CME Group

Clearing Advisory Notice

TO: Clearing Member Firms

FROM: CME Clearing

DATE: January 12, 2021

ADVISORY #: 21-016

SUBJECT: **Exercise & Assignment and Clearing Transformation Trade Types Project Phase 1 – PRODUCTION DATE CHANGE**

Please be advised that, as per Clearing House Advisory 20-256, CME Clearing will be adding two new Trade Types, starting with Exercise & Assignment (E/A) Trades in Phase 1. The Production date for Phase 1 of the Exercise & Assignment and Clearing Transformation Trade Types Project has been moved to Monday February 22, 2021.

These changes are currently available for testing in New Release.

Phase 1

- Exercise & Assignment results will post to FECPlus as Trades
- FIXML messages will be sent to FCMs who Opt IN to receive the real-time messages
  - FCMs can contact CCS to Opt IN to receive the real-time messages
- Account, CTI, and Origin updates will be allowed, top-day
- The E/A trades will NOT be eligible for Post-Trade Processing in Phase 1
- The E/A trades will appear on the Print and FIXML Trade Registers
  - FCMs should ensure that they can handle the E/A Trades on the FIXML Trade Register

The technical specification for the real-time FIXML messages can be viewed here:
https://www.cmegroup.com/clearing/files/clearing-transformation-trade-type-fixml-specs.pdf

The updated specification for the FIXML Trade Register can be reached here:
https://www.cmegroup.com/clearing/files/fixml-trade-register-overview.pdf

Phase 2 – Q3 2021

- Exercise & Assignment Trades will be eligible for Post-Trade Processing.
- Firms will need to use FECPlus to submit Exercise & Assignment Allocations, rather than the Exchange Fees System

Phase 3 – TBD

- BTIC+, TACO+, and Electricity (Power) Monthly-to-Daily Conversion Process will be updated to post the results using the Clearing Transformation Trade Type instead of Transfers.
- Those trade will be eligible for Post-Trade Processing.

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