



B #:	12426-19
Date:	10/25/2019
To:	All Clients
Category:	Settlement
From:	Settlement Product Management
Attention:	Settlement Manager / Managing Director / Cashier
Subject:	Repo and Securities Lending Tracking Over the Fedwire Securities Service Link

The Depository Trust Company (DTC) maintains a free of payment link with the Federal Reserve that allows Clients to move government securities between their accounts on the Federal Reserve's Fedwire Securities Service (FSS) and accounts at DTC via deliveries to or from DTC's Federal Reserve inventory account¹. In a recent announcement, the Federal Reserve has informed its members that it will begin to allow them to process FSS movements with securities lending tracking identifiers, as well as expanding the existing repo tracking service to include a broader scope of securities².

While DTC understand the benefits of enhancing FSS capabilities within the closed service, Clients should be aware that there are securities lending and repo income tracking processing differences between DTC and the Federal Reserve. As such, in order to continue to provide straight through income tracking, DTC will not accept securities lending or repo transactions into or out of its Fed inventory account. Effective today, October 25, 2019 DTC will prohibit deliver orders sent to account 6072 that are submitted with securities lending and repo reason codes via its user interface as well as automated messaging. Additionally, FSS deliveries sent to DTCC's ABA number 026002066 with securities lending or repo tracking identifiers will be returned to the deliverer with the corresponding off-leg identifier.

Clients with further questions about this notice should contact their DTCC Relationship Manager.

¹ For movements from DTC to the FSS, Clients deliver to Participant Number 6072. For movements from FSS to DTC, Clients deliver to DTC's ABA 026002066, for further credit to a Participant account.

² The timeframe for this change was originally October 2019 but has been deferred until further notice.

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