

#: TIW# 231
DATE: April 20, 2012
TO: Distribution
FROM: Warehouse Product Management
SUBJECT: **Trade Information Warehouse (“TIW”) to Implement Phase 2 of the Tri-Party Ticket Representation for Cleared positions**

The Trade Information Warehouse (‘TIW’) will launch its support of the FCM/DCM Clearing Model Phase 2 – Tri-Party ticket on April 30, 2012.

The Phase 2 model accommodates the submission and representation of cleared records in the TIW under either a futures commission merchant (FCM) agency clearing model or derivatives clearing member (DCM), principle clearing model. For each cleared record, there will be references to all key parties of the trade:

- the Central Clearing Counterparty (CCP),
- the Clearing Agent (who can be represented in an FCM or DCM capacity)
- the End Client/Customer

The Phase 2 model further supports a streamlined process for TIW life-cycle processing on Restructuring events for both client cleared and proprietary (or non-customer) cleared positions in the TIW. Outbound triggering status messages have been enhanced to reflect an additional Trade Reference ID applied by the Clearing Agent.

Please refer to the following FAQ document and User Guide that further describes the features:
<https://www.dtcc.com/products/derivserv/members/downloads/TriParty-User-Guide.pdf>

Each CCP can migrate to the Phase 2 model based on the timing of its own clearing systems transition. ICE Clear Credit and ICE Clear Europe will be transitioning to the Tri-Party ticket during the week-end of April 28th in preparation for commencement on Monday, April 30, 2012.

Please refer to the below on the key times for the code and conversion migration activities:

- This release will be migrated into production on Friday, April 27th 2012. Please be advised that this release will result in DSMatch front-end portal downtime for Credit Products to be unavailable for 3.5 hours (6:30 PM - 12 AM EST / April 27th 11:30 PM – 2:20 AM GMT).
- On Saturday, April 28, 2012 the Trade Information Warehouse will facilitate the ICE Clear Credit and ICE Clear Europe Conversion of its open interest positions to the new Tri-Party position representation. All active, confirmed positions in the ICE Clear Credit and ICE Clear Europe’s accounts maintained in the TIW will be converted.
 - The open interest positions will be auto exited from TIW and replaced with the new Tri-Party position representation. For dealer to dealer cleared positions, one position will be created in the TIW for each open position. For client cleared positions, where

there are currently two separate trades in the TIW, one position will be created in the TIW representing the two back to back positions.

- The existing participant transaction reference numbers will be maintained and applied to the new Tri-Party tickets.

Additional key details of this conversion are as follows:

- Any ‘uncertain’ positions will not be eligible for processing. Participants will need to rectify any uncertain positions prior to the start of the conversion process.
- Starting on or about 5:00 AM EST (10:00 AM GMT) April 28th, TIW will facilitate EXITS on those confirmed trades facing the two ICE accounts. After the exits are complete, new positions will be created in the Tri-Party representation.
- Those firms receiving MQ messaging will receive the standard output messages. Firms should expect to receive exit messages on the DTCC TRIs of the open positions and subsequent confirmation messages with new DTCC TRIs associated with the new Tri Party positions. For those firms that upgrade to DSMatch V10 messaging, messages will be sent in the Tri-Party format. Firms that remain on messaging V9 will receive the messages in the non Tri Party format.
- Upon exiting of the open positions, firms will receive payment cancellation messages on any open cash flows. After the Tri-Party record is created, firms will receive new payment messages and new cash flow IDs, for any cancelled cash flows.
- Firms and the CCPs will receive notification at the conclusion of the conversion for their review: a reconciliation report will reference the old DTCC TRIs to the new TRIs applied to the new Tri-Party representation.
- A new Cleared Position Report will also be made available after the conversion. It will also be generated and available daily on the web for firms having Tri-Party records. The report will contain only Tri-Party records and include the new fields.

Any questions or comments regarding this release or conversion should be directed to your client account manager.