95R	BUYR/SELL	Party	Buyer or Seller	P, R or Q
M	16S			End of Block	SETPRTY
M	16R			Start of Block	SETPRTY
M	95R	DEAG/REAG	Party	Delivering/Receiving Agent	Same as BUYR/SELL
M	16S			End of Block	SETPRTY

Sequence E2 – Cash Parties (Optional/Repetitive)					
M	16R			Start of Block	CSHPRTY
M	95R	ACCW	Party	Account with Institution	R
M	16S			End of Block	CSHPRTY
M	16R			Start of Block	CSHPRTY
M	95a	BENM PAYE	Party	Beneficiary Paying Institution	P or Q
M	16S			End of Block	CSHPRTY
M	16R			Start of Block	CSHPRTY
M	97A	CASH	Account	Cash Account	A
M	16S			End of Block	CSHPRTY
Sequence E3 – Amounts (Mandatory/Repetitive)					
M	16R			Start of Block	AMT
O	19A	DEAL	Amount	Deal Amount	
M	16S			End of Block	AMT
M	16R			Start of Block	AMT
C	19A		Amount	Commission, Fees, Charges, Accrual as necessary.	
M	16S			End of Block	AMT
M	16R			Start of Block	AMT
M	19A	SETT	Amount	Settlement Amount	
M	16S			End of Block	AMT
M	16S			End of Block	SETDET

1 This field is a SR2006 field addition that will not be available until November 2006. The field is mandatory for OTC derivatives as an industry standard ticker is not available for field 35B, sequence B.

3.1.5   Sample Future Message Format – MT541

MT541	Comments	MT541 Cancel
:16R:GENL		
:20C::SEME//00000001		
:23G:NEWM		
:16S:GENL		
:16R:TRADDET		
:94B::TRAD//EXCH/XCBT		
:98A::SETT//20050919		
:98A::TRAD//20050916		
:90B::DEAL//ACTU/USD115,		
:35B:/TS/USZ5		
DEC 30YR BOND FUTURE		
:16R:FIA		
:12A::CLAS/ISIT/FUT		
:11A::DENO//USD		
:98A::EXPI//20051220		
:36B::SIZE//UNIT/100000,		
:16S:FIA		
:22F::PROC//OPEP		
:16S:TRADDET		
:16R:FIAC		
:36B::SETT//UNIT/875,		
:97A::SAFE//ACCOUNT		
:16S:FIAC		
:16R:SETDET		
:22F::SETR//TRAD		
:16R:SETPRTY		
:95Q::PSET//XX		
:16S:SETPRTY		
:16R:SETPRTY		
:95R::DEAG/DTCYID/00001234		
:16S:SETPRTY		
:16R:SETPRTY		
:95R::SELL/DTCYID/00001234		
:16S:SETPRTY		
:16R:AMT		
:19A::SETT//USD1925,00		
:16S:AMT		
:16R:AMT		
:19A::DEAL//USD0,00		
:16S:AMT		
:16R:AMT		
:19A::EXEC//USD1925,00		
:16S:AMT		
:16S:SETDET		

3.1.6   Sample Option Message Format – MT543

MT543	Comments	MT543 Cancel

:16R:GENL
:20C::SEME//00000002
:23G:NEWM
:16S:GENL
:16R:TRADDET
:94B::TRAD//EXCH/XCBT
:98A::SETT//20050919
:98A::TRAD//20050916
:90B::DEAL//ACTU/USD0,6
:35B:/TS/TYZ5P
DEC TY P   110
:16R:FIA
:12A::CLAS/ISIT/OPT
:12B::OPST//AMER
:12B::OPTI//PUTO
:11A::DENO//USD
:98A::EXPI//20051122
:90B::EXER//ACTU/USD110,
:36B::SIZE//UNIT/1000,
:16S:FIA
:22F::PROC//OPEP
:16S:TRADDET
:16R:FIAC
:36B::SETT//UNIT/9,
:97A::SAFE//ACCOUNT
:16S:FIAC
:16R:SETDET
:22F::SETR//TRAD
:16R:SETPRTY
:95Q::PSET//XX
:16S:SETPRTY
:16R:SETPRTY
:95R::REAG/DTCYID/00001234
:16S:SETPRTY
:16R:SETPRTY
:95R::BUYR/DTCYID/00001234
:16S:SETPRTY
:16R:AMT
:19A::SETT//USD5374,80
:16S:AMT
:16R:AMT
:19A::DEAL//USD5400,00
:16S:AMT
:16R:AMT
:19A::EXEC//USD25,20
:16S:AMT
:16S:SETDET

3.1.7 Sample Option Message Format with SPO Charge – MT541

MT541	Comments	MT541 Cancel
:16R:GENL		
:20C::SEME//LISTEDEQOPTION		
:23G:NEWM		
:16S:GENL		
:16R:TRADDET		
:98A::SETT//20060309		
:98A::TRAD//20060308		
:90B::DEAL//ACTU/USD0,55000000		
:35B:/TS/C+DW		
APR C C 47.50		
:16R:FIA		
:12A::CLAS/ISIT/OPT		
:12B::OPST//AMER		
:12B::OPTI//CALL		
:11A::DENO//USD		
:98A::EXPI//20060422		
:90B::EXER//ACTU/USD47,50000000		
:36B::SIZE//UNIT/100,		
:16S:FIA		
:22F::PROC//OPEP		
:16S:TRADDET		
:16R:FIAC		
:36B::SETT//UNIT/100,0000		
:97A::SAFE//ACCOUNT		
:16S:FIAC		
:16R:SETDET		
:22F::SETR//TRAD		
:16R:SETPRTY		
:95Q::PSET//XX		
:16S:SETPRTY		
:16R:SETPRTY		
:95R::DEAG/DTCYID/00001234		
:16S:SETPRTY		
:16R:SETPRTY		
:95R::SELL/DTCYID/00001234		
:16S:SETPRTY		
:16R:CSHPRTY		
:95R::ACCW/DTCYID/00000950		
:16S:CSHPRTY		
:16R:CSHPRTY		
:95Q::BENM//TEST BROKER		
:97A::CASH//12345678		
:16S:CSHPRTY		
:16R:AMT		
:19A::SETT//USD5650,00		
:16S:AMT		
:16R:AMT		
:19A::DEAL//USD5500,00		

```
:16S:AMT
:16R:AMT
:19A::EXEC//USD150,00
:16S:AMT
:16S:SETDET
```

3.1.8   Sample Option Message Format with SPO Charge – MT541

MT541	Comments	MT541 Cancel
:16R:GENL		
:20C::SEME//OTCEQOPTION		
:23G:NEWM		
:16S:GENL		
:16R:TRADDET		
:94B::TRAD//OTCO		
:98A::SETT//20060308		
:98A::TRAD//20060307		
:90B::DEAL//ACTU/USD0,45000000		
:35B:/XX/T.OTC		
APR06 T C 28.50		
	Underlying Sec. ID should be populated in FIA Seq. for SR2006	
/AUID/ISIN US00206R1023		
/AUDE/AT T INC		
:16R:FIA		
:12A::CLAS/ISIT/OPT		
:12B::OPST//EURO		
:12B::OPTI//CALL		
:11A::DENO//USD		
:98A::EXPI//20060421		
:90B::EXER//ACTU/USD28,50000000		
:36B::SIZE//UNIT/1,		
:35B:/ISIN/US00206R1023	New 2006 field to populate the Underlying Sec. ID	
AT T INC		
:16S:FIA		
:16S:TRADDET		
:16R:FIAC		
:36B::SETT//UNIT/10000,0000		
:97A::SAFE//ACCOUNT		
:16S:FIAC		
:16R:SETDET		
:22F::SETR//TRAD		
:16R:SETPRTY		
:95Q::PSET//XX		
:16S:SETPRTY		
:16R:SETPRTY		
:95R::DEAG/DTCYID/00001234		
:16S:SETPRTY		
:16R:SETPRTY		
:95R::SELL/DTCYID/00001234		
:16S:SETPRTY		

```
:16R:CSHPRTY
:95R::ACCW/USFW/071000013
:16S:CSHPRTY
:16R:CSHPRTY
:95Q::BENM//TEST BROKER
:97A::CASH//1234567
:16S:CSHPRTY
:16R:AMT
:19A::SETT//USD4500,00
:16S:AMT
:16R:AMT
:19A::DEAL//USD4500,00
:16S:AMT
:16S:SETDET
```

3.2 Issues

Issues that have been identified by the US National Market Practice Group (ISITC-IOA) regarding the settlement and confirmation of Futures and Options are listed below.

#	Issue
1	Futures and options variation margin remains to be analyzed and the market practice documented
2	Collateral on US Equity Option Calls
3	Option Expiry remains to be analyzed and market practice documented.
4	Exotic Options remains to be analyzed and market practice documented.
5	Forwards remains to be analyzed and the market practice documented

3.3 Negative Price Workaround

During Spring, 2020 some commodity based futures began trading with negative prices in addition to a new California Carbon future which purposely trades with negative prices. Given the timelines with updates to SWIFT messaging the earliest possible date that negative prices within 90B::DEAL//ACTU/N field can be supported is November 2021.

To that end, as an interim workaround, both the Derivatives and Settlements working groups have endorsed the following format to identify negative price traded futures:

```
:16R:GENL
:20C::SEME//123456789
:23G:NEWM
:16S:GENL
:16R:TRADDET
:98A::SETT//20200421
:98A::TRAD//20200420
```
:90B::DEAL//ACTU/USD5,3 ───────── Omit field entirely to avoid confusion

```
:35B:/TS/AGDK20
FIN FUT DTD BRT-BRT LIN SWP ICE 05-
//29-20
:16R:FIA
:12A::CLAS/ISIT/FUT
:11A::DENO//USD
:98A::EXPI//20200530
:36B::SIZE//UNIT/1000,
:16S:FIA
:22F::PROC//CLOP
:70E::SPRO//NEGP//DEAL/ACTU/NUSD5,3
:16S:TRADDET
:16R:FIAC
:36B::SETT//UNIT/6,
:97A::SAFE//ABCD
:16S:FIAC
:16R:SETDET
:22F::SETR//TRAD
:22F::STCO//SPDL
:16R:SETPRTY
:95Q::PSET//XX
:16S:SETPRTY
:16R:SETPRTY
:95P::REAG/ABCDUS33XXX
:16S:SETPRTY
:16R:SETPRTY
:95P::BUYR//ABCDUS33XXX
:16S:SETPRTY
:16R:AMT
:19A::DEAL//USD31800,
:16S:AMT
:16R:AMT
:19A::EXEC//USD10,14
:16S:AMT
:16R:AMT
:19A::SETT//USD10,14
:16S:AMT
```