



Interface and Operational Procedure for the Gross OSA Allocation Process in LMEmercury

Please respond to:
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Document History

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1. Introduction

In LMEmercury Release 5 (Quarter 4 2017), LME Clear will introduce a new Allocations mechanism for the new Gross OSA account type. The Allocations mechanism allows Members to allocate positions held for all contract types in their Gross OSA account to individual clients – whether they are direct or indirect clients.

Two options exist for inputting allocation instructions into the system:

1. Manually uploading a file with allocation instructions using the LMEmercury GUI (File Uploads)
2. Uploading a file with allocation instructions onto SFTP for LMEmercury to automatically consume and process

This document provides Members and ISVs detailed technical and operational information for the systems and interfaces that support the allocations mechanism.



2. Gross OSA Allocation – General Rules

2.1 Allocation Principles

- Every individual client in the Gross OSA account must have a unique ID assigned by the Member. This is referred to as the 'Allocation ID' in LMEmercury; it will not be stored in LMEmercury as reference data and will be provided by a Member in their Allocation files.
- One client may have the same or different Allocation IDs with different Members.
- Members are responsible for ensuring that the allocation instructions submitted for each client are valid based on details in their own books and records.
- Members are responsible for ensuring that the Allocation ID present in allocation instructions matches with their own books and records; LMEmercury will not validate that it is a valid ID.
- Risk will be (re)calculated on all Gross OSA accounts affected by a position change.

2.2 Clearing of Gross OSA trades

- New trades will be submitted for clearing using the Gross OSA account type. The resulting positions will be unallocated (i.e. with Allocation ID = "UNALLOC") in the Gross OSA.

2.3 Eligibility of Trades/Positions to Allocate

- Positions resulting from top day trades and existing open Positions for all contract types can be allocated. It is not possible to allocate trades held in a Gross OSA account.
- It is not possible to allocate Forward positions resulting from trades with an abbreviated price code where the Traded Price has yet to be substituted. Members can only allocate Forward positions that have a known trade price. For example, refer to Appendix A - Substitution of Abbreviated Price on a Gross OSA Account.
- Positions in status of Delivery or Expired cannot be allocated. Options can only be allocated until the EOD processing has run on day before expiry.
- Allocated positions can be re-allocated on the same day or on a T+n basis, subject to the window specified in section 2.5. Any correction of allocations will be achieved this way.

2.4 Viewing Allocated & Unallocated Positions in LMEmercury

- Positions that are allocated in a Gross OSA account are visible to Members in the new "GOSA Positions" view within the Positions perspective in LMEmercury. The Allocation ID for a given position is that provided by the Member from an Allocation file.
- Unallocated positions are visible to Members in the new "GOSA Positions" view within LMEmercury.



Clearer	Owner	Account ID	Allocation ID	Tradable Instr	Long	Short	Net	Type	CurrencUnderly	Prompt Date	Master Member	Product	
AAA	AAA_GOSA	AAA_G_1	CLIENT_123	MXD120717	2	0	2	Trade	USD	MX	12/07/2017	AAA_GROUP	LME
AAA	AAA_GOSA	AAA_G_1	CLIENT_456	MXD120717	0	4	-4	Trade	USD	MX	12/07/2017	AAA_GROUP	LME
BBB	BBB_GOSA	BBB_G_1	UNALLOC	AAD160817	28	8	20	Trade	USD	AA	16/08/2017	BBB_GROUP	LME
BBB	BBB_GOSA	BBB_G_1	UNALLOC	AAD190717	7	1	6	Trade	USD	AA	19/07/2017	BBB_GROUP	LME
BBB	BBB_GOSA	BBB_G_1	UNALLOC	AED190717	0	2	-2	Trade	USD	AE	19/07/2017	BBB_GROUP	LME
BBB	BBB_GOSA	BBB_G_1	UNALLOC	AHD160817	2	0	2	Trade	USD	AH	16/08/2017	BBB_GROUP	LME
BBB	BBB_GOSA	BBB_G_1	UNALLOC	AHD180821	1	0	1	Trade	USD	AH	18/08/2021	BBB_GROUP	LME
BBB	BBB_GOSA	BBB_G_1	UNALLOC	AHD190717	7	0	7	Trade	USD	AH	19/07/2017	BBB_GROUP	LME

- For Forwards and Swaps, the new “GOSA Positions” view will display the total net position per Gross OSA - Allocation ID - Tradeable Instrument i.e. similar to the existing "Positions" view. Members can drill down into the Position Allocation Details, where the individual allocation entries per Trade Price and Trade Date for the Gross OSA - Allocation ID - Tradable instrument combination will be available.

Clearer	Owner	Account ID	Allocation ID	Tradable Instr	Long	Short	Net	Price	Trade
AAA	AAA_GOSA	AAA_G_1	UNALLOC	AAD160817	21	4	17	1,565.00	05/07/
AAA	AAA_GOSA	AAA_G_1	UNALLOC	AAD160817	7	4	3	1,640.37	05/07/

- For Futures and Options, the new “GOSA Positions” view will display a single row for each Gross OSA - Allocation ID - Tradeable Instrument combination. This applies to both allocated and unallocated positions.
- In the existing ‘Positions – for Member’ tab within the Positions perspective, Members can view Gross OSA account level positions, without allocation details.

2.5 Allocation File Submission Window

LME Clear will only permit Gross OSA allocations during a specified Allocation window each day.

The exact submission window times will be communicated by LME Clear closer to the time of go-live. Members will need to ensure their files are uploaded and 4-eye authorised within this window. Any files submitted or 4-eye authorised after this time will be ignored.

Positions will be updated as soon as the Allocation is completed.

2.6 Aborting the Allocation process

LME Clear can abort the allocation process at any given point in time i.e. to be able to cancel the processing of in-flight (status = ‘In Progress’) files. This will only be done under exceptional circumstances; upon aborting, LMEmercury will cease processing of a given allocation file.



Members will receive an email containing details of the allocation file and details of the rows that were not processed.

2.7 Allocation File Contents

- Where a Member has two Clearing Mnemonics (i.e. a Member ID for the LME Base Product Group and a Member ID for the LME Precious Product Group), then separate allocation files must be uploaded for each mnemonic.
- Where a Member has multiple Gross OSA accounts for the same mnemonic (Member ID), then a single Allocation file may contain allocations for one or more of their Gross OSA accounts.
- Members should provide an allocation file that contains delta positions i.e. only those positions that have changed since the last successfully processed file.
- Members should provide the **full** current position per instrument to be allocated (this should include all allocations) which is: Sum of closing position + top day trades. For example, refer to



- Appendix B – Providing the full current position in an Allocation file.
- Members should not provide details of unallocated positions in their Allocation files. Each time an allocation file is processed, LMEmercury will calculate any unallocated position by comparing the latest current position (sum of closing position + top day trades) for an instrument in the Gross OSA account against allocation instructions from the file (for that Gross OSA and instrument).
- For Forwards & Swaps: The Allocation file must contain a separate row each for Long and Short (where the same client is both long and short) per Gross OSA - Allocation ID - Tradable instrument - Trade price- Trade date. It's mandatory to have either Long or Short populated (and not both in the same row). If this is not satisfied, then the relevant rows will be rejected.
- For Futures, Options, TAPOs: The Allocation file must contain only one row per Gross OSA Account - Allocation ID - tradable instrument i.e. both the long & short position in one row per tradable instrument (where the client is both long and short). If this is not satisfied, then the relevant rows will be rejected.

2.8 Allocation File Conventions

- Allocation Files must be a pure text format with a comma separated value (CSV) format.
- A header row must be the first line of the file, using the attribute names specified below.
- At least one row of values must be present in the file.
- The Member_ID attribute must be the mnemonic of the Clearing Member.



2.8.1 File Format

The required format for manually uploaded and SFTP allocation files are as follows:

Attribute	Format	Example	Req.	Description
MEMBER_ID	String	AAA	Yes	Clearing Member Mnemonic
ACCOUNT_ID	String	AAA_G_1	Yes	Clearing Member Gross OSA Account ID for the position to allocate
ALLOCATION_ID	String	Client 123	Yes	<p>Allocation ID of the individual client to allocate position to.</p> <ul style="list-style-type: none"> • Max 50 characters • Value cannot be 'UNALLOC' • Alphanumeric (A-Z, 0-9). • Spaces allowed in the middle of the string. • Spaces at the beginning or end of the string will be truncated. • Special characters hyphen & underscore allowed. Any other chars not allowed. • Not case sensitive. For e.g. 'CLIENT 123' & 'Client 123' will be treated as the same value.
TRADABLE_INSTRUMENT	String	AUD010816 (or) AUD010816_SYMB_PRECIO US_USD_TRANSPARENT_ONLY AHDAPR22_1950TC	Yes	<p>The Tradable Futures, Forwards, Swaps, Option or TAPO instrument for the position to be allocated</p> <p>Both the long and short tradeable instrument name is supported, with the recommendation to use the short name.</p>
TRADE_PRICE	Integer	7000.12 7000.206	Conditional	<p>Traded price of the position being allocated.</p> <p>Mandatory for Forwards & Swaps. Not applicable for other instrument types - if populated the system will ignore/discard the value. A <u>numerical</u> match to trade price in LMEmercury will be performed.</p>



Attribute	Format	Example	Req.	Description
TRADE_DATE	Date	15/04/2017	Conditional	Traded date of the position being allocated, as appearing in the OPP report. Mandatory for Forwards & Swaps. Not applicable for other instrument types - if populated the system will ignore/discard the value.
LONG	Integer	100	Conditional	The long quantity to be allocated. This must be a positive value.
SHORT	Integer	200	Conditional	The short quantity to be allocated. This must be a positive value.

2.8.2 Example file for Member ID XXX

```
MEMBER_ID,ACCOUNT_ID,ALLOCATION_ID,TRADABLE_INSTRUMENT,TRADE_PRICE,TRADE_DATE,LONG,SHORT
XXX,XXX_G_1,Client123,AHDAPR22_1950TC,,,10,5
XXX,XXX_G_1,Client234,AUD010816,,,50,
```



3. Cancelling a trade in LMEsmart

It will be possible to cancel top-day trades in a Gross OSA account via LMEsmart, after the resulting position has been allocated to an individual client. When this occurs:

- For Forwards & Swaps: LMEmercury will automatically cancel (unallocate) ALL allocations for that tradable instrument - trade price - trade date – side (i.e. Long or Short) combination & update positions accordingly.
- For Futures, Options & TAPOs: LMEmercury will automatically cancel (unallocate) ALL allocations for that tradable instrument (i.e. both sides Long and Short) & update positions accordingly.
- Members will be required to upload a new Allocation file to re-allocate the positions that remain after the cancellation. For example, refer to Appendix C – Cancelling trade in LMEsmart.

4. Reversing a trade in LMEsmart

It will be possible to submit reversal/corrections for a Gross OSA trade via LMEsmart. When this occurs, new trades will be received into the Gross OSA; the positions resulting from these trades will be booked as unallocated as described previously.

Members are required to upload a new Allocation file to allocate the positions resulting from the 'reversal' trades to the correct client (Allocation ID) within the Gross OSA account.

5. Busting a trade in LMEmercury

It will be possible to bust top-day trades in a Gross OSA account in LMEmercury, after the resulting position has been allocated to an individual client. When this occurs, the resulting behaviour is exactly the same as when cancelling a trade in LMEsmart. Refer to section-3.

6. Trades with Abbreviated Price Codes

As stated previously, the position resulting from a trade with an abbreviated price code cannot be allocated by a Member until the trade has a substituted price.

It is existing LMEmercury behaviour that when a trade with an abbreviated price code is received and the substituted price is yet unknown, the system assigns a temporary price. For such trades in the Gross OSA account:

- The resulting position will show with an Allocation ID of "UNALLOC" against the temporary price.
- Once the price is substituted this may decrease the amount at one unallocated price and increase another unallocated price in the Gross OSA account. The resulting position may now be allocated.

In a scenario that trade with an abbreviated price code has its substituted price changed (for example, official closing prices are updated and re-published), LMEmercury will automatically unallocate all positions in a Gross OSA where the Forward Instrument – Trade Date – (original) Trade Price - Side combination is the same as the impacted price code trade. Members are required to upload allocation files to reallocate positions after the price change.

For example, refer to Appendix A - Substitution of Abbreviated Price on a Gross OSA Account.



7. Manual Upload of Allocation Files

7.1 File Naming Convention for Manual Uploads

The filename format for files manually uploaded via the LMEmercury GUI is:
 GOSAAallocation_<member mnemonic>_<yyyymmdd>_<hhmmss>_*.csv

Where *_ is optional.

Rules:

- Member Mnemonic must be that of the Clearing Member
- The Date must be current business day in the YYYYMMDD format.
- Time must be a valid time (24 hour clock format) in the hhmmss format.
- The file must have a .CSV (case insensitive) file type
- The maximum allowed file size for an Allocation file is 10MB.

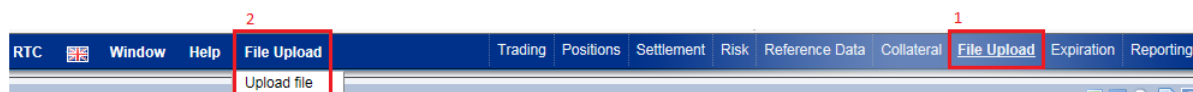
7.2 Allocation File Upload

The File Upload facility within the LMEmercury GUI supports the upload of an allocation file type.

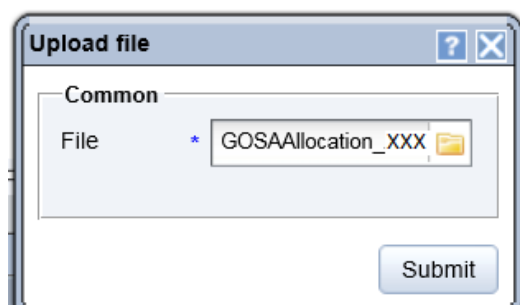
Multiple allocations instructions for a given Member may be submitted within a single file, and multiple files may be uploaded on a single day.

Once the Allocation file has been created and saved as per the above instructions, Members can manually upload it into LMEmercury by following the below steps:

1. Navigate to the *File Upload* screen
2. Click on the *File Upload* menu
3. Select *Upload file*



4. Browse and attach the file from the relevant directory
5. *Submit*



The file upload will create a row on the *File* screen with its status. Below are the different combinations that a file upload can display.



State	Validation Status	Description
New	Correct	All submitted Allocation instructions are valid and ready for approval.
New	Error	At least one Allocation instruction has been submitted with a wrong format. Number of errors can be seen in the <i>Comment</i> column. If the uploaded file goes for approval, only valid allocation instructions will be processed. Details on the errors can be seen by right clicking and selecting <i>Request GOSA Allocation Input Details</i>

7.3 Allocation File Check

Once the file has been uploaded, the details uploaded can be checked by the user before submitting the file for approval and by the approver before approving/cancelling the file.

1. Right click on the submitted file and select *Request GOSA Allocation Input Details*.

Uploaded by	File ID	File Type	File Name	State	Validation Status	Created
	FILE-xxx-14996946513361	Gross OSA Allocation	GOSAAallocation_XXX_20170710_1213: New	New	Correct	10/07/2017 14:50:51

Context menu options:

- Request GOSA Allocation Input Details
- Approve GOSA Allocation
- Cancel GOSA Allocation
- Filter by Value

2. Click on the tab *GOSA Allocation Input Details* at the bottom half of the screen where all Allocation instructions within the file are displayed. If the file contains erroneous data, the description of the error is given in the *Comment* column

File ID	Line	Member ID	Account ID	Allocation ID	Tradable Instrum	Long Quantity	Short Quantity	Trade Price	Trade Date	Com
FILE-LMECLEAR-14997722446541	1	xxx	XXX_G_2	CLIENT_678	MXD120717	2	0			
FILE-LMECLEAR-14997722446541	2	xxx	XXX_G_2	CLIENT_589	MXD120717	0	4			

7.4 Allocation File Approval/Cancellation

Once uploaded, an Allocation file can either be approved by the Member under four-eye authorisation confirming that the instructions should be processed by LMEmercury, or alternatively the file can be cancelled to prevent further processing by the system.

1. Right Click on the submission and select *Approve GOSA Allocation* or *Cancel GOSA Allocation*

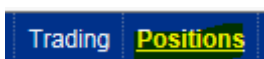
Uploaded by	File ID	File Type	File Name	State	Validation Status	Created
	FILE-xxx-14996946513361	Gross OSA Allocation	GOSAAallocation_XXX_20170710_1213: New	New	Correct	10/07/2017 14:50:51

Context menu options:

- Request GOSA Allocation Input Details
- Approve GOSA Allocation
- Cancel GOSA Allocation
- Filter by Value



2. If *Cancel GOSA Allocation* file is selected, the uploaded file is removed from File Uploads and no further steps are required.
3. If *Approve GOSA Allocation* is selected, a second user with approval rights can either approve or reject the file from the *Reference Data/Request Approval* screen
4. The results of system processing of an approved file are displayed within the *File Uploads* facility, including details of any errors. Email notifications will also be sent with the final status of the file submission as per section 10.
5. Positions are updated in the *Positions* screen



Below are the combinations that a submission can have following an approval/rejection.

State	Validation Status	Description
Completed	Correct	File has been approved by a second user with approval rights. All submitted Allocation instructions have been processed.
Completed	Error	File has been approved by a second user with approval rights All valid Allocation instructions have been processed. All erroneous Allocation instructions have been ignored.
Rejected	Correct	File has been rejected by a second user with approval rights even though the content was correct. Allocation instructions not processed
Rejected	Error	File containing at least one erroneous Allocation instruction has been rejected by a second user with approval rights. Allocation instructions not processed.



8. SFTP Upload of Allocation Files

The SFTP interface allows the submission of Allocation files, with an individual SFTP directory available for each Member's files.

8.1 SFTP Upload of Allocation files

- Connect to the SFTP server using existing credentials
- Change current folder location to the **ALLOCATIONS** folder
- Write the file to be processed using a temporary filename, e.g. `GOSAAallocation_XXX_20170713_134011.csv.tmp`
- Once the file transfer has completed, rename the temporary file to the actual filename, e.g. rename `GOSAAallocation_XXX_20170713_134011.csv.tmp` to `GOSAAallocation_XXX_20170713_134011.csv`
- The file will be processed at a defined interval, with a set number of files being processed during each interval.
- If multiple files are written to the folder, LMEmercury will use the filename to determine the processing order.

Once an SFTP file has been processed by the system, details will be displayed in *File Uploads* and/or an email notification will be sent. SFTP files are not subject to four-eye authorisation.

8.2 File Naming Convention for SFTP Uploads

The filename format for files uploaded via SFTP is:

`GOSAAallocation_<member mnemonic>_<yyyymmdd>_<hhmmss>_*.csv`

Where `_*` is optional.

Rules:

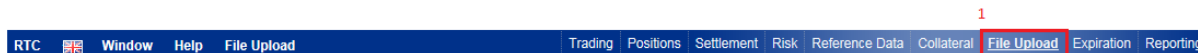
- Member Mnemonic must be that of the Clearing Member uploading the file.
- The Date must be current business day in the YYYYMMDD format.
- Time must be a valid time (24 hour clock format) in the hhmmss format.
- The file must have a .CSV (case insensitive) file type
- The filename must be unique and cannot be the same as a previously uploaded file.
- The maximum allowed file size for an Allocation file is 10MB.
- LME Clear will only permit the upload of a maximum number of files per day per Member using SFTP. If this limit is reached, the option to manually upload a file can be used (subject to the allocation window being open).

8.3 Allocation File Instructions Details

It is possible to view details of the instructions from an SFTP uploaded file using the *GOSA Allocation Input Details* tab, where the instructions will be shown as completed.

The results of the system processing of an SFTP uploaded file are displayed in the File Uploads facility within the LMEmercury GUI, including details of any errors.



1. Navigate to the *File Upload* screen2. Right click on the submitted file and select *Request GOSA Allocation Input Details*

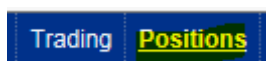
Uploaded by	File ID	File Type	File Name	State	Validation Status	Created	Modified
	FILE-xxx-14996946513361	Gross OSA Allocation	GOSAAAllocation: XXX_20170710_1213_New		Correct	10/07/2017 14:50:51	10/07/2017 14:50:51

Request GOSA Allocation Input Details
 Approve GOSA Allocation
 Cancel GOSA Allocation
 Filter by Value

The *Approve GOSA Allocation* and *Cancel GOSA Allocation* options are not applicable to an SFTP file.

3. Click on the tab *GOSA Allocation Input Details* at the bottom half of the screen where all Allocation instructions within the file are displayed. If the file contains erroneous data, the description of the error is given in the *Error* column.

File ID	Line	Member ID	Account ID	Allocation ID	Tradable Instrum	Long Quantity	Short Quantity	Trade Price	Trade Date	Comment
FILE-LMECLEAR-14997722446541	1	xxx	XXX_G_2	CLIENT_678	MXD120717	2	0			
FILE-LMECLEAR-14997722446541	2	xxx	XXX_G_2	CLIENT_589	MXD120717	0	4			

4. Positions are updated in the *Positions* screen

8.4 SFTP Allocation File Approval

SFTP uploaded files are not subject to four-eye authorisation within LMEmercury. The system will automatically process all valid allocation instructions from a given file, once it has been retrieved from the SFTP folder and ignores all erroneous instructions in the file.

If a processed SFTP file has not allocated sufficient quantity for a given position(s), resulting in unallocated positions, then a further file can be provided (subject to the allocation window being open), which will be processed independently from the first submission.

Email notifications will also be sent with the final status of the file submission as per section 10.



9. Reversal of Allocation Instructions

It is not possible to reverse allocation instructions once a file has been processed by LMEmercury. If there are erroneous instructions in a processed file, then a new allocation file should be submitted to correct the allocations.

10. Email Notifications

In addition to status updates and messages displayed in *File Uploads* for allocation files, email notifications will be sent for the following:

- Allocation instructions for a given file have been processed with no errors
- Allocation instructions for a given file have been processed with errors
- The maximum files permitted per day for the SFTP file upload has been reached
- The filename of an SFTP file contains erroneous characters
- The file uploaded on SFTP has errors and cannot be processed
- LME Clear aborts an allocation file
- LME Clear rejects an allocation file
- LME Clear approves an allocation file

Note that LME Clear will only complete actions to trigger the last three email notifications above a) in agreement with the Member and b) where it is a non-BAU scenario that prevents the Member completing the action themselves (with the exception of aborting an allocation file, which Members cannot do).



Appendix A - Substitution of Abbreviated Price on a Gross OSA Account

Example 01: Abbreviated Price Resolution, from Unresolved to Resolved

Forward Trades – all trades for the same Tradable instrument and Trade Date:

Trade	Price	Resolved Price	Long	Short
T1	2000	-	10	
T2	C+20	1990 (temporary)		10
T3	S+10	2000 (temporary)	10	
T4	1990	-		10

Positions allocated as below:

Allocation ID	Price	Long	Short
ALLOC1	1990	0	5
ALLOC2	1990	0	3
UNALLOC	1990	0	12
ALLOC2	2000	2	0
UNALLOC	2000	18	0

When the Settlement price comes in, LMEmercury calculates the price for S+10 = 1990. The allocation will then automatically change for the unallocated amount.

Allocation ID	Price	Long	Short
ALLOC1	1990	0	5
ALLOC2	1990	0	3
UNALLOC	1990	10	12
ALLOC2	2000	2	0
UNALLOC	2000	8	0

Note: Other allocations remain as is. It is only a change to the unallocated on either side.



Example 02: Abbreviated Price Resolution, from Resolved to Re-resolved (i.e. re-authorised with a price change)

Forward Trades – all trades for the same Tradable instrument and Trade Date:

Trade	Price	Resolved Price	Long	Short
T1	2000	-	10	
T2	C-5	1990		10
T3	C+5	2000	10	
T4	1990	-		10
T5	S+5	2010		10
T6	2010	-		10
<u>T7</u>	<u>2000</u>			<u>10</u>
Total			20	<u>4050</u>

Positions allocated as below:

Allocation ID	Price	Long	Short	Comment
ALLOC1	1990	0	5	<u>Short - T2 and/or T4</u>
ALLOC2	1990	0	7	<u>Short - T2 and/or T4</u>
UNALLOC	1990	0	8	<u>Short - T2 and/or T4</u>
ALLOC2	2000	2	5	<u>Long - T1 and/or T3</u> <u>Short - T7</u>
UNALLOC	2000	18	5	<u>Long - T1 and/or T3</u> <u>Short - T7</u>
ALLOC1	2010	0	3	<u>Short - T5 and/or T6</u>
ALLOC2	2010	0	2	<u>Short - T5 and/or T6</u>
UNALLOC	2010	0	15	<u>Short - T5 and/or T6</u>
Total		20	<u>4050</u>	

Then the abbreviated price for closing prices is resolved again and the Closing price changes from 1995 to 2005. Then the system will automatically unallocate all positions affected by the price change.

Allocation ID	Price	Long	Short	Comment
UNALLOC	1990	0	10	T4 - remains as not an abbreviated price. Now unallocated.
<u>UNALLOC</u> <u>ALLOC2</u>	2000	0 <u>4</u>	5 <u>4</u>	<u>Short - T7 - remains allocated as it is on</u>



Allocation ID	Price	Long	Short	Comment
				<u>the other side than the trade that was re-resolved.</u>
<u>UNALLOC</u>	<u>2000</u>	<u>10</u>	<u>15</u>	<u>Long - T1 - remains as not an abbreviated price. Now unallocated as on same side as T3.</u> <u>Short - T2 - now resolved as 2000.</u> <u>Short - T7 - remains as not an abbreviated price. Still unallocated.</u>
ALLOC1	2010	0	3	These two remain as the settlement price was not changed.
ALLOC2	2010	0	2	Is a combination of T5 and T6.
UNALLOC	2010	10	15	Short is a combination of T5 and T6 that was not changed. Long is T3 which is now resolved as 2010.
	Total	20	<u>4050</u>	



Appendix B – Providing the full current position in an Allocation file

Example 01: For Futures, Options & TAPOs:

Previous day's closing position (net position keeping) - allocated

Account	Allocation ID	Tradable Inst	Long	Short
AAA_G_1	Client 123	MCD010917	400	
AAA_G_1	Client 234	MCD010917	20	

Top-day trade

Account	Member	Long	Short	Tradable Inst
AAA_G_1	AAA	500	410	MCD010917

Position Allocation file containing full current position for instrument (note that this will result in under-allocation)

Account	Allocation ID	Tradable Inst	Long	Short
AAA_G_1	Client 123	MCD010917	400	100
AAA_G_1	Client 234	MCD010917	350	200
AAA_G_1	Client 111	MCD010917	60	



Example 02: For Forwards & Swaps:

Previous day's closing position (gross position keeping) - allocated

Account	Allocation ID	Tradable Inst	Long	Short	Trade Price	Trade Date
BBB_G_1	Client 123	AAD010917	150		2000	01/04/2017
BBB_G_1	Client 123	AAD010917		40	2000	01/04/2017
BBB_G_1	Client 234	AED100917	100		3000	01/04/2017
BBB_G_1	Client 234	AED100917		200	3000	01/04/2017

Top-day trades

Account	Member	Long	Short	Tradable Inst	Trade Price	Trade Date
BBB_G_1	BBB	100		AED100917	3000	02/04/2017
BBB_G_1	BBB		200	AED100917	3000	02/04/2017

Position Allocation file containing full current position for instrument only for the position that has changed since last successfully processed file:

Account	Allocation ID	Tradable Inst	Trade Price	Trade Date	Long	Short
BBB_G_1	Client 234	AED100917	3000	01/04/2017	90	
BBB_G_1	Client 234	AED100917	3000	01/04/2017		150
BBB_G_1	Client 123	AED100917	3000	02/04/2017	50	
BBB_G_1	Client 123	AED100917	3000	02/04/2017		100

Note that the full current position (i.e. both long and short sides) must always be provided in an allocation file for Forwards and Swaps, even if there are no changes to the allocations on a given side. If not the side not specified will be unallocated when the file is processed. Refer to section 2.7.



Appendix C – Cancelling trade in LMEsmart

The following example is also applicable to busting a trade in LMEmercury.

Example 01 – Futures, Options & TAPOs

Previous day's closing position (net position keeping) - allocated

Account	Allocation ID	Tradable Inst	Long	Short
AAA_G_1	Client 123	MCD010917	400	
AAA_G_1	Client 234	MCD010917	20	

Top-day trade

Account	Member	Long	Short	Tradable Inst
AAA_G_1	AAA	500	410	MCD010917

Position Allocation file uploaded - current position for instrument

Account	Allocation ID	Tradable Inst	Long	Short
AAA_G_1	Client 123	MCD010917	400	100
AAA_G_1	Client 234	MCD010917	350	200
AAA_G_1	Client 111	MCD010917	60	

-Top-day trade cancelled in LMEsmart - ~~current resulting position allocations~~ for instrument

Account	Allocation ID	Tradable Inst	Long	Short
AAA_G_1	UNALLOC	MCD010917	400 420	200

Example 02 – Forwards & Swaps

Previous day's closing position (gross position keeping) - allocated

Account	Allocation ID	Tradable Inst	Long	Short
<u>AAA_G_1</u>	<u>Client 123</u>	<u>AND170118</u>	<u>400</u>	<u>100</u>
<u>AAA_G_1</u>	<u>Client 234</u>	<u>AND170118</u>	<u>20</u>	-

Top-day trade

Account	Member	Long	Short	Tradable Inst
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<u>AAA_G_1</u>	<u>AAA</u>	<u>500</u>		<u>AND170118</u>
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Position Allocation file uploaded - current position for instrument

<u>Account</u>	<u>Allocation ID</u>	<u>Tradable Inst</u>	<u>Long</u>	<u>Short</u>
<u>AAA_G_1</u>	<u>Client 123</u>	<u>AND170118</u>	<u>400</u>	
<u>AAA_G_1</u>	<u>Client 123</u>	<u>AND170118</u>		<u>100</u>
<u>AAA_G_1</u>	<u>Client 234</u>	<u>AND170118</u>	<u>350</u>	
<u>AAA_G_1</u>	<u>Client 111</u>	<u>AND170118</u>	<u>60</u>	<u>-</u>

Top-day trade cancelled in LMEsmart - resulting allocations for instrument

<u>Account</u>	<u>Allocation ID</u>	<u>Tradable Inst</u>	<u>Long</u>	<u>Short</u>
<u>AAA_G_1</u>	<u>UNALLOC</u>	<u>AND170118</u>	<u>420</u>	
<u>AAA_G_1</u>	<u>Client 123</u>	<u>AND170118</u>		<u>100</u>

