



ADVISORY
UPDATE ON OPERATIONAL REQUIREMENT
FOR THE RETAIL REPO FRAMEWORK

September 14, 2023

The Financial Services Commission
39-43 Barbados Avenue
Kingston 5, Jamaica W.I.
Telephone No. (876) 906-3010

**FINANCIAL SERVICES COMMISSION
RETAIL REPO FRAMEWORK
ADVISORY ON THE OPERATIONAL REQUIREMENT**

1.0 Background

As a part of the Retail Repo Operational Framework dealers are required to submit signed Master Retail Purchase Agreement (MRRA) to the Financial Services Commission (FSC) for review before the approval of the new client account by the Trustee, JCSD Trustee Services. Regulation (4) of The Securities (Retail Repurchase Agreements) Regulation 2014 requires that every retail repurchase agreement must have a signed MRRA.

The FSC by way of the Securities Industry Advisory Amendment to the pool of Allowable Assets for Retail Repurchase Agreement (SR-ADVI-17/12-0009-1) and SR-ADVI-20/03-0011) released in December 2017 and March 2020 outlines the requirements for securities that are to be used as allowable assets in the retail repo framework.

This advisory is to update the guidance to the framework for retail repo operations.

2.0 Master Retail Repurchase Agreement

The FSC wishes to advise of the discontinuation of the review of the MRRA before the approval of the accounts in the Retail Repo Trust. However, dealers are required to ensure that all retail repo client accounts have a duly executed MRRA as required by Regulation (4) of The Securities (Retail Repurchase Agreements) Regulation 2014 which is subject to examination by the FSC at any time.

All accounts created can be sent directly to the JCSD Trustee Services for approval once the dealers have all the required documents in place.

3.0 Security Registration

The FSC wishes to advise that all securities issued by the Government of Jamaica Sovereign Debt, the Bank of Jamaica instruments and the United States of America Treasury Bills should be submitted directly to the JCSD Trustee Services Limited to be added to the Retail Repo Trust. All other securities must be sent to the FSC for review and approval.

4.0 Effective date

September 15, 2023