

Recommendation of the National Market Practice Group PL concerning identification of the trade counterparty in the process of matching settlement instructions

(version 3.0)

In order to improve the effectiveness of the matching process, among others to avoid the cross-matching of instructions, it is recommended to enter the trade counterparty identifier in every settlement instruction sent for settlement in The Central Securities Depository of Poland (KDPW). Counterparties are identified by BIC code or name and account number in the books of KDPW participant.

The counterparty field is matched according to the following rules:

1. If counterparty has a BIC code, KDPW participants shall use such a BIC code to identify a client (field 95P in an MT message or its equivalent in an xml message of the kdpw_stream system). A BIC code should always be 11 character long (BIC11) in the settlement instruction sent to KDPW. Any 8 character long BIC codes should be completed by adding XXX characters at the end.
2. A mandatory element of counterparty identification is the client account identifier (field 97A in an MT message or its equivalent in an xml message of the kdpw_stream system). The client account identifier should be entered including initial and/or final zeros.
3. KDPW participants should identify both of the buyer and seller counterparties in each instruction sent for settlement to KDPW according to the rules set in point 1 and 2 above.
4. For trades, where the counterparty is a brokerage house, KDPW participants should provide in field 97A in an MT message, or its equivalent in an xml message of the kdpw_stream system, the brokerage house account identifier in the books of the brokerage house.
5. For trades, where the counterparty is a bank trading for its own account, KDPW participants should provide in field 97A in an MT message, or its equivalent in an xml message of the kdpw_stream system, the bank account identifier in the books of the bank.
6. For xml messages of the kdpw_stream system, the client identifier is entered in the following fields:
 - (a) Client has a BIC
 - for the delivering side:
 - *DivrgSdDtls/SellrDtls/BIC* (BIC)
 - *DivrgSdDtls/SellrDtls/SafAcct* (account identifier)
 - for the receiving side:
 - *RcvgSdDtls/BuyrDtls/BIC* (BIC)
 - *RcvgSdDtls/BuyrDtls/SafAcct* (account identifier)

(b) Client has no BIC

- for the delivering side:
 - *DivrgSdDtls/BuyrDtls/PrtryId* (name)
 - *DivrgSdDtls/SellrDtls/SafAcct* (account identifier)
- for the receiving side:
 - *RcvgSdDtls/BuyrDtls/PrtryId* (name)
 - *RcvgSdDtls/BuyrDtls/SafAcct* (account identifier)

7. For ISO15022 messages, the client identifier is entered in the following fields:

(a) Client has a BIC

- for the delivering side:
 - *95P::SELL//* (BIC)
 - *97A::SAFE//* (account identifier)
- for the receiving side:
 - *95P::BUYR//* (BIC)
 - *97A::SAFE//* (account identifier)

(b) Client has no BIC

- for the delivering side:
 - *95Q::SELL//* (name)
 - *97A::SAFE//* (account identifier)
- for the receiving side:
 - *95Q::BUYR//* (name)
 - *97A::SAFE//* (account identifier)

8. KDPW participants do commit not to use matching type 'B' in the instructions requiring matching, which would prevent settlement with tolerance. For instructions, where the settlement with tolerance is not possible, matching type 'O' should be used instead.

9. Settlement instructions sent for settlement to KDPW following the standard defined in this Recommendation are subject of matching according to the rules defined by the Depository.