

CME Group

CME Automatic Claim Handling

**July 19, 2018**

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**Proposal Status: Public Comment**

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| Revision | Date | Author | Revision Comments |
| --- | --- | --- | --- |
| 0.1 | July 13, 2018 | Brook Path Partners, Inc. for CME Group | Initial draft |
| 0.2 | July 17, 2018 | Brook Path Partners, Inc. for CME Group | Editorial edits |
| 0.3 | July 19, 2018 | Brook Path Partners, Inc. for CME Group | Feedback from presentation. Extend proposal to add AllocHandlInst(209) to AllocAckGrp, PreAllocGrp and TrdAllocGrp components. |
|  |  |  |  |

The above document history section, including date, author, and comments, is required to track editing changes to the document. List revisions in **ascending order**. Please insert additional rows in the table as needed.

Template version information:

r2: 2010-11-13 Revised to support abbreviations, inlined component references

r3: 2011-12-02 Revised to add additional usage clarification

r3.1: 2013-01-04 Revised Copyright year, changed template to Office 2013 .docx version, updated font to Calibri for cleaner look. Added additional template usage clarification.

R3.2 2016-05-23 – revised the copyright date, corrected document references and replaced the FIX logo with the most current graphic.

2016-09-14 – Removed blue highlighting from hidden text content, removed ICR column from 5.1 and 6.1 tables and added “FIX Spec” to the Comments column header of table 6.1 and revised notation of optional elaboration for fields and enums in the data dictionary.

# Introduction

The allocation of a block trade may either be from one firm to another or from a firm to one of its own accounts or to a subsidiary. In the latter case a workflow requiring the take-up firm to claim the allocation should be unnecessary. This proposal adds one additional value to AllocHandlInst(209) to signal that the claim should be automatic.

Since automatic claim applies equally to pretrade messaging and to post-allocation reporting, we propose adding the AllocHandlInst(209) field to all appropriate allocation components.

## Summary of Proposed Changes

The summary of proposed changes to support the business requirements described in Section 2 are:

* Add one enumeration to AllocHandlInst(209) to indicate that the give-up and take-up party are the same and that claim should be automatic.
* Add AllocHandInst(209) to the AllocAckGrp, PreAllocGrp and TrdAllocGrp components.

# Business Requirements

## Automatic Claim Give-up

Clearing members who are allocating a give-up trade to themselves would like the ability to mark the trade to automatically claim the give-up when submitting the allocation. This would streamline clearing members' operations, negating the need to explicitly having to send another message to claim the give-up on a trade allocated to themselves. In the "auto-claim" the clearing house would then send the confirmations once the trades "match" and the process is completed. The proposed solution is to add one additional enumeration to AllocHandlInst(209) = TBD (Auto claim give-up).

Since this new value and and the existing enumerations of AllocHandlnst(209) apply equally to pretrade and post-allocation messages we propose adding the field to the allocation information components pretrade, ExecutionReport(35=8), the allocation acknowledgements and TradeCaptureReport(35=AE).

# Issues and Discussion Points

|  | Issue | Date | Status | Discussion |
| --- | --- | --- | --- | --- |
| 1 |  |  |  |  |
| 2 |  |  |  |  |

# Proposed Message Flow

*There are no proposed changes to message flow.*

# FIX Message Tables

*There are no proposed changes to messages.*

# FIX Component Blocks

## Component AllocAckGrp

|  |  |  |
| --- | --- | --- |
| To be completed at the time of the proposal – all information provided will be included in the repository | | |
| Component Name | | AllocAckGrp |
| Component Abbreviated Name (for FIXML) | | AllocAck |
| Component Type | | \_X\_\_ Block Repeating \_\_\_ Block |
| Category | | (no change) |
| Action | | \_\_New \_X\_Change |
| Component Synopsis  Required, short, one or two paragraph description of the component. | (no change) | |
| Component Elaboration  Optional longer description of the component usage | (no change) | |
| To be finalized by FPL Technical Office | | |
| Repository Component ID | |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Component FIXML Abbreviation: <*AllocAck*> | | | | | |
| *Tag* | *Field Name* | *Req'd* | *Action* | *Mappings and Usage Comments* | *Comments* |
| 78 | NoAllocs |  |  |  |  |
| 79 | AllocAccount |  |  |  |  |
| *(…truncated…)* | |  |  |  |  |
| 776 | IndividualAllocRejCode |  |  |  |  |
| ***NestedParties component*** | |  |  |  |  |
| 209 | AllocHandlInst | N | ADD |  |  |
| 161 | AllocText |  |  |  |  |
| 360 | EncodedAllocTextLen |  |  |  |  |
| 361 | EncodedAllocText |  |  |  |  |
| *(…truncated…)* | |  |  |  |  |
| </*AllocAck*> | | | | | |

## Component PreAllocGrp

|  |  |  |
| --- | --- | --- |
| To be completed at the time of the proposal – all information provided will be included in the repository | | |
| Component Name | | PreAllocGrp |
| Component Abbreviated Name (for FIXML) | | PreAll |
| Component Type | | \_X\_\_ Block Repeating \_\_\_ Block |
| Category | | (no change) |
| Action | | \_\_New \_X\_Change |
| Component Synopsis  Required, short, one or two paragraph description of the component. | (no change) | |
| Component Elaboration  Optional longer description of the component usage | (no change) | |
| To be finalized by FPL Technical Office | | |
| Repository Component ID | |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Component FIXML Abbreviation: <*PreAll*> | | | | | |
| *Tag* | *Field Name* | *Req'd* | *Action* | *Mappings and Usage Comments* | *Comments* |
| 78 | NoAllocs |  |  |  |  |
| 79 | AllocAccount |  |  |  |  |
| *(…truncated…)* | |  |  |  |  |
| 2727 | AllocLegRefID |  |  |  |  |
| ***NestedParties component*** | |  |  |  |  |
| 209 | AllocHandlInst | N | ADD |  |  |
| 80 | AllocQty |  |  |  |  |
| 1752 | CustodialLotID |  |  |  |  |
| 1753 | VersusPurchaseDate |  |  |  |  |
| *(…truncated…)* | |  |  |  |  |
| </*PreAll*> | | | | | |

## Component TrdAllocGrp

|  |  |  |
| --- | --- | --- |
| To be completed at the time of the proposal – all information provided will be included in the repository | | |
| Component Name | | TrdAllocGrp |
| Component Abbreviated Name (for FIXML) | | Alloc |
| Component Type | | \_X\_\_ Block Repeating \_\_\_ Block |
| Category | | (no change) |
| Action | | \_\_New \_X\_Change |
| Component Synopsis  Required, short, one or two paragraph description of the component. | (no change) | |
| Component Elaboration  Optional longer description of the component usage | (no change) | |
| To be finalized by FPL Technical Office | | |
| Repository Component ID | |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Component FIXML Abbreviation: <*Alloc*> | | | | | |
| *Tag* | *Field Name* | *Req'd* | *Action* | *Mappings and Usage Comments* | *Comments* |
| 78 | NoAllocs |  |  |  |  |
| 79 | AllocAccount |  |  |  |  |
| *(…truncated…)* | |  |  |  |  |
| 1729 | FirmMnemonic |  |  |  |  |
| ***NestedParties2 component*** | |  |  |  |  |
| 209 | AllocHandlInst | N | ADD |  |  |
| 80 | AllocQty |  |  |  |  |
| 2515 | AllocCalculatedCcyQty |  |  |  |  |
| 1752 | CustodialLotID |  |  |  |  |
| *(…truncated…)* | |  |  |  |  |
| </*Alloc*> | | | | | |

# Category Changes

*There are no category changes.*

# Appendix A - Data Dictionary

| **Tag** | **FieldName** | **Action** | **Datatype** | **Description** | **FIXML Abbreviation** | **Add to / Deprecate from Message type or Component block** |
| --- | --- | --- | --- | --- | --- | --- |
| 209 | AllocHandlInst | CHANGE | int | *Change description:*  Indicates how the receiver (i.e. third party) of allocation information should handle/process the account details.  1 = Match  2 = Forward  3 = Forward and Match  *Add enumeration:*  <tbd> = Auto claim give-up  [Elaboration: Indicates that the give-up and take-up party are the same and that trade give-up is to be claimed automatically.] |  |  |

# Appendix B - Glossary Entries

|  |  |  |
| --- | --- | --- |
| **Term** | **Definition** | **Field where used** |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

# Appendix C - Abbreviations

|  |  |  |
| --- | --- | --- |
| **Term** | **Proposed Abbreviation** | **Proposed Messages, Components, Fields where used** |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

# Appendix D - Usage Examples