

TO: Clearing Member Firms

FROM: CME Clearing

DATE: October 21, 2016

ADVISORY #: 16-441

SUBJECT: **REMINDER: Transfers Migration to FEC+, October 24, 2016**

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As a final reminder, CME will migrate Transfers to FECPlus in Production effective **Monday, October 24, 2016**.

All unmatched Transfers in FEC Classic Production will be deleted at EOD on Friday, October 21, 2016 and will not be recreated in FECPlus.

The **Transfer Upload** Feature will be available in Production sometime **mid-November**. The exact date will be published once it is determined. Until then, bulk transfers can be handled by the CCS Team, as they are today, but using a new Transfer Generator File Template. Contact CCS for the new Template.

With this migration, there are a few operational changes, as well as new features:

#### **Supported Browsers**

As outlined on our website, and in previous advisories, the only browsers officially supported by CME are IE 11 and Google Chrome 36+. Some of the UI features related to Transfers may not work in older browser versions. We recommend upgrading to one of our supported browser versions as soon as possible. More information on our supported browsers is available here:

<http://www.cmegroup.com/tools-information/supported-browsers.html>

#### **Normal transfers will switch from two-sided entry match model to allocate/claim match model.**

- The move to allocate/claim model is in accordance with the recommendations of the FIA Committee on Transfers in 2010.
- For regular transfers, the two parties involved can decide who will enter the transfer, and who will claim. If no accord can be reached, the Seller of the transfer will enter the transfer, while the other party will claim.
- For bulk transfers, the firm that owns the positions will enter the transfers.
- The API for funges and explosion trades will not be affected.

#### **Changes to the Allocate/Claim Trade API:**

- There were some changes made to the allocate/claim API for transfers. The API specifications can be downloaded from CME Group Website here:  
<http://www.cmegroup.com/clearing/files/allocate-claim-match-model-overview.pdf>

#### **Additional Changes/Features:**

- Transfer trades posted into FECPlus via API message in error will not be editable. Firms are required to delete those error trades from FECPlus and re-add them.

- Auto Transfer button in FECPlus will be used for creating offsetting transfers from existing trades in FECPlus. (Please note that, initially this will apply to next-day ClearPort trades, including CDS, and Matched Transfers)
- Auto Transfer button in FEC Classic will no longer be supported. Pit Trades will be eligible for the Auto Transfer button in FECPlus once they've migrated.
- Auto-Accept features will be extended to apply to transfers, including Auto-Accept Rules and Same-CMF Auto-Accept.
- A new feature will allow Transfers can be uploaded via .csv file into the FECPlus UI. (Available mid-November)

#### Transfer Reason Codes:

With this migration, the list of Transfer Reason Codes has been reduced. Below is a list of the 13 valid Transfer Reason Codes that are supported by CME Clearing, 11 of which can be assigned by firms, while with the other 2 being system-generated only

Code	Description
A	Exchange approved transfers between accounts with different beneficial ownership
B	For correcting Rule 527 mis-clears
C	Transfer between accounts in which the underlying beneficial ownership is identical
E	Transfer to correct an error in assignment of account (in-house) or customer/house origin error or firm-to-firm clerical error in clearing a trade
J	For rule 770 transfers
M	Transfer for portfolio margining purposes
N	Transfer of positions to a newly approved clearing firm
P	Fungible Transfers and Delivery Transfers (system generated, cannot be submitted by firms)
T	Transfer due to the merger of two or more clearing firms
V	Auto-transfer Offset (system generated, cannot be submitted by firms)
W	Transfer due to withdrawal of a clearing firm
X	For transferring new or offsetting Singapore Exchange executed positions between local firms
Y	Cross Exchange Transfer (OCC)

For more information, please contact CME Clearing at [ccs@cmegroup.com](mailto:ccs@cmegroup.com) or via phone at Chicago (312) 207 2525 | London (44) 203 379 3198 | Singapore (65) 6593 5591