



SETTLEMENT AND ISO 15022  
STANDARDS:

ICSD (Euroclear Bank / Clearestream Banking)  
MARKET PRACTICE

*Issued on behalf of the ICSD Market Practice Group*

**June 2002**

# ICSD Market Practice Templates for Settlement

## 1 Introduction

This document refers to equities and fixed income vanilla trades in a custody environment.

Changes to previous version (in dark blue)		
Addition	Euroclear and Clearstream code format scheme added	Page 1

## 2 The Needed Elements

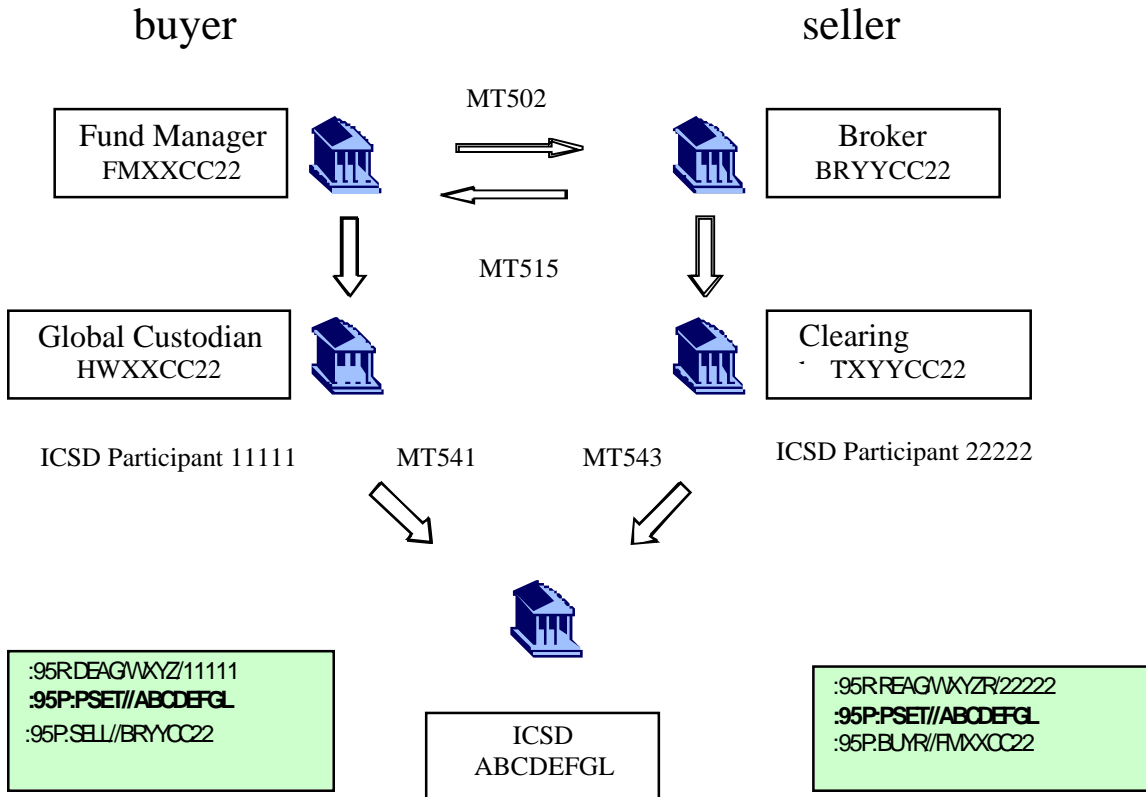
EURO-Bond Market	
Business element name	Data Content Format
Sender's Message Reference	16x
Settlement Date	8!n
Trade Date	8!n
Identification of Financial Instrument	ISIN1!e12!c
Quantity of Financial Instrument to be settled	4!c/15d with 4!c = UNIT for equities 4!c = FAMT for fixed income
Safekeeping account to be credited or debited	35x
<b>Delivering or Receiving agent</b>	<b>Clearstream Banking or Euroclear Bank code (1)</b>
<b>Client of Delivering or Receiving agent</b>	<b>BIC (2)</b>
<b>Place of settlement (see specifics)</b>	<b>BIC (3)-(4)</b>
Settlement Amount (including currency)	3!a15d

### 2.1 Specifics

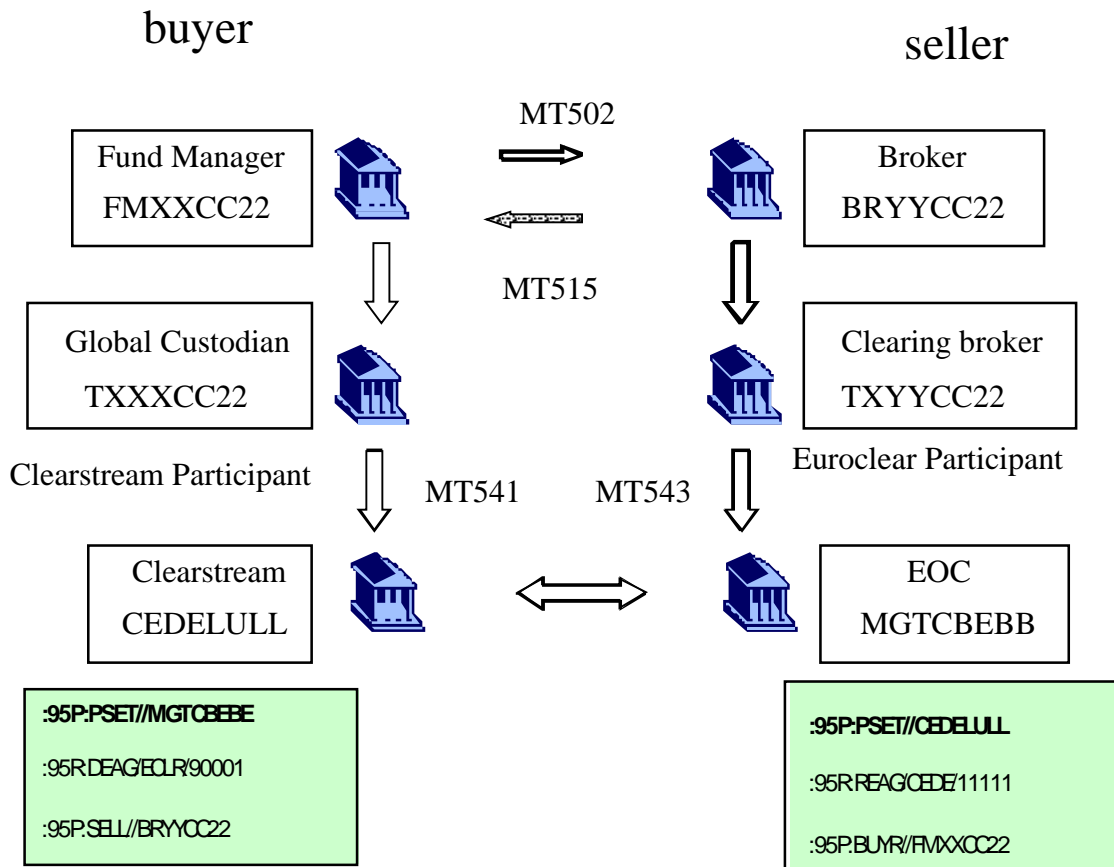
To settle equities or fixed income securities in the Eurobond market (through the ICSDs: Clearstream Banking and Euroclear Bank) the Common List of Data Elements needs to be used, plus:

1. The Delivering or Receiving agent is to be specified with its Clearstream Banking or Euroclear Bank code. The local code format scheme is: 5n (5 digits)
2. The Client of the DEAG/REAG is to be specified with a BIC whenever possible

3. For internal settlement the place of settlement (PSET) needs to be specified:
  - When instructing Euroclear Bank for settlement with other Euroclear Bank participants: PSET = MGTCBEBE[ECL] (BIC for Euroclear Bank)
  - When instructing Clearstream Banking for settlement with other Clearstream Banking participants: PSET = CEDELULL (BIC for Clearstream Banking)

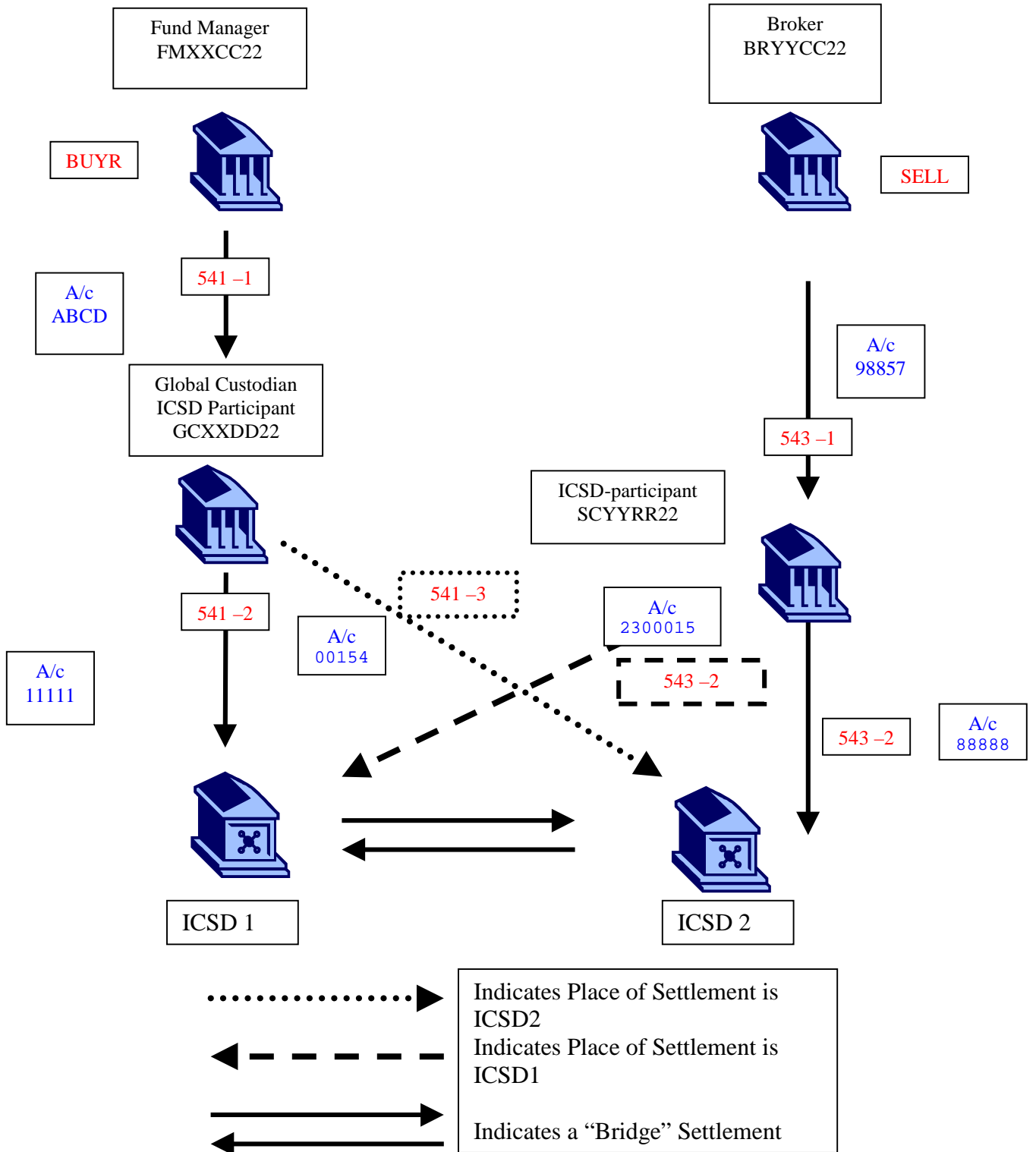


4. For bridge settlement the place of settlement needs to be specified as follows:
- When instructing Euroclear Bank for a receipt from a Clearstream Banking participant: PSET is CEDELULL (BIC for Clearstream Banking) and Clearstream Banking participant is in DEAG.
  - When instructing Clearstream Banking for a receipt from a Euroclear Bank participant: PSET is MGTCBEBE[ECL] (BIC for Euroclear Bank) and Euroclear Bank participant is in DEAG.
  - When instructing Euroclear Bank for a delivery to a Clearstream Banking participant: PSET is CEDELULL (BIC for Clearstream Banking) and the Clearstream Banking participant is in REAG.
  - When instructing Clearstream Banking for a delivery to a Euroclear Bank participant: PSET is MGTCBEBE[ECL] (BIC for Euroclear Bank) and the Euroclear Bank participant is in REAG.



### 3 Generic flows

Taking into account the specificity of the Eurobond market, the generic flow is as follows:



#### 4 Description of the common elements used :

- Securities used: XS0123456789
- Parties and safekeeping accounts relationships as follows :

fund manager	FMXXCC22	fictional Bank Identifier Code (BIC)
	ABCD	fictional account with its global custodian
broker	BRYYCC22	fictional Bank Identifier Code (BIC)
	99857	fictional account with its local agent
global custodian	GCXXDD22	fictional Bank Identifier Code (BIC)
	00154	fictional account with ICSD 2
	11111	fictional account with ICSD 1
Broker local agent (1)	SCXXRR22	fictional Bank Identifier Code (BIC)
	22222	fictional account with ICSD 1
	88888	fictional account with ICSD 2
ICSD 1		MGTCBEBE
ICSD 2		CEDELULL

- Trade Date is : 01 March 2005
- Settlement Date is : 04 March 2005
- Settlement amount is : EUR300000,
- Sender's Reference is : 21324

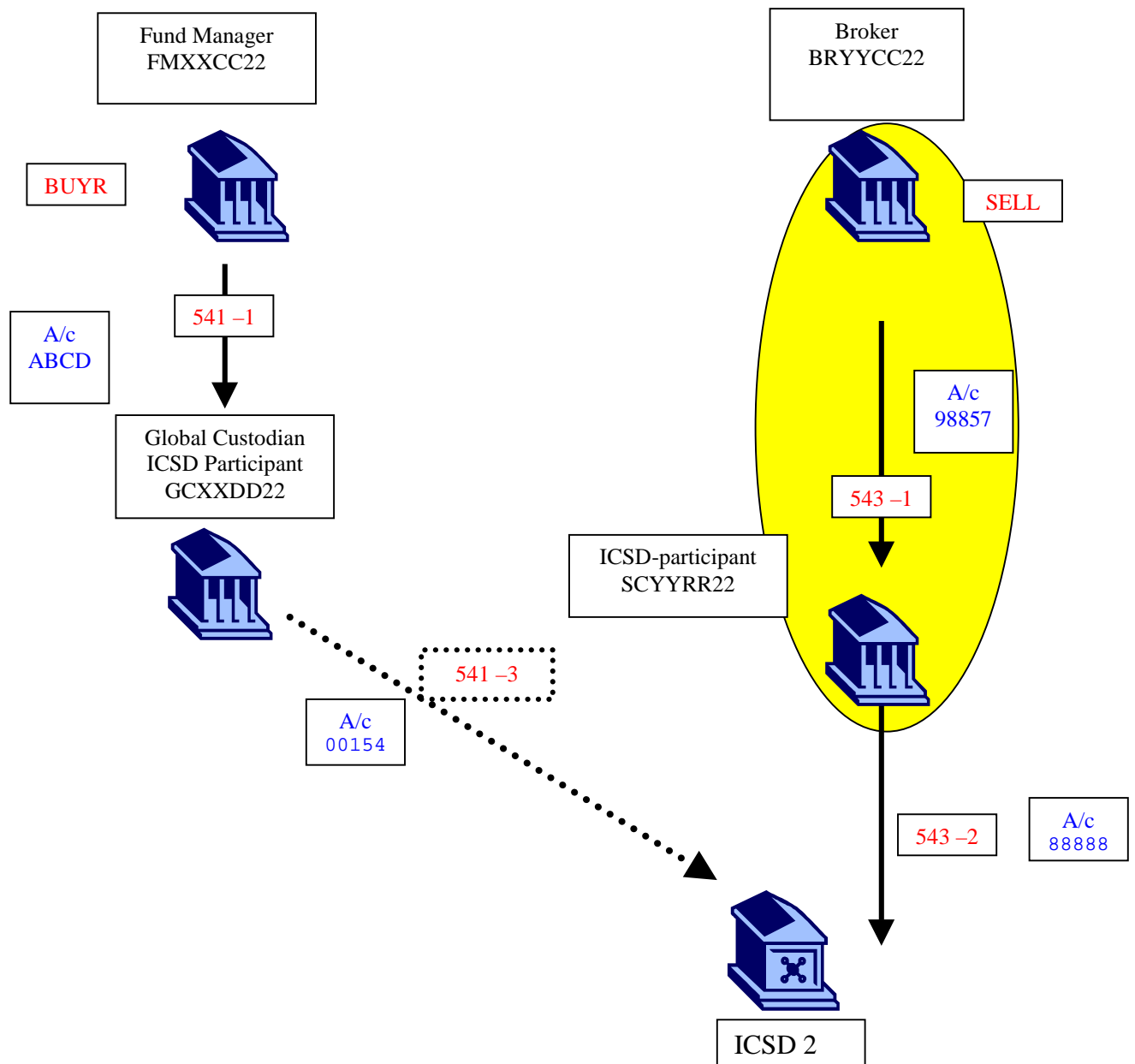
Detailed Field Name	Data Field Content	Example
Start of block	GENL	:16R:GENL
Sender's Reference	16x	:20C::SEME//21324
Function of the message	4!c	:23G:NEWM
End of block	GENL	:16S:GENL
Start of block	TRADDET	:16R:TRADDET
Settlement Date	8!n	:98A::SETT//20050304
Trade Date	8!n	:98A::TRAD//20050301
Identification of the Financial Instruments	ISIN1!e12!c	:35B:ISIN XS0123456789
End of block	TRADDET	:16S:TRADDET
Start of block	FIAC	:16R:FIAC
Quantity of Financial Instrument	4!c/15d	:36B::SETT//xxxx/15000,
Safekeeping Account	35x	:97A::SAFE//xxxxxxxxxxx
End of block	FIAC	:16S:FIAC
Start of block	SETDET	:16R:SETDET
Settlement Transaction Type Indicator	4!a	:22F::SETR//TRAD
IDENTIFICATION OF PARTIES OF ACCOUNTS	WILL VARY	ACCORDING TO THE SETTLEMENT CHAIN
Start of block	AMT	:16R:AMT
Settlement amount	3!c15d	:19A::SETT//EUR300000,
End of block	AMT	:16S:AMT
End of block	SETDET	:16S:SETDET

## 5 ICSD scenarios :

### 5.1 Scenario 1 : Internal Clearstream Banking (ICSD2) Settlement

#### A. Message 1 - 543 (1)

Message Name	MT 543 - Deliver Against Payment
Sender	Broker - BRYYCC22
Receiver	Broker agent - SCYYRR22
Instrument	Bonds - 15000,
Settlement	vs payment

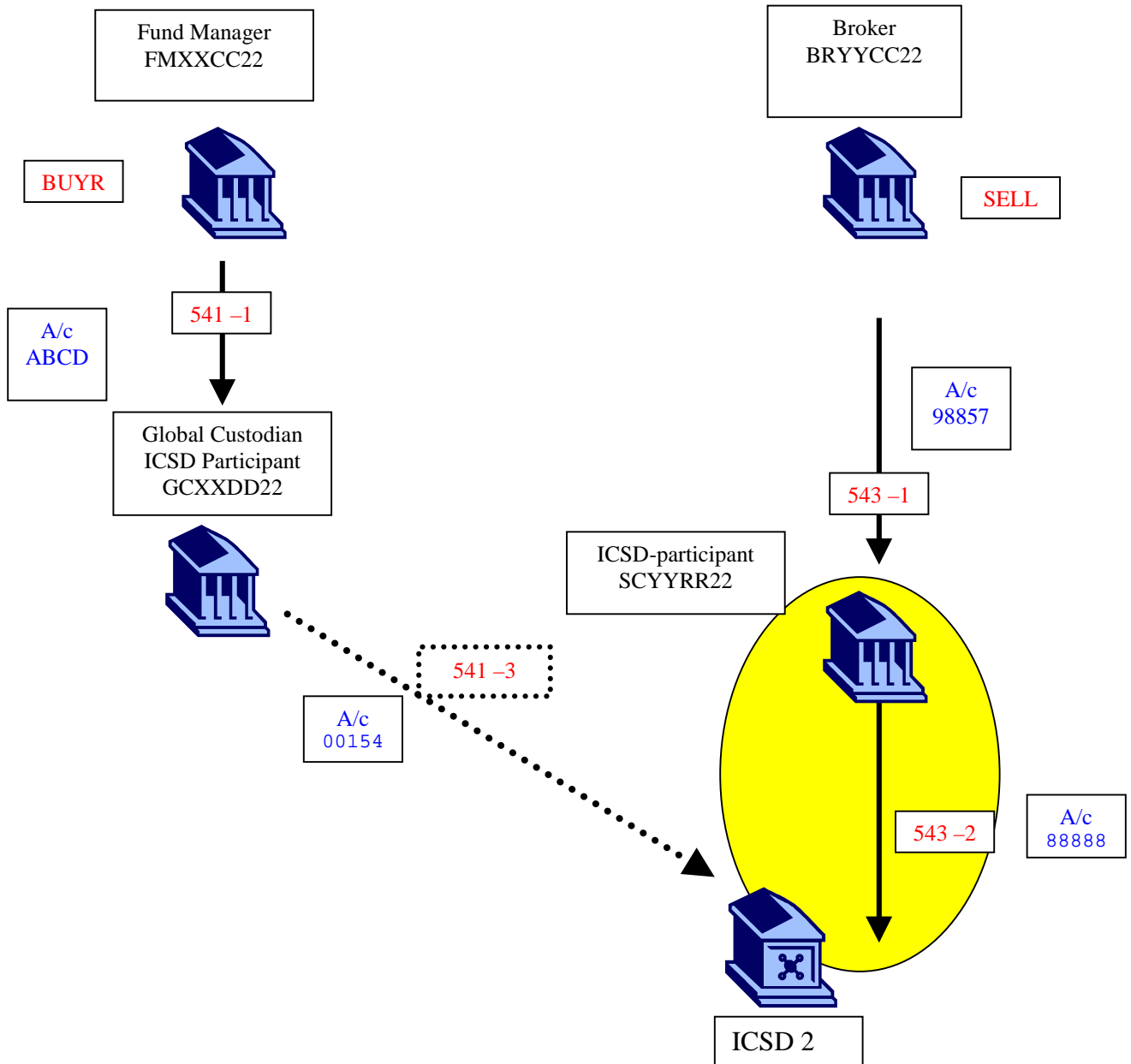




Detailed Field Name	Data Field Content	Example
Start of block	FIAC	:16R:FIAC
Quantity of Financial Instrument	4!c/15d	:36B::SETT//FAMT/15000,
Safekeeping Account	35x	:97A::SAFE//98857
End of block	FIAC	:16S:FIAC
Start of block	SETPRTY	:16S:SETPRTY
Party (Receiving agent)	34x (preceded by Data Source Scheme)	:95R::REAG/CEDE/00154
End of block	SETPRTY	:16S:SETPRTY
Start of block	SETPRTY	:16R:SETPRTY
Place of Settlement	BIC	:95P::PSET//CEDELULL
End of block	SETPRTY	:16S:SETPRTY
Start of block	SETPRTY	:16R:SETPRTY
Party (Buyer)	BIC	:95P::BUYR//FMXXCC22
End of block	SETPRTY	:16S:SETPRTY

*B. Message 2 – 543 (2)*

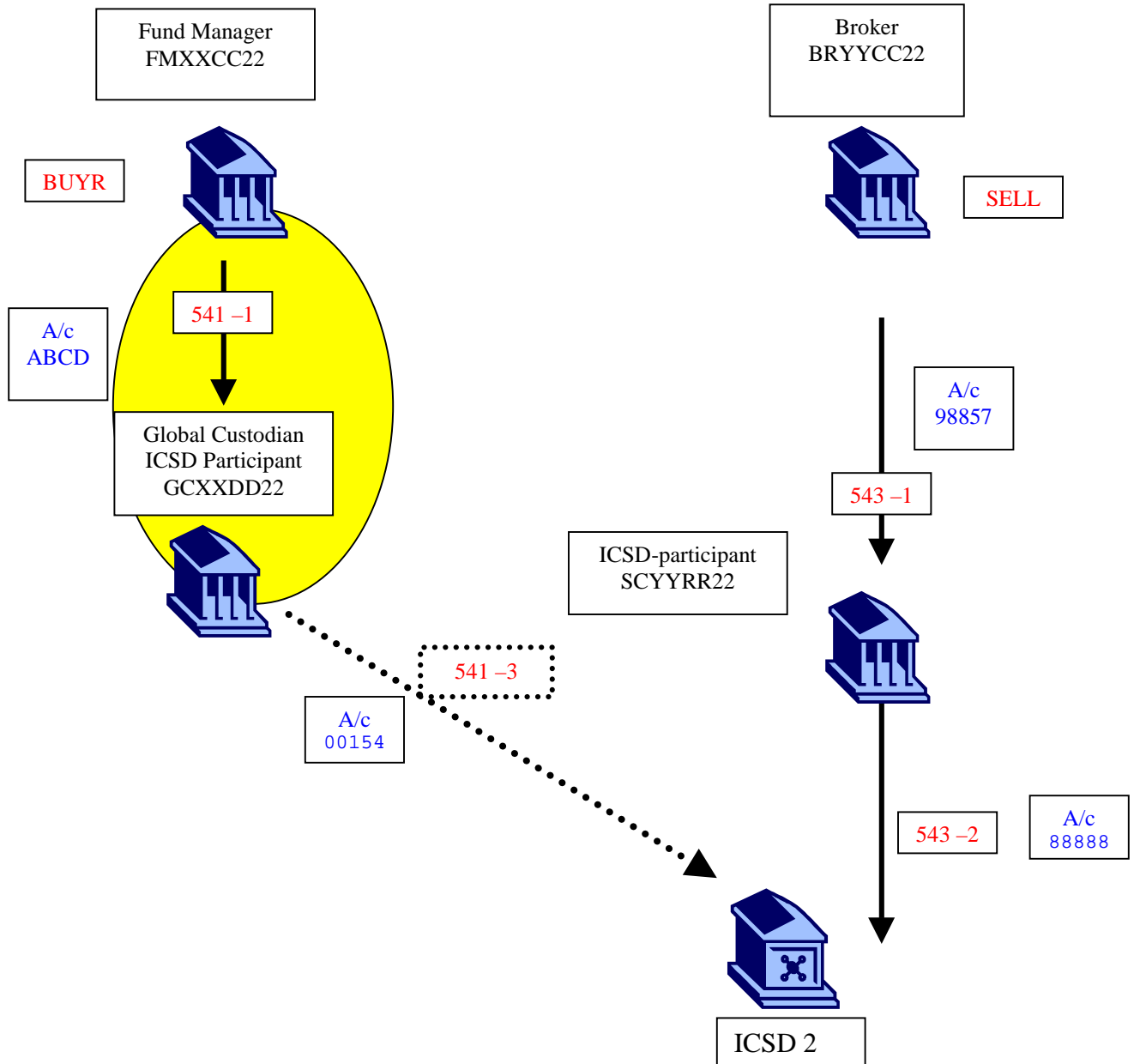
Message Name	MT 543 - Deliver Against Payment
Sender	Broker local agent - SCYYRR22
Receiver	ICSD2 - CEDELULL
Instrument	Bonds
Settlement	vs payment



Detailed Field Name	Data Field Content	Example
Start of block	FIAC	:16R:FIAC
Quantity of Financial Instrument	4!c/15d	:36B::SETT//FAMT/15000,
Safekeeping Account	35x	:97A::SAFE//8888
End of block	FIAC	:16S:FIAC
Start of block	SETPRTY	:16S:SETPRTY
Party (receiving agent)	34x (preceded by Data Source Scheme)	:95R::REAG/CEDE/00154
End of block	SETPRTY	:16S:SETPRTY
Start of block	SETPRTY	:16R:SETPRTY
Place of Settlement	BIC	:95P::PSET//CEDELULL
End of block	SETPRTY	:16S:SETPRTY
Start of block	SETPRTY	:16R:SETPRTY
Party (Buyer)	BIC	:95P::BUYR//FMXXCC22
End of block	SETPRTY	:16S:SETPRTY
Start of block	SETPRTY	:16R:SETPRTY
Party (Seller)	BIC	:95P::SELL//BEYYCC22
End of block	SETPRTY	:16S:SETPRTY

C. message 3 – 541 (1)

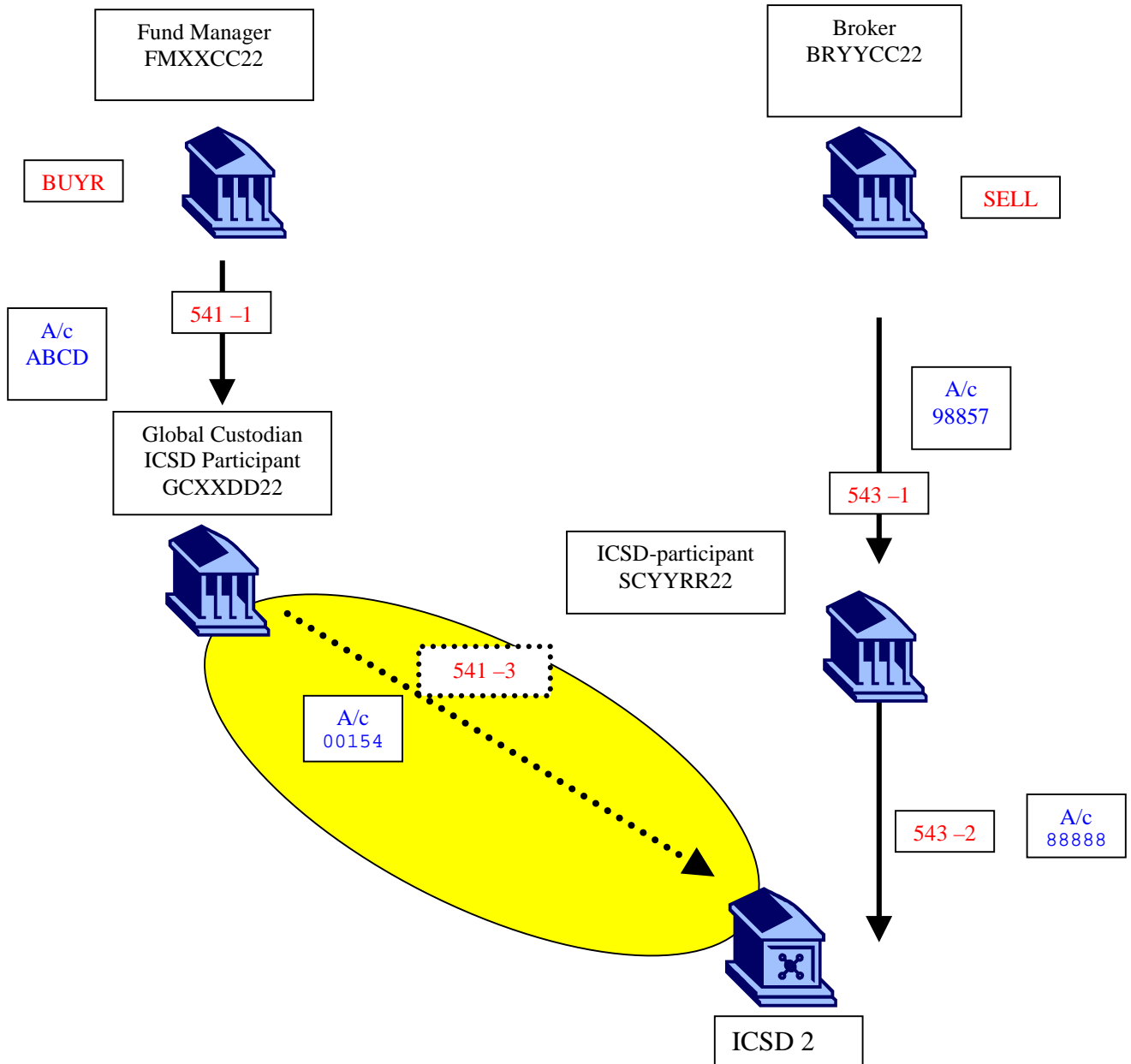
Message Name	MT 541 - Receive Against Payment
Sender	Fund Manager (buyer) - FMXXCC22
Receiver	Global Custodian - GCXXDD22
Instrument	bonds
Settlement	vs payment



Detailed Field Name	Data Field Content	Example
Start of block	FIAC	:16R:FIAC
Quantity of Financial Instrument	4!c/15d	:36B::SETT//FAMT/15000,
Safekeeping Account	35x	:97A::SAFE//ABCD
End of block	FIAC	:16S:FIAC
Start of block	SETPRTY	:16S:SETPRTY
Party (Delivering agent)	34x (preceded by Data Source Scheme)	:95R::DEAG/CEDE/88888
End of block	SETPRTY	:16S:SETPRTY
Start of block	SETPRTY	:16R:SETPRTY
Party (Seller)	BIC	:95P::SELL//BRYYCC22
End of block	SETPRTY	:16S:SETPRTY
Start of block	SETPRTY	:16R:SETPRTY
Place of Settlement	BIC	:95P::PSET//CEDELULL
End of block	SETPRTY	:16S:SETPRTY

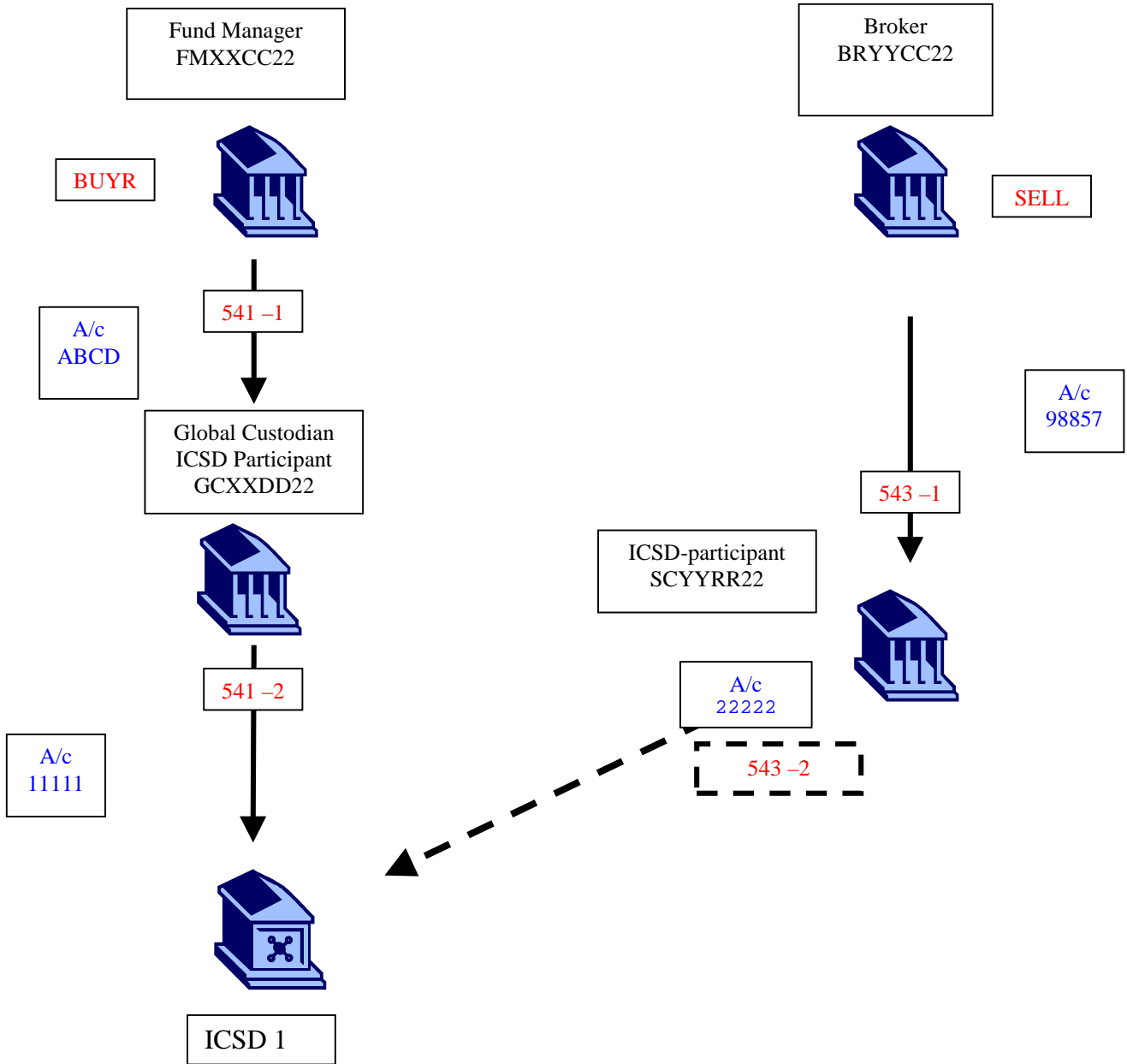
*D. Message 4 – 541 (2)*

Message Name	MT 541 - Receive Against Payment
Sender	Global Custodian - GCXXDD22
Receiver	ICSD2 - CEDELULL
Instrument	bonds
Settlement	vs payment



Detailed Field Name	Data Field Content	Example
Start of block	FIAC	:16R:FIAC
Quantity of Financial Instrument	4!c/15d	:36B::SETT//FAMT/15000,
Safekeeping Account	35x	:97A::SAFE//00154
End of block	FIAC	:16S:FIAC
Start of block	SETPRTY	:16S:SETPRTY
Party (Delivering agent)	34x (preceded by Data Source Scheme)	:95R::DEAG/CEDE/88888
End of block	SETPRTY	:16S:SETPRTY
Start of block	SETPRTY	:16R:SETPRTY
Party (Seller)	BIC	:95P::SELL//BRYXCC22
End of block	SETPRTY	:16S:SETPRTY
Start of block	SETPRTY	:16R:SETPRTY
Place of Settlement	BIC	:95P::PSET//CEDELULL
End of block	SETPRTY	:16S:SETPRTY
Start of block	SETPRTY	:16R:SETPRTY
Party (Buyer)	BIC	:95P::BUYR//FMXXCC22
End of block	SETPRTY	:16S:SETPRTY

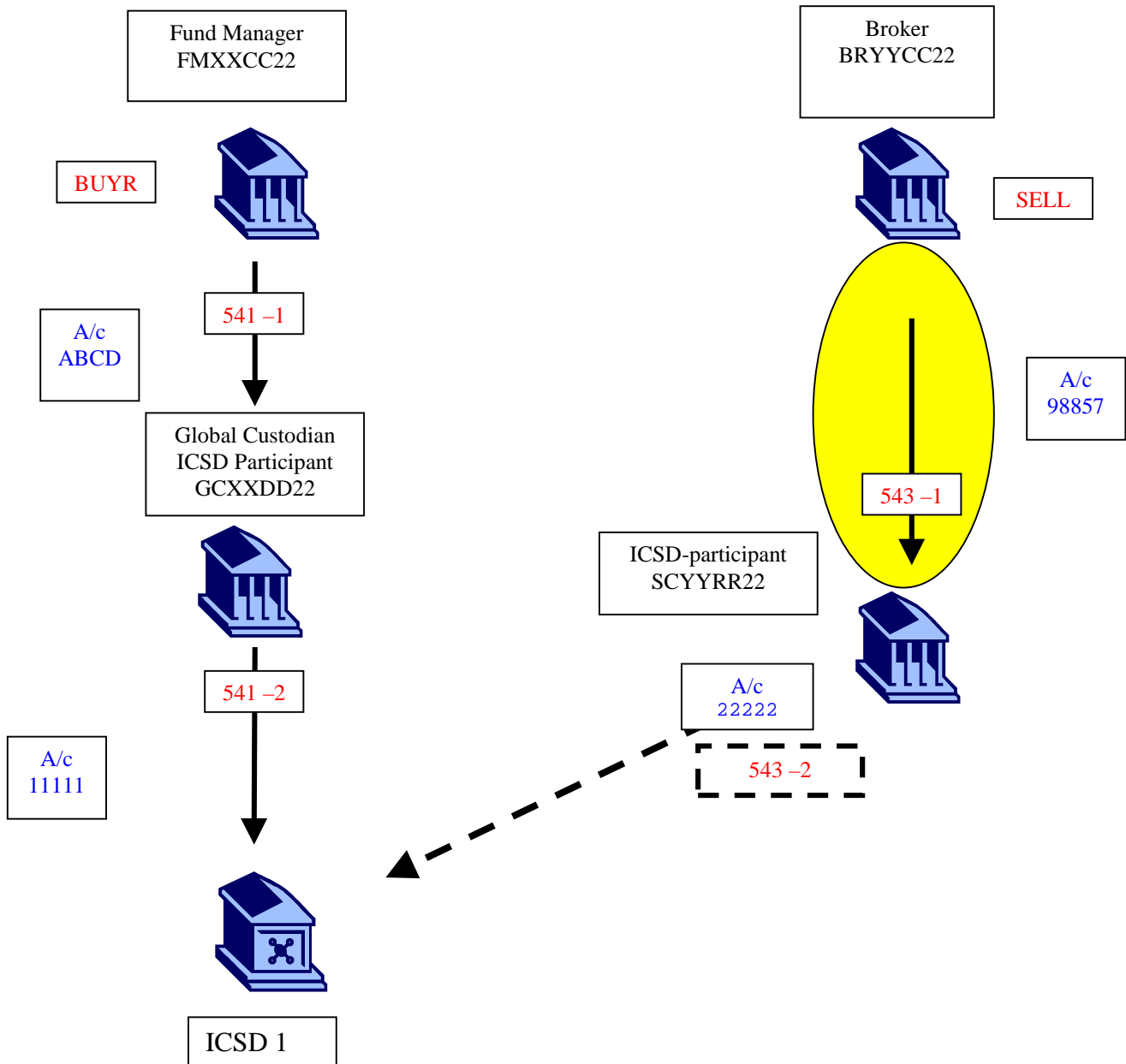
5.2 Scenario 2 : Internal Euroclear Bank (ICSD1) settlement





A. Message 1 - 543 (1)

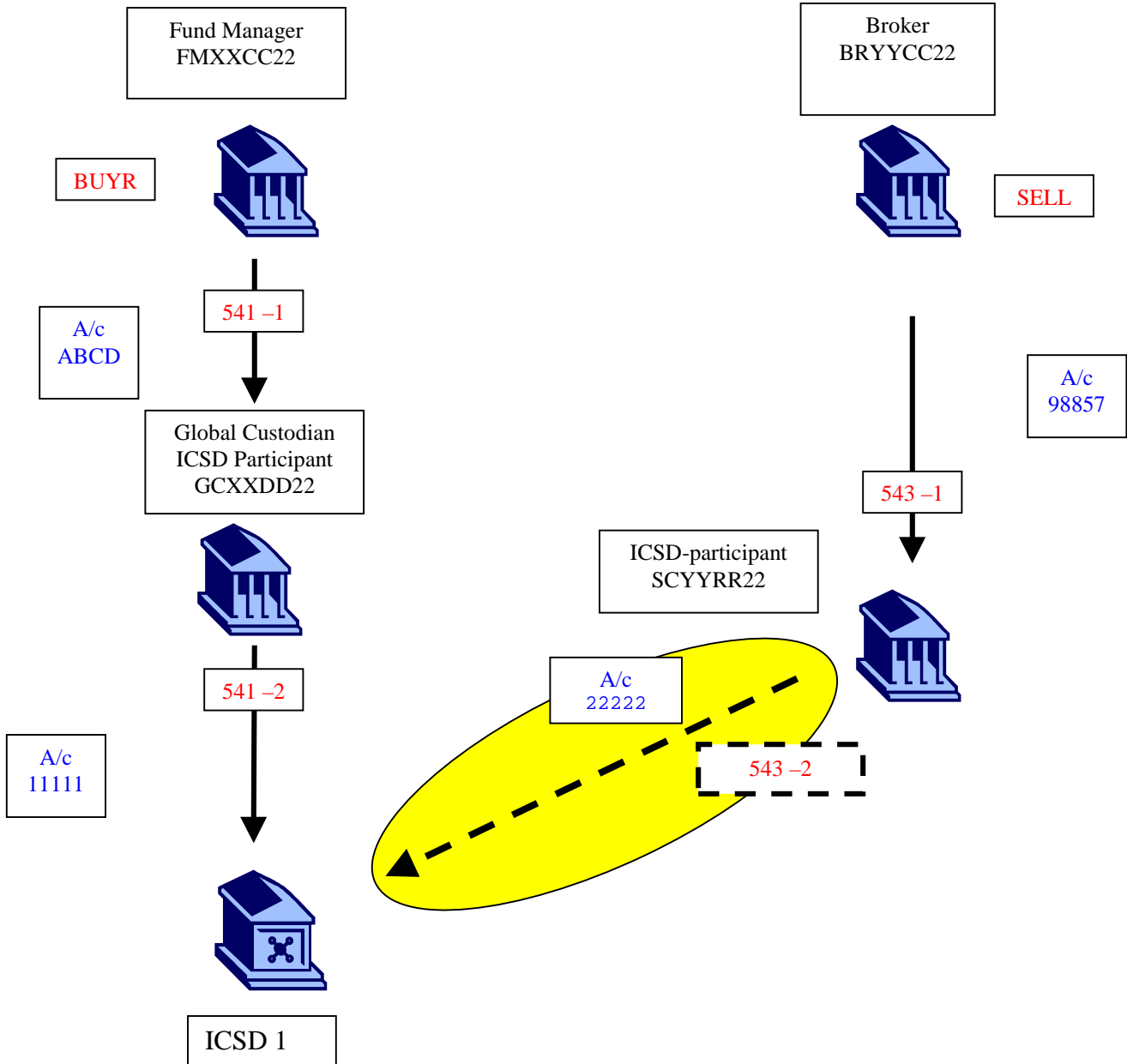
Message Name	MT 543 - Deliver Against Payment
Sender	Broker - BRYYCC22
Receiver	Broker agent - SCYRR22
Instrument	Bonds - 15000,
Settlement	vs payment



Detailed Field Name	Data Field Content	Example
Start of block	FIAC	:16R:FIAC
Quantity of Financial Instrument	4!c/15d	:36B::SETT//FAMT/15000,
Safekeeping Account	35x	:97A::SAFE//98857
End of block	FIAC	:16S:FIAC
Start of block	SETPRTY	:16S:SETPRTY
Party (Receiving agent)	34x (preceded by Data Source Scheme)	:95R::REAG/ECLR/11111
End of block	SETPRTY	:16S:SETPRTY
Start of block	SETPRTY	:16R:SETPRTY
Place of Settlement	BIC	:95P::PSET//MGTCBEBE
End of block	SETPRTY	:16S:SETPRTY
Start of block	SETPRTY	:16R:SETPRTY
Party (Buyer)	BIC	:95P::BUYR//FMXXCC22
End of block	SETPRTY	:16S:SETPRTY

**B. Message 2 – 543 (2)**

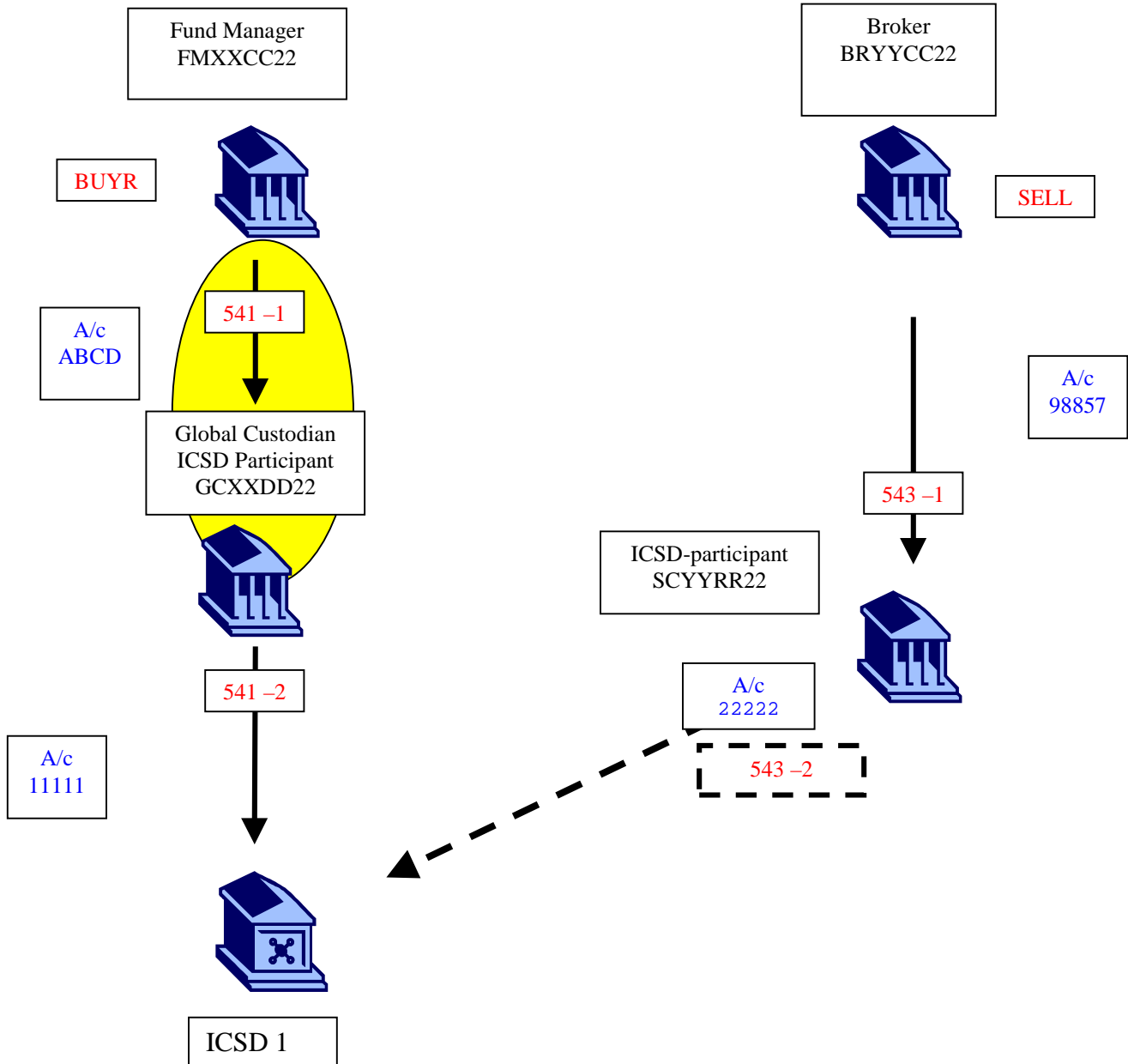
Message Name	MT 543 - Deliver Against Payment
Sender	Broker local agent - SCYYRR22
Receiver	ICSD1 - MGTCBEBB
Instrument	Bonds
Settlement	vs payment



Detailed Field Name	Data Field Content	Example
Start of block	FIAC	:16R:FIAC
Quantity of Financial Instrument	4!c/15d	:36B::SETT//FAMT/15000,
Safekeeping Account	35x	:97A::SAFE//22222
End of block	FIAC	:16S:FIAC
Start of block	SETPRTY	:16S:SETPRTY
Party (Receiving agent)	34x (preceded by Data Source Scheme)	:95R::REAG/ECLR/11111
End of block	SETPRTY	:16S:SETPRTY
Start of block	SETPRTY	:16R:SETPRTY
Place of Settlement	BIC	:95P::PSET//MGTCBEBE
End of block	SETPRTY	:16S:SETPRTY
Start of block	SETPRTY	:16R:SETPRTY
Party (Buyer)	BIC	:95P::BUYR//FMXXCC22
End of block	SETPRTY	:16S:SETPRTY
Start of block	SETPRTY	:16R:SETPRTY
Party (Seller)	BIC	:95P::SELL//BRYYCC22
End of block	SETPRTY	:16S:SETPRTY

C. message 3 – 541 (1)

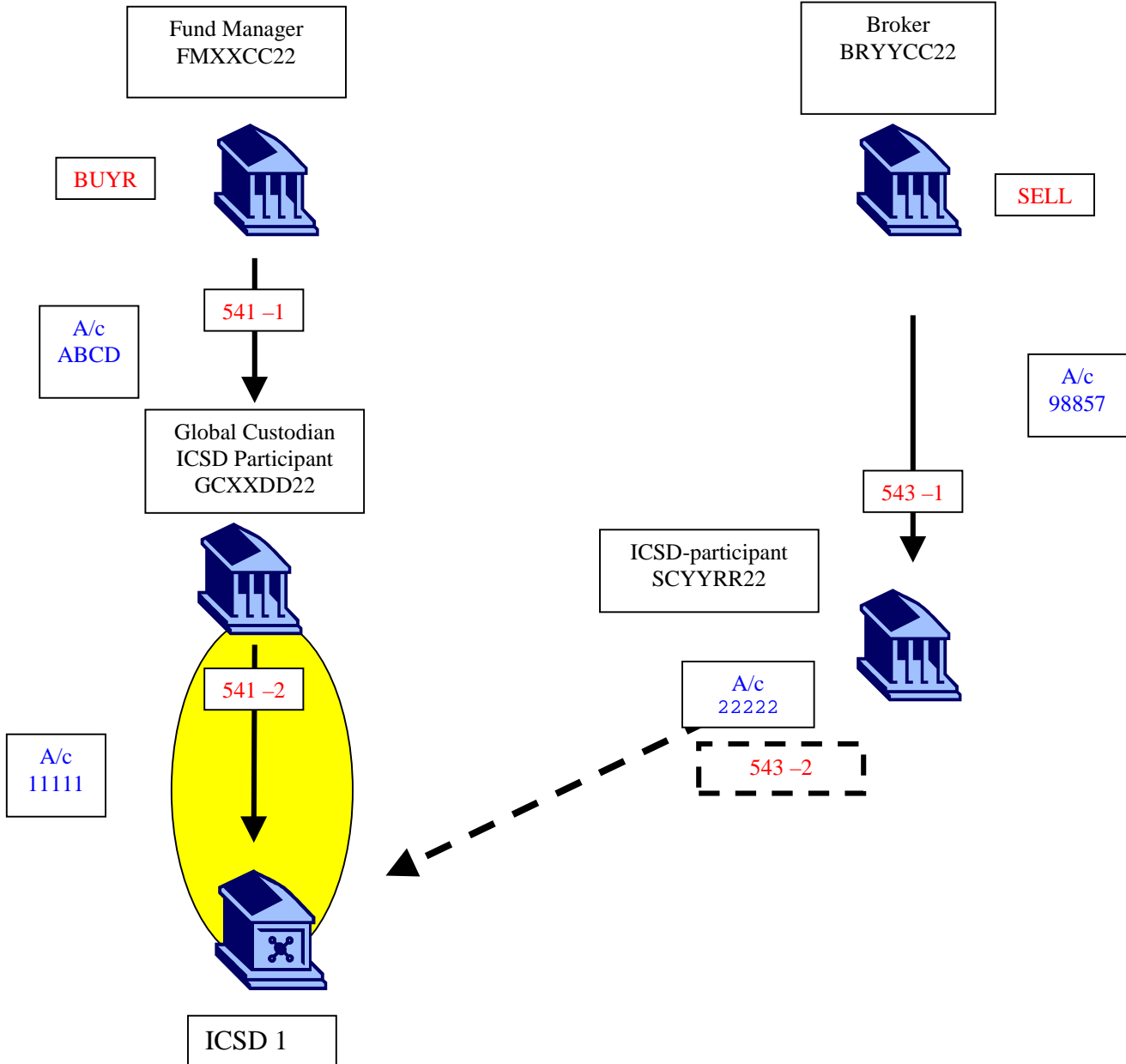
Message Name	MT 541 - Receive Against Payment
Sender	Fund Manager (buyer) - FMXXCC22
Receiver	Global Custodian - GCXXDD22
Instrument	bonds
Settlement	vs payment



Detailed Field Name	Data Field Content	Example
Start of block	FIAC	:16R:FIAC
Quantity of Financial Instrument	4!c/15d	:36B::SETT//FAMT/15000,
Safekeeping Account	35x	:97A::SAFE//ABCD
End of block	FIAC	:16S:FIAC
Start of block	SETPRTY	:16S:SETPRTY
Party (Delivering agent)	34x (preceded by Data Source Scheme)	:95R::DEAG/ECLR/22222
End of block	SETPRTY	:16S:SETPRTY
Start of block	SETPRTY	:16R:SETPRTY
Party (Seller)	BIC	:95P::SELL//BRYCC22
End of block	SETPRTY	:16S:SETPRTY
Start of block	SETPRTY	:16R:SETPRTY
Place of Settlement	BIC	:95P::PSET//MGTCBEBE
End of block	SETPRTY	:16S:SETPRTY

*D. Message 4 – 541 (2)*

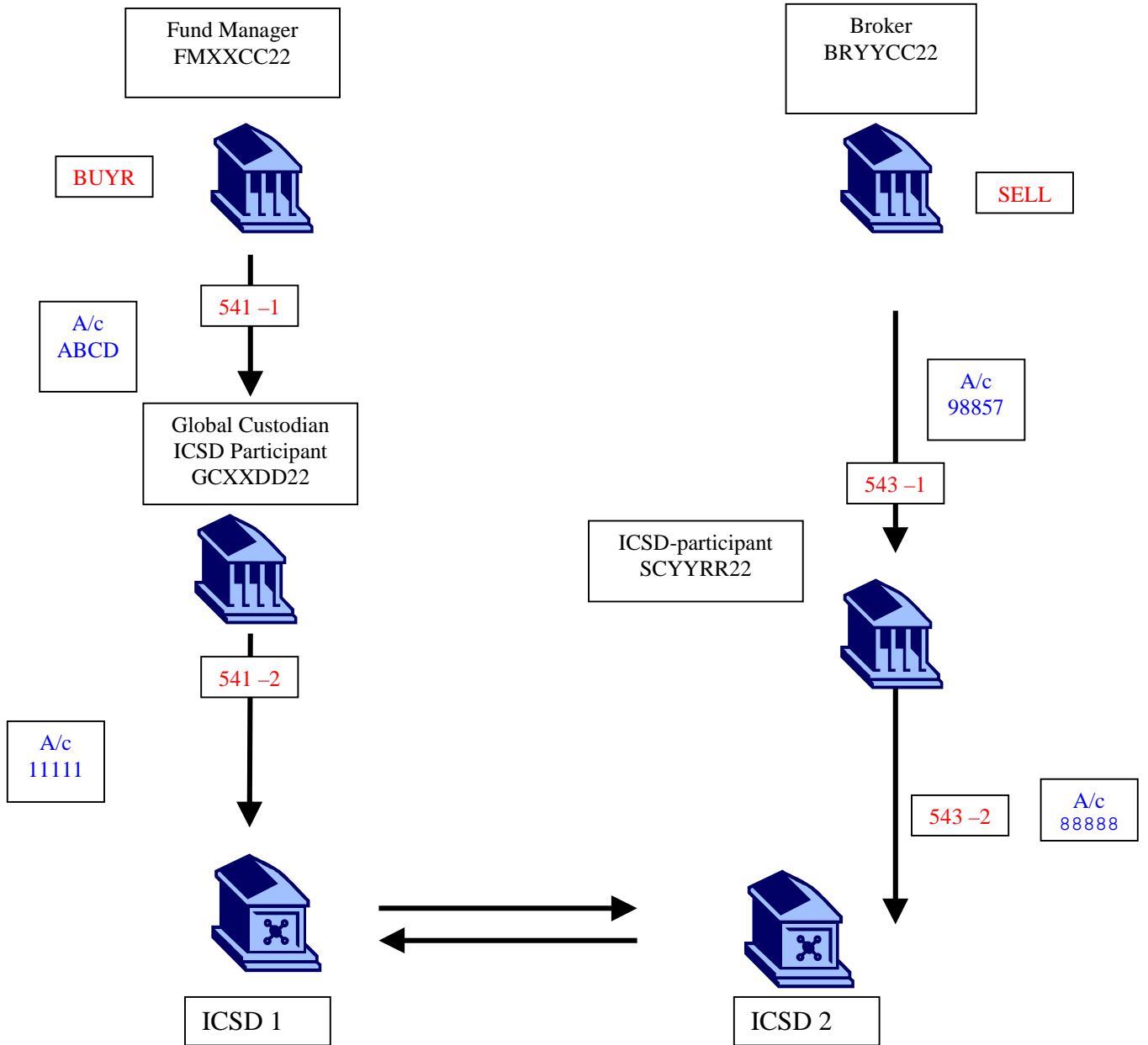
Message Name	MT 541 - Receive Against Payment
Sender	Global Custodian - GCXXDD22
Receiver	ICSD1 - MGTCBEBB
Instrument	bonds
Settlement	vs payment



Detailed Field Name	Data Field Content	Example
Start of block	FIAC	:16R:FIAC
Quantity of Financial Instrument	4!c/15d	:36B::SETT//FAMT/15000,
Safekeeping Account	35x	:97A::SAFE//00154
End of block	FIAC	:16S:FIAC
Start of block	SETPRTY	:16S:SETPRTY
Party (Delivering agent)	34x (preceded by Data Source Scheme)	:95R::DEAG/ECLR/22222
End of block	SETPRTY	:16S:SETPRTY
Start of block	SETPRTY	:16R:SETPRTY
Party (Seller)	BIC	:95P::SELL//BRYXCC22
End of block	SETPRTY	:16S:SETPRTY
Start of block	SETPRTY	:16R:SETPRTY
Place of Settlement	BIC	:95P::PSET//MGTCBEBE
End of block	SETPRTY	:16S:SETPRTY
Start of block	SETPRTY	:16R:SETPRTY
Party (Buyer)	BIC	:95P::BUYR//FMXXCC22
End of block	SETPRTY	:16S:SETPRTY

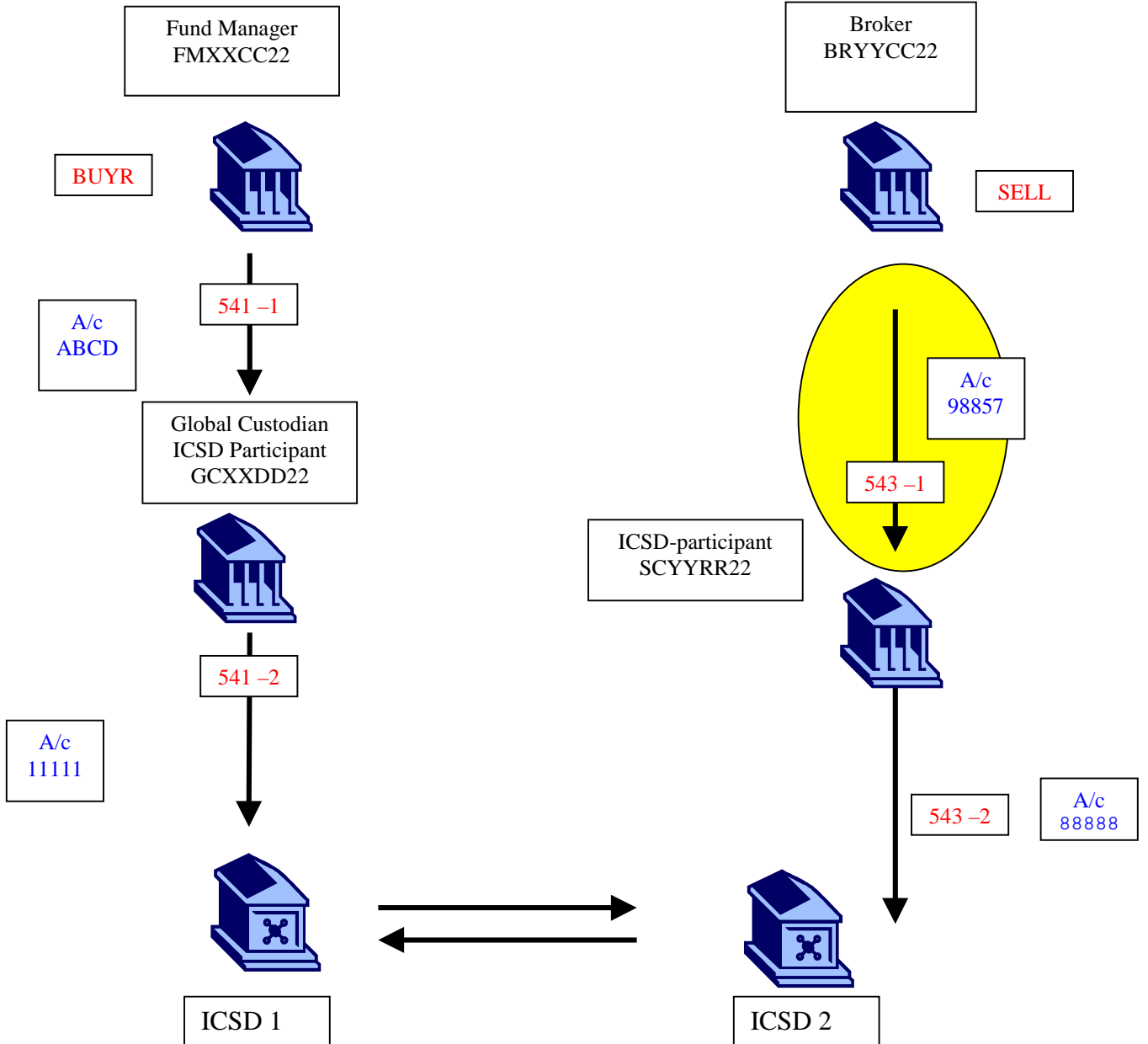


5.3 SCENARIO 3 – bridge settlement



A. Message 1 - 543 (1)

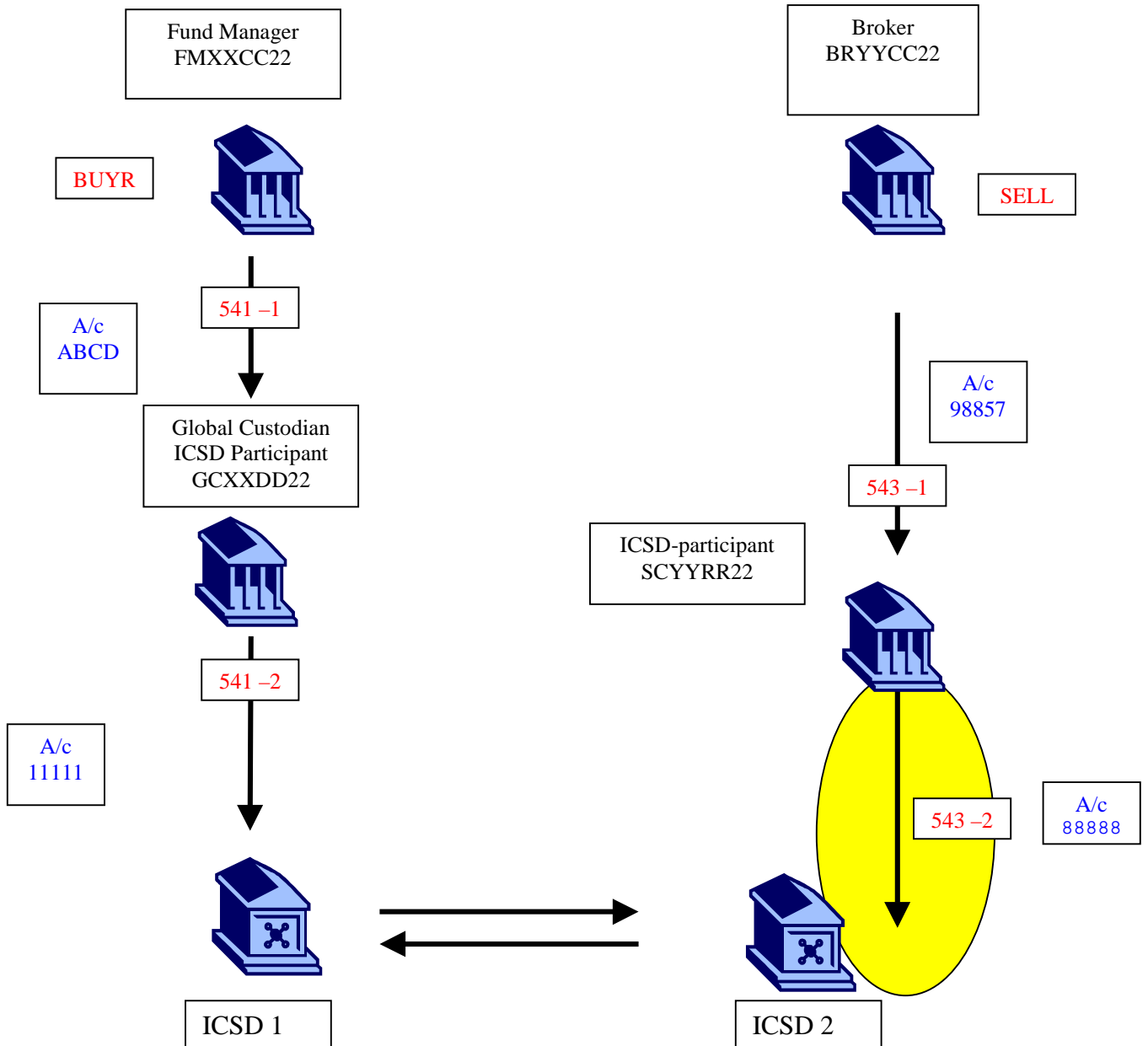
Message Name	MT 543 - Deliver Against Payment
Sender	Broker - BRYYCC22
Receiver	Broker agent - SCYYRR22
Instrument	Bonds - 15000,
Settlement	vs payment



Detailed Field Name	Data Field Content	Example
Start of block	FIAC	:16R:FIAC
Quantity of Financial Instrument	4!c/15d	:36B::SETT//FAMT/15000,
Safekeeping Account	35x	:97A::SAFE//98857
End of block	FIAC	:16S:FIAC
Start of block	SETPRTY	:16S:SETPRTY
Party (Receiving agent)	BIC	:95P::PSET//MGTCBEBE
End of block	SETPRTY	:16S:SETPRTY
Start of block	SETPRTY	:16R:SETPRTY
Party (Receiving custodian)	34x (preceded by Data Source Scheme)	:95R::REAG/ECLR/11111
End of block	SETPRTY	:16S:SETPRTY
Start of block	SETPRTY	:16R:SETPRTY
Party (Buyer)	BIC	:95P::BUYR//FMXCC22
End of block	SETPRTY	:16S:SETPRTY

*B. Message 2 – 543 (2)*

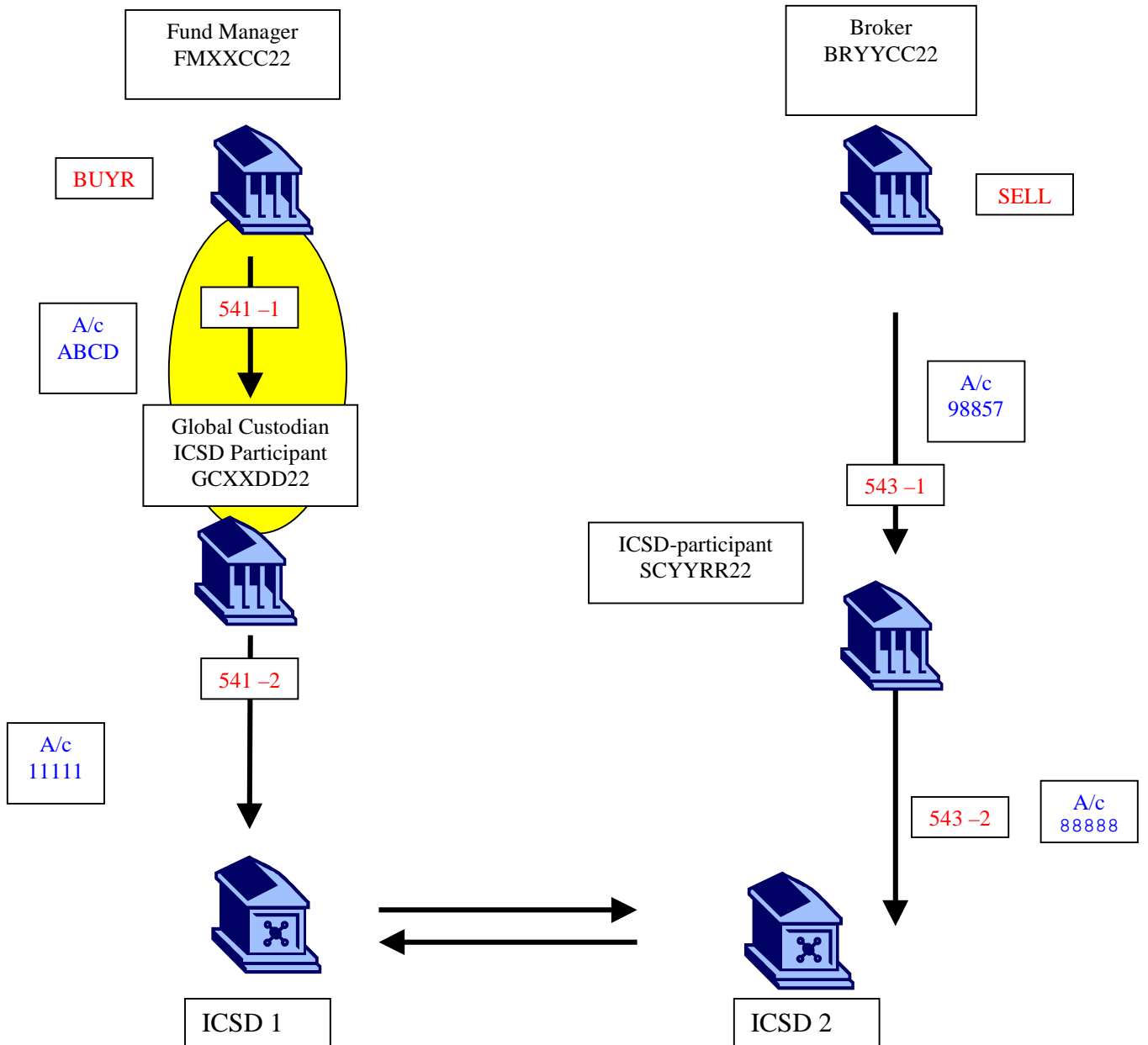
Message Name	MT 543 - Deliver Against Payment
Sender	Broker local agent - SCYYRR22
Receiver	ICSD2 - CEDELULL
Instrument	Bonds
Settlement	vs payment



Detailed Field Name	Data Field Content	Example
Start of block	FIAC	:16R:FIAC
Quantity of Financial Instrument	4!c/15d	:36B::SETT//FAMT/15000,
Safekeeping Account	35x	:97A::SAFE//88888
End of block	FIAC	:16S:FIAC
Start of block	SETPRTY	:16R:SETPRTY
Party (Receiving agent)	BIC	:95P::PSET//MGTCEBE
End of block	SETPRTY	:16S:SETPRTY
Start of block	SETPRTY	:16R:SETPRTY
Party (Buyer)	BIC	:95P::REAG/ECLR/11111
End of block	SETPRTY	:16S:SETPRTY
Start of block	SETPRTY	:16R:SETPRTY
Party (Seller)	BIC	:95P::SELL//BRYCC22
End of block	SETPRTY	:16S:SETPRTY

C. message 3 – 541 (1)

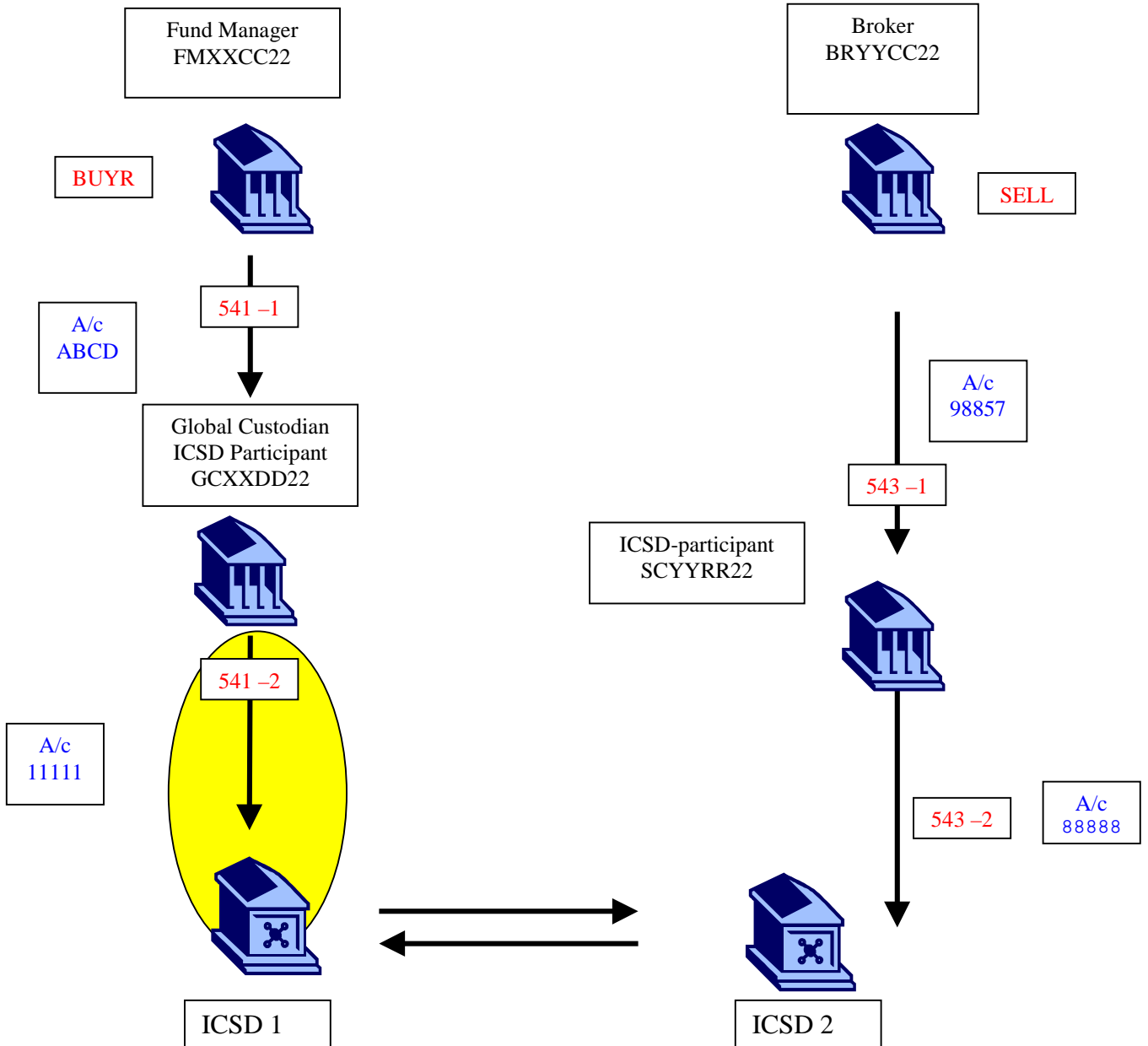
Message Name	MT 541 - Receive Against Payment
Sender	Fund Manager (buyer) - FMXXCC22
Receiver	Global Custodian - GCXXDD22
Instrument	bonds
Settlement	vs payment



Detailed Field Name	Data Field Content	Example
Start of block	FIAC	:16R:FIAC
Quantity of Financial Instrument	4!c/15d	:36B::SETT//FAMT/15000,
Safekeeping Account	35x	:97A::SAFE//ABCD
End of block	FIAC	:16S:FIAC
Start of block	SETPRTY	:16S:SETPRTY
Party (Delivering custodian)	34x (preceded by Data Source Scheme)	:95R::DEAG/CEDE/88888
End of block	SETPRTY	:16S:SETPRTY
Start of block	SETPRTY	:16R:SETPRTY
Party (Seller)	BIC	:95P::SELL//BRYYCC22
End of block	SETPRTY	:16S:SETPRTY
Start of block	SETPRTY	:16R:SETPRTY
Party (Delivering agent)	BIC	:95P::PSET//CEDELULL
End of block	SETPRTY	:16S:SETPRTY

*D. Message 4 – 541 (2)*

Message Name	MT 541 – Receive Against Payment
Sender	Global Custodian – GCXXDD22
Receiver	ICSD1 – MGTCEBE
Instrument	bonds
Settlement	vs payment





Detailed Field Name	Data Field Content	Example
Start of block	FIAC	:16R:FIAC
Quantity of Financial Instrument	4!c/15d	:36B::SETT//FAMT/15000,
Safekeeping Account	35x	:97A::SAFE//11111
End of block	FIAC	:16S:FIAC
Start of block	SETPRTY	:16S:SETPRTY
Party (Delivering custodian)	34x (preceded by Data Source Scheme)	:95R::DEAG/CEDE/88888
End of block	SETPRTY	:16S:SETPRTY
Start of block	SETPRTY	:16R:SETPRTY
Party (Seller)	BIC	:95P::SELL//BRYXCC22
End of block	SETPRTY	:16S:SETPRTY
Start of block	SETPRTY	:16R:SETPRTY
Party (Delivering agent)	BIC	:95P::PSET//CEDELULL
End of block	SETPRTY	:16S:SETPRTY
Start of block	SETPRTY	:16R:SETPRTY
Party (Buyer)	BIC	:95P::BUYR//FMXXCC22
End of block	SETPRTY	:16S:SETPRTY

## **6 Extension to Settlement Confirmation and Free of Payment**

The set of common elements can also be used for settlement confirmation and free of payment transaction with the following differences:

### **6.1 free of payments**

Free of payment instruction contains the same elements as for the against payment transaction except for the elements pertaining to the settlement amounts. The settlement amount(s) is not required.

### **6.2 confirms**

The Settlement confirmation – whether it is a free of payment or an against payment transaction – should contain the same elements as the original instruction

#### **PLUS:**

- The reference to the original settlement instruction that was received. This is done using the Linkage Block and the qualifier 20C::RELA//16x

#### **EXCEPT:**

- The settlement date given in the confirmation is the effective settlement date (which might differ from the instructed settlement date as stated in the instruction). This translates in ISO 15022 messages by using the qualifier ESET rather than SETT as qualifier for the date field 98a.
- The quantity of financial instrument in the confirmation is the effective settled quantity. This translates in ISO 15022 messages by using the qualifier ESTT rather than SETT as qualifier for the quantity of financial instrument field 36B.
- The settlement amount given in the confirmation is the effective settlement amount. This translates in ISO 15022 messages by using the qualifier ESTT rather than SETT as qualifier for the amount field 19A.