

## Advisory Notice

Clearing House

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12-004

**To:** Clearing Member Firms  
**From:** CME Clearing  
**Subject:** Revision to Clearing House Manual of Operations – Rule 853 numbering  
**Date:** January 4, 2012

Effective today **Chapter IV, Front End Clearing**, of the **Clearing House Manual of Operations** (December 2010 version) is revised as follows. (Additions underscored; deletions stricken.)

## TRANSFER TRADES

### Transfer Trade Types

Firms use transfer trades to transfer an existing position from one account to another. Please refer to **Rule 853.A** for further information regarding the conditions under which transfer trades can be submitted.

### Transfer Type Codes

All transfer trades must include the appropriate transfer type code in the order type indicator field. The codes are as follows:

Code	Description
A	Error in assignment of account (in-house)
B	For correcting Rule 527 mis-clears
C	Transfer at the request of a customer (to another firm)
D	For correcting Rule 551 mis-clears
E	Transfer to correct a firm-to-firm clerical error in clearing a trade
F	Transfer for liquidation (offset) of a trade that cleared at the wrong house due to clerical error only
I	Customer/House origin transfer to correct error
N	Transfer of positions to a newly approved clearing firm
S	For transferring new Singapore Exchange executed positions between local firms
T	Transfer due to the merger of two or more clearing firms

Code	Description
W	Transfer due to withdrawal of a clearing firm
X	For transferring offsetting Singapore Exchange executed positions between local firms
Y	Cross Exchange Transfer (OCC)
Z	Used for transfers that offset CME Rule 527 trades

Transfer type “E” or “F” trades must be submitted within two business days after the original trade date. This is in accordance with the requirement that all clearing members be in balance at all times.

## Liquidation

Transfers for liquidation are strictly prohibited unless they are done in accordance with **Rule 854.B**.

## Price and Date

Please refer to **Rule 853.DA.4** for further information regarding eligible prices and dates for transfers between firms.

## Time Guidelines

Transfers to another clearing member at the request of a customer must be done in accordance with the time guidelines established by the National Futures Association (NFA).

## Last Day for Transfers

Transfers after the last day of trading of an options contract are strictly prohibited. This is allowed for CBOT products provided the transfer meets all other requirements of **Rule 853.A**.

Firms submit transfer trade records to CME Clearing as they would submit any trade record, with the following exceptions:

1. Transfer trades are submitted as trade type 8. Trade type 8 is a match critical field and will only match against other type 8 records.
2. All transfer trades must contain the appropriate transfer type code in the order type indicator field.
3. The broker fields are not required.
4. The CTI, CTR, and time bracket data are not required.