

Illustration—Initial Transfer and Repurchase Financing

7. The following diagram is an example of an initial transfer of a financial asset and a subsequent repurchase financing, as described in paragraphs 70-73 and 74-77, which should be analyzed using the provisions in paragraphs 72-75-78. The purpose of this example is to illustrate the characteristics of the transaction and to prevent an inappropriate analogy to other financing transactions that are outside the scope of this SSAP.

