Automated Position Transfers: Overview

- ICE Clear Credit (ICC) and ICE Clear Europe (ICEU) are releasing a new client position transfer workflow on June 8
- The automated transfer workflow via the ICE Link GUI/API will replace the current spreadsheet request process
- Clients can initiate transfers via the ICE Link GUI:
  - Intra-transfer: Position transfer to a different fund within the same FCM*
  - Inter-transfer: Position transfer across different FCMs
- FCMs are required to affirm all client initiated transfer requests
- Transfers can be initiated via ICE Link 24 hours a day and will be cleared intra-day during clearinghouse hours (3am to 6pm ET for ICC; 8am to 6pm BST for ICEU):
  - Pending transfer requests which have not been affirmed by clearinghouse close will expire in ICE Link
  - Transfers submitted to the clearinghouse after close will be processed at clearinghouse open on T+1
- A single transfer results in two trades being cleared, 1) an offsetting trades in the Transfer From Account; and 2) a new trades in the Transfer To Account. Transfer trades are eligible for netting the same day.
- The following position transfers are supported:
  - Single position transfer
  - Multiple position transfer (processed all or none)
  - Partial notional transfer
  - Upfront fee transfer (upfront fee, commonly provided for a misallocation transfer) must be entered at time of transfer initiation via ICE Link
- Transfer activity appears in the client clearing activity report

*FCM represents Clearing Broker in regards to ICE Clear Europe
1. Client requests a Position Transfer of an existing Cleared Trade, providing the Transfer-to Clearing Broker (CB)/FCM and Clearing Account.

2. The original CB/FCM 1 and the new CB/FCM 2 (if an inter-transfer) reviews the request and affirms.

3. ICE Link routes the transfer request to the clearinghouse; the transfer is affirmed upon clearinghouse acceptance. Cleared positions represented as an offsetting trade with the original CB/FCM 1 and a cleared trade* with the new CB/FCM 2.

4. ICE submits the new trades to the Swap Data Repository.

* If an Intra-transfer (Fund-to-Fund Transfer), the new cleared trade is to the original CB/FCM with a different Client Account.
Position Selection via the Position Blotter

- Client institutions may initiate the position transfer workflow via the ICE Link GUI Position Blotter.
- Transfers may be to a separate fund/account with the original FCM or to a new FCM; Clients may transfer one or many positions at once in a group, as long as the original CB/FCM is the same for all positions (and the new FCM is the same if a inter-transfer).

1. To select the cleared position(s) to transfer in the Positions blotter, users select the check box in the screen to identify trades to transfer; users may use various filters to simplify the selection process.

2. After selecting the desired trades, users select the Transfer button.
Position Selection via Spreadsheet

- Clients may alternatively paste positions from a spreadsheet instead of manually selecting positions to transfer in the Position Blotter screen.

1. Select the Transfer button in the Positions screen (without selecting any positions) to open the Position Transfer allegation.

2. Using a Spreadsheet Template (a link to the template is available), enter your firm’s Position ID and ICE Legal Entity Short Name and copy rows and columns to the window’s clipboard (highlight, right click, select copy {or} CTRL+C).

3. In the Transfer screen, select the ‘Paste Positions’ button to paste the Positions.

4. The pasted position details will display in the Position Transfer when successfully pasted.
NOTE: For the Upfront Fee Payer selection field, the ‘Transfer From Account’ selection identifies the Client Account from the original position as the Upfront Fee payer in the transfer; when ‘Transfer To Account’ is selected as the Upfront Fee Payer, the Client Account in the resulting new transferred position is identified as the upfront fee payer.

For example, a Client misallocated a trade to Fund A where Fund A was identified as the Upfront Fee Payer, to correct the allocation to Fund B, the client may allege a transfer of the misallocated cleared trade to Fund B with the same notional and upfront fee, and select ‘Transfer To Account’ to identify Fund B as the Upfront Fee Payer.
Position Transfer Status

- Clients may monitor Transfer request statuses in the transaction blotter (transaction type of Clearing Transfer)
- Clients may view transfer details or recall (cancel) a pending transfer request by selecting the ‘View Package’ button

View Transfer Request Status and Details

1. All parties can view the transfer request status in the transaction blotter; users may select the ‘View Package’ button in the blotter to view the transfer request details (or to cancel/recall a pending request)

2. In the Transfer transaction view, users may view the selected positions to transfer and the resulting new positions from the transfer

3. Users may select the Export button to generate a spreadsheet of all the positions (old and new) in the transfer workflow or select the View Proj. Margin to calculate margin impact from the transfer

4. To view the full details for a specific position, users may select the Description link in the transfer request
Client Testing

- Clients may test initiating transfer requests as of May 26th in the ICE Link demo (test) environment
- Clients may reach out to their FCM if end-to-end testing is desired
- From June 8th forward, all client requested cleared position transfers will only be accepted in the ICE Link GUI (the clearing house will not accept manual requests from your FCMs)
- Any questions in regards to the transfer workflow can be directed to the ICE Link Account Management:

  ICE Link Account Management
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