

## Advisory Notice

Clearing House

10-55

TO: Clearing Member Firms; Back Office Managers

FROM: CME Clearing

SUBJECT: Enhanced Transfer Process in FEC Available Monday, February, 8, 2010.

DATE: February 8, 2010

In response to firm requests, CME Clearing is adding enhanced transfer functionality in Front End Clearing (FEC) to facilitate transferring mis-cleared trades between firms. Starting this Monday February 8, 2010 firms will have the ability to automatically create a transfer trades to back-out of non-electronic matched trades. This is available for top-day and prior-day trades and will bypasses the price edit firms encounter when entering transfers manually via FEC or via API messaging. Also,

To use this feature in FEC:

- Select the trade(s) to be transferred from FEC Search menu.
- Click on the new “**Transfer**” Button on FEC UI.
- A transfer trade for the firm who initiated the transfer will be generated on the Transfer screen as an allocate/claim transfer.
- The firm on the opposite side must claim the Transfer (in the Transfer Screen, subtype Claim) for it to match.
- Each firm should verify that the desired Transfer Reason Code (TRC) is set for their side of the transfer.
- Opposite side of the trade can also Reject the transfer. The trade goes into Reject status and can only be deleted by the Initiating firm.
- If the transfer was executed by error, the claimed transfer can be released.
- Both sides of the transfer are generated with the original trade date and trade information automatically populated by FEC with the exception of the reversal of the buy/sell side.
- FIXML confirms for the Transfer Trades will be generated and routed to firm queues.
- This functionality only available via FEC and is not supported via API.

The original trades and the transfers each go through two states in this process:

- 1) When marked for Transfer, the status of both Original Trades changes from Matched (M) to Pending Transfer (PT). Once the transfer is accepted, the status of both trades changes to Transferred (T).
- 2) The allocate/claim transfers are created in Pending Acceptance (PA) status for both sides. When the Transfer is accepted, the status of both Transfers changes to Matched (M).

Please contact CME Group Clearing Customer Support (CCS) with questions 312.207.2525 or via e-mail at [CCS@cmegroup.com](mailto:CCS@cmegroup.com).