

Description of the Electronic Debt Trading System

SEND SMART FIXED INCOME

for trading in public debt securities quoted on
AIAF Fixed Income Market and MARF Alternative
Fixed Income Market

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1 Introduction

The electronic fixed income trading system known as SEND Smart Fixed Income (hereinafter, “SEND Smart System”) is a technological platform for trading in fixed-income securities that provides both technical and functional support when trading in securities quoted on AIAF, Mercado de Renta Fija (AIAF Fixed Income Market) and on MARF, Mercado Alternativo de Renta Fija (MARF Alternative Fixed Income Market).

Accordingly, the SEND Smart System enables electronic trading in:

- **AIAF Fixed Income Market:** the SEND Smart System can be used to trade in public or private fixed-income securities admitted for trading on AIAF Fixed Income Market. More specifically, it is used to trade in private fixed-income securities and Public Debt.

All members and intermediary entities of AIAF Fixed Income Market are entitled to trade in the aforementioned securities.

- **MARF Alternative Fixed Income Market:** the SEND Smart System can be used to trade in private fixed-income securities admitted for trading on MARF Alternative Fixed Income Market and intended for institutional investors.

All members and intermediary entities of MARF Alternative Fixed Income Market are entitled to trade in the aforementioned securities.

For the purposes of this document, AIAF Fixed Income Market and MARF Alternative Fixed Income Market will be referred to jointly as the “Market”.

All trading across the SEND Smart System is continuous and carried out electronically in real time. The system provides operators with the resources needed to manage their orders, perform consultations and maintain both the orders and the associated executions.

The SEND Smart System provides the following information and tools on the products traded across the system: features of the securities, trading volumes and prices, calculator to determine Internal Rate of Return, etc.

2 Members

Activity across the Market is carried out by financial intermediaries who are Market members - securities firms (*sociedades de valores*), brokerage houses (*agencias de valores*) and credit institutions - in strict accordance with applicable law. All such parties, acting as such, shall broker the execution of transactions involving securities admitted for trading on the Market.

2.1 Market members

Eligible Market members are those entities that meet the technical and personal eligibility standards required by the Market and that also qualify as:

- a) Investment service companies authorised to execute client orders or trade on their proprietary account.
- b) Spanish credit institutions.
- c) Investment service companies and credit institutions authorised in other member states of the European Union to execute client orders or to trade for their proprietary account.
- d) Investment service companies and credit institutions authorised in a state that is not a member of the European Union, insofar as they meet applicable legal requirements to operate in Spain, and provided the authorisation granted by the competent authorities of their country of origin entitles them to execute client orders or to trade for their proprietary account, and provided also the Spanish Securities Market Regulator (Comisión Nacional del Mercado de Valores, CNMV) has not refused or conditioned their access to the Market in accordance with applicable law.
- e) Public bodies and government agencies, acting through the Directorate General for the Treasury and Financial Policy, the General Treasury of the Social Security and the central bank of Spain (Banco de España).

Also eligible for Market member status are any other persons the Market's governing board believes to be suitable, such persons to possess sufficient expertise and competence when it comes to trading, to have a suitable organisational structure in place and to have sufficient resources for the function they are to carry out.

Market members are entitled to take part in the Market and perform the Market transactions they are authorised to perform in accordance with their specific system and function within the Market. All members have exactly the same rights when it comes to receiving information, accessing Market resources and using Market services.

Market members must meet applicable legal requirements at all times, which will depend on their status and functions, and shall accept and abide by the trading procedures and formats established by the Market, while following proper procedure for settling and recording securities established by the Market as a result of possible arrangements with the central securities depositories or central counterparty clearing houses, including the duty to accept and abide by applicable procedure should any incident arise when settling the transactions carried out within the Market, as well as the repurchase and cash settlement procedures.

Members must act within the Market in strict accordance with the rules approved by the Market and shall employ the technical resources made available to them by arrangement or through employees by the intermediary entities, in accordance with Market rules and standards.

To qualify as a Market member, interested entities should first state their desire to become one and then sign the relevant contract with the Market’s governing board (*Sociedad Rectora*), whereupon they will be entered on the corresponding register kept by the Market.

2.2 Intermediary entities of the AIAF Market

Entities legally authorised to provide professional investment services to third parties in relation to financial instruments are also entitled to engage in trading activity on the Market. Intermediary entities may place orders in the Market trading systems on behalf of Market members.

Members of AIAF Fixed Income Market and of MARF Alternative Fixed Income Market may operate across all markets in which they hold member status, doing so using their own resources or acting through intermediary entities.

Intermediary entities will be subject to exactly the same obligations as discussed previously for Market members, except those relating to acceptance of proper procedure for settling and recording securities and proper procedure in the event of incidents during settlement.

To qualify as an intermediary entity, interested entities must first state their desire to become one and then sign the relevant contract with the governing body of AIAF Fixed Income Market and MARF Alternative Fixed Income Market, whereupon they will be entered on the corresponding register kept by the Market.

3 Marketable securities

The SEND Smart System may be used to trade in all public or private fixed-income securities represented in book-entry form and admitted for trading on the Market.

The securities traded on the Market are identified in the SEND Smart System by means of a value code assigned by the system itself, such code consisting of an alphanumeric field containing up to six positions. Within the SEND Smart system, each value code identifies a single issue with its specific ISIN.

The quoted security is described in the name of the issue and is identified via a field comprising the following sections:

- **“Type of security”**: as shown in the following table:

Type of security	Description
AUT	Public debt issued by the autonomous communities of Spain
BC	Convertible bonds
BM	<i>Matador</i> bonds
BON	Treasury bonds

BS	Bonds
BTH	Mortgage-backed securities
BTN	Asset-backed securities
CH	Mortgage-backed bonds
CM	Multi-issuer bonds
CT	Public sector covered bonds
CUP	Stripped coupon
DSG	Stripped sovereign debt
LET	Treasury bills
OBL	Long-term Treasury bonds
ODP	Other sovereign debt
OS	Long-term bonds
PAG	Treasury promissory notes
PE	Commercial paper
POE	Promissory notes issued by the autonomous communities of Spain and other
PPR	Preference shares
PRL	Stripped principal

- **“Issuer”**: shows the name of the issuer.
- **“Series”**: displayed only for medium- and long-term issues.
- **“Coupon”**: shows the interest rate for the issue, indicating whether it is floating rate or zero coupon and the discount for zero-coupon issues.
- **“Maturity date”**: shows the end maturity date: month and year, or otherwise “perpetual” if it has no maturity.

4 Trading systems

4.1 Type of trading

Securities are traded electronically on the Market in euros at face value prices. The face amount of each security must be equal to or a multiple of the unit face value of the issue.

Trading across the Market is also:

- Continuous: trading is continuous during trading hours from 09:00 to 17:30.
- Blind: in relation to order book trading, the Market is anonymous in the sense that the parties are not identified in either positions or trades. Only completed trades are shown along with the first twenty buy and sell positions at different prices.

The Market publishes trading information in real time, specifically information relating to orders entered for securities admitted for trading on the Market and the data needed to trade those securities in accordance with applicable rules governing the disclosure of information prior to trading. More precisely, for each financial instrument the Market shall publish the aggregate number of orders and the quantity it represents at each price level for at least the top five bid and ask price levels.

The Market will also publish, during the post-trade phase and in accordance with applicable law governing data disclosure, information relating to all transactions concerning securities admitted for trading on the Market that were completed during each trading session.

The Market provides each member and intermediary entity with a daily file providing full details of any and all transactions performed by each of them via the SEND Smart System. A template of this file can be seen in Annex I.

4.2 Operational structure

On an operational scale, the SEND Smart System provides Market members with details of the relevant operating accounts for trading purposes, thus allowing for the proper arrangement and management of permissions and capacities for each Market member.

When creating these operating accounts within the SEND Smart System, the Market member must provide the information set out in Annex II of this document.

The structure of these accounts, created for operational purposes on the request of each member, will be identified in the SEND Smart System via an alphanumeric code comprising five positions. Operating accounts added to the SEND Smart System will be managed by the member concerned and may be associated with a specific settlement account.

4.3 Trading systems

The Market has two multilateral trading systems: an order book trading system and a request-for-quote (RFQ) trading system.

4.3.1 Order book trading system

Trading on this system is carried out as follows:

- a) Electronic trading in all cases.
- b) Orders executed automatically.
- c) All orders are entered into a single order book, from which the orders are channelled sequentially.
- d) Orders are executed at best price, or, in the case of matching prices, on a first-in-time basis.
- e) All orders entered in the book are arranged in order of arrival, with different quantities aggregated at equal prices.
- f) To be valid, all orders, modifications and cancellations must have been explicitly accepted.

The order book trading system features two trading procedures, namely multilateral trading and bilateral trading.

4.3.1.1 Multilateral trading

Multilateral trading is a form of trading whereby transactions result from the matching of buy and sell orders placed by the different entities in the order book for the Market.

Multilateral trading therefore utilises a matching algorithm to pair orders entered into the order book at the best available price on a continuous basis.

This system can be used to trade all issues of liquid and non-liquid securities quoted on the Market.

Orders are entered by indicating a nominal amount to be traded (which must be equal to or a multiple of the unit face value of the issue concerned) and a limit price.

Orders are entered in the order book in order of best price and also on a first-in basis. Orders are then traded automatically based on these priority rules, meaning they are filled as soon as they are placed if there is a counterparty at that same price or better. Otherwise, they must wait for a suitable counterparty to arrive.

Orders are grouped by price, displaying the aggregate or total face value for each existing bid or ask price, along with the total number of orders at each price.

Orders may be fully filled (through one or more executions), partially filled or remain unfilled. When an order is filled, the corresponding trades are completed.

Types of order

All orders placed on the Market are limit orders to be filled at their limit price or better. Buy orders are filled at the limit price or at a lower price contained on the other side of the order book. Meanwhile, sell orders are filled at the limit price or at a higher price contained on the other side of the order book. Once entered in the order book, orders remain there at a limit price and may or may not be filled.

In relation to how the nominal or face amount is traded, limit orders can have the following fill conditions:

- No restrictions: the order is filled immediately if there is a counterparty in the Market at that price or better. If no matching offer exists or the price is insufficient, the order or the unfilled part thereof will be placed in the order book in order of both price and arrival time, and will remain there until filled or cancelled.
- Minimum quantity: the order has the implied condition that at least the minimum amount stipulated when the order was entered will be filled. If at least this minimum amount is filled, then the order remains in the book until the remainder is filled, although the remainder may be filled at any amount thereof, provided it is filled for amounts equal to, or multiples of, the unit face value of the issue. If there are no matching offers to meet the initial minimum amount, the order is removed from the book.
- All/Nothing: the order is filled if, when it is placed, there is a matching order for its entire amount. Otherwise, it is removed from the market.
- Fill and kill: the order is executed at the amount for which there is a matching offer when it is placed, and the rest is cancelled.

Order duration

Orders may have the following validity periods:

- **Good for the day:** the order is good (valid) only for the trading session in progress. If the order is not fully filled during that session, the order, or the remainder, is automatically cancelled.
- **Good-til-date:** a specific date is set (up to 30 calendar days ahead). At the end of trading on that date, the order, or the unfilled part thereof, is automatically cancelled.

Orders other than those good for a day:

- Maintain their priority in the Market based on their price and entry date ahead of orders entered on subsequent trading days.
- They remain in the Market until filled or their duration runs its course.
- The IRR is adjusted daily to reflect the new date in progress (only for issues for which the SEND Smart System is to report the IRR).

Modifying and cancelling orders

When an order is placed in the SEND Smart System, it is assigned an order number. This number remains unchanged throughout its entire life.

Orders placed on the Market but not filled may be modified, although buys cannot be changed to sells and vice-versa and nor may the underlying security to which the trade relates be modified. Every change made to an order in respect of the price or an increase in quantity, or both, will change the order's priority and generate a new record number, assigned in consecutive order, to allow its progress to be tracked. Reducing the quantity of an order will not alter its priority. Any change to an order affecting its priority will trigger the generation of a new priority number.

Orders placed on the Market may only be cancelled prior to execution or may be partially cancelled in relation to the portion that was not filled.

4.3.1.2 Bilateral trading

Bilateral trading is the trading option used to match trades previously agreed upon by Market members, in accordance with their respective trading capacities.

This option can be used to trade non-liquid securities and also liquid securities when the size of the order exceeds the large-in-scale (LIS) threshold, in accordance with the rules prescribed by the European Securities and Markets Authority (ESMA).

A bilateral order placed in the SEND Smart System that has as its subject the trading of liquid securities may be flagged by the Market member in relation to the reference LIS value and its trading on the order book trading system (bilateral trading option), or the request-for-quote (RFQ) trading system.

Accordingly, if the bilateral order is flagged by the Market member and the quantity of that order exceeds the LIS reference indicated for the traded security, the order will be traded on the book order trading system (bilateral trading option).

If the flagged bilateral order is for a quantity less than the LIS reference value indicated for the traded security, then the order will be traded on the request-for-quote (RFQ) trading system.

If a bilateral order involving liquid securities entered into the SEND Smart System is not flagged by the member in relation to the reference LIS value, and if the quantity of the trade is less than the LIS reference value indicated for the traded security, then the order is automatically cancelled.

The following options exist within this method:

- Agreed-price trades. Under this type of trading, two entities previously agree upon a trade and enter it in the SEND Smart System so that it can be recorded with the Market, in accordance with market rules, and also published on the Market. The process is initiated by the seller by entering the details of the sell order and indicating the code of the buyer. The buyer then accepts the trade, thus completing the transaction.
- Cross trades: Under this type of trading, a single Market entity enters into the SEND Smart System a trade involving buy and sell so that it can be recorded with the Market, in accordance with market rules, and also published on the Market.
- Reverse repos:
 - **Reverse repo, agreed-price:** Under this type of trading, two different entities previously agree upon two opposite trades (one buy and the other sell) and enter them in the SEND Smart System so they can be recorded with the Market, in accordance with market rules, and published on the Market. The fields to be completed are the nominal amount, the near leg cash and settlement date, and the far leg cash and settlement date. The SEND Smart System checks that the nominal is a multiple of the unit nominal, but does not check the cash values entered.
 - **Reverse repo, cross trade:** Under this trading type, a single entity enters two opposite trades (one buy and the other sell) in the SEND Smart System so they can be recorded with the Market, in accordance with market rules, and published on the Market. The fields to be completed are the nominal amount, the near leg cash and settlement date, and the far leg cash and settlement date. The SEND Smart System checks that the nominal is a multiple of the unit nominal, but does not check the cash values entered.

Types of bilateral transactions

Description	Value date	Transaction code
Cross trade, value date	D (until 14:00)	24
Agreed Price, value date	D (until 14:00)	18
Reverse repo, value date cross trade	D (until 14:00)	44
Reverse repo, value date agreed-price	D (until 14:00)	38
Cross trade	D+1 and onward	14
Agreed price	D+1 and onward	08
Reverse repo, cross trade	D+1 and onward	34
Reverse repo, agreed-price	D+1 and onward	28

4.3.2 Trading system with request for quote (RFQ)

Trading with request for quote is a multilateral trading option allowing Market members to request quotes from one or more other Market members in relation to the securities admitted for trading on the Market.

This system can be used to trade all issues of liquid and non-liquid securities listed on the Market.

The quote, or quotes, can only be exercised by the member (initiator) who made the request once one or more bids have been accepted.

The request made by the member (initiator) will remain in effect until the close of the session or until that member (initiator) decides to cancel it.

The request for quote (RFQ) trading system operates the following procedure:

- A member (initiator) generates a request for quote (RFQ) for a given security. The member must invariably indicate the size of the order (quantity) being requested, the side (buy or sell) and optionally state a price.
- The member (initiator) then sends this request to any one or more members (invitees) it may choose.
- The status of the request can be:
 - "No Firm" whether or not price has been included and the option "Firm" has not been indicated.
 - "Firm Initiator" if a price has been indicated and the request was sent to only one invitee, and the option "Firm" has been indicated.
 - "Firm destiny" if the invitee member changes the price of the request that then has the "Firm Initiator" status.

Invitee members can respond while the request remains valid, in accordance with Market rules:

- By rejecting or ignoring the request.
- By accepting a "Firm Initiator" request; whereupon the status will change to "Registered".
- By changing the price of a "Firm Initiator" request, whereupon the status will change to "Firm destiny".
- By adding a price to a "No Firm" status request for quote, whereupon it will change to "Firm destiny" status.

Members who receive the request (invitees):

- Do not know how many invitees the request was sent to and nor are they aware of any other requests that may be present in the RFQ system.
- Can cancel their response at any time provided the status of the request is "Firm destiny".
- Can only respond to an RFQ they have received by accepting it, proposing a price, or rejecting it.

Before the member (initiator) accepts one of the bids received from the invitee members, the Market must publish the requests of that member (initiator).

When the member (initiator) reaches a decision (until the end of the procedure), it may:

- Modify the price of a "Firm destiny" request, whereupon the status will change to "Firm Initiator".
- Cancel the entire request. This will have the effect of cancelling all pending requests sent out to other invitees.
- Accept one of the bids in "Firm destiny" status received from one or more invitee members. Partial executions are not permitted; whereupon the status will change to "Registered".
- Full acceptance of one of the bids (whereupon the status will change to "Registered") will effectively cancel any other bids received in response to that same request from the Initiator.

4.4 Conditional trades

Trades involving certain fixed income securities pending admission to trading can be executed on AIAF. These trades will depend on the effective admission of the securities on the market and this must be stated in the corresponding documentation on the trade delivered by the Market Member to its clients.

Conditional trades may only be executed in the trading period that will take place between the date on which the issuer has published the final conditions of the issue until the date of admission to trading of the issue.

The Market Member will assume full responsibility, without exception, for all conditioned trades that it executes on the market, either on its own account or on behalf of third parties.

Upon the date of admission to trading of the securities, if this does not take place, the trades conditional upon these securities will be cancelled because said condition has not been met without the Members or their clients being able to direct any claim to the Sociedad Rectora del Mercado in this respect.

4.5 Publication of information subsequent to filled trades (deferral)

As a general rule, AIAF will publish in real time the trades filled in the system with the details established in Table 2 of Appendix II of Commission Delegated Regulation (EU) 2017/583.

Notwithstanding the foregoing, AIAF, at the request of the Market Member that initiates the trade, will postpone the publication of the data on the following trades filled in the bilateral trading system: (i) trades involving illiquid securities, (ii) high volume trades involving liquid securities, compared to the normal size of the market, and in the case of the trading type with a request for quotation (RFQ) (iii) trades involving liquid securities, with a volume higher than the specific volume of the instrument,

Therefore, the price of the trades subject to deferral will be published two business days after the trading date (D + 2) and the volume of the trades will be published four weeks after the trading date.

5 Prices

Official Market prices are those existing as a result of a trade to maturity.

The securities admitted for trading on the Market can be quoted by price or by yield.

5.1 Securities quoted by price

For those securities admitted for trading on the Market that are quoted by price, prices are expressed as a percentage of the face value to four decimal points.

There are two types of price listing:

- **Price ex-coupon.** The price does not include the accrued coupon. This type of price listing means that the entered price does not factor in the accrued coupon. The SEND Smart System itself calculates the amount of the accrued coupon and adds it to the total cash amount resulting from the trade.

For these securities, the SEND Smart System may sometimes calculate the IRR automatically.

- **Price cum-coupon.** This type of price listing means that the entered price includes the accrued coupon. For these issues, the SEND Smart System does not calculate either IRR or the accrued coupon.

Information on the accrued coupon is provided only when the issue is quoted ex-coupon. The amount of the accrued coupon is calculated from the coupon's accrual start date through to the value date of the transaction.

For securities traded on the Market that are quoted by price and include an IRR calculation, the SEND Smart System displays negative, zero and positive yields for information purposes. The minimum difference allowed is +/- 0.001%.

In addition, calculations of IRR and accrued coupon for those issues requiring this information will be carried out in accordance with the Circular of the Bank of Spain and the Circular on the calculation of the IRR of the AIAF Fixed Income Market. These Circulars contains the conventions, criteria and formulae that the SEND Smart System is to apply when calculating prices and yields.

5.2 Securities quoted by yield

For securities quoted by yield, the IRR is expressed at four decimal points (Treasury bills based on Actual/360 and rest of short-term assets Actual/365 basis) and the SEND Smart System can display negative, zero and positive rates. The minimum difference allowed is +/- 0.0001%.

For issues requiring IRR information, the IRR will be calculated in accordance with the Circular of the Bank of Spain and the Circular on the calculation of the IRR of the AIAF Fixed Income Market. These Circulars contains the conventions, criteria and formulae that the SEND Smart System is to apply when calculating prices and yields.

5.3 Price control

For securities quoted by price, trades must be within the permitted range of +/-10% in respect of the last reference price for that issue.

Meanwhile, for securities quoted by yield (Promissory notes, Treasury bills, Stripped principals and Stripped Coupons), trades must be within the permitted range of +/- 50 basis points (BP) in respect of the reference price.

Please note that this range may vary in response to prevailing market conditions.

To expedite the processing of orders through the SEND Smart System, this permitted range will function as follows:

- The permitted range will be applied to the price of the security, resulting in a maximum and minimum price.
- For securities traded by price, buy orders are permitted up to the maximum price, while sell orders are allowed from the minimum price upward. For securities quoted by yield, it is the other way round.
- The cap and the floor are determined by the trading interval in which trades can be matched during the session.

The price control system applies to both order book trading (multilateral and bilateral trading options) and request-for-quote trading.

5.4 Closing price

The closing price for each security traded on the Market will be that of the last transaction to maturity completed in each session.

6 Settling trades

6.1 Trades completed via the book order trading system

6.1.1 Trades completed via the multilateral trading type

Trades completed through the order book system under the multilateral trading option will be sent by the Market as settlement instructions (IL) to the ARCO settlement system managed by Iberclear, the central securities depository designated by the Market.

The Market shall notify Iberclear of settlement instructions (IL) in the name and on behalf of those Iberclear participants that have expressly authorised the Market to generate settlement instructions (IL) in their name. Notifications will be made via the PR330 procedure: "Trades executed in markets and trading systems without the involvement of a Central Counterparty (CCP)".

When a Market member or intermediary entity enters an order in the multilateral trading system of the order book trading type, it must indicate the securities account code (CCV) of the settlement account in which the completed trade is to be settled.

For trades completed under the multilateral trading option, settlement will be made two days from execution (D+2).

Settlement instructions (IL) handed by the Market to the ARCO settlement system for settlement in general accounts held by third parties will be held and may be modified and subject to partial settlement.

Held settlement instructions (IL) bear the /IBRC/MDCY (Modification/Cancellation permitted) indicator, allowing the members to cancel them unilaterally in the ARCO settlement system outside the Market. The Market may penalise any such cancellations.

The SEND Smart System holds on to executions for 90 minutes before sending them to Iberclear for settlement via the ARCO settlement system. Settlement instructions (IL) are sent at 11:00, 13:00, 15:00 and 17:30 in relation to trades carried out up to half an hour before the scheduled sending time.

While transactions are held, the Market Supervision department may change the member's designated execution (and therefore settlement) account on the member's request. At 17:30, all executions that are still held are sent for settlement.

6.1.2 Trades completed via the bilateral trading type

In the case of bilateral transactions (cross trades, agreed-price transactions and reverse repos) executed through the multilateral trading system, the relevant Market members shall send their trades to their respective settlement system or entity, whether or not an Iberclear participant with whom they have a settlement agreement in effect. The relevant system or entity must be sent all relevant details of the trade, thus enabling them to match the settlement instructions (IL) in the ARCO settlement system managed by Iberclear, the central securities depository designated by the Market in accordance with procedure PR340: "Trades notified by participants".

Meanwhile, trades carried out via the bilateral trading system (Cross trades, Agreed-price transactions, Reverse repos at agreed price, and Reverse repos, cross trades) will be settled on the value date designated by the relevant entities in the SEND Smart System, which may be the same as the trade (D), or any date thereafter.

When the settlement date is the same day as the trade (D), the trade must be entered in the Market by no later than 14:00.

For fixed-coupon issues and those quoted cum coupon, the settlement date may be any business day and may include coupon payments between the transaction date and the settlement date.

For floating-rate issues quoted ex-coupon, the settlement date shall be no later than the next coupon payment date.

6.2 Trades completed via the request-for-quote trading system

Trades completed through the request-for-quote (RFQ) trading system will be sent by the relevant Market members to their respective settlement system or entity, whether or not an Iberclear participant with whom they have a settlement agreement in effect. The relevant system or entity must be sent all relevant details of the trade, thus enabling them to match the settlement instructions (IL) in the ARCO settlement system managed by Iberclear, the central securities depository designated by the Market in accordance with procedure PR340: "Trades notified by participants".

7 Annex: Codification tables

– Segments:

Segment	Description
SEND	Sistema Electrónico de Negociación de Deuda (SEND) (SD) - Electronic Debt Trading System
MARF	Mercado Alternativo de Renta Fija (MARF) (AF) - Alternative Fixed Income Market

– Securities group:

Segment	Securities group
SEND (SD)	AIAF: Private Fixed Income (CP)
	AIAF: Public Debt (DE)
	AIAF: Foreign Issues (EX)
	AIAF: DLT issues (DT)
MARF (AF)	Private Fixed Income MARF (MA)

– Product type:

Product type	Description
BO	Short- and long-term bonds
BC	Convertible bonds
PS	Stripped principal
CA	Stripped coupon
LT	Treasury bills
PG	Commercial paper
CD	Warrants
TZ	Securitised products
PP	Preference shares

– Transaction codes:

Transaction code	Segment	Description	FIX transaction code	
			TRDT YPE [828]	TRDSUBTYPE [829]
1	All	Market	0	-

8	All	Agreed Price	1	2001
9	All	Reversal	24	-
19	All	Correction	24	9000
14	All	Cross trade	1	2002
18	All	Agreed price, value date	1	2003
24	All	Cross trade, value date	1	2004
28	All	Reverse repo, agreed price	1	2005
34	All	Reverse repo, cross trade	1	2006
38	All	Reverse repo, value date agreed price	1	2007
44	All	Reverse repo, value date application	1	2008
48	All	RFQ	1	2009

– BIC and MIC codes

Market	Securities group	Indicator of securities market	BIC code	MIC code
SD	CP		IBRCESMMSD1	SEND
	DE		IBRCESMMSD1	SEND
	EX		IBRCESMMSD1	SEND
	DT		IBRCESMMSD1	SEND
SD-RFQ	CP		IBRCESMMSD1	XDRF
	DE		IBRCESMMSD1	XDRF
	EX		IBRCESMMSD1	XDRF
AF	MA		IBRCESMMAF1	MARF

Annex I: SEND Smart System transaction file

The file will be named as follows: E MMMM YYYY MM DD MMMM NNNNNNN, where:

E Environment identifier: F - Formation. P - Production

MMMM Code of the Intermediary Entity

AAAA Year in which the file was generated

MM Month in which the file was generated

DD Day on which the file was generated

MMMM Trader

NNNNNNN Name of the file: NEGSEND.DAT

The file is structured as follows:

Description	T	L	E	D	Remarks
Record type	A	2	2		RF, SD, AF
Intermediary entity	A	4	4		ID. Entity entering the order
Trading platform	A	4	4		9090
Asset type	A	2	2		
ISIN of the security	A	12	12		
Trade date	A	8	8		YYYYMMDD
Time of trade	A	8	8		HHMMSSCC
Side	A	1	1		C, V
Yield sign	A	1	1		"-" negative " " positive or zero
Price / Yield	N	10	6	4	
Coupon effect	N	8	2	6	
Coupon cash value	N	15	13	2	
Indicator of Price/Yield	A	1	1		0, 1, 9
Face value	N	15	13	2	
Cash amount	N	15	13	2	
Type of transaction	A	2	2		
Settlement date	A	8	8		YYYYMMDD
Settlement platform	A	11	11		Iberclear's BIC
Execution number	N	9	9		
Iberclear transaction number	A	35	35		
Trader	A	4	4		
Market order date	A	8	8		YYYYMMDD
Market order number	N	9	9		

Description	T	L	E	D	Remarks
Reference number of client placing order	A	16	16		
External order reference number	A	15	15		
Trading member counterparty	A	4	4		
Far leg settlement date	A	8	8		YYYYMMDD
Far leg cash value	N	15	13	2	
Account number	A	5	5		
Settlement BIC	A	11	11		
Settlement account at Iberclear	A	35	35		
CCV	A	20	20		
Status of the execution	A	1	1		A (High) or B (Low)
Transaction status in TS2	A	1	1		' ': Awaiting settlement H: PREA (HELD) S: Settled (TOTAL OR PARTIAL) B: Cancelled
Face amount settled	N	15	13	2	
Cash settled	N	15	13	2	
Repos	A	1	1		S or N
MIC	A	4	4		
Iberclear far leg transaction number	A	35	35		(for repos only)
Far leg price	N	10	6	4	(for repos only)
Timestamp	A	24	24		(the zeros to the right of the microseconds are not shown)
IL Instruction indicator	A	1	1		S: IL is instructed N: IL is not instructed
Settlement CSD	A	11	11	A	CSDs BIC that belongs to the Settlement account/ Participant Entity
Deferral	A	4	4	A	Blank, SIZE, LRGS or ILQD
Conditional trade	A	1	1	A	S: Yes; N:No
Operating capacity	A	1	1		P: Proprietary; T: Third party
FILLER	A	7	7		

Type of field:

A – Alphanumeric field

N – Numeric field

L – Field length

E – Whole positions

D – Decimal places

Dictionary of fields:

Field	Description
Record type	RF - Stock exchange fixed income SD - SEND AF - MARF
Intermediary entity	Entity entering order on the platform (CSB code)
Trading platform	BME Fixed Income trading system SEND SMART FIXED INCOME (SEND Smart System)
Asset type	BO – Short- and long-term bonds BC – Convertible bonds PS – Stripped principal CA – Stripped coupon LT – Treasury bills PG – Commercial paper CD – Warrants TZ – Securitised products PP – Preference shares
ISIN of the security	ISIN code identifying the issue.
Trade date	Date on which the trade is executed in YYYYMMDD format (Y=Year, M=Month and D=Day)
Time of trade	Time trade is executed in HHMMSSCC format (H=Hour, M=Minute, S=Second and C=Hundredth of a second)
Side	C – Buy V – Sell
Yield sign	“-“ for negative yields “ “ (blank) for positive or zero yields
Price / Yield	Price of trade Prices are expressed as a percentage of the face value to four decimal points for all assets except those issued at a discount, which are expressed in terms of yield to four decimal points.
Coupon effect	Coupon effect of the trade, for information only. For securities trades in yields and reverse repos this field is expressed with zeros.
Coupon cash value	Coupon cash value of trade.
Price/Yield Indicator	Indicates how the trade price is denominated. 0 - Neither Price nor Yield is expressed (Reverse repos) 1 - Price as a percentage 9 – Yield
Face value	Face amount of trade.

Field	Description
Cash amount	Cash amount of the trade.
Transaction type	Type of platform transactions: 01 – Buy-sell 08 – Agreed price 09 – Reversal 14 – Cross trade 18 – Agree price, value date 24 – Cross trade, value date 34.- Reverse repo, cross trade 28 – Reverse repo, agreed price 38 – Reverse repo, value date agreed price 44 – Reverse repo, value date cross trade
Settlement date	Settlement date for transaction in format. Date of near leg for reverse repos. YYYYMMDD (Y=Year, M=Month and D=day).
Settlement platform	Identification of platform on which the transaction is settled. This will be identified with Iberclear's BIC code. IBRCESMMSCL – Iberclear's BIC
Execution number	Execution number allocated by the platform. In the case of reverse repos, it will be the near leg number.
Iberclear transaction number	Transaction number assigned by Iberclear. In the case of reverse repos, it will be the near leg number.
Trader	CSB code of entity executing the transaction
Market order date	Date order posted in YYYYMMDD format (Y=Year, M=Month and D=Day)
Market order number	Identifier of placed order allocated by the platform.
Reference number of client placing order	Reference number of client specified in order
External order reference number	External reference number specified in order
Trading member counterparty	CSB (Consejo Superior Bancario) code of entity acting as counterparty in the transaction
Trading member counterparty	CSB (Consejo Superior Bancario) code of entity acting as counterparty in the transaction.
Far leg settlement date	Included only for reverse repos YYYYMMDD (Y=Year, M=Month and D=day).
Cash far leg	Cash amount for far leg of the transaction. Included for reverse repos only

Field	Description
Account number	Alphanumeric field with five positions.
Settlement BIC	Settlement BIC at Iberclear
Settlement account at Iberclear	Settlement account at Iberclear
CCV	Securities Account Code
Execution status	A: High B: Low
Transaction status in TS2	' ': Awaiting settlement H: PREA (HELD) S: Settled (TOTAL OR PARTIAL) B: Cancelled
Face amount settled	If below face amount it is an annulment with partial settlement
Cash settled	If below cash amount it is an annulment with partial settlement
Repos	S: Repo transaction N: Transaction at maturity
MIC	MIC code (Market Identifier Code)
Iberclear far leg transaction number	In the case of repos, it is the transaction number of the far leg assigned by Iberclear
Far leg price	For repos
Timestamp	Day and time of execution of the operation in micro seconds (the zeros to the right of the microseconds are not shown)
IL Instruction indicator	S: IL (Liquidation Instruction) is instructed from the market to Iberclear N: IL (Liquidation Instruction) is not instructed. It is instructed by the entity
Settlement CSD	CSDs BIC that belongs to the Settlement account/ Participant Entity
Deferral	Blank, SIZE, LRGS o ILQD
Conditional trade	S: Yes; N:No
Operating capacity	Specifies whether the operation is for own account or for third parties. P- Proprietary T- Third party

Annex II: Template account identification form

Account no.	Short name	Account holder	LEI or ID no.	P/A	CCV	Settlement BIC	Settlement Account at Iberclear
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							

When creating these operating accounts within the SEND Smart System, the following information is required:

- Short name:** Maximum of 10 positions (this short name is used to identify the settlement account on the trading terminal (SEND terminal) of the SEND Smart System).
- LEI or ID no.:** For proprietary accounts: LEI to be provided
For individual accounts: if a legal entity, enter its LEI. If a natural person, enter their ID no.
For general accounts: neither LEI nor ID no. to be provided.
- Capacity:** Proprietary (P), Third Party (A) or Specialist (E).
- CCV (Securities Account Code):** Optional. The Settlement BIC and the settlement account are validated every day at Iberclear and no trading will be possible unless they are active.

All this information is compulsory in order to send liquidation instructions (IL) to proprietary accounts and the individual accounts of third parties. A CCV is not required for general third-party accounts. To report the CCV for a general third-party account, a new CCV field can be used when entering the order.

If the operating account is to be used only for bilateral trading, settlement-related information need not be included.

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