



Submit BDX to ECF

Quick reference guide

The broker will submit the BDX to ECF to be processed as **non-cash**, such that there is no movement of funds, but signing messages are generated in ECF for technical accounting.

Getting started

Submitting the reconciled BDX to ECF for processing

The process covers the broker submission, MA approval and DXC processing of reconciled BDX (by a DCA) in ECF*

The submission of the BDX to ECF is an existing requirement, however **for FCP the BDX needs to be processed as a 'non-cash' settlement transaction** to ensure that no funds are moved, and that signing messages are generated for the MA to reconcile

ECF BDX submission checklist

- ✓ DCAs have reconciled the BDX and the Vitesse cashbook before sharing the reconciled BDX with the BDX-submitting party (usually the broker)
- ✓ Each market participant working on the binder has recorded which binders are using FCP and will subsequently require 'non-cash' BDX processing
- ✓ Brokers (working with DCAs) have appropriately communicated that a BDX is FCP and therefore needs to be processed as 'non-cash'

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Key steps for MAs:

1. Confirm the FCP BDX has been submitted as 'non-cash' by the broker
1. Use the private comments in ECF to re-iterate the requirement for 'non-cash' processing



Key steps for brokers:

1. Submit the FCP BDX in ECF as 'FCP' and 'non-cash'



Note

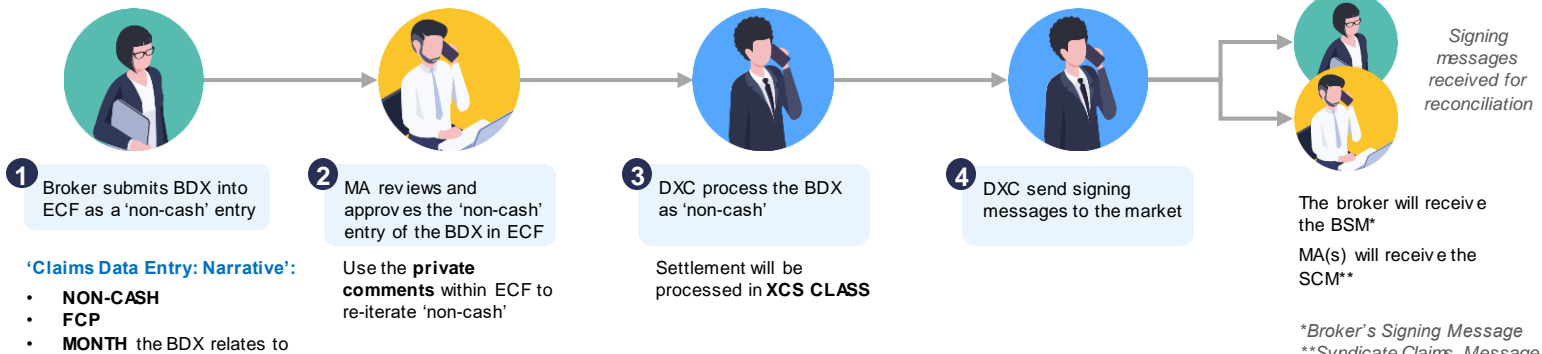
Some market systems used by brokers are unable to automatically submit BDX transactions to be processed as 'non-cash'.



If this is the case, the following process has been suggested in conjunction with LIIBA:

1. Process a collection and release that to CLASS (with a narrative for Xchanging to 'process as non-cash')
2. Back out and cancel the collection on your core system
3. Process a 'stats only' entry for the same amount

Submission process



Ensure inclusion of key information in the 'Claims Data Entry: Narrative'

- Submitting the BDX without the required details in the **'Claims Data Entry: Narrative'** section will lead to it being processed as cash, meaning funds will be transferred
- This will lead to duplicate funds being transferred from the MA trust account, and corrective measures will need to be taken to recover funds
- In such instances, the MA and broker must work to transfer the relevant amount back to the MA trust account via ECF
- Submitting the BDX incorrectly as 'cash' will also cause downstream reconciliation issues and require additional work to rectify
- All reasonable steps must therefore be made to avoid having to use such corrective measures