

FIMCIR/2023-24/ 38

Date: 30th January 2024

TO ALL MEMBERS AND STAKEHOLDERS

Subject: Modified MIFOR Trades

Introduction of two business day pay delay in coupon payments.

Please refer to the FIMMDA circulars listed below:

1. FIMCIR / 2021-22 / 024 dated 17th Dec 2021 advising Standard Market Conventions for Modified MIFOR trades.
(<https://fimmda.org/pdf/downloads/FIMCIR202122024RevisedMarketConventionsMIFOR.pdf>)
2. FIMCIR / 2023-24 / 16 dated 24th July 2023 advising partial modifications in the Standard Market Conventions for Modified MIFOR trades.
(<https://fimmda.org/pdf/downloads/FIMCIR20232416ModifiedMifor.pdf>)

Vide FIMCIR / 2023-24 / 16 dated 24th July 2023, Market Participants were advised of the decisions taken at IBA WS meetings and introduction of two business day pay delay in coupon payments for all trades in Modified MIFOR and the need to capture the same in the trade confirmations appropriately.

It was also advised therein that the effective date of implementation of this convention will be notified in due course.

Pursuant to the discussions at the meeting of IBA workstream with CCIL and legal counsel Juris Corp, on 16th Jan 2024, keeping in view the timelines required for system readiness of CCIL and Market Participants it was decided as under:

- The effective date for introduction of the two-business day pay delay in coupon payments in all Modified MIFOR trades would be **16th April 2024**.
- **Fresh Trades:**

The revised convention of two-business day pay delay in coupon payments would be applicable to all Modified MIFOR trades from 16th April 2024.

- **Existing Trades:**

The revised convention of two-business day pay delay in coupon payments would be applicable to all Modified MIFOR trades outstanding as on **15th April 2024**.

- To facilitate uniform implementation across all outstanding trades as on 15th April 2024, the counterparties need to execute the Multilateral Amendment Agreement (MLA) which has been finalised by IBA through discussion with the workstream members and Juris Corp.

Accordingly, in terms of circular no. FIMCIR / 2023-24 / 16 dated 24th July 2023, Market Participants are hereby advised that:

- 1. Fresh Trades:**

- a. Revised Standard Market Convention of two-business day pay delay in coupon payments will be applicable from **16th April 2024** in respect of all Modified MIFOR trades.
- b. The counterparties may suitably incorporate the modified convention as above in trade confirmations.

- 2. Existing Trades:**

- a. Counterparties having Modified MIFOR trades outstanding as on **15th April 2024**, are advised to execute Multilateral Amendment Agreement (MLA) finalised and circulated by IBA.
3. These conventions will form an integral part of our Hand Book of Market Practices
4. All other instructions remain unchanged.

CCIL will shortly issue a notification advising the Market Participants further details on the implementation of the two-business day pay delay.

Members / Stakeholders are advised to note the contents as above.

Sd/-

G. Ravindranath
Chief Executive Officer