

# Ovation Platform – DDS Delta Position Limits Reference Guide for Clearing Members

**OCC**

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# Ovation Platform – DDS Delta Position Limits Reference Guide for Clearing Members

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# Overview

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## About This Guide

This *OCC Ovation Platform – DDS Delta Position Limits Reference Guide for Clearing Members* includes information about delta position limit messages that participating firms send to OCC and the acknowledgement and rejection messages that OCC sends to firms in response.

For information about the aggregated data that OCC makes available to exchanges, refer to the *Ovation Platform – DDS Delta Position Limits Output Guide for Exchanges*.

## DDS and FIXML Messages

The OCC Data Distribution Services (DDS) system transmits messages using the FIXML (Financial Information eXchange Markup Language) data formatting standard. Refer to the *Ovation Platform – DDS Overview Guide* for more information about the DDS system and FIXML messages. The guide is available on the [Theocc.com](http://Theocc.com) website.

If you have additional questions or comments, please contact your Member Services representative or the OCC Help Desk at one of the following:

- 800-621-6072 or 800-544-6091 (U.S.)
- 800-424-7320 (Canada)
- [memberservices@theocc.com](mailto:memberservices@theocc.com)

## What's New With the Ovation Platform?

The Delta Position Limit messages are not changing in the Ovation platform compared to the ENCORE system. The below table lists global changes for output.

Message	Change	Description
Output messages	Order of tags within a message	The ordering of tags within a message may be different in the Ovation platform. Firms should use a standard XML parser and not expect a file to be parsed with a specific order.
	Truncation	Although many attributes will be truncated to 100, OCC cannot guarantee a maximum length on FIXML attributes. Receiving systems must perform their own truncation if OCC publishes tags with a greater length than desired.

# Messages

This guide contains information about the following messages:

- Net Delta Position Limit Message (Firm to OCC)
- Delta Position Limit Acknowledgement Message (OCC to Firm)
- Rejected Delta Position Limit Message (OCC to Firm)

## Layout Formatting

Layout tables in this document use arrows to indicate component block levels.

Message Layout Legend – Component Block Level Examples	
→ Pty	One arrow precedes a component block that is one level down.
→ → Sub	Two arrows precede a component block that is two levels down.

# Reporting Delta Position Limits

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The SEC Delta-Based Position Limit Exemption rule allows participating firms to use delta position limits rather than standard position limits. Please refer to individual exchange websites for specific rule language.

The rule requires options exchanges to collect delta position limit data from participating firms. OCC serves as an aggregator for this effort. OCC receives the delta position limit data from participating firms, aggregates it into a single report, and makes it available to the exchanges.

At the end of each trading date, participating firms send OCC their net delta positions grouped by underlying symbol. Firms only need to submit net delta figures when either their conventional or their standard options positions are over the contract limit and the firm has elected to apply a delta to that position.

For each aggregation unit, a firm reports the options contract equivalent of the net delta (“OCEND”) of each position in the security where the firm is electing to delta hedge. A firm does not need to report the OCEND for the underlying security unless the firm exceeds the standard or conventional position limit on a contract basis.

All net delta position limit information provided by firms to exchanges is subject to review for potential position limit and reporting violations.

## Net Delta Position Limit File Processing

The cutoff time for firms to submit Net Delta Position Limit files to OCC is 12:00 a.m. CT. During overnight processing, OCC aggregates the data into a single report for exchange consumption. The aggregated report is available to the exchanges by 5:00 a.m. CT. Valid messages are available online via an on demand report.

OCC performs basic validations (primarily on the data format) and returns rejected messages to the submitting firm so they can be resubmitted correctly the following business day. An optional Delta Position Limit File Acknowledgement message is available to submitters. Subscribers to this message receive a count of the number of messages received by OCC that passed FIXML validation.

OCC does not verify that each participating firm has transmitted their file for a given day. It is the submitting firm’s responsibility to ensure that their file is transmitted.

## Rejected Messages

Messages that do not pass validations are not included in the aggregated file that OCC sends to exchanges. OCC sends the submitting firm a Rejected Delta Position Limit message listing each rejected submission if they elect to receive electronic notifications. Rejected messages are also available to firms online by means of an on demand report. The submitting firm may correct rejected messages and resubmit them on the following business date. Corrections require the prior business date to be provided. Exchanges do not receive notification of rejected messages.

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On demand reports display valid and rejected messages. The reports are available to firms via the user interface once OCC sends the aggregator file to the exchanges.

## File Errors

If OCC receives a file from a submitting firm that is corrupted or contains fundamental errors preventing OCC from opening, reading, and parsing the file, OCC does not process the file and OCC cannot return the individual FIXML reject messages to the submitting firm. Without these error messages, the firm may not be aware that there is an issue with their data.



# Net Delta Position Limit Message (Firm to OCC)

FIX Message	Position Report
Delivery Options	Batch

## Overview

A Non-Clearing Member may submit delta position limits on behalf of a Clearing Member but must be defined in the OCC system as an eligible submitter for that Clearing Member.

Submitting firms are responsible for the accuracy of the data they send. OCC performs basic validations upon receiving the files from firms. The validations include:

- Data Type and FIXML values match the record layout.
- All required fields are populated for each record.
- OCC Clearing Member Number is a valid clearing member number in the OCC database.
- Non-Clearing Member is a valid non-clearing member eligible for delta position limit submission.
- Clearing Business Date (Position Effective Date) on the record is either the business date the file was submitted or the prior business date. These validations are driven from the OCC business date, and exchange holidays and OCC holidays are excluded. If a record's trade date is older than two business days, that record is rejected. It is the responsibility of the firm to provide this data to the exchanges directly.
- A single Net Delta Quantity must be supplied as a Long (positive Net Delta) or Short quantity (negative Net Delta). If a non-zero Long and a non-zero Short quantity are supplied for a single record, the record is rejected.

If a firm submits multiple files on the same day, OCC processes the latest file submission and ignores the prior files.

## Explanation of Selected Data Fields

- Clearing Business Date – Position Effective Date on the messages may be either the business date the file is submitted or the prior business date.
- Published Date – Date on which OCC generates an outbound file
- Model Type – Delta pricing model used by the submitting firm. There are two possible Model Type values.
  - 0 – Delta pricing model maintained and operated by OCC
  - 1 – Approved proprietary delta pricing mode
- Aggregation Unit – Distinguishes between different approved aggregation units within a firm. OCC does not validate the values provided.

- CRD (Central Registration Depository) – Financial Industry Regulatory Authority (FINRA) administers the CRD program, which facilitates the licensing and registration of U.S. securities industry firms and professionals. The CRD contains the registration records of broker-dealer firms, branch offices, and their associated financial professionals, including their qualification, employment, and disclosure histories.

## Net Delta Position Limit (Firm to OCC)

Position Report – Delta Position Limit					
Report/Component Block	Field Name	Data/Enumerations	FIX Tag	Data Type	Sample
PosRpt					
	BizDt	Clearing business date (Position effective date) (YYYY-MM-DD)	715	LocalMktDate	2022-05-18
	ReqTyp	Request type: <ul style="list-style-type: none"> <li>■ 6 – Delta position</li> </ul>	724	Integer	6
	ModelTyp	Model type: <ul style="list-style-type: none"> <li>■ 0 – Utility provided standard model (OCC)</li> <li>■ 1 – Proprietary (user supplied) model</li> </ul>	1434	Integer	1
→ Pty					
	ID	Firm number	448	String	00005
	R	Party role: <ul style="list-style-type: none"> <li>■ 4 – Clearing firm (clearing member)</li> <li>■ 7 – Entering firm (non-clearing member)</li> </ul>	452	Integer	4
→ Pty					
	ID	Position account number (aggregation unit, optional)	448	String	123456789
	R	Party role: <ul style="list-style-type: none"> <li>■ 38 – Position account</li> </ul>	452	Integer	38
→ Pty					
	ID	CRD number – firm identifying number (optional)	448	String	123456
	R	Party role: <ul style="list-style-type: none"> <li>■ 82 – CRD number</li> </ul>	452	Integer	82
→ → Sub					
	ID	Firm name (optional)	523	String	ABC Name
	Typ	Type: <ul style="list-style-type: none"> <li>■ 5 – Full legal name of firm</li> </ul>	803	Integer	5
→ Instrmt					
	Sym	Symbol (security symbol)	55	String	GOOG

Position Report – Delta Position Limit					
Report/Component Block	Field Name	Data/Enumerations	FIX Tag	Data Type	Sample
	SubTyp	Sub type: <ul style="list-style-type: none"> <li>■ ETO – Exchange traded options</li> <li>■ OTC – Over the counter instrument</li> <li>■ CMB – Combined position</li> </ul>	762	String	ETO
→ Qty	Only a long quantity or a short quantity is required. A non-zero long quantity value represents a positive net delta, while a non-zero short quantity value represents a negative net delta. If a long and a short quantity are supplied with non-zero values, the record is rejected.				
	Typ	Quantity type: <ul style="list-style-type: none"> <li>■ DLT – Net delta quantity</li> </ul>	703	String	DLT
	Long	Long quantity	704	Quantity	100
	Short	Short quantity	705	Quantity	

# Delta Position Limit Acknowledgement Message (OCC to Firm)

<b>FIX Message</b>	DDS End of Day
<b>Delivery Options</b>	Batch Real time

## Overview

The Delta Position Limit Acknowledgement message provides the total number of valid delta position limit submissions received, excluding the header and footer.

**Note** The Acknowledgement message indicates only the total number of messages that passed FIXML validation. Net Delta Position Limit messages may be accepted or rejected during nightly processing.

**Delta Position Limit Acknowledgement (OCC to Firm)**

<b>DDS End of Day – Delta Position Limit</b>					
<b>Report/Component Block</b>	<b>Field Name</b>	<b>Data/Enumerations</b>	<b>FIX Tag</b>	<b>Data Type</b>	<b>Sample</b>
DDSEOD Message					
	BizDt	Clearing business date (YYYY-MM-DD)	715	LocalMktDate	2022-05-18
	MsgTypeCode	Message type: ■ DLP – Delta position limit	N/A for this custom message	Character	DLP
	SchemaVer	Schema version: ■ FIX 4.4 –Version of FIX	N/A for this custom message	String	FIX 4.4
	NoMessagesRecvd	Number of valid FIXML message received	N/A for this custom message	Integer	45

# Rejected Delta Position Limit Message (OCC to Firm)

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<b>FIX Message</b>	Position Report
<b>Delivery Options</b>	Batch Real time

## Overview

In the Rejected Delta Position Limit message, OCC returns rejected messages to the firm “as-is”, meaning the data submitted is returned as it was sent, without error messages or any indication of the reason for rejection. It is the responsibility of the submitting firm to determine the source of errors and resubmit corrected data the following day, if desired.

## Rejected Delta Position Limit (OCC to Firm)

Position Report – Delta Position Limit Reject					
Report/Component Block	Field Name	Data/Enumerations	FIX Tag	Data Type	Sample
PosRpt					
	RptID	Unique Identifier of the position	721	String	143771378
	BizDt	Position effective date (YYYY-MM-DD)	715	LocalMktDate	2022-05-18
	ReqTyp	Request type: ■ 6 – Delta position	724	Integer	6
	ModelTyp	Model type: ■ 0 – Utility provided standard model (OCC) ■ 1 – Proprietary (user supplied) model	1434	Integer	29
→ Pty					
	ID	Firm number	448	String	00005
	R	Party role: ■ 4 – Clearing firm (clearing member) ■ 7 – Entering firm (non-clearing member)	452	Integer	4
→ Pty					
	ID	Position account number (aggregation unit)	448	String	123456789
	R	Party role: ■ 38 – Position account	452	Integer	38
→ Pty					
	ID	CRD number – firm identifying number	448	String	123456
	R	Party role: ■ 82 – CRD number	452	Integer	82
→ → Sub					
	ID	Firm name	523	String	ABC Name
	Typ	Type: ■ 5 – Full legal name of firm	803	Integer	5
→ Instrmt					
	Sym	Symbol	55	String	GOOG



Position Report – Delta Position Limit Reject					
Report/Component Block	Field Name	Data/Enumerations	FIX Tag	Data Type	Sample
	SubTyp	Sub type: <ul style="list-style-type: none"> <li>■ ETO – Exchange traded options</li> <li>■ OTC – Over the counter instrument</li> <li>■ CMB – Combined position</li> </ul>	762	String	ETO
→ Qty					
	Typ	Quantity type: <ul style="list-style-type: none"> <li>■ DLT – Net delta quantity</li> </ul>	703	String	DLT
	Long	Long quantity	704	Quantity	100
	Short	Short quantity	705	Quantity	500

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# Revision History

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Edition	Date	Edition Updates
1.0	11/15/2022	Initial edition.
1.1	2/16/2024	Removed reference to treatment of insignificant white space characters from the "What's New With the Ovation Platform?" table.