

What is a Block Trade? What is an ECRP?

Block and ECRP trades are trades that happen outside of CFE's central limit order book. Block trades have minimum size requirements; they are typically entered into by market participants that are looking to trade sizable positions, availing themselves of excess liquidity not afforded through the central limit order book.

ECRP stands for Exchange of Contract for Related Position. ECRPs are entered into by market participants that are looking to swap related exposures. For instance, if a market participant has a position in Cboe® iBoxx® iShares® \$ High Yield Corporate Bond Index Futures (symbol IBHY), but would prefer to hold a position in the iShares® iBoxx® \$ High Yield Corporate Bond ETF (symbol HYG), that market participant can enter into an ECRP with a counterparty that is willing to exchange the HYG position for an IBHY position.

Only CFE Trading Privilege Holders (TPHs) can be parties to a Block or ECRP trade reported to CFE. Any non-TPH must utilize a TPH to execute a Block or ECRP trade as agent on behalf of that non-TPH just as a non-TPH would need to use a TPH to execute an order through CFE's trading system.

Becoming an Authorized Reporter of Blocks and ECRPs

CFE TPHs need to utilize Authorized Reporters to report Block and ECRP trades to CFE. A TPH can register any individual that is pre-authorized by a CFE Clearing Member as an Authorized Reporter to report Block/ECRP transactions on behalf of the TPH by completing the applicable [Block Trade/ ECRP Authorized Reporter Registration and Guarantee form](#). See CFE Rules 414(i) and 415(f) for more information regarding Authorized Reporter designation requirements.

Once the submitted form is approved by Cboe Membership Services, Authorized Reporters are given access to the Block/ ECRP Reporting Tool.

Who is Allowed to Become an Authorized Reporter for Block Trades and ECRPs?

Authorized Reporters can be:

- i. A designated individual that is a TPH or a Related Party of a TPH (partner, director, officer, branch manager, employee, etc.) who is pre-authorized by a Clearing Member of the TPH; or
- ii. A designated individual that is not a TPH or affiliated with a TPH (such an individual affiliated with a service provider, such as an interdealer broker) who is pre-authorized by a Clearing Member of the TPH.

Both the parties to, and Authorized Reporters for, a Block or ECRP trade are obligated to comply with the requirements related to those types of transactions under CFE Rules 414 and Rule 415.

Additionally, if and to the extent required by applicable law, an Authorized Reporter must be registered or otherwise permitted by the appropriate regulatory body or bodies to act in a capacity of an Authorized Reporter and to conduct related activities.

Trade confirmations will be sent to the Authorized Reporter responsible for the execution. Trade confirmations can be shared with the TPH being represented by the Authorized Reporter. Block and ECRP executions will be visible on the TPH Trade Data File located in the [Cboe Customer Web Portal](#).

Using the Block/ECRP Reporting Tool

The Block/ECRP Reporting Tool is located in the [Cboe Customer Web Portal](#). Submission of Block/ECRP trade notifications is also supported by the Block/ECRP Trade Reporting service via the Secure Web API.

Instructions for the Block/ECRP Reporting Tool can be found in the Customer Web Portal in the "Block and ECRP Trades" section of the "U.S. Customer Web Portal Specifications." More information about the Block/ECRP Trade Reporting service can be found in the "US Secure Web API" specification. The CFE Trade Desk can also arrange for training for Block Trade/ECRP participants.

The Tool and Service use Executing Firm IDs (EFIDs) as the identifier for trading participants. Trade details are entered into specific fields of the Block/ECRP Reporting Tool or Service. Authorized Reporters are also required to provide the Account for the trade, CTI Code, OCC Capacity (Customer or Firm), Country, and the Order Entry Operator ID of the Authorized Reporter.

Parties to a Block or ECRP trade need to share their EFID with their Authorized Reporter so that the Authorized Reporter can provide the EFID when the Authorized Reporter posts the transaction to the Block/ECRP Reporting Tool or Service. A reference ID is provided through the web portal, the API (if used) and via email to the Authorized Reporter that initiates the transaction notification. That Authorized Reporter must then provide the reference ID to the Authorized Reporter for the contra-party to the transaction so that the Authorized Reporter of the contra-party can access the Block or ECRP transaction for acceptance via the Tool or Service.

