

# Regulation Position Management

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## **1. Introduction**

This Regulation is enacted pursuant to and in accordance with article 5.9.1, 5.10.1 and 6.7.1 of the Clearing Rule Book.

This Regulation applies as of 6 September 2021.

Capitalised terms used in this Regulation, and not otherwise defined, shall have the meaning as set out in the Clearing Rule Book.

Changes to this Regulation will be implemented in accordance with the Changing Cboe Clear Rulebook & Regulations Procedure as published on Cboe Clear's website.

## **2. Purpose**

This Regulation sets out the conditions attached to certain post trade events and interactions and the applicable operational processes.

The fees for the processing of the functionalities listed in this document are set out in the Regulation Fees and Penalties.

## **3. Transfer of Trade Legs or Open Positions within Account Structure Clearing Participant (internal transfer)**

A Clearing Participant may request Cboe Clear to transfer a Trade Leg or an Open Position to another Position Account within its Account Structure by an approved Cboe Clear communication method.

Please refer to the Cboe Clear website for applicable deadlines.

## **4. Transfer of Trade Legs between Clearing Participants through a give up / take up (external transfer)**

Cboe Clear will facilitate a transfer of a Trade Leg from the sending Clearing Participant to the receiving Clearing Participant when the transfer does not procure a change in ultimate beneficiary owner of the Trade Leg.

Please refer to the Cboe Clear website for applicable deadlines.

A Trade Leg is transferred as follows:

- a) The sending Clearing Participant submits a Transfer Order which the receiving Clearing Participant accepts, using an approved Cboe Clear communication method.

- b) Cboe Clear books the Trade Leg in the account of the receiving Clearing Participant against the original amount of the Trade.
- c) Cboe Clear sends the sending Clearing Participant and receiving Clearing Participant a transfer confirmation which will specify the Transfer Time.
- d) If the Transfer Order is accepted by the receiving Clearing Participant within the Cboe Clear designated time-window then the transfer will be processed by Cboe Clear on the same day. Any instruction outside this time-window will not be processed and will be rejected.

## **5. Transfer of Open Positions between Clearing Participants (external transfer)**

Cboe Clear will facilitate a transfer of an Open Position from the sending Clearing Participant to the receiving Clearing Participant when the transfer does not procure a change in ultimate beneficiary owner of the Open Position.

Please refer to the Cboe Clear website for applicable deadlines.

An Open Position is transferred as follows:

- a) The sending Clearing Participant submits a Transfer Order which the receiving Clearing Participant accepts, using an approved Cboe Clear communication method.
- b) Cboe Clear books the Open Position in the account of the receiving Clearing Participant at zero price for Options Contracts and at closing price of the previous business day for Futures Contracts.
- c) Cboe Clear sends the sending Clearing Participant and receiving Clearing Participant a transfer confirmation which will specify the Transfer Time.
- d) If the Transfer Order is accepted by the receiving Clearing Participant within the Cboe Clear designated time-window then the transfer will usually be processed by Cboe Clear the same day (depending on volume).

## **6. Trade Leg open/close rectification**

The Clearing Participant may send a request to Cboe Clear to rectify erroneous open/close designations. Rectification of open/close designations is only possible for those Position Accounts where the open/close indicator is part of the transaction details.

Carrying out a Trade Leg open/close rectification increases/reduces the open long and short position equally.

Cboe Clear shall be entitled to override open/close designations when necessary to prevent negative long/short positions.

Please refer to the Cboe Clear website for applicable deadlines.

## **7. Open Position close-out instruction**

The Clearing Participant may send a request to Cboe Clear to close-out (net) certain buys and sells in the relevant Position Account.

Carrying out close-out instruction increases or reduces the open long and short position equally.

Cboe Clear shall be entitled to override close-out instructions when necessary to prevent negative long/short positions.

Please refer to the Cboe Clear website for applicable deadlines.

## **8. Trade Leg split**

The Clearing Participant may send a request to Cboe Clear to split a Trade Leg in multiple Trade Legs registered in the same Position Account.

Please refer to the Cboe Clear website for applicable deadlines.