*The following forms are available but in light of rapidly changing business and regulatory environments, current accuracy of these forms cannot be assured.*

**Restated Repo Trading Practices Guidelines - published: 17-Apr-03**

Update No. 98-4

Repo Trading Practices Guidelines

Section I of the Guidelines, entitled "General Collateral Repo Allocations" addresses the methodology of allocation of repo collateral based on the type of transactions executed. It is the general consensus that a new subsection under Section I should be added to address the issue of deadlines for allocating collateral in general collateral repo trades. Unless otherwise agreed by the parties, allocations of collateral in all trades executed through brokers, or in dealer-to-dealer trades, must be called in by the counterparties no later than 11:00 a.m. (New York time) on all days other than "high volume days." On "high volume days", the deadline for allocations should be no later than 12:00 noon (New York time). Note, that a "high volume day" is defined as the first and last business day of each calendar quarter on which the markets are open for trading and such other days as The Bond Market Association may announce no later than 24 hours prior to the occurrence of such day.

In order to clarify the responsibilities of dealers regarding collateral allocations in general collateral repo transactions and to promote best practices in the repo markets, the Funding Division Trading Practices Committee has revised the General Collateral Repo Allocations guideline, as set forth below. The Committee recommends that both dealer and broker member firms seriously consider incorporating the recommendations contained in the General Collateral Repo Allocations guideline as part of their own internal compliance policies and procedures governing trader conduct.

This Repo Trading Practice Guideline is a recommendation only and is intended for member firms in order to promote best practices in and the smooth functioning of the repo market. The recommendation does not and should not restrict the flexibility of counterparties to negotiate the specific terms of any particular repo transaction.

(The following paragraph shall be added to amend Section I in the Restated Repo Trading Practices Guidelines.)

I. General Collateral Repo Allocations

3. Timing of Collateral Allocations

Unless otherwise agreed by the parties, in all trades executed through brokers, or in dealer-to-dealer trades, counterparties must call in all collateral allocations no later than 11:00 a.m. (New York time) on all days other than "high volume days." On "high volume days", the deadline for allocations should be no later than 12:00 noon (New York time). Note, that a "high volume day" is defined as the first and last business day of each calendar quarter on which the markets are open for trading and such other days as The Bond Market Association may announce no later than 24 hours prior to the occurrence of such day