



Optiq Migration – Phase 3 Client Test Guidelines

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About This Document

The aim of this document is to provide Euronext Clearing Members with some guidelines for the Optiq Migration Phase 3 Client Tests phase. Since all the technical changes for Phase 3 do not directly impact the Clearing System nor the BCS, this document includes the suggested non-regression tests to be performed on the main reports and functionalities alongside with the end-to-end tests requested on trade reception for clearing.

Document Audience

Euronext Clearing Participants on Derivatives segments (IDEM).

Document History

Document Version	Date	Change Description
1.0	04/12/2023	First version of the testing guidelines for Optiq Migration Phase 3 Client Tests

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Prerequisites

1.1 Test Environments requirements

The test environment to be used for EUA activities is CDS. Clearing Members will be able to download their clearing end of day reports via the usual channels available for EUA test environment (BCS, ICWS or SFTP, as the case may be), via the existing users already released in EUA. In case it would be necessary to reset the password of the existing EUA BCS users, Clearing Members may refer to our market-access@euronext.com; while for ICWS or SFTP user, Clearing Members may refer to our Tech Support Team: ccp-techsupport@euronext.com. In order to request new BCS, ICWS or SFTP users in EUA test environment, Clearing Members may send an email to ccp-membership@euronext.com.

1.2 Trades requirements

Clearing Members are kindly requested to ensure that their Trading Clients execute trades using trade allocation & Give Up/Take Up features of each types of instruments in-scope of the Phase 3 of the Migration to the Optiq trading platform (Equity and Index Options, Equity and Index Futures). This is necessary in order to guarantee that all features will be properly tested.

Test Plan - Guidelines

2.1 Client Tests Phase 3 (Derivatives)

This paragraph describes both the tests on Trade routing and the no – regression ones on reports and data files.

2.1.1 Test Objectives

High level tests' objectives are shown in the table below:

OBJECT - TYPE	TEST GUIDELINES / DESCRIPTION	EXPECTED RESULTS
Trade routing, rectification and cancellation	Objective: check the correct transmission to the clearing system, rectification and cancellation of contracts traded or received in give-up	All trades are correctly received from the clearing system
Reports – Non Regression Tests	MT12* - IDEM Options Contracts Objective: the member is able to download the report correctly and verify its contents.	The report shows the options traded by the Member or received through international give-up, with no regression.

OBJECT - TYPE	TEST GUIDELINES / DESCRIPTION	EXPECTED RESULTS
	<p>MT62* - IDEM Futures Contracts Objective: the member is able to download the report correctly and verify its contents.</p>	<p>The report shows the futures traded by the Member or received through international give-up , with no regression.</p>
	<p>MT05 - Net positions on Option Contracts Objective: the member is able to download the report correctly and verify its contents.</p>	<p>The report shows the amount of premiums and/or daily variation margins to be settled for options business, with no regression.</p>
	<p>MT55 - Net positions of IDEM future contracts Objective: the member is able to download the report correctly and verify its contents.</p>	<p>The report shows the amount of daily variation Margins to be settled for futures business, with no regression.</p>
	<p>MT14* - Options contract transferred under Give Up process Objective: the member is able to download the report correctly and verify its contents.</p>	<p>The report shows the options contract transferred to other participants through international give-up , with no regression.</p>
	<p>MT15* - Options received under Give Up function Objective: the member is able to download the report correctly and verify its contents.</p>	<p>The report lists the options traded by another Member and through international give-up, with no regression.</p>
	<p>MT64* - Futures contracts transferred under Give-Up process Objective: the member is able to download the report correctly and verify its contents.</p>	<p>The report shows the futures contracts negotiated and transferred to other participants through international give-up, with no regression.</p>
	<p>MT65* - Futures contracts received under Give-Up process Objective: the member is able to download the report correctly and verify its contents.</p>	<p>The report shows the futures contracts negotiated and received from other participants through international give-up, with no regression.</p>
	<p>MP01 - Options open positions in the accounts Objective: the member is able to download the report correctly and verify its contents.</p>	<p>The report lists the Member's option open positions registered in each account, with no regression .</p>

OBJECT - TYPE	TEST GUIDELINES / DESCRIPTION	EXPECTED RESULTS
	<p>MP51 - IDEM futures open positons in the account Objective: the member is able to download the report correctly and verify its contents.</p>	<p>The report lists the Member's futures open positions registered in each account., with no regression.</p>
	<p>MT02 - Options exercised/assigned Objective: the member is able to download the report correctly and verify its contents.</p>	<p>The report lists the options the Member has exercised and those it has been assigned, with no regression.</p>
	<p>MT06* - Contracts transferred via BCS Objective: the member is able to download the report correctly and verify its contents.</p>	<p>The report shows the list of futures and options trades transferred and received via BCS with no regression.</p>
	<p>D01R – Derivatives Contracts Objective: the member is able to download the report correctly and verify its contents.</p>	<p>The data file shows the derivatives contracts executed on IDEM, with no regression</p>
	<p>D14R - Variation margins Objective: the member is able to download the report correctly and verify its contents.</p>	<p>The report shows Variation Margins/Options Premium</p>
	<p>D06A - Futures/Options Delivering/Receiving Positions Objective: the member is able to download the report correctly and verify its contents.</p>	<p>The data file shows the information related to the exercised/assigned options and delivered futures positions, with no regression.</p>
	<p>D12R* - Trades an Position Transfer Objective: the member is able to download the report correctly and verify its contents.</p>	<p>The data file shows the requests for trades transfer or positions whether executed or not (included the Internationl Give Up transfer) with no regression.</p>

OBJECT - TYPE	TEST GUIDELINES / DESCRIPTION	EXPECTED RESULTS
	<p>DM01 - MtM margins Objective: the member is able to download the report correctly and verify its contents.</p>	<p>The report shows MtM and Premium Margins per portfolio ISIN net position at a given Evaluation date</p>
	<p>DM02 - Expected Shortfall, ordinary and stressed Objective: the member is able to download the report correctly and verify its contents.</p>	<p>The report shows ES of portfolio value variations in ordinary and stressed condition at a given Evaluation date</p>
	<p>DM03 - Margin components Objective: the member is able to download the report correctly and verify its contents.</p>	<p>The report shows Initial Margins details per portfolio at a given Evaluation date</p>
	<p>DM04 - Total margins Objective: the member is able to download the report correctly and verify its contents.</p>	<p>The report shows Total Margins per portfolio at a given Evaluation date</p>
	<p>DM05 - MtM margins, fails Objective: the member is able to download the report correctly and verify its contents.</p>	<p>The report shows MtM Margins per portfolio ISIN net fail position at a given Evaluation date</p>
	<p>DM06 - Expected Shortfall, ordinary and stressed, fails Objective: the member is able to download the report correctly and verify its contents.</p>	<p>The report shows ES of portfolio value variations per portfolio in ordinary and stressed condition at a given Evaluation date for Fail positions</p>
	<p>DM07 - Margin components, fails Objective: the member is able to download the report correctly and verify its contents.</p>	<p>The report shows Initial Margins details per portfolio at a given Evaluation date for Fail positions</p>
	<p>DM08 - Total margins, fails Objective: the member is able to download the report correctly and verify its contents.</p>	<p>The report shows Total Margins per portfolio at a given Evaluation date for Fail positions</p>

OBJECT - TYPE	TEST GUIDELINES / DESCRIPTION	EXPECTED RESULTS
	DM14 - NET/GROSS segregation rule Objective: the member is able to download the report correctly and verify its contents.	The report shows Total Margins per portfolio at a given Evaluation date calculated separately by Settlement Group
	RF02 - Risk scenarios Objective: the member is able to download the report correctly and verify its contents.	The report shows the instrument scenario price file

*Please note that to ensure the Give-Up process can be tested also by participants without a trading membership and that are not linked to any Trading Clients, trades will be injected on market side on a certain date that will be announced in a future communication.

2.1.2 Reference Data

The reference data available on the CDS environment for the test will be promptly uploaded on the [website](#).

Test Progress Monitoring

3.1 Client Readiness

The method adopted for monitoring the outcome of the executed tests will be through questionnaire, kindly required **to all Clearing Members**, containing questions related to the executed test activities.

3.1.1 Questionnaire

The questionnaire will be shared periodically and it will include the questions below:

Item	DESCRIPTION	Weight
1	Were you are able to perform no-regression tests (on the system/s currently used and if available among ICWS, SFTP and BCS) for your own cleared trades, for at least one Trading Client (if GCM) and for segregated accounts, on reports below: <ul style="list-style-type: none"> ○ MT12 - IDEM Options Contracts ○ MT62 - IDEM Futures Contracts ○ MT05 - Net positions on Option Contracts ○ MT55 - Net positions future contracts ○ MT14 - Options transferred under Give Up ○ MT15 - Options received under Give Up ○ MP51 - IDEM futures open positons ○ MT02 - Options exercised/assigned ○ MT06 - Contracts transferred via BCS ○ D01R – Derivatives Contracts ○ D14R - Variation margins ○ D06A - Deliver/Receive positions 	50%

	<ul style="list-style-type: none"> ○ MT64 - Futures transferred under Give-Up ○ MT65 - Futures received under Give-Up ○ MP01 - Options open positions ○ DM03 - Margin components ○ DM04 - Total margins ○ DM05 - MtM margins, fails ○ DM06 - Expected Shortfall, ordinary and stressed, fails 	<ul style="list-style-type: none"> ○ D12R - Trades an Position Transfer ○ DM01 - MtM margins ○ DM02 - Expected Shortfall ○ DM07 - Margin components, fails ○ DM08 - Total margins, fails ○ DM14 - NET/GROSS segregation rule ○ RF02 - Risk scenarios 	
2	Were you able to verify with your trading clients (if GCM) and through your own activity the front-to-back trade reconciliation process?		50%