

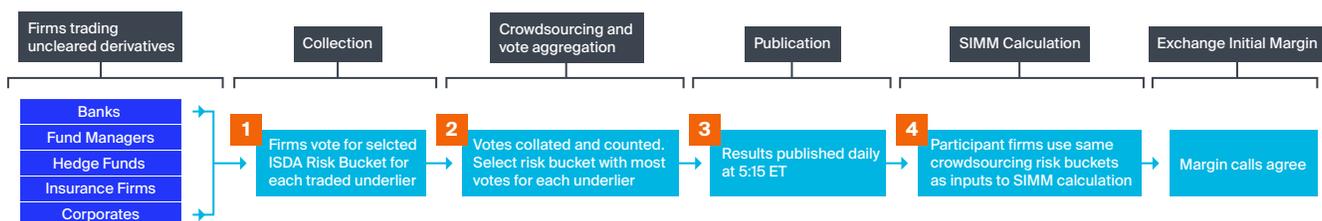
ISDA SIMM™ Crowdsourcing Facility

ICE Benchmark Administration (IBA) operates a polling mechanism for firms **trading uncleared derivatives** that provides consensus risk buckets as a key input to the ISDA SIMM™ methodology.

The crowdsourcing facility **reduces margin call disputes** by providing firms which use the ISDA SIMM™ methodology with an aligned set of risk buckets.

How does it work?

- 1** Firms submit daily files voting on their nominated ISDA risk bucket for traded underlying assets, using the underlier's ISIN code
- 2** For each underlier the crowdsourcing facility calculates the risk bucket with the most votes
- 3** Each underlier with two or more votes is included in the results. Tie-breaker logic applies to an underlier with the same number of votes for different risk buckets
- 4** Participant firms collect results and all use the same risk buckets as inputs to SIMM calculations



Participation

Firms wishing to use the crowdsourcing facility can participate as both a submitter and user or just as a user of the results

Asset classes

Equity
Credit qualifying
Credit non-qualifying

When

Results published daily
5:15am ET

Fees

Waived until
1 January 2020

Key Features of ISDA SIMM™ Crowdsourcing Facility:

Daily file updates

The polling mechanism and consensus calculation run daily. Results are published each business day and can be accessed via ICE website or MFT service

Reference data files

As well as daily and historical risk bucket results IBA also publish reference files containing the ISDA risk bucket weightings, sectors and correlations

Broad coverage

More than 18,000 ISINs included in the results across equity, credit qualifying and credit non-qualifying asset classes. The number of ISINs is increasing as firms continue to join the facility

Wide participation

Firms trading uncleared derivatives are able to participate. Firms that fall into future IM regulatory tiers can join now and benefit from using live results in their SIMM methodology testing and preparation