CME LSOC and CCE ICAV Collateral Value Report Submissions via FIXML
Updated March 13, 2014

Naming convention for CME LSOC files:

LSOC.CVR.CME.nnn. 01.xml
Where

LSOC.CVR	identifies the file as being an LSOC Collateral Value Report
CME	identifies the file as data being submitted to CME
nnn	identifies the clearing firm ID
01, 02, etc.	is where the firm wishes to submit multiple files at the same time – for example, for different lines of business, or different guarantee funds
.xml	indicates that the file contains XML data

Any number of partial or complete files may be submitted per day, at any time. The only requirement is that a report must be submitted for each client account at least once per clearing business day.

The cutoff time for submitting a file to be brought into the end-of-day clearing cycle, is 8:00pm Eastern.

Note that a file to be submitted **solely** for testing, once the firm is live with production reporting, may be submitted with **PP** in the filename, for example:

PP.LSOC.CVR.CME.nnn. 01.xml

Naming convention for CME Clearing Europe CVR's for Individual Client Accounts:

CME Clearing Europe uses the same file format for submission of Collateral Value Reports and individual collateral items for Individual Client Accounts. The naming convention is exactly analogous:

ICAV.CVR.CCE.nnn. 01.xml
Where

ICAV.CVR	identifies the file as being an Individual Client Account Collateral Value Report
CCE	identifies the file as data being submitted for CME Clearing Europe
nnn	identifies the clearing firm ID
01, 02, etc.	is where the firm wishes to submit multiple files at the same time – for example, for different lines of business, or different guarantee funds
.xml	indicates that the file contains XML data

The corresponding filename for a file to be submitted **solely** for testing, once the firm is live with production reporting, may be submitted with **PP** included in the filename, for example:

PP.ICAV.CVR.CCE.nnn. 01.xml

See page 10 below for the details of reporting individual client assets.

Basic file structure:

Following standard FIXML conventions for batch data submission, the file file consists of one **FIXML** element. This encloses a single **Batch** element. Inside this **Batch** element are any number of **Account Summary Report** elements, one for account and guarantee fund (LSOC product group) for which that account holds positions.

For example:

<FIXML>
<Batch ProcMode="1">

<AcctSumRpt …>
<AcctSumRpt …>
…

</Batch>
</FIXML>

The **ProcMode** attribute is new and is used to indicate whether the report is **complete** or **partial**:

- A value of **one** indicates that the report is **complete** – in other words, that it includes data for every account for the clearing firm with a non-zero total haircutted market value at CME at this point in time.

- A value of **zero** (or if the attribute is not submitted) implies that the report is **partial** – *ie*, that it is only for some of the accounts of the firm with non-zero values.

- A value of **two** indicates that the file is a **partial** file and only for **parallel testing**.
- A value of **three** indicates that the file is a **complete** file and only for **parallel testing**.

If a report is specified as complete, omitting a submission for an account is equivalent to submitting a value of zero for that account.

Basic message providing total USD-equivalent haircutted market value for a client account:

```
<AcctSumRpt                                 // collateral report
        RptID="123456789"                   // unique record ID
        BizDt="2012-02-06"                  // clearing business date
        SetSesID="EOD"                      // settlement cycle (end-of-day)
        TxnTm="2012-02-07T05:49:00">                // submission time


<Pty ID="CME" R="21"/>                      // clearing organization
<Pty ID="111" R="4"/>                       // clearing member firm ID
<Pty ID="CME" R="22"/>                      // firm exchange
<Pty ID="111" R="1"/>                       // trade mgmt firm ID
<Pty ID="ABC12345" R="24">                  // customer account
        <Sub ID="1" Typ="26"/>              // customer origin
        <Sub ID="ACCTNAME" Typ="5"/>        // account name
        <Sub ID="H" Typ="41"/>              // customer account type
        <Sub ID="IRS" Typ="44"/>            // guarantee fund (product group) for this report
</Pty>

<CollAmt HrctInd="Y" Amt="29990000.00" Ccy="USD"/>        // total haircutted market value

</AcctSumRpt>
```

Notes:

The record ID is assigned by the submitting firm, and is simply a unique value used to refer back to a particular submission.

The business date is always the logical clearing business date to which the submission pertains. Any file submitted in the evening **after** the 8pm Eastern cutoff time for accepting a file for the current business date, should be specified as for the next business date.

The settlement session ID may be **SOD** (start of day), **ITD** (intraday), or **EOD** (end of day):

- A start-of-day file is one that is submitted **after** a clearing firm has finished its end-of-day bookkeeping run, reflecting values on deposit at CME prior to the effect of the morning margin call.

- An end-of-day file is one that is submitted in the late afternoon or early evening, but prior to the 8pm Eastern cutoff time, reflecting collateral on deposit at CME going into the end-of-day settlement cycle.

- An intraday file is any file submitted in between a start-of-day or end-of-day file.

The submission time is in standard XML Universal Time Code format, and may be specified in any desired timezone, together with the offset from GMT.

Party role usage is similar for LSOC Collateral Value reports to the way it is handled for Customer Gross Margining reports. Details:

- Firm Exchange and TMF ID are required, but Clearing Member Firm ID is optional.
- For reporting to CME Clearing, the clearing organization ID is always **CME**.
- For CDS, IRS and OTC FX reports, the Firm Exchange is always **CME**.
- Client Account ID is required.
- Account name should be provided.
- The origin code will always be **1** for customer.
- Account type is one of **M** for Member, **H** for Hedge, **S** for Spec (non-hedge), or **O** for omnibus.

The guarantee fund party role is new, and identifies the particular product group. For reporting to CME, it should be one of **IRS** for interest-rate swaps, **CDS** for credit default swaps, **FXM** for foreign exchange, or **NREG** for miscellaneous commodity and metals contracts.

There is an optional **Typ** attribute of the **CollAmt** element. Not providing it is the same as providing **Typ='TOTAL'**.

Basic message providing total USD-equivalent haircutted market value contributed by the firm:

```
<AcctSumRpt                                // collateral report
      RptID="123456789"                    // unique record ID
      BizDt="2012-02-06"                    // clearing business date
      SetSesID="EOD"                        // settlement cycle (end-of-day)
      TxnTm="2012-02-07T05:49:00">               // submission time


<Pty ID="CME" R="21"/>                      // clearing organization
<Pty ID="111" R="4"/>                       // clearing member firm ID
<Pty ID="CME" R="22"/>                      // firm exchange
<Pty ID="111" R="1"/>                       // trade mgmt firm ID
<Pty ID="FIRMVALUE" R="24">                 // customer account
      <Sub ID="1" Typ="26"/>                // customer origin
      <Sub ID="FIRMVALUE" Typ="5"/>         // account name
      <Sub ID="H" Typ="41"/>                // customer account type
      <Sub ID="IRS" Typ="44"/>              // guarantee fund (product group) for this report
</Pty>
<CollAmt HrctInd="Y" Amt="29990000.00" Ccy="USD"/>       // total haircutted market value
</AcctSumRpt>
```

Basic message providing total USD-equivalent unallocated client market value:

```
<AcctSumRpt                                // collateral report
      RptID="123456789"                    // unique record ID
      BizDt="2012-02-06"                    // clearing business date
      SetSesID="EOD"                        // settlement cycle (end-of-day)
      TxnTm="2012-02-07T05:49:00">          // submission time


<Pty ID="CME" R="21"/>                      // clearing organization
<Pty ID="111" R="4"/>                       // clearing member firm ID
<Pty ID="CME" R="22"/>                      // firm exchange
<Pty ID="111" R="1"/>                       // trade mgmt firm ID
<Pty ID="UNALLOC" R="24">                   // customer account
      <Sub ID="1" Typ="26"/>                // customer origin
      <Sub ID="UNALLOC" Typ="5"/>           // account name
      <Sub ID="H" Typ="41"/>                // customer account type
      <Sub ID="IRS" Typ="44"/>              // guarantee fund (product group) for this report
</Pty>
<CollAmt HrctInd="Y" Amt="29990000.00" Ccy="USD"/>       // total haircutted market value
</AcctSumRpt>
```

Notes: The **only** difference between these submissions and any ordinary submission, is in the value provided for the client account ID.

The client account ID of **FIRMVALUE** identifies the record as providing the amount of Firm Contributed Value (also called Firm Contributed Assets.)

The client account ID of **UNALLOC** identifies the record as providing the amount of value provided by clients but unallocated – *ie,* not identified as pertaining to any particular client. Unallocated client value cannot be used to meet any margin requirement and can be withdrawn by the clearing firm at any time.

Electing to report client-specific total haircutted market values (or firm-contributed or unallocated value) by currency of denomination:

```
<AcctSumRpt                              // collateral report
        RptID="123456789"                // unique record ID
        BizDt="2012-02-06"               // clearing business date
        SetSesID="EOD"                   // settlement cycle (end-of-day)
        TxnTm="2012-02-07T05:49:00">     // submission time
z
<Pty ID="CME" R="21"/>                   // clearing organization
<Pty ID="111" R="4"/>                    // clearing member firm ID
<Pty ID="CME" R="22"/>                   // firm exchange
<Pty ID="111" R="1"/>                    // trade mgmt firm ID
<Pty ID="ABC12345" R="24">               // customer account
        <Sub ID="1" Typ="26"/>           // customer origin
        <Sub ID="ACCTNAME" Typ="5"/>     // account name
        <Sub ID="H" Typ="41"/>           // customer account type
        <Sub ID="IRS" Typ="44"/>         // guarantee fund (product group) for this report
</Pty>

<CollAmt HrctInd="Y" Amt="29990000.00" Ccy="USD"/>      // total haircutted market value
<CollAmt HrctInd="Y" Amt="50000000.00" Ccy="EUR"/>      // total haircutted market value
<CollAmt HrctInd="Y" Amt="62500000.00" Ccy="GBP"/>      // total haircutted market value
<CollAmt HrctInd="Y" Amt="3329990000.00" Ccy="JPY"/>    // total haircutted market value

</AcctSumRpt>
```

Notes:

The **only** difference between reporting in currency-equivalent terms, versus currency-by-currency, is the inclusion of multiple Collateral Amount elements, one for each currency.

If you do wish to report in a single currency ("currency-equivalent"), there is no requirement that this currency be USD. For example, you could elect to report in EUR-equivalent terms, or to report in USD-equivalent for some accounts and EUR-equivalent for other accounts.

Optional reporting in terms of initial margin requirement, and excess or deficit amount

There were requests by firms to report in terms of excess haircutted market value rather than total haircutted market value. CME prefers to receive reporting in terms of total value, but will accept reports in terms of excess. If so, the firm must provide **both** its own determination of the client's total initial margin requirement, and then **either** the excess or the deficit amount.

Example showing an excess:

```
<CollAmt HrctInd="Y" Typ="IM" Amt="10000000.00" Ccy="USD"/>     // initial margin requirement
<CollAmt HrctInd="Y" Typ="EXCS" Amt="5000.00" Ccy="USD"/>       // haircutted value of excess
```

Example showing a deficit:

```
<CollAmt HrctInd="Y" Typ="IM" Amt="10000000.00" Ccy="USD"/>     // initial margin requirement
<CollAmt HrctInd="Y" Typ="DFCT" Amt="15000.00" Ccy="USD"/>      // haircutted value of deficit
```

Example showing collateral value precisely equal to the initial margin requirement:

```
<CollAmt HrctInd="Y" Typ="IM" Amt="10000000.00" Ccy="USD"/>     // initial margin requirement
<CollAmt HrctInd="Y" Typ="EXCS" Amt="0.00" Ccy="USD"/>          // haircutted value of excess
```


Notes:

In the "deficit" case, the deficit value should be provided as a positive number. In this example, the initial margin requirement is $10M, and the deficit is $15K, and hence the total haircutted value attributable to this client is $9,985,000.

This illustrates an important point. The sum of the values reported by the FCM to the various CCP's for an account, may never exceed the actual value of that client's account at the FCM. And if the client is in deficit to the FCM, it may never report an excess at any CCP.

Optional reporting of the CALL or RELEASE amounts

Suppose the firm is submitted a **start-of-day** report. This would typically be submitted in the wee hours of the morning, after the firm has completed its end-of-day bookkeeping process.

Values reported in a start-of-day submission must reflect values actually on deposit at the CCP at that time, and hence must be **prior to** the effect of any morning margin call or release.

If there is a morning margin call amount and firms are submitting a start-of-day report, normally firms will not be able to include in that report, the breakdown of the call amount by client.

If, however, the firm did know these values, and wished to provide them at that time, the **CALL** type may be used. For example:

<CollAmt HrctInd="Y" Amt="1000000.00" Ccy="USD"/>   // total already on deposit
<CollAmt HrctInd="Y" Typ="CALL" Amt="2000000.00" Ccy="USD"/>   // value to be provided

In this example, there is $10M already on deposit for this client, and in the margin call that will shortly be satisfied, of the total value to be provided, $2M is coming from this client.

If there is a upcoming margin release, and the breakdown of the effect of the release were known, you could use **Typ="REL"**:

<CollAmt HrctInd="Y" Amt="1000000.00" Ccy="USD"/>   // total already on deposit
<CollAmt HrctInd="Y" Typ="REL" Amt="2000000.00" Ccy="USD"/>   // value to be released

In this example, there is $10M already on deposit for this client, and there is an upcoming release of collateral from the CCP, and $2M of that amount will be coming from this client's value at the CCP.

Again, reporting of call or release amounts is strictly optional. Firms may not be able to identify these values, and even if they can, they are not required to report them. If firms **do** wish to provide such a report, an alternative approach is simply to wait until the morning margin call has been met, and then provide an intraday report.

Optional reporting of un-haircutted market value on deposit

CME encourages firms to provide **unhaircutted** market value amounts as well as **haircutted** values. Unhaircutted values are not required, but were a default to occur, they can provide valuable information about collateral quality provided by the client.

Here's an example of providing both haircutted and un-haircutted values:

```
<CollAmt HrctInd="Y" Amt="1000000.00" Ccy="USD"/>        // total haircutted value
<CollAmt HrctInd="N" Amt="950000.00" Ccy="USD"/>         // total un-haircutted value
```

Optional reporting of equity run data

CME encourages firms to provide aggregate values of the account on the books of the FCM – so-called "equity run" data since it provide summarized values corresponding to the data of an equity run. Such reporting is not required, but it is strongly encouraged since it will provide the CCP with information that will be important in the event of a default.

Here's an example of providing the equity run data:

```
<CollAmt HrctInd="Y" Typ="IMALL" Amt="50000000.00" Ccy="USD"/>  // total IM requirement
<CollAmt HrctInd="Y" Typ="LB" Amt="10000000.00" Ccy="USD"/>     // ledger balance
<CollAmt HrctInd="Y" Typ="OTE" Amt="-210000000.00" Ccy="USD"/>  // open trade equity
<CollAmt HrctInd="Y" Typ="LB" Amt="5000000.00" Ccy="EUR"/>      // ledger balance
<CollAmt HrctInd="Y" Typ="OTE" Amt="-60000000.00" Ccy="EUR"/>   // open trade equity
<CollAmt HrctInd="Y" Typ="LOV" Amt="5000000.00" Ccy="USD"/>     // long option value
<CollAmt HrctInd="Y" Typ="SOV" Amt="60000000.00" Ccy="USD"/>    // short option value
<CollAmt HrctInd="Y" Typ="SEC" Amt="10000000.00" Ccy="USD"/>    // securities on deposit
                                                                // (haircutted market value)
```

Notes:

The **IMALL** type captures the client's total initial margin requirement for US cleared swaps, across all CCP's and guarantee funds.

The **OTE** type captures the open trade equity for all of the client's positions for US cleared swaps in this currency. "Open trade equity" means the cash value (the net variation gain or loss) on currently open positions. OTE should be reported by currency.

The **LB** type captures the client's ledger balance for an account. This is the cash value of the account not associated with open positions, and likewise should be reported by currency.

The **LOV** and **SOV** types capture the current market value of positions in premium-style contracts, such as premium-style options. A "premium-style" contract is is one where the full value is paid (or received) at trade time, and hence the current value of the position counts as an asset (or liability).

The **SEC** type captures the value of securities (*ie,* any non-cash asset) on deposit.

Reporting of Individual Client Assets for Individual Client Accounts

For CME Clearing Europe, the LSOC CVR file will also be used for reporting client account values for Individual Client Accounts.

Under EMIR regulations, in addition to reporting of the total haircutted market value attributable to the client, the ownership interest in specific assets must also be reported.

This information may be included in the CVR report for each account using any number of **CollAmt** elements, with **Typ** values beginning with **ICA**, used as follows:

<CollAmt HrctInd="N" Typ="ICA-CASH" Amt="10000000.00" Ccy="USD"/>
<CollAmt HrctInd="N" Typ="ICA-CASH" Amt="20000000.00" Ccy="EUR"/>
<CollAmt HrctInd="N" Typ="ICA-CUSIP-912828MR8" Amt="30000000.00" Ccy="USD"/>
<CollAmt HrctInd="N" Typ="ICA-ISIN-GB0032452392" Amt="40000000.00" Ccy="EUR"/>

Individual client assets should be reported as their face (unhaircutted) value.

###