

Reporting Instructions for Preparation of the Report of Non-centrally Cleared Bilateral Transactions in the U.S. Repurchase Agreement Market

Office of Financial Research Report OFT SFT-2

Effective May 2024

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General Instructions

The Office of Financial Research (OFR or Office) is providing these instructions for preparation of the report of non-centrally cleared bilateral transactions in the U.S. repurchase agreement (repo) market.

The OFR SFT-2 report is filed daily as provided below and contains data on repo transactions conducted between two financial companies without the involvement of a central counterparty or tri-party custodian.

Purpose

This data collection will be used by the Office to support the Financial Stability Oversight Council (Council) and member agencies by facilitating financial stability monitoring that includes research consistent with the support of the Council and its member agencies.¹

Authority

The OFR promulgated the Final Rule “Ongoing Data Collection of Non-centrally cleared Bilateral Transactions in the U.S. Repurchase Agreement Market” (<https://www.financialresearch.gov/data/non-centrally-cleared-bilateral-repo-data/>) which authorizes the OFR SFT-2 collection.²

Who Needs to Report

Activity Criterion – This collection requires submitting transaction information by certain financial companies, as described below and defined as Covered Reporters, whose average daily total outstanding commitments to borrow cash and extend guarantees through non-centrally cleared bilateral repo contracts over all business days during the prior calendar quarter is at least \$10 billion. This materiality threshold is inclusive of all commitments, including overnight and intraday commitments, and not strictly limited to positions open as of the end of the Business Day (see below for Business Day definition).

This collection requires reporting under this materiality threshold from two categories of financial companies:

- **Category 1:** a securities broker, securities dealer, government securities broker, or government securities dealer whose average daily outstanding commitments to borrow cash and extend guarantees in NCCBR transactions with counterparties over all business days during the prior calendar quarter is at least \$10 billion,³ and
- **Category 2:** any financial company that is not a securities broker, securities dealer, government securities broker, or government securities dealer and that has over \$1 billion in assets or assets under management, whose average daily outstanding commitments to borrow cash and extend guarantees in NCCBR transactions, including commitments of all funds for which the company serves as an investment adviser, with counterparties that are not securities brokers,

¹ For more details, see Final Rule, Ongoing Data Collection of Non-Centrally Cleared Bilateral Transactions in the U.S. Repurchase Agreement Market ([Date of Execution/Approval/Signing]), xx FR xxxx ([Date of Federal Register Publication]).

² Id.

³ The terms broker and dealer are defined in 15 U.S.C. 78c(a)(4) and (5), respectively. Broker and dealer registration requirements are contained in 15 U.S.C. 78o. The terms government securities broker and government securities dealer are defined in 15 U.S.C. 78c(a)(43) and (44), respectively. Government securities broker and government securities dealer registration requirements are contained in 15 U.S.C. 78o-5.

securities dealers, government securities brokers, or government securities dealers over all business days during the prior calendar quarter is at least \$10 billion.

The Office intends to consider a financial company to have assets or assets under management exceeding \$1 billion if the company meets one or more of the following criteria:

- if the firm is an investment adviser registered pursuant to the Investment Advisers Act of 1940 provides continuous and regular supervisory or management services to securities portfolios valued in the aggregate at \$1 billion or more in assets under that law;
- if the firm files a required disclosure of its balance sheet with a federal or state financial regulator and has more than \$1 billion in assets under any such disclosure;
- if the firm discloses its assets to investors or creditors in audited financial statements, and has more than \$1 billion in assets under that disclosure;
- if the firm has disclosed assets in filings with the Internal Revenue Service and has more than \$1 billion in assets under that disclosure.

Changes in Reporting Status – Any financial company that meets the Category 1 criteria after the effective date of the Final Rule “Ongoing Data Collection of Non-centrally Cleared Bilateral Transactions in the U.S. Repurchase Agreement Market” shall comply with the reporting requirements on the first business day of the fourth full calendar quarter following the calendar quarter in which such financial company becomes a Covered Reporter.

Any financial company that meets the Category 2 criteria after the effective date of the Final Rule shall comply with the reporting requirements pursuant to this section on the first business day of the fifth full calendar quarter following the calendar quarter in which such financial company becomes a Covered Reporter.

A Covered Reporter whose volume falls below the \$10 billion threshold for at least four consecutive calendar quarters would have its reporting obligations cease.⁴

Where to Submit Reports

All Covered Reporters must submit their completed reports using the OFR’s Data Collection Utility (DCU) system or any successor system identified by the OFR. The OFR will provide technical assistance to reporters to streamline use of this system. Covered Reporters can contact OFR DCU Support via email at DL_OFR_SFT_2_DCU_Support@ofr.treasury.gov for direct assistance.

When to Submit Reports

Covered Reporters are required to submit a file for each Business Day (see definition of Business Day below) during which a Covered Reporter enters into one or more non-centrally cleared bilateral repo transactions, or when one or more non-centrally cleared bilateral repo transactions open or are outstanding, including transactions which both opened and closed within the same Business Day. Covered Reporters must submit the file no later than 11:00 a.m. Eastern Time on the next Business Day.

⁴ For more details, see 12 CFR § 1610.11 Non-centrally cleared Bilateral Repurchase Agreement Data.

Submission Format

The OFR SFT 2 data will be stored and transmitted as either a Text file (.txt) or a Comma Separated Value file (.csv) utilizing the pipe symbol (|) as the field separator. The file must contain the 32 required data elements and the data element names in the first row, with the data elements in the same order as presented later in this document. The method used to create the file is at the discretion of the reporter. These details are covered in depth and with accompanying examples in the document titled “Technical Guidance for Transmission of the Report of Non-Centrally Cleared Bilateral Transactions in the U.S. Repurchase Agreement Market.”

Delegation of Reporting Responsibilities (Third-Party Processors)

Covered Reporters are permitted to delegate the submission of data to a third party, subject to certain constraints. Adherence to the below-listed constraints will allow covered reporters to use third parties to meet operational needs while furthering data quality.

- Covered Reporters may delegate a maximum of one third party processor at a time for daily file submissions and corrections.
- The completed file must be consistently submitted from a single source and the source may not change without advance notice to the Office.
- Covered Reporter must provide the Office at least 90 days advance notice of any proposed change to the submitter of the daily file.

The Covered Reporter will remain fully responsible for the data submission and compliance with the Final Rule; all issues will be addressed directly to the Covered Reporter.

Confidentiality

The sharing of any data from this proposed collection will be subject to the confidentiality and security requirements of applicable laws, including the Dodd-Frank Act.⁵ Pursuant to the Dodd-Frank Act, the submission of any non-publicly available data to the Office under this collection will not constitute a waiver of or otherwise affect any privilege arising under federal or state law to which the data or information is otherwise subject.⁶

Consistent with the Dodd-Frank Act, the Office may share the data collection and information with the Council and its member agencies, as well as the Bureau of Economic Analysis, and will also make the data available to the Council and member agencies as necessary to support their regulatory responsibilities. All data and information shared as referenced above must be maintained with at least the same level of security as used by the Office and may not be shared with any individual or entity without the permission of the Council.⁷

Aggregate, summary, or otherwise masked data from the collection may be provided to the public to increase market transparency and facilitate research on the financial system, to the extent that intellectual property rights are not violated, business confidential information is properly protected, and the sharing of such information poses no significant threats to the U.S. financial system.⁸

⁵ E.g., 12 U.S.C. 5343(b), 5344(b)(3).

⁶ 12 U.S.C. 5343(b), 5322(d)(5).

⁷ 12 U.S.C. 5343(b).

⁸ 12 U.S.C. 5344(b)(6).

Paperwork Reduction Act

The OFR SFT-2 reports have been reviewed and approved by the Office of Management and Budget (OMB) in accordance with the Paperwork Reduction Act of 1995 and assigned OMB control number 1505-0279. The estimated average annual burden associated with this collection of information is 756 hours per Covered Reporter. These averages include the time to gather and maintain data in the required form, to review instructions, and to complete the information collection. The amount of time required to complete these reports will vary depending on the amount of data to report. Comments concerning the accuracy of this burden estimate and suggestions for reducing burden should be directed to: U.S. Department of the Treasury, Office of Financial Research, Washington, D.C. 20220. No person is required to respond to any collection of information from the Office unless it displays a currently valid OMB control number.

Requests for Revised Data

OFR staff review data submitted on the OFR SFT-2 report. As a result of their review and analytical procedures, OFR staff may ask reporters to explain data conditions and if the previously submitted report contains errors, to submit a full amended report containing corrected information on all transactions related to that file observation date. Since these data are time sensitive, reporters should respond as quickly as possible to these requests. The full amended report must be submitted via the Data Collection Utility or any successor system identified by the OFR. When corrections to previous reports are necessary, the filer should identify the prior file observation date and contact the OFR to inform staff that a full amended report for that file observation will be submitted.

For these purposes, the phrase “full amended report” refers to the entire day’s report. Do not send only the corrected lines.

General Terms for Reporting Data Elements

Business Day

For the purpose of these reporting instructions, the Office has defined business day as the period beginning at 6 p.m. Eastern Time on any day that the Fedwire Funds Service is open to 6 p.m. Eastern Time on the next day that the Fedwire Funds Service is open.⁹ For example, the business day of January 24, 2024 (a Wednesday), began at 6 p.m. Eastern Time on Tuesday, January 23, 2024, and ended at 6 p.m. Eastern Time on Wednesday, January 24, 2024.

To further demonstrate this definition, as it applies to a weekend, the business day of January 29, 2024 (a Monday), began at 6 p.m. Eastern Time on Friday, January 26, 2024, and ended at 6 p.m. Eastern Time on Monday, January 29, 2024.

Cash Lender

The cash lender is the entity that transfers cash to the cash borrower in exchange for securities that it will sell back to the cash borrower at a future date.

⁹ Refer to the schedule published on the FRBservices.org website, currently available at <https://www.frbservices.org/resources/financial-services/wires/operating-hours.html> but subject to change.

Cash Borrower

The cash borrower is the entity that transfers securities to the cash lender in exchange for cash that it will buy back from the cash lender at a future date.

Currencies

When reporting currency, use the three-character format XXX (ISO 4217), such as “USD” to denote U.S. Dollars.

All currency amounts on the OFR SFT-2 must be reported to two decimal places.

Date and Time

When reporting Date and Time, use the YYYYMMDDThh:mm:ss.sssZ (ISO 8601) format. Please note that this standard requires the use of Coordinated Universal Time (UTC).

Interest Rates

All interest rates reported on the OFR SFT-2 must always be reported as a percent expressed to five decimal places and include a leading 0 if the absolute value of the rate is less than one percent. Negative interest rates are to be preceded with a “-” sign.

Example 1: An interest rate of 2.53 percent would be reported as 2.53000.

Example 2: An interest rate of 1/2 percent would be reported as 0.50000.

Example 3: A negative interest rate of -1.0 percent would be reported as -1.00000.

Legal Entity Identifiers

Legal Entity Identifiers (LEIs) are required for identifying parties to a transaction. LEIs must be current and valid with a status code of “Issued”, “Pending Transfer”, or “Pending Archival”.

Negative Entries

Except for interest rate, haircut, and spread fields, negative entries are not valid on the OFR SFT-2.

Security Identifier Types

When reporting securities identifier types, the value must be one of:

| Securities Identifier Type | Description |
|----------------------------|---|
| CUSIP | Assigned by S&P’s CUSIP Service Bureau |
| FIGI | Assigned by Bloomberg |
| ISIN | Assigned by FactSet – CUSIP Global Services |
| NO IDENTIFIER TYPE | No identifier assigned by one of the above services |

Line-Item Instructions: Non-centrally Cleared Bilateral Repo Transactions

This section contains line item instructions for reporting information on all non-centrally cleared bilateral repo transactions as set forth in paragraph (c)(3) of the regulatory text of the Final Rule. Covered

Reporters shall only report information with respect to any non-centrally cleared bilateral repo transaction which is entered into, opens on, or is outstanding at any time during the Business Day, including transactions which both opened and closed during the Business Day.

Items to Report

File Observation Date

The file observation date is the calendar date at the end of any Business Day (6 p.m. Eastern Time). Covered Reports must submit the file no later than 11 a.m. Eastern Time on the next Business Day *after* the file observation date.

Report the observation date of the file in the YYYYMMDD (ISO 8601) format.

This element must be reported as datatype Date.

Covered Reporter LEI

Report the full 20-character alphanumeric Legal Entity Identifier (ISO 17442) of the Covered Reporter required to submit the OFR SFT-2.

This element must be reported as datatype String.

Cash Lender LEI

Report the full 20-character alphanumeric LEI (ISO 17442) of the cash lender. In cases where the cash lender does not have an LEI, report "No LEI".

This element must be reported as datatype String.

Cash Lender Name

Report the legal name of the cash lender.

This element must be reported as datatype String.

Cash Borrower Name

Report the legal name of the cash borrower.

This element must be reported as datatype String.

Cash Borrower LEI

Report the full 20-character alphanumeric LEI (ISO 17442) of the cash borrower. In cases where the cash borrower does not have an LEI, report "No LEI".

This element must be reported as datatype String.

Guarantee

Report the guarantee status of the securities. The field should contain TRUE if the Covered Reporter issued a guarantee with respect to the transaction and FALSE otherwise.

This element must be reported as datatype Boolean.

Transaction ID

Report Covered Reporter-generated unique transaction identifier in an alphanumeric string format. The Transaction ID must be persistent throughout the lifetime of the transaction and all associated transaction data. This identifier must never be reused by the Covered Reporter for another transaction reported under the OFR SFT-2.

This element must be reported as datatype String.

Unique Transaction ID

Report the Unique Transaction ID or UTI (ISO 23897:2020) corresponding to the transaction. If not available, mark this item as "NA".

This element must be reported as datatype String.

Trading Platform

If a transaction was arranged using an outside vendor's platform, report the name of the platform provider upon which the transaction took place. If the transaction occurred directly between the parties outside of a recognized platform, mark this item as "NA".

This element must be reported as datatype String.

Trade Timestamp

Report the date and time that the trade became an obligation of the Covered Reporter, or the Covered Reporter's affiliate or subsidiary, in the YYYYMMDDThh:mm:ss.sssZ (ISO 8601) format.

This element must be reported as datatype Datetime.

Start Date

Report the start date (the date on which cash and securities are first exchanged) of the repo agreement. This field requires Datetime precision to accommodate intraday transactions. The Office understands that general industry practice is for a majority of the security and cash transfers to be conducted at or around the beginning of each day. As such, estimated transfer times are acceptable in the report using the YYYYMMDDThh:mm:ss.sssZ (ISO 8601) format.

This element must be reported as datatype Datetime.

End Date

Report the date the repo agreement matures, assuming that no optionality is exercised. This field requires Datetime precision to accommodate intraday transactions. The Office understands that general industry practice is for a majority of the security and cash transfers to be conducted at or around the beginning of each day. As such, estimated transfer times are acceptable in the report using the YYYYMMDDThh:mm:ss.sssZ (ISO 8601) format.

For "evergreen" or "open" repos, report the date provided for Minimum Maturity Date and report it as YYYYMMDDT00:00:00.000Z.

This element must be reported as datatype Datetime.

Minimum Maturity Date

The earliest possible date on which the transaction could end in accordance with its contractual terms (taking optionality into account). Report using the YYYYMMDD (ISO 8601) format.

For repos with no optionality, report the contractual maturity date. For evergreen repos, assume that the agreement is canceled at the next opportunity when calculating this maturity date. For open transactions, report the maturity date assuming one or both counterparties decide to terminate (i.e., decide to stop rolling over) the transaction on the file observation date.

This element must be reported as datatype Date.

Cash Lender Internal Identifier

Report the internal identifier assigned to the cash lender by the Covered Reporter if the covered reporter is not the cash lender. If the Covered Reporter is the cash lender, then report "Covered Reporter".

This element must be reported as datatype String.

Cash Borrower Internal Identifier

Report the internal identifier assigned to the cash borrower by the Covered Reporter if the covered reporter is not the cash borrower. If the Covered Reporter is the cash borrower, then report "Covered Reporter".

This element must be reported as datatype String.

Start Leg Amount

Report the amount of cash transferred to the cash borrower on the open leg of the transaction at the inception of the transaction (see guidance under Currencies above).

This element must be reported as datatype Float.

Close Leg Amount

Report the amount of cash to be transferred by the cash borrower at the end date of the transaction. For floating rate and open transactions report the Current Cash Amount (see guidance under Currencies above).

This element must be reported as datatype Float.

Current Cash Amount

Report the amount of cash to be transferred by the cash borrower, inclusive of principal, accrued interest and other adjustments, as of the end of the Business Day (see guidance under Currencies above).

This element must be reported as datatype Float.

Start Leg Currency

Report the currency which is used in the Start Leg Amount field (see guidance under Currencies above).

This element must be reported as datatype String.

Rate

Report the rate of interest paid by the cash borrower on the transaction, expressed as an annual percentage rate on an actual/360-day basis. The interest rate must always be reported as a percent (see guidance under Interest Rates above).

This element must be reported as datatype Float.

Floating Rate Benchmark

Report the name of the benchmark interest rate upon which the transaction is based, otherwise report "FIXED".

This element must be reported as datatype String.

Floating Rate Reset Frequency

If the rate applied in the transaction is allowed to float, report the time period in calendar days, describing the frequency with which the rate can be reset. If the rate does not reset, report 0.

This element must be reported as datatype Integer.

Spread

Report the contractual spread over (or below) the benchmark rate referenced in the repo. If the rate applied in the transaction is Fixed, then report 0.

This element must be reported as datatype Float.

Securities Identifier Type

Report the identifier type for the securities transferred between the cash borrower and the cash lender in the transaction as per the list above of acceptable Securities Identifier Types (see guidance under Security Identifier Types above)

This element must be reported as datatype String.

Securities Identifier

Report the identifier of the securities transferred between the cash borrower and the cash lender in the transaction. If the securities do not have a centrally assigned identifier, then report "NO IDENTIFIER".

This element must be reported as datatype String.

Securities Quantity

Report the number of units (e.g., shares, bonds, bills, notes) transferred to the Cash Lender as of the end of the Business Day. The term 'units' refers to the number of securities transferred and is inclusive of all types of classes or collateral. Do not report the dollar value of the principal.

This element must be reported as datatype Float.

Securities Value

Report the market value of the transferred securities as of the end of the Business Day, inclusive of accrued interest.

This element must be reported as datatype Float.

Securities Value at Inception

Report the market value of the transferred securities at the inception of the transaction, inclusive of accrued interest.

This element must be reported as datatype Float.

Securities Value Currency

Report the currency used in reporting the 'Securities Value' and 'Securities Value at Inception' fields (see guidance under Currencies above).

This element must be reported as datatype String.

Haircut

Report the difference between the market value of the transferred securities and the purchase price paid at the inception of the transaction. The haircut must always be reported as a percent (see guidance under Interest Rates above).

This element must be reported as datatype Float.

Special instructions, notes, or comments

The Covered Reporter may characterize any detail of the transaction with special instructions, notes, or comments.

For example, with respect to optionality, the following text should be included to indicate the presence of an alternative tenor:

- Open repo transactions: "TENOR: OPEN"
- Evergreen repo transactions: "TENOR: EVERGREEN"
- Repo transactions with other embedded optionality: "TENOR: OTHER OPTIONALITY"

This element must be reported as datatype String.

Appendix A: Formatting of OFR SFT-2 Data Elements Reference Table

| Data Element | Data Standard | Data Type | Example | Number of Characters |
|-----------------------------------|--|-----------|------------------------|----------------------|
| File_Observation_Date | ISO 8601 YYYYMMDD | Date | 20230125 | 8 |
| Covered_Reporter_LEI | ISO 17442 | String | 80ZTOMDHV8XFUKXMOY7L | 20 |
| Cash_Lender_LEI | ISO 17442 | String | 80ZTOMDHV8XFUKXMOY7L | 20 |
| Cash_Lender_Name | NONE | String | OFR Trust | Limit 250 |
| Cash_Borrower_Name | NONE | String | DO Thrift | Limit 250 |
| Cash_Borrower_LEI | ISO 17442 | String | JGGPN4MCLWXUCTQZBGL5 | 20 |
| Guarantee | NONE | Boolean | FALSE | Limit 5 |
| Transaction_ID | NONE | String | EV9JBEVZZO22T9X1EF | Limit 250 |
| Unique_Transaction_ID | ISO 23897:2020 | String | BRARZZ4XO2EPQFP7DSR421 | Limit 52 |
| Trading_Platform | NONE | String | GLMX | Limit 250 |
| Trade_Timestamp | ISO 8601 YYYYMMDDThh:mm:ss. sssZ | Datetime | 20230125T13:38:44.057Z | 22 |
| Start_Date | ISO 8601 YYYYMMDDThh:mm:ss. sssZ | Datetime | 20230128T12:00:00.000Z | 22 |
| End_Date | ISO 8601 YYYYMMDDThh:mm:ss. sssZ | Datetime | 20230130T20:00:00.000Z | 22 |
| Minimum_Maturity_Date | ISO 8601 YYYYMMDD | Date | 20230130 | 8 |
| Cash_Lender_Internal_Identifier | NONE | String | BBXJ8 | Limit 250 |
| Cash_Borrower_Internal_Identifier | NONE | String | KH25Y | Limit 250 |
| Start_Leg_Amount | NONE | Float | 124386000 | Limit 50 |
| Close_Leg_Amount | NONE | Float | 124759158 | Limit 50 |
| Current_Cash_Amount | NONE | Float | 124572579 | Limit 50 |
| Start_Leg_Currency | ISO 4217 | String | USD | 3 |
| Rate | NONE | Float | 4.30000 | Limit 50 |
| Floating_Rate_Benchmark | NONE | String | SOFR | Limit 250 |
| Floating_Rate_Reset_Frequency | NONE | Integer | 7 | Limit 4 |
| Spread | NONE | Float | 0.19820731 | Limit 50 |
| Securities_Identifier_Type | NONE | String | CUSIP | Limit 18 |
| Security_Identifier | NONE | String | LCFHBWFD4 | Limit 12 |
| Securities_Quantity | NONE | Float | 130000 | Limit 50 |

| Data Element | Data Standard | Data Type | Example | Number of Characters |
|--|---------------|-----------|------------------------|----------------------|
| Securities_Value | NONE | Float | 130000000 | Limit 50 |
| Securities_Value_at_Inception | NONE | Float | 130000000 | Limit 50 |
| Securities_Value_Currency | ISO 4217 | String | USD | 3 |
| Haircut | NONE | Float | 0.00000 | Limit 50 |
| Special_Instructions_Notes_or_Comments | NONE | String | Forward starting trade | Limit 250 |