# TNDP Market Practice Document – Questions

The first set of questions below relate only to the announcement of 871(m) Dividend Equivalent Payment events using the TNDP Event Type.

1. Can we please have an example of an 871(m) Dividend Equivalent Payment (DEP) TNDP event in MT564 format? The example in the document is in ISO 20022 only.
2. Please could the example be a current example?



1. What should the CAEP (Corporate Action Event Processing) Indicator be set as? GENL (general) or DISN (distribution)? DISN
2. The DEP is announced on the equity-linked derivative instrument. I assume that the TNDP event will also be announced on the equity-linked instrument, and not on the underlying equity. Is this correct? The TNDP event is the announcement of the DEP.
3. If the above is true, does the MT564 message need to be linked to the relevant dividend on the underlying? And how should this be shown? Linkage should be provided to the cash dividend if available with the COAF provided
4. If the equity-linked instrument has no ISIN, how should the security best be identified?

871m on the MT564 or MT566 when tied to a corporate action payment and not recommended for derivatives or options. In the US this is mainly on Exchange Traded Notes linked to common stock. Needs to be triggered by another corporate action event that has a Dep IMPACT

1. How should the field containing the Data Source Scheme (for 871(m)) be formatted? :22F::TNDP/SMPG/US01?
2. “Dividend Equivalent Payment (DEP) under Section 871(m) of the Internal Revenue Code and its associated US Treasury Regulations “(Section 871(m))” effectively impose withholding tax on NON RESDENT ALIENS HOHLDING certain structured or exchange traded notes where there is an equity-linked instruments (“ELIs”) that triggers a dividend payment.”

Please can this sentence from the document be clarified? Should it be “…..non-US people that hold…….”

The following question relates to the Australian Market Practice for attribution managed investment trusts.

1. The example which was given for AUS was incorrect in the format, there is no :92D::DEIT//0.13, - defined in the SWIFT Manual in (Cashmove) subsequence E2, the example needs to be corrected, would expect to see use of the available formats of A,F,J, K or R as assigned, so for example

92J:DEEM//DEIT/0.13,

OR

92K:DEEM//UKWN