# Exercise/Settle Currency Options (W5)

This version is superseded. Click here to view the latest guide.

#### **PURPOSE**

This document is a detailed procedure on how to exercise/settle Currency Options trade.

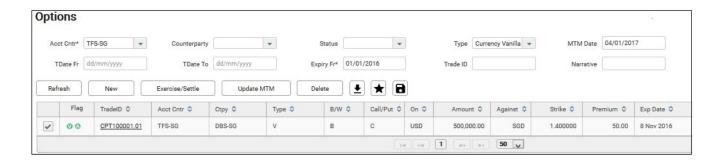
#### WHY IS THIS IMPORTANT?

This allows Currency Options trade to be exercised to Foreign Exchange trade or to net settle the Currency Options trade.

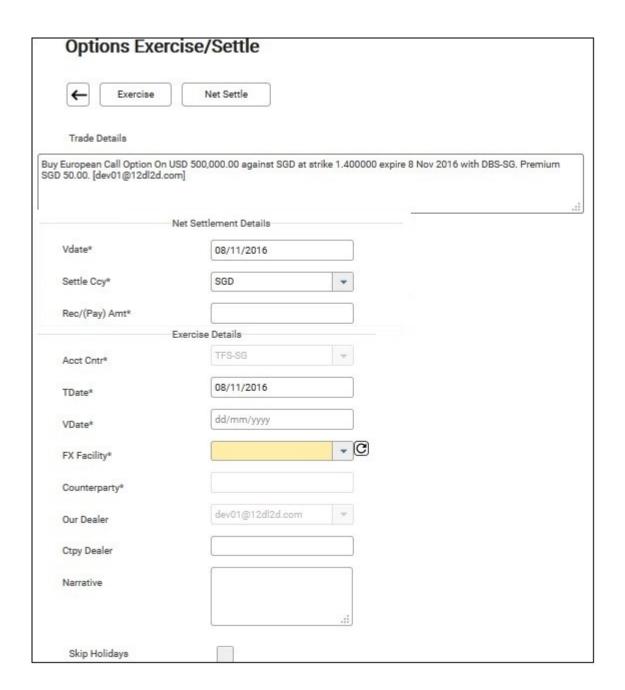
#### **PROCEDURE**



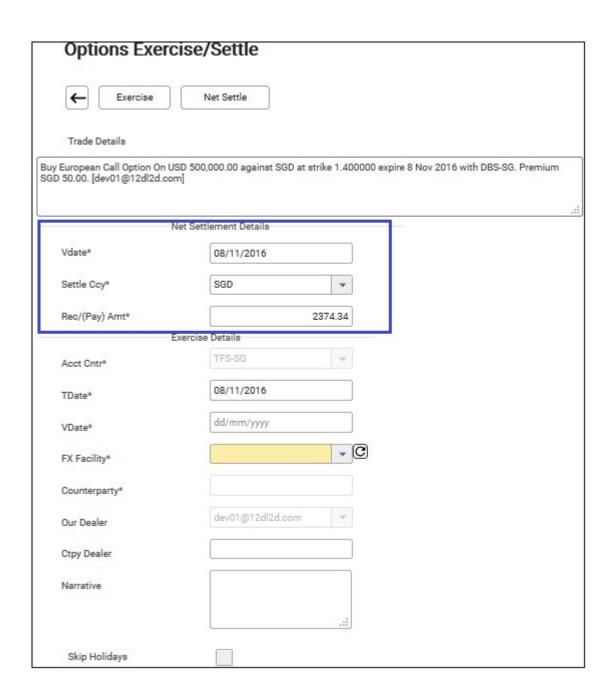
1. From the Options main screen, tick on the checkbox besides the Currency Options trade to exercise/settle and click Exercise/Settle.



2. The system displays Options Exercise/Settle screen as below.



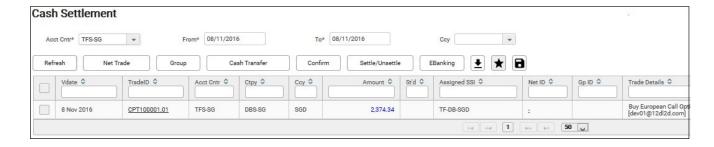
- 3. In this screen, you may choose to net settle the Currency Options trade or to exercise it.
- 4. To net settle Currency Options trade, fill out the fields under Net Settlement Details which are VDate, Settle Ccy, Rec/(Pay) Amt.



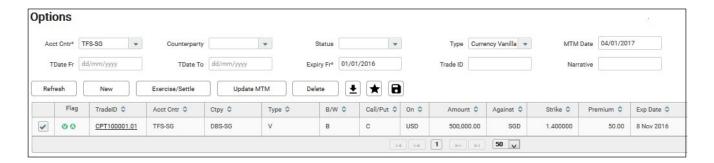
5. Then, click Net Settle. A popup appears, click OK.



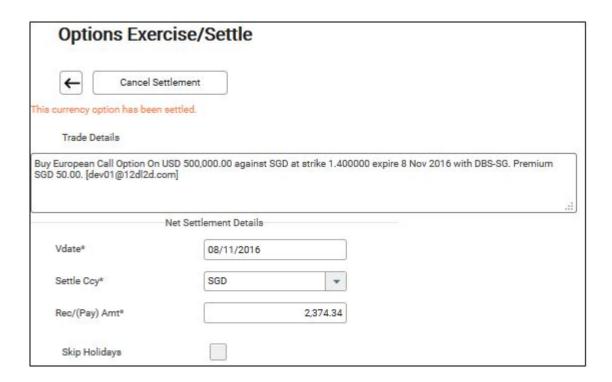
6. Once the Currency Options trade is net settled, you will be returned to Options main screen. Net settled Currency Options cannot be net settled or exercised again. The net settlement cash flow will be created under Back Office > Cash Settlement.



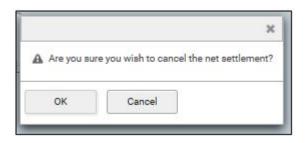
7. To cancel net settlement, tick on the checkbox besides the Currency Options trade from the Options main screen and click Exercise/Settle.



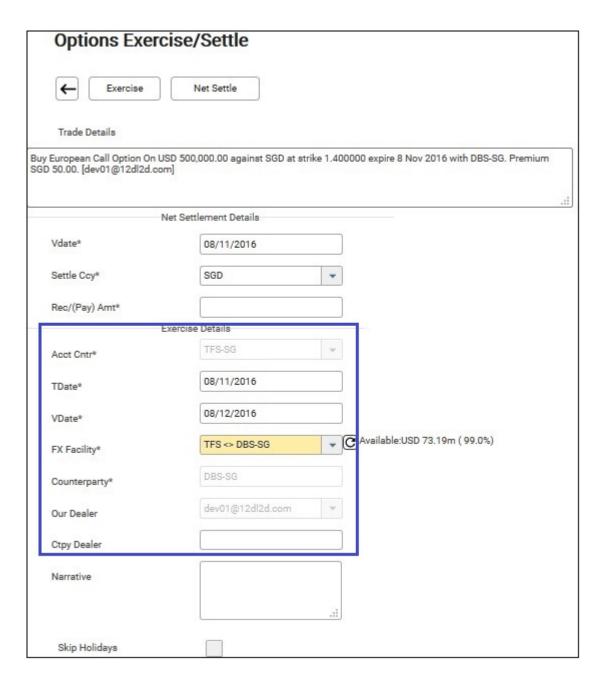
8. The screen below displayed.



9. Click Cancel Settlement to cancel the net settlement. A popup appears.



- 10. Click OK. Once cancelled, the net settlement cash flow will be deleted from the system.
- 11. To exercise Currency Options trade to Foreign Exchange trade, fill out the fields under Exercise Details.



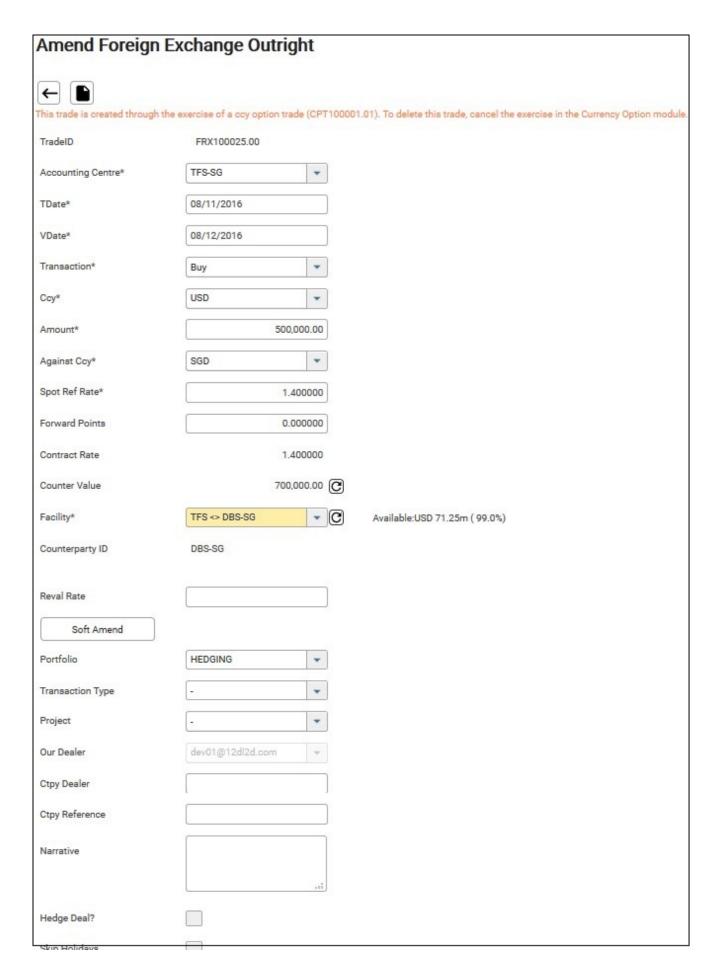
12. Click Exercise. A popup appears, click OK.



13. A Foreign Exchange trade will be created from this exercise.



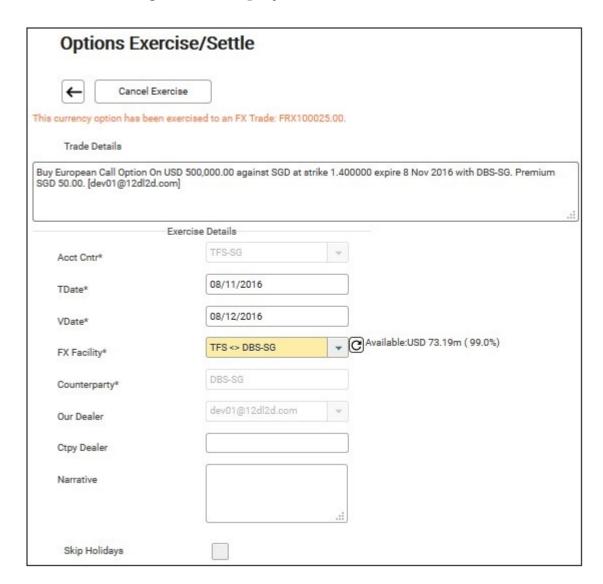
14. If you click on the Trade ID of this Foreign Exchange trade, you will not be allowed to amend because this trade is created through the exercise of a Currency Options trade. This trade cannot be deleted as well.



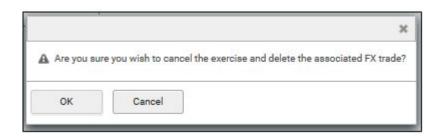
15. To delete this trade, you will need to cancel the exercise from the Currency Options screen. Tick on the checkbox besides the Currency Options trade from

the Options main screen and click Exercise/Settle.

16. The following screen displayed.



17. Click Cancel Exercise. A popup appears.



- 18. Click OK.
- 19. The Foreign Exchange trade created from the exercise of the Currency Options trade will be deleted from the system.

## **FREQUENTLY ASKED QUESTIONS**

## FAQ01. I'm not able to settle/exercise the Currency Options trade.

Rights ID	Category	Description
13720	Currency Option	Exercise Currency Option to FX
13721	Currency Option	Net Settle Currency Option

Contact your administrator to grant you rights. Also note that previously settled/exercised options can no longer be processed. You must cancel the previous process and do a new one.

## **RELATED INFORMATION**

**Create Currency Options** 

### **CHANGE HISTORY**

Date	Ву	Changes
15-Feb-2008	-	Created
28-Арг-2016	Clarissa	Rewritten. Reformatted.
22-Nov-2019	Lyra	Updated Screenshots.