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March 22, 2006

Ms. Jean A. Webb  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21<sup>st</sup> Street, NW  
Washington, DC 20581

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OFFICE OF THE SECRETARIAT

**RE: CME Rulebook Chapters Seven and Eight, the Definitions section and conforming rule changes to other chapters  
Submission No. 06-28**

Dear Ms. Webb:

Chicago Mercantile Exchange Inc. ("CME" or "Exchange") hereby notifies the Commission that the Exchange has approved revisions to CME Rulebook Chapter 7 ("Delivery Facilities and Procedures"), Chapter 8 ("Clearing House and Performance Bond"), the Definitions Section and any conforming changes to rules in other chapters. These changes were made to streamline and consolidate or eliminate rules where appropriate and to improve and update rule language to increase the clarity of the rules in CME's Rulebook.

Additions to Chapters 7 and 8, as well as the changes to other chapters, are underlined and deletions are lined out. The main changes are summarized below:

**Rule 701 (Acts of Government, Acts of God and Other Emergencies)**

This rule was added to Chapter 7 to consolidate references to emergency-type situations previously contained in rules 717, 736, and 746.

**Rule 702 (Clearing Member Duties to the Clearing House)**

This rule was added to Chapter 7 to consolidate references to clearing member duties to the Clearing House in rules 738, 748, and 783. Additionally, Rule 702 clarifies that a clearing firm is always responsible to the Clearing House for financial performance with respect to a delivery, notwithstanding the fact that the Clearing House may process delivery instructions tendered by a clearing firm that reference a bank account owned by a particular customer of the clearing firm.

**Rules 730-743, inclusive, which pertain to the currency delivery process**

These rules have essentially been re-written to be more consistent with current product offerings and operational procedure.

Additionally, a change made throughout Chapter 7 seeks to clarify that the failure of a clearing firm to deliver is not necessarily a default. Rule 701 also clarifies that a clearing firm's failure to deliver may also be deemed a default, per Rule 802.

**Rule 802.B. (Satisfaction of Clearing House Obligations)**

This rule was modified to allow the Exchange to recover the costs associated with the liquidation, transfer and management of positions of a defaulting Clearing Member. Previously, these costs would not be recoverable in the event of a Clearing Member default.

Another modification of this rule provides that if a clearing member plans to withdraw after satisfying a default assessment, it may do so immediately after receiving Exchange approval to do so. Previously a clearing member could withdraw after the Exchange posted the clearing members withdraw request to the membership.

In addition, language was added to clarify that each default by an individual clearing member is considered a separate default event.

**Rule 804 (Substitution)**

This rule was modified to specifically include the term "novation" clarifying that the Exchange becomes the buyer to every seller and the seller to every buyer.

**Rule 813 (Settlement Prices)**

This rule was completely revised. The modifications clarify and more accurately reflect the actual settlement procedures employed by staff on a daily basis when settling contracts.

**Rule 816 (Security Deposit)**

The detailed calculation formula used to establish the security deposit pool was moved to the Clearing House Manual of Operations. The modifications further streamline the security deposit rule.

**Rule 820 (Performance Bonds Credited) and Rule 821 (Performance Bond Amounts)**

These two rules were combined into one rule (820 Performance Bonds) that discusses the types of performance bonds that are accepted as well as the approval process for performance bonds.

**Rule 832 (Common Banking and Settlement)**

This rule has been eliminated since the Common Banking Program is no longer in existence.

**Interpretations**

All of the interpretations have been removed from Chapter 8 and they have been incorporated into the rules or deleted including the Exchange and Clearing fee section and the policy regarding treatment of concurrent long and short positions.

**Rule 809 (Trade Data Processing System)**

Many of the detailed operational aspects of this rule were moved to the Clearing House Manual of Operations. Examples include out-trade procedures and the requirement for out-trade representatives to be available on the trading floor.

CFTC Submission No. 06-28  
March 22, 2006  
p. 3 of 3

The Exchange certifies that this regulatory advisory neither violates nor is inconsistent with any provision of the Commodity Exchange Act or of the rules and regulations thereunder.

If you have any questions regarding this matter, please call me at (312) 648-5422.

Sincerely,

/S/ Stephen M. Szarmack  
Director and Associate General Counsel

## GENERAL

### 700. SCOPE OF CHAPTER

Deliveries and delivery facilities shall be governed by this chapter and, where applicable, the chapter which includes the contract specifications for the commodities being delivered and such other requirements as the Exchange may prescribe.

### 701. ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES

If a determination is made by the Board or the Business Conduct Committee that delivery or final settlement of any contract cannot be completed as a result of any emergency, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract. Notwithstanding the above, in the event that the Board or the Business Conduct Committee cannot be convened on a timely basis, the Chief Executive Officer or the President and Chief Operating Officer may take any action deemed necessary, and such action shall be binding upon all parties to the contract.

It shall be the duty of members and clearing members to notify the Exchange of any circumstances wherein a delivery or acceptance or any precondition or requirement thereof is prevented by an act of government, act of God or other emergency.

### 702. CLEARING MEMBER DUTIES TO THE CLEARING HOUSE

A clearing member, carrying an account for a customer that is required to make or accept delivery, agrees to guarantee and assume complete responsibility for the performance of all delivery requirements set forth in the rules.

In the event a clearing member fails to perform its delivery requirements to the Clearing House, such failure may be deemed a default pursuant to Rule 802. In a delivery default, the Clearing House shall seek to ensure the financial performance with respect to the delivery. In this regard, the Clearing House powers will include, but will not be limited to, the right to sell or liquidate the commodity subject to delivery and to distribute the proceeds as appropriate.

Upon request, every clearing member with an open long or short position shall present to the Clearing House an inventory with such open positions in a form as the Clearing House may prescribe. Upon request thereafter, accurate daily offset memoranda shall be submitted to the Clearing House through and including the final day of trading.

## DELIVERY FACILITIES AND PROCEDURES FOR AGRICULTURAL COMMODITIES

### 7043. APPROVED WAREHOUSES

#### 7043.A. Conditions for Approval

The Board may establish such requirements and conditions for approval as it deems necessary. However, no warehouse shall be eligible for approval unless it is a licensed, public, cold storage warehouse, agrees to issue negotiable receipts, meets all local, state and federal requirements, and agrees:

1. To record the date and exact location of all commodities stored; to include the date of storage on the warehouse receipt; to record all changes of location; and to allow the Exchange to inspect all such records.
2. To clearly identify each lot and subplot by number.
3. To permit the ~~inspectors~~graders sent by the Exchange to select their own samples.
4. To plainly mark "~~Inspected~~" any sample taken out of the storage room for ~~inspection~~grading.
5. To record when any lot or subplot has been reconditioned or had its number changed; to advise the Exchange of this fact prior to tendering such lot or subplot for inspection; and to await a reasonable time after advising the Exchange for further instructions.
6. ~~That if it has no trackage, it will pay the cartage charge to a car on track when requested to do so by the person, or his representative, who takes final delivery of such commodity on an Exchange contract and surrenders the warehouse receipt.~~

7.—To make such reports, keep such records and permit such warehouse visitation as the CFTC may prescribe under the provisions of the Commodity Exchange Act; such books and records to be kept by the warehouse for a period of five years from the date thereof, or for ~~such other a longer~~ period if the CFTC shall so direct, and such books and records and warehouse shall be open at all times to inspection by any representative of the CFTC, the United States Department of Justice ~~and or~~ authorized officials of the Exchange.

87. To report not later than ~~4:00 p.m.~~ ~~Central~~ local time on ~~the first~~ each business day of each week, or as required by the Exchange, to representatives of the CFTC, and the Exchange, total stocks of such commodities as are traded on the Exchange which are held in storage ~~at of the close~~ opening of business the ~~preceding week on such date,~~ and all receipts and withdrawals of such commodities occurring subsequent to the last report.

#### **7043.B. Warehouse Receipts**

~~Negotiable w~~Warehouse receipts presented in satisfaction of delivery requirements must have been issued by a warehouse which has been approved by the Exchange for at least 30 days previous to the date of the delivery, and the commodities covered must have entered storage on or subsequent to the date of approval. The initial date of approval of warehouse, the approved status of which has been continued or renewed without interruption since that initial approval, shall be deemed the date of approval.

#### **7024. APPROVED STOCKYARDS AND SLAUGHTER PLANTS FOR LIVE CATTLE**

Deliveries on Exchange contracts of live beef cattle, ~~feeder cattle, and lean hogs~~ can be made only ~~from at~~ public livestock yards and slaughter plants designated and approved for delivery by the Exchange.

A public livestock yard shall not be eligible for deliveries as an approved stockyard unless it is a stockyard within the definition of the Packers and Stockyards Act, 1921 as amended, (~~Ch. 9 United States Code, Sections 181-3, 201-217a and 221-9~~) and has received notice to that effect from the Secretary of Agriculture. Approved stockyards shall be required to keep such records, make such reports and be subject to inspection and regulation by the Secretary of Agriculture, as provided in said Packers and Stockyards Act.

An approved slaughter plant shall, at a minimum, be federally inspected, slaughter primarily fed cattle in the normal course of business, have a fed cattle slaughter capacity of at least 500 head per day, have proper facilities for weighing and grading, and be located within approximately 150 miles of one or more approved stockyards.

#### **703. ~~APPROVED MILLS~~**

~~Deliveries on Exchange contracts of lumber shall be made only from mills approved for delivery in accordance with provisions in Chapter 201.~~

~~(Next Rule 705)~~

#### **704. ~~[RESERVED]~~**

#### **705. APPROVED PLANTS FOR PORK BELLIES PLANTS**

~~A plant in order to become eligible for in-plant a Chicago Mercantile Exchange Inc. inspection~~ gradings of pork bellies, point, a plant shall apply to and be approved by the Exchange.

The owner or owners of the approved plant must certify the following:

- a. The plant is federally inspected;
- ~~b. The plant is within 300 miles of an Exchange approved pork belly warehouse;~~
- ~~bc.~~ The plant has proper facilities for inspectiongrading and weighing;
- ~~cd.~~ The plant has either resident Agricultural Marketing Service graders or has made arrangements with regional AMS personnel so that inspectiongrading can be handled in the prescribed time.

#### **706. APPLICATION FOR GRADING INSPECTION**

Application for live beef cattle or pork bellies gradings inspections to be used for delivery on exchange transactions must be filed by clearing members with the Clearing House. Requests for gradings inspections will be forwarded to the appropriate government office ~~or other inspection agency~~ in the order in which applications are received.

~~No member shall order an official inspection on another member's goods without the written order of such member. No inspection shall be made on any commodity on which there is outstanding an~~

~~Exchange Inspection Certificate unless the outstanding certificate is surrendered or invalidated. All commodities to be inspected for delivery on the Exchange shall conform and comply with the provisions of this Chapter and the respective commodity chapter wherever applicable.~~

For all in-plant pork bellies ~~grading inspections~~ the clearing member shall notify the CME Clearing House of request for inspection by 10:00 a.m. Central time one day prior to the date the ~~grading inspection~~ is to be done and specify the time and place at which the fresh bellies will be available for ~~grading inspection~~.

**707. OFFICIAL EXCHANGE INSPECTION CERTIFICATES**

All agricultural commodities delivered through the Exchange must carry an Exchange ~~Inspection~~ Certificate bearing the signature of the ~~President of the Clearing House Chief Executive Officer and the seal of the Exchange~~ and showing the grade of the commodity and the expiration date of the certificate. On all commodities where the grades are based on United States Government standards, and on all other commodities identified by the Exchange, the commodities shall be ~~graded inspected~~ by government ~~graders inspectors~~, and the government ~~grading inspection~~ certificate shall be attached to the Exchange ~~Inspection~~ Certificate. ~~The cost of the Exchange may charge for the Exchange Inspection Certificate shall be \$3.00.~~

If the official USDA ~~grading inspection~~ certificate or other required ~~grading inspection~~ certificate is, through no fault of the seller, not received in time to make delivery, the ~~President of the Clearing House Chief Executive Officer~~, at his sole discretion, may issue the Official Exchange ~~Inspection~~ Certificate on the basis of an ~~electronically transmitted telegraphed or telephoned~~ report from the USDA ~~grader inspector~~ or other designated ~~grader inspector~~. Such report shall state that the delivery unit has passed ~~inspection grading~~, note any defects that may be the basis for allowances, and state that the required USDA ~~grading~~ certificate or other required ~~inspection~~ certificate has been prepared for transmittal. In such case, the report shall be attached to the Exchange ~~Inspection~~ Certificate pending receipt of the USDA ~~grading inspection~~ certificate. The buyer shall in this event deliver ~~payment~~ the certified or cashier's check by noon on the business day following the day of delivery to the Clearing House which shall hold the ~~payment~~ check until all the required documents are received by the Clearing House. If all the required documents are not received by the Clearing House within 72 hours of the day of ~~delivery~~ the required time, ~~it the seller may will be deemed in a delivery obligation failure default by the seller who must replace the delivery unit within the time prescribed by the Clearing House.~~

**708. INSPECTION EXCHANGE CERTIFICATE INVALIDATED**

The removal of the commodity from the place of location designated on the Exchange ~~Inspection~~ Certificate invalidates the certificate.

**709. DUPLICATE CERTIFICATES**

Copies of an Exchange ~~Inspection~~ Certificate may be obtained at the ~~Clearing House office of the Exchange~~ by the member who ordered the original ~~grading inspection~~ or the owner of the goods if he is a member. There shall be stamped on each such copy the word "duplicate". ~~There Exchange shall be a may charge of \$3.00 for each duplicate copy issued.~~

**710. LIABILITY FOR NEGLIGENCE OF GRADERS INSPECTORS**

The Exchange shall not be liable for any error or negligence of any ~~grader inspector~~, and all claims for liability relating to ~~grading inspections~~ shall be waived by the application for the Exchange ~~inspection or weighing or testing~~ Certificate. The liability for any error in a certificate shall be that of the first party who uses the certificate for delivery through the Exchange.

**711. FINALITY OF USDA OR OTHER REQUIRED GRADING INSPECTION CERTIFICATE**

The Exchange assumes no responsibility and disclaims all liability on account of the grade, quantity or specifications of any commodity delivered on the basis of a USDA or other required ~~grading inspection~~ certificate.

**712. [RESERVED] DELIVERY THROUGH CLEARING HOUSE**

~~All deliveries on maturing contracts shall be made through the Clearing House. The Clearing House shall prescribe such forms and requirements for initiating and completing delivery as are consistent with this chapter and the various following contract specification chapters.~~

## 713. DELIVERY PROCEDURES

### 713.A. Notice of Intent to Deliver

Where delivery requires a Notice of Intent to Deliver, the seller shall comply with the requirements of the relevant contract specifications chapter and such requirements as are prescribed by the Clearing House.

### 713.B. Delivery Notice

~~In the event a Delivery Notice is not generated by the Clearing House, t~~The seller shall, within the time prescribed by the relevant contract specifications chapter or as may be prescribed by the Clearing House, tender to the Clearing House a signed Delivery Notice on a form ~~to be issued~~prescribed by the Clearing House, which shall include descriptions of the negotiable instrument by which title to the commodity will be transferred and such other information as is required by the Clearing House. The Delivery Notice shall contain the net invoicing price which shall be the last settlement price ~~plus or minus~~and, if applicable, allowances and adjustments.

### 713.C. ~~Supporting Documents~~Possession of Product and Relevant Documents

The seller shall by such time as is prescribed in the relevant contract specification chapter on the day of tender have possession of the product and all relevant documents~~described in his Delivery Notice.~~

### 713.D. Notice to Buyers

The Clearing House promptly shall pass the Delivery Notices in the order in which they are received to the ~~clearing members~~buyers obligated by the oldest open long contracts, ~~as determined at the close of business on the previous day,~~ to take delivery of the same amounts of the same commodities for the same delivery month. When a member of the Clearing House who has open purchases is suspended from the Clearing House for default or insolvency, he shall be deemed out of line for delivery and tender shall be made to the ~~clearing member~~buyer obligated upon the next oldest long contract. Also, if tender ~~is~~be made to a ~~clearing member~~buyer who is thereafter suspended for default or insolvency before delivery is accepted, then, subject to the provisions of Rule 718, the Delivery Notice shall be withdrawn and another immediately served upon the ~~clearing member~~buyer obligated upon the next oldest long contract.

### 713.E. Payment

Unless otherwise specifically provided in the relevant contract specification chapter, a buyer receiving a Delivery Notice from the Clearing House shall ~~present the same between the hours of 11:00 a.m. on the day of tender and 12:00 Noon the following business day at the office of the seller, together with a certified or cashier's check drawn on a Chicago bank or a wire transfer,~~make payment in same day funds, for the net invoicing price. The buyer shall then be entitled to all required documents~~required by the Delivery Notice~~ in proper form and with such endorsements as may be necessary to convey title and possession and as are necessary to expedite shipment. The buyer shall also be entitled to all other documents as are otherwise required by the provisions of the relevant contract specification chapter.

## 714. FAILURE TO DELIVER

A ~~failure by a clearing member who has not~~tendered a Delivery Notice on or before the time specified by the Clearing House~~9:00 a.m. on the last day in a delivery month on which such notice is permitted shall be in default~~deemed a delivery obligation failure, except that the President of the Clearing House may, for good cause, extend the time to present such notice ~~until 12:00 Noon.~~ Unexcused failure to make delivery shall be deemed a violation of Rule 432.Q., a major offense. In addition to the penalties provided in Chapter 4 and in the relevant contract specification chapter, the Clearing House Risk Committee~~Board~~ shall determine and assess the damages incurred by the buyer, taking into account the settlement price and such other factors as it ~~may~~deems appropriate~~just.~~

## 715. FAILURE TO REMIT FULL PAYMENTACCEPT DELIVERY

~~If a clearing member fails to accept delivery, the commodity shall be sold for the account of the buyer by the Exchange. If the proceeds are insufficient to pay the seller the full delivery price, the clearing member failing to accept delivery shall be liable for the difference.~~

If a clearing member obligated to receive delivery failsis unable or refuses to make full payment to the seller, the Clearing House shall debit the account of said clearing member an amount sufficient to complete the delivery~~bear the seller's loss in the first instance.~~ In any event, the clearing member failing to make paymentaccept delivery shall be liable for a penalty of \$ .015 per dozen on eggs; \$7.50 per 1,000 board feet on lumber; and \$.015 per pound on all other commodities or as otherwise provided in the respective contract specification chapter, and any additional documented costs incurred by the seller~~plus commissions and all other expenses incurred or by the Clearing House.~~

Failure to ~~remit full payment~~~~accept delivery~~ shall be deemed a violation of Rule 432.Q., also constitute a major offense.

**716. DUTIES OF CLEARING MEMBERS**

Prior to the last day of trading, each clearing member shall require evidence for each account on his books that all futures positions which will not be offset on the last day of trading will be completed by delivery. If a customer is unwilling or unable to provide such evidence, the clearing member must liquidate the position on or before the last day of trading.

**717. ~~STRIKES, EMERGENCIES, ACTS OF GOVERNMENT AND ACTS OF GOD~~**

~~If delivery or acceptance or any precondition or requirement of either is prevented by strike, fire, accident, act of government, act of God, or other emergency, the seller or buyer shall immediately notify the Chief Executive Officer. If the Chief Executive Officer determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors or the Business Conduct Committee and arrange for the presentation of evidence respecting the emergency condition. If the Board or the Committee determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract. For example, and without limiting the Board's or Committee's power, it may: extend delivery dates; designate alternate delivery points or procedures in the event of conditions interfering with the normal operations of approved facilities or delivery process; and fix a settlement price on the basis of an appropriate published quotation except that the settlement price shall not be less than the settlement price published on the last day of trading in the contract month.~~

The procedural requirements detailed in Rule 402.C. shall be followed in the implementation of this rule. **[RESERVED]**

**718. CUSTOMER SUBSTITUTION IN THE EVENT OF CLEARING MEMBER BANKRUPTCY**

In the event that an "order for relief" as defined at CFTC Reg. 190.01(dd) has been entered in respect to a clearing member whose customer holds a futures contract or options contract that may only be liquidated by physical delivery and, as to such contract:

- (i) trading has ceased on the date of the entry of the "order for relief;"
- (ii) notice of delivery has been tendered on or before the date of the entry of the "order for relief;" or
- (iii) trading ceases before the trustee can liquidate the contract;

then, notwithstanding Rule 713.D., the Clearing House shall allow the customer (if his identity can be readily ascertained and verified) to be directly substituted for the debtor clearing member to the extent necessary to complete delivery. None of the requirements for delivery, including notices, instructions, payment, etc., shall be waived hereby. Moreover, substitution shall in no way relieve the debtor clearing member of its obligations to the Clearing House and the opposite clearing member in regard to any claims arising out of that delivery.

**719. TRANSFER OF CASH FOR FUTURES AFTER TERMINATION OF CONTRACT**

Subject to ~~approval by the Clearing House~~~~the Chief Executive Officer's approval~~, a transfer of cash merchandise for futures may be permitted during the contract month after termination of the contract. This rule shall not apply to options contracts.

Such transfer of cash for futures shall be cleared through the Clearing House in accordance with normal procedures and shall be made at the prices as are mutually agreed upon by the two parties to the transaction. Such transactions shall not establish new futures positions. Such transfers of cash for futures shall be clearly designated by proper symbol as transfer transactions and shall be recorded by the Exchange and the clearing member to the transactions, and proper notice given to the membership. Each party to such transactions must satisfy the Chief Executive Officer ~~Clearing House~~ that the transaction is bona fide and must file with the Clearing House, all memoranda necessary to establish the nature of the transaction, the kind and quantity of the cash commodity, the -kind, quantity and price of the commodity futures, the names of all clearing members to the transaction and such other information as the Clearing House ~~or Chief Executive Officer~~ may require.



**DELIVERY FACILITIES AND PROCEDURES FOR NON-AGRICULTURAL  
COMMODITIES**

**METALS AND COINS**

**720. APPROVED WAREHOUSES OR DEPOSITORIES**

No warehouse or depository shall be eligible for delivery unless it meets all local, state and federal requirements, such additional requirements and conditions for approval as the Board deems necessary, and unless it agrees to the following:

1. To record the date and exact location of all commodities stored; to include the date of storage on the warehouse receipt; to record all changes of location; and to allow the Exchange to inspect all such records;
2. To clearly identify each lot and subplot by number;
3. To permit the inspectors sent by the Exchange to select their own samples;
4. To plainly mark "Inspected" any sample taken out of the storage room for inspection;
5. To record when any lot or subplot has been reconditioned or had its number changed; to advise the Exchange of this fact prior to tendering such lot or subplot for inspection; and to wait a reasonable time after advising the Exchange for further instruction;
6. To make such reports, keep such records and permit such warehouse visitation as the CFTC may prescribe under the provisions of the Commodity Exchange Act; such books and records to be kept by the warehouse for a period of five years from the date thereof, or for a longer period if the CFTC shall so direct, and such books and records and warehouse shall be open at all times to inspection by any representative of the CFTC, the United States Department of Justice and authorized officials of the Exchange;
7. To report no later than 10:00 a.m. local time on each business day, or as required by the Exchange, to representatives of the CFTC and of the Exchange total stock of such commodities as are traded on the Exchange which are held in storage at the opening of business on such date, and all receipts and withdrawals of such commodities occurring subsequent to the last report.

**721. WAREHOUSE OR DEPOSITORY RECEIPTS**

Negotiable warehouse or depository receipts presented in satisfaction of delivery requirements must have been issued by a warehouse which has been approved by the Exchange prior to the date of delivery. The initial date of approval of a warehouse, the approved status of which has been continued or renewed without interruption since that initial approval, shall be deemed the date of approval.

(Next Rule 724)

**722. - 723 [RESERVED]**

**724. FAILURE TO PERFORM**

If the clearing member with a delivery commitment fails to perform all acts required by this chapter, then that clearing member shall be deemed in default, which may be punishable as a major offense. A clearing member in default shall be liable to the clearing member to which it was matched on the defaulted transaction for any loss sustained. The Board shall determine and assess losses sustained, taking into account the settlement price, interest earnings foregone, and such other factors as it deems appropriate. The Board may also assess such penalties as deemed appropriate in addition to damages.

**725. MATCHING LONGS AND SHORTS**

The Clearing House shall assign Seller's Delivery Commitments by matching the oldest long position with the Seller's Delivery Commitments as received. The Clearing House shall promptly pass the delivery notices in the order in which they are received to the buyers obligated by the oldest open contracts as determined at the close of business on the previous day.

(Next Rule 730)

**7260. - 729. [RESERVED]**

## NON-CLS (LEGACY) CURRENCY DELIVERIES

### 730. REGISTERED BANKS AND OTHER FACILITIES

The Board shall establish such requirements and preconditions for registration as a facility for the delivery of currencies as it deems necessary.

### DELIVERY THROUGH CLS BANK AND/OR THE CME CLS AGENT BANK

Consistent with procedures prescribed by the CME Clearing House, CME currency futures contracts are required to be physically delivered through the CLS (Continuous Linked Settlement) Bank System where both the trading unit currency and the price increment (minimum fluctuation) currency are supported by CLS delivery procedures. Notwithstanding the foregoing, a clearing firm shall not be required to make physical delivery through the CLS Bank System for any currency futures contract where the delivery exposure of the clearing firm is reasonably expected not to exceed \$50 million for any one currency futures contract. Exchange staff shall determine the CME CLS Agent Bank for facilitating the delivery of currencies through CLS Bank. Clearing firms delivering CME currency futures contracts must use an approved CLS agent bank for deliveries through CLS Bank, which may be the CME CLS Agent Bank or any other approved CLS agent bank. If practicable, in those situations where clearing firms delivering CME currency futures contracts use the CME CLS Agent Bank for delivery, then physical delivery may occur by book entry at the CME CLS Agent Bank and not be settled through the CLS Bank.

When buyers and sellers elect to do currency deliveries through the CLS System, they agree to abide by the deadlines and compensation conventions established by their CLS agent bank, the CME CLS Agent Bank and the CLS Bank. The CME Clearing House's obligation to the delivery transaction ends when payment is made through the CLS System.

### 731. FOREIGN CURRENCY BUYER'S DUTIES FOR CLS DELIVERIES

#### ~~731.A. Currency Contracts and Rolling Spot™ Currency Contracts~~

~~A clearing member representing a customer that intends to accept delivery of a foreign currency in liquidation of his net long position in that foreign currency shall, no later than 11:00 a.m. on the last day of trading, present to the Clearing House a Buyer's Delivery Commitment. In addition, the clearing member shall either deposit, or present a bank Order to Pay, an amount equal to the net U.S. dollar value of such customer's positions. Values for positions in contracts with minimum fluctuations denominated in U.S. dollars shall be the contract value based on the settlement price on the last day of trading. Values for positions in contracts with minimum fluctuations in foreign currency shall be the contract size. If the buyer elects to pay by deposit, the deposit shall be made by 1:00 p.m.: (a) on the last day of trading in the case of the ECU; and (b) on the first day preceding the delivery day that is a business day common to the Exchange, Chicago banks and New York City banks for all other currencies. Such deposit shall be in the form of a wire transfer of same day funds to an account at a bank designated by the Clearing House. If the buyer elects to pay by bank Order to Pay, an Order to Pay from an Exchange approved bank shall be presented to a bank designated by the Clearing House by 1:00 p.m.: (a) on the last day of trading in the case of the ECU; and (b) on the first day preceding the delivery day that is a business day common to the Exchange, Chicago banks and New York City banks for all other currencies. The Bank Order to Pay shall be in a form approved by the Clearing House, and shall promise to pay same day funds on the delivery day.~~

~~If the Buyer's Delivery Commitment is received later than 11:00 a.m. on the last day of trading, but not later than 8:00 a.m. on the following day, the buyer's clearing member shall be assessed a fine on a per contract basis, the amount to be determined by the Board. Any papers received subsequent to 8:00 a.m. on the day following the last day of trading shall be deemed a default and acted upon in accordance with Rule 737.B. The buyer shall have made all provisions necessary to receive delivery within the country of issuance.~~

#### ~~731.B. Physical Delivery Currency Cross-Rate Contracts~~

~~A clearing member representing a customer that intends to accept delivery of a Physical Delivery Currency Cross-Rate Contract in liquidation of his position shall, no later than 11:00 a.m. on the last day of trading, present to the Clearing House a Buyer's Delivery Commitment. In addition by 1:00 p.m. on the first day preceding the delivery day that is a business day common to the Exchange, Chicago banks and New York City banks, the clearing member shall either deposit, or present a Bank Order to Pay, an amount in the minimum fluctuation currency equal to the contract value based on the settlement price on the last day of trading. Such deposit shall be in the form of same day funds to an account at a bank~~

designated by the Clearing House. The Bank Order to Pay shall be in a form approved by the Clearing House, and shall promise to pay same day funds on the delivery day.

If the Buyer's Delivery Commitment is received later than 11:00 a.m. on the last day of trading, but not later than 8:00 a.m. on the following day, the buyer's clearing member shall be assessed a fine on a per contract basis, the amount to be determined by the Board. Any papers received subsequent to 8:00 a.m. on the day following the last day of trading shall be deemed a default and acted upon in accordance with Rule 737.B. The buyer shall have made all provisions necessary to receive delivery of the trading unit currency within the country of issuance.

**731.C. Physical Delivery Euro versus Polish Zloty, Hungarian Forint and Czech Koruna Cross-Rate Contracts**

A clearing member representing a customer that intends to accept delivery of Polish zloty, Hungarian forint or Czech koruna in liquidation of his net long position in that foreign currency shall, no later than 11:00 a.m. on the last day of trading, present to the Clearing House a Buyer's Delivery Commitment. In addition, the clearing member shall either deposit, or present a bank Order to Pay, an amount equal to the net Euro value of such customer's positions. Values for positions in contracts with minimum fluctuations denominated in Euros shall be the contract value based on the settlement price on the last day of trading multiplied by the trading unit. If the buyer elects to pay by deposit, the deposit shall be made by 9:00 a.m. on the first business day preceding the delivery day that is business day common to the Exchange, Chicago banks, New York City banks and banks for the Euro ("Target system banks"). Such deposit shall be in the form of a wire transfer of same day funds to an account at a bank designated by the Clearing House. If the buyer elects to pay by bank Order to Pay, an Order to Pay from an Exchange approved bank shall be presented to a bank designated by the Clearing House by 1:00 p.m. on the first business day preceding the delivery day that is a business day common to the Exchange, Chicago banks, New York City banks and banks for the Euro ("Target system banks"). The Bank Order to Pay shall be in a form approved by the Clearing House, and shall promise to pay same day funds on the delivery day.

If the Buyer's Delivery Commitment is received later than 11:00 a.m. on the last day of trading, but not later than 8:00 a.m. on the following day, the buyer's clearing member shall be assessed a fine on a per contract basis, the amount to be determined by the Board. Any papers received subsequent to 8:00 a.m. on the day following the last day of trading shall be deemed a default and acted upon in accordance with Rule 737.B. The buyer shall have made all provisions necessary to receive delivery within the country of issuance.

**731.D. Restrictions**

Note: From time to time, and frequently without warning, countries change the requirements and the restrictions on non-resident bank accounts. These take various forms including, non-interest bearing deposit requirements, negative interest rates, prohibitions against investment in the country, ceilings on the amount of deposit, restrictions on the period of time such deposits may be maintained, etc. It is the buyer's responsibility to be familiar with and in conformance with all regulations pertaining to the holding of non-resident bank accounts in the country in which he desired to accept delivery.

A clearing member that intends to accept delivery of a foreign currency through the CLS System to liquidate a net long position in that foreign currency shall, no later than 11:00 a.m. Chicago time on the last day of trading, present to the Clearing House a Buyer's CLS Delivery Commitment, which identifies the CLS agent bank used by the buyer and the number of contracts and the component delivery values. Also, the clearing member/customer shall arrange with their CLS agent bank to input the relevant instructions into the CLS System no later than 1:00 p.m. Chicago time on the business day preceding the delivery day. The CME Clearing House will input the Exchange's relevant contra-side instructions into the CLS System. (The CME Clearing House is the seller to every buyer and the buyer to every seller in the currency delivery process through the CME CLS Agent Bank.)

A match of delivery information must occur in order for a delivery transaction to be finalized. In the event that clearing member/customer instructions are not entered into the CLS System by 1:00 p.m. Chicago time on the business day preceding the delivery day, then the unmatched transaction may not be completed and paid on the delivery date through the CLS System. In such event, delivery instructions may be resubmitted to the CLS agent bank for delivery on the subsequent business day. Also in such event, the Clearing House may assess fines for the delayed delivery. Further, if the delivery instructions remain unmatched by 1:00 p.m. Chicago time on the business day preceding the delivery day, the Clearing House may require the buyer of the foreign currency to post an Order to Pay to the appropriate Agent Bank by no later than the close of business that day, in addition to complying with other procedures as outlined in the Clearing House Manual.

If the Buyer's CLS Delivery Commitment is received later than 11:00 a.m. Chicago time on the last day of trading, but not later than 8:00 a.m. Chicago time on the following day, the buyer's clearing member

shall be assessed a fine on a per contract basis, the amount to be determined by Exchange staff. Any deliveries memoranda or instructions received subsequent to 8:00 a.m. Chicago time on the day following the last day of trading shall be deemed a delivery obligation failure and acted upon in accordance with Rule 743.B. The buyer shall have made all provisions necessary to receive delivery within the country of issuance.

## **732. FOREIGN CURRENCY SELLER'S DUTIES FOR CLS DELIVERIES**

### **732.A. ~~U.S. Dollar-Based Currency Contracts, Euro versus Polish Zloty, Hungarian Forint, Czech Koruna Cross-Rate Contracts and Rolling Spot™ Currency Contracts~~**

~~The clearing member representing a customer delivering foreign currency in liquidation of his net short position shall, no later than 11:00 a.m. on the last day of trading, present to the Clearing House a Seller's Delivery Commitment. If such Commitment is received later than 11:00 a.m. on the last day of trading, but not later than 8:00 a.m. on the following day, the seller's clearing member shall be assessed a fine on a per contract basis, the amount to be determined by the Board. Any papers received subsequent to 8:00 a.m. on the day following the last day of trading shall be deemed a default and acted upon in accordance with Rule 737.B.~~

### **732.B. ~~Physical Delivery Currency Cross-Rate Contracts~~**

~~The clearing member representing a customer making delivery of a Physical Delivery Currency Cross-Rate Contract, except for cross-rate contracts referenced in Rule 732.A., in liquidation of his position shall, no later than 11:00 a.m. on the last day of trading, present to the Clearing House a Seller's Delivery Commitment. In addition by 1:00 p.m. on the first day preceding the delivery day that is a business day common to the Exchange, Chicago banks and New York City banks, the clearing member shall either deposit, or present a Bank Order to Pay, an amount equal to the trading unit. Such deposit shall be in the form of same-day funds to an account at a bank designated by the Clearing House. The Bank Order to Pay shall be in a form approved by the Clearing House, and shall promise to pay same-day funds on the delivery day.~~

~~If the Seller's Delivery Commitment is received later than 11:00 a.m. on the last day of trading, but not later than 8:00 a.m. on the day following the last day of trading, the seller's clearing member shall be assessed a fine on a per contract basis, the amount to be determined by the Board. Any papers received subsequent to 8:00 a.m. on the day following the last day of trading, shall be deemed a default and acted upon in accordance with Rule 737.B. The seller shall have made all provisions necessary to receive delivery of the minimum fluctuation currency within the country of issuance.~~

~~The Seller's clearing member shall be responsible for delivering the foreign currency on the delivery date to a bank designated by the Clearing House.~~

A clearing member representing a customer delivering foreign currency through the CLS System to liquidate a net short position in that foreign currency shall, no later than 11:00 a.m. Chicago time on the last day of trading, present to the Clearing House a Seller's CLS Delivery Commitment, which identifies the CLS agent bank used by the seller and the number of contracts and the component delivery values. Also, the clearing member/customer shall arrange with their CLS agent bank to input the relevant instructions into the CLS System no later than 1:00 p.m. Chicago time on the business day preceding the delivery day. The CME Clearing House will input the Exchange's relevant contra-side banking instructions into the CLS System. (The CME Clearing House is the buyer to every seller and the seller to every buyer in the currency delivery process through the CME CLS Agent Bank.)

A match of delivery information must occur in order for a delivery transaction to be finalized. In the event that clearing member/customer instructions are not entered into the CLS System by 1:00 p.m. Chicago time on the business day preceding the delivery day, then the unmatched transaction may not be completed and paid on the delivery date through the CLS System. In such event, delivery instructions may be resubmitted to the CLS agent bank for delivery on the subsequent business day. Also, in such event, the Clearing House may assess fines for the delayed delivery. Further, if the delivery instructions remain unmatched by 1:00 p.m. Chicago time on the business day preceding the delivery day, the Clearing House may require the seller of the foreign currency to comply with other procedures as outlined in the Clearing House Manual.

If the Seller's CLS Delivery Commitment is received later than 11:00 a.m. Chicago time on the last day of trading, but not later than 8:00 a.m. Chicago time on the following day, the seller's clearing member shall be assessed a fine on a per contract basis, the amount to be determined by Exchange staff. Any deliveries memoranda or instructions received subsequent to 8:00 a.m. Chicago time on the day following the last day of trading shall be deemed a delivery obligation failure and acted upon in accordance with Rule 743.B.

**733. DELIVERY DATE**

Delivery shall be completed in accordance with the specifications of the separate contracts.

**734. PAYMENTS**

The Clearing House shall designate a bank in each foreign country into which foreign currency shall be delivered. In the case of the ECU or its successor, this bank shall be a member of the ECU Clearing System of the ECU Banking Association (EBA) or its successor organization. These banks shall notify the Clearing House when foreign currency funds have been received. In the case of Currency Contracts and Rolling Spot™ Currency Contracts, the foreign currency delivery for each customer shall equal the net short value of positions in that foreign currency. Values for positions in contracts with minimum fluctuations denominated in U.S. dollars shall be the contract size. Values for positions in contracts with minimum fluctuations in foreign currency shall be the contract value based on the settlement price on the last day of trading. In the case of Currency Contracts (including the South African Rand Contract), and Rolling Spot™ Currency Contracts, the Clearing House shall, promptly after receipt of notification that foreign currency funds have been received, transfer the U.S. dollar funds previously deposited by the foreign currency buyer's clearing member to the account of the foreign currency seller's clearing member.

Given the event of European Economic and Monetary Union (EMU), if either the futures contract trading unit currency or minimum fluctuation currency are the former national currency units of a country entering EMU, then said former national currency units or its equivalent in euros, the currency of the United Europe, may be substituted by buyer and/or seller in fulfillment of delivery obligations in amounts determined by the applicable fixed conversion rates of national currency units per euro as set by the Council of the European Union on Thursday, December 31, 1998, effective for EMU on Friday, January 1, 1999. The fixed conversion rates which apply to CME currency contracts are as follows:

\_\_\_\_\_ 1 Euro = 1.95583 Deutsche Marks  
\_\_\_\_\_ 1 Euro = 6.55967 French Francs.

**735. COSTS OF DELIVERY**

The deliverer of a foreign currency shall bear the costs of transferring the foreign currency into a bank designated by the Clearing House. The receiver of a foreign currency shall bear the costs of transferring the foreign currency out of the bank designated by the Clearing House. Such costs may include, but are not limited to wire transfer charges, negative interest charges, transaction fees, etc.

**734-735. [RESERVED]**

**NON-CLS (LEGACY) CURRENCY DELIVERIES**

**736. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT**

If it is determined by the Board or the Business Conduct Committee that delivery or any precondition or requirement thereof is prevented by an act of government, act of God, or other emergency, it may take such action as it deems necessary and reasonable under the circumstances. Its decision shall be binding upon all parties to the contract.

The procedural requirements detailed in Rule 402.C shall be followed in the implementation of this rule.

**REGISTERED BANKS AND OTHER FACILITIES**

Exchange staff shall establish such requirements and preconditions for registration as a facility for the delivery of currencies as it deems necessary.

**737. DELIVERY INFRACTIONS**

**737.A. Late or Inaccurate Delivery**

1. If a clearing member with a Commitment to deposit funds pursuant to Rule 731 fails to deposit such funds by 1:00 p.m. on the date required in Rule 731, the clearing member shall be charged the current overdraft rate applicable to the Exchange's IMM foreign currency delivery account.

If by 9:30 a.m. on the day following the date required in Rule 731, such deposit is not made, the clearing member shall be deemed in default, and the matter be acted upon pursuant to Section B of this Rule.

Funds deposited pursuant to Rule 731 earlier than the required date of deposit shall not earn interest for the early time period.

2. If the information contained in either the Buyer's Delivery Commitment or the Seller's Delivery Commitment is inaccurate so that delivery cannot be accomplished in a timely manner, fines or damages may be assessed as in Section B below.

**737.B. Default**

If a clearing member with a Delivery Commitment fails to perform all acts required by this chapter, or is otherwise deemed in default, it shall be liable to the Clearing House for any loss sustained, which loss shall be computed as follows:

1. The Chief Executive Officer shall determine the change, if any, from the final settlement price on the last day of trading to the spot rate on the first day on which the transaction could be consummated on the spot market. The spot market rate for purposes of this computation shall be the means of the spot rates between a group of Chicago, Illinois banks selected for this purpose by the Board at the earliest time it is determined the transaction can be completed in the spot market.
2. The related charges suffered by the Clearing House at any of its designated banks.
3. A sum not to exceed 1% of the U.S. dollar value of the contract. (Such amount shall be set by the Chief Executive Officer, acting in his sole discretion, and shall be binding upon both parties to the contract, except no such sum shall be assessed where default is occasioned by the circumstances delineated in Rule 736.)

**FOREIGN CURRENCY BUYER'S DUTIES**

**737.A. Currency Contracts**

A clearing member representing a customer that intends to accept delivery of a foreign currency in liquidation of his net long position in that foreign currency shall, no later than 11:00 a.m. on the last day of trading, present to the Clearing House a Buyer's Non-CLS Delivery Commitment. In addition, the clearing member shall either deposit, or present a bank Order to Pay, an amount equal to the net U.S. dollar value of such customer's positions. Values for positions in contracts with minimum fluctuations denominated in U.S. dollars shall be the contract value based on the settlement price on the last day of trading. Values for positions in contracts with minimum fluctuations in foreign currency shall be the contract size. If the buyer elects to pay by deposit, the deposit shall be made by 1:00 p.m. on the first day preceding the delivery day that is a business day common to the Exchange, Chicago banks and New York City banks for all other currencies. Such deposit shall be in the form of a wire transfer of same-day funds to an account at a bank designated by the Clearing House. If the buyer elects to pay by bank Order to Pay, an Order to Pay from an Exchange-approved bank shall be presented to a bank designated by the Clearing House by 1:00 p.m. on the first day preceding the delivery day that is a business day common to the Exchange, Chicago banks and New York City banks for all other currencies. The Bank Order to Pay shall be in a form approved by the Clearing House, and shall promise to pay same-day funds on the delivery day.

**737.B. Physical Delivery Currency Cross-Rate Contracts**

A clearing member representing a customer that intends to accept delivery of a Physical Delivery Currency Cross-Rate Contract in liquidation of his position shall, no later than 11:00 a.m. on the last day of trading, present to the Clearing House a Buyer's Non-CLS Delivery Commitment. In addition by 1:00 p.m. on the first day preceding the delivery day that is a business day common to the Exchange, Chicago banks and New York City banks, the clearing member shall either deposit, or present a Bank Order to Pay, an amount in the minimum-fluctuation currency equal to the contract value based on the settlement price on the last day of trading. Such deposit shall be in the form of same-day funds to an account at a bank designated by the Clearing House. The bank Order to Pay shall be in a form approved by the Clearing House, and shall promise to pay same-day funds on the delivery day.

**737.C. Physical Delivery Euro versus Polish Zloty, Hungarian Forint and Czech Koruna Cross-Rate Contracts**

A clearing member representing a customer that intends to accept delivery of Polish zloty, Hungarian forint or Czech koruna in liquidation of his net long position in that foreign currency shall, no later than 11:00 a.m. on the last day of trading, present to the Clearing House a Buyer's Non-CLS Delivery Commitment. In addition, the clearing member shall either deposit, or present a bank Order to Pay, an amount equal to the net Euro value of such customer's positions. Values for positions in contracts with minimum fluctuations denominated in Euros shall be the contract value based on the settlement price on the last day of trading multiplied by the trading unit. If the buyer elects to pay by deposit, the deposit shall be made by 9:00 a.m. on the first business day preceding the delivery day that is a business day

common to the Exchange, Chicago banks, New York City banks and banks for the Euro ("Target system banks"). Such deposit shall be in the form of a wire transfer of same-day funds to an account at a bank designated by the Clearing House. If the buyer elects to pay by bank Order to Pay, an Order to Pay from an Exchange-approved bank shall be presented to a bank designated by the Clearing House by 1:00 p.m. on the first business day preceding the delivery day that is a business day common to the Exchange, Chicago banks, New York City banks and banks for the Euro ("Target system banks"). The Bank Order to Pay shall be in a form approved by the Clearing House, and shall promise to pay same-day funds on the delivery day.

Subject to the preceding three paragraphs, if the Buyer's Non-CLS Delivery Commitment is received later than 11:00 a.m. on the last day of trading, but not later than 8:00 a.m. on the following day, the buyer's clearing member shall be assessed a fine on a per contract basis, the amount to be determined by Exchange staff. Any deliveries memoranda or instructions received subsequent to 8:00 a.m. on the day following the last day of trading shall be deemed a delivery obligation failure and acted upon in accordance with Rule 743.B. The buyer shall have made all provisions necessary to receive delivery within the country of issuance.

#### **737.D. Restrictions**

From time to time, and frequently without warning, countries change the requirements and the restrictions on non-resident bank accounts. These take various forms including, but not limited to, non-interest-bearing deposit requirements, negative interest rates, prohibitions against investment in the country, ceilings on the amount of deposit and restrictions on the period of time such deposits may be maintained. It is the buyer's responsibility to be familiar with and in conformance with all regulations pertaining to the holding of non-resident bank accounts in the country in which he desired to accept delivery.

738.

#### **CLEARING MEMBER DUTIES TO CLEARING HOUSE**

Upon request, every clearing member with an open long or short position in foreign currency as of the close of business on the Wednesday prior to delivery day shall present to the Clearing House an inventory with such open positions in a form as the

Clearing House may prescribe. Upon request thereafter, accurate daily offset memoranda shall be submitted to the Clearing House through and including the final day of trading.

#### **FOREIGN CURRENCY SELLER'S DUTIES**

##### **738.A. U.S. Dollar-Based Currency Contracts, Euro versus Polish Zloty, Hungarian Forint, Czech Koruna Cross-Rate Contracts**

The clearing member representing a customer delivering foreign currency in liquidation of his net short position shall, no later than 11:00 a.m. on the last day of trading, present to the Clearing House a Seller's Non-CLS Delivery Commitment.

##### **738.B. Physical Delivery Currency Cross-Rate Contracts**

The clearing member representing a customer making delivery of a Physical Delivery Currency Cross-Rate Contract, except for cross-rate contracts referenced in Rule 738.A., in liquidation of his position shall, no later than 11:00 a.m. on the last day of trading, present to the Clearing House a Seller's Non-CLS Delivery Commitment. In addition by 1:00 p.m. on the first day preceding the delivery day that is a business day common to the Exchange, Chicago banks and New York City banks, the clearing member shall either deposit, or present a Bank Order to Pay, an amount equal to the trading unit. Such deposit shall be in the form of same-day funds to an account at a bank designated by the Clearing House. The Bank Order to Pay shall be in a form approved by the Clearing House, and shall promise to pay same-day funds on the delivery day. The Seller shall have made all provisions necessary to receive delivery of the minimum-fluctuation currency within the country of issuance. The Seller's clearing member shall be responsible for delivering the foreign currency on the delivery date to a bank designated by the Clearing House. The Exchange reserves the right to eliminate the requirement for sellers to post a Bank Order to Pay in the event that a given country's payments systems, which previously required a prior Bank Order to Pay posting, implements same-day finality of payment.

Subject to the preceding two paragraphs, if the Seller's Non-CLS Delivery Commitment is received later than 11:00 a.m. on the last day of trading, but not later than 8:00 a.m. on the day following the last day of trading, the seller's clearing member shall be assessed a fine on a per-contract basis, the amount to be determined by Exchange staff. Any deliveries memoranda or instructions received subsequent to 8:00 a.m. on the day following the last day of trading, shall be deemed a delivery obligation failure and acted upon in accordance with Rule 743.B.

### **738.C. Restrictions**

From time to time, and frequently without warning, countries change the requirements and the restrictions on non-resident bank accounts. These take various forms including, but not limited to, non-interest-bearing deposit requirements, negative interest rates, prohibitions against investment in the country, ceilings on the amount of deposit and restrictions on the period of time such deposits may be maintained. It is the seller's responsibility to be familiar with and in conformance with all regulations pertaining to the holding of non-resident bank accounts in the country in which he desired to make delivery.

### **739. DELIVERY DATENETTING**

To facilitate spread trading between currency products where positions held to termination create offsetting currency payment obligations, the Clearing House may net to the extent possible physical delivery payment obligations by clearing member customer by currency, in accordance with the procedures outlined in the Clearing House Manual of Operations. Clearing members desiring netting of obligations may only net payment obligations that arise from positions belonging to the same beneficial account owner, and shall be required to submit a Delivery Netting Request form, which identifies the final positions and net currency payments of a customer requesting delivery netting, to the Clearing House by 11:00 a.m. on the last day of trading.

Clearing members may also net delivery obligations within a given currency following the last day of trading in such eligible currency product. Clearing members may not net delivery obligations across all accounts belonging to the same beneficial account owner.

Clearing members are prohibited from netting open positions across customer accounts while a currency contract remains eligible for trading on the Exchange.

Clearing members shall be required to submit a Delivery Netting Request, which identifies the final positions and net currency delivery obligations to the Clearing House by 11:00 a.m., on the last day of trading, in accordance with the procedures outlined in the Clearing House Manual of Operations.

Delivery shall be completed in accordance with the specifications of the separate contracts.

(Next Rule 750)

### **CLS CURRENCY DELIVERIES**

### **740. PAYMENTS DELIVERY THROUGH CLS BANK AND/OR THE CME CLS AGENT BANK**

Prior to the June 2005 currency deliveries, CME currency futures contract customers may elect for physical delivery and delivery position netting through the CLS (Continuous Linked Settlement) Bank and/or the CME CLS Agent Bank. For the June 2005 and subsequent currency deliveries, CME currency futures contract customers are required to make physical delivery and delivery position netting through the CLS Bank and/or the CME CLS Agent Bank for any currency futures contract, where both the trading unit currency and the price increment (minimum fluctuation) currency are supported by CLS delivery procedures. Notwithstanding the foregoing, a clearing firm shall not be required to make physical delivery and delivery position netting through the CLS Bank and/or the CME CLS Agent Bank for any currency futures contract, where the delivery exposure of the clearing firm is reasonably expected not to exceed \$50 million for any one currency futures contract. The Board of Directors shall determine the CME CLS Agent Bank for facilitating the delivery of currencies through CLS Bank. CME currency futures contract customers must use an approved CLS agent bank for deliveries through CLS Bank, which may be the CME CLS Agent Bank or any other approved CLS agent bank. If practicable, in those situations where CME currency futures contract customers use the CME CLS Agent Bank for delivery, then physical delivery and delivery position netting may occur within the CME CLS Agent Bank and not be submitted to the CLS Bank.

The Clearing House shall designate a bank in each foreign country into which foreign currency shall be delivered. These banks shall notify the Clearing House when foreign currency funds have been received. In the case of Currency Contracts, the foreign currency delivery for each customer shall equal the net short value of positions in that foreign currency. Values for positions in contracts with minimum fluctuations denominated in U.S. dollars shall be the contract size. Values for positions in contracts with minimum fluctuations in foreign currency shall be the contract value based on the settlement price on the last day of trading. In the case of Currency Contracts, the Clearing House shall, promptly after receipt of notification that foreign currency funds have been received, transfer the U.S. dollar funds previously deposited by the foreign currency buyer's clearing member to the account of the foreign currency seller's clearing member.



**741. COSTS OF DELIVERY FOREIGN CURRENCY BUYER'S DUTIES FOR CLS DELIVERIES**

A clearing member representing a customer that intends to accept delivery of a foreign currency through the CLS System to liquidate a net long position in that foreign currency shall, no later than 11:00 a.m. Chicago time on the last day of trading, present to the Clearing House a Buyer's CLS Delivery Commitment, which identifies the CLS agent bank used by the buyer and the number of contracts and their value for delivery (settlement price times trading unit times number of contracts delivered). The clearing member and the customer's CLS agent bank shall assign a transaction reference number to the delivery transaction represented by the Buyer's CLS Delivery Commitment. By 1:00 p.m. Chicago time on the last day of trading, the clearing member/customer shall enter the required delivery information into the Clearing 21 Currency Delivery System. Also, the clearing member/customer shall then arrange with its CLS agent bank to input the relevant banking instructions into the CLS System no later than 1:00 p.m. Chicago time on the business day preceding the delivery day. The CME Clearing House will arrange with the CME CLS Agent Bank to input the Exchange's relevant contra-side banking instructions into the CLS System. (The CME Clearing House is the seller to every buyer and the buyer to every seller in the currency delivery process through the CME CLS Agent Bank.)

A match of delivery information must occur in order for a delivery transaction to be finalized. In the event that clearing member/customer banking instructions are not entered into the CLS System by 1:00 p.m. Chicago time on the business day preceding the delivery day, then the unmatched transaction may not be completed and paid on the delivery date through the CLS System. In such event, delivery instructions may be resubmitted to the CLS agent bank for delivery on the subsequent business day. Also in such event, the Clearing House may assess fines for the delayed delivery. Further, if the delivery instructions remain unmatched by 1:00 p.m. Chicago time on the business day preceding the delivery day, the Clearing House may require the buyer of the foreign currency to post an Order to Pay to the appropriate Agent Bank by no later than the close of business that day, in addition to complying with other procedures as outlined in the Clearing House Manual.

The clearing member representing a customer accepting delivery shall define the payment method for each individual currency in a delivery at the time of setting up an account with its CLS agent bank. It is the responsibility of the clearing member/customer to make timely payment of currency in the delivery process.

If the Buyer's CLS Delivery Commitment is received later than 11:00 a.m. Chicago time on the last day of trading, but not later than 8:00 a.m. Chicago time on the following day, the buyer's clearing member shall be assessed a fine on a per contract basis, the amount to be determined by the Board. Any papers received subsequent to 8:00 a.m. Chicago time on the day following the last day of trading shall be deemed a default and acted upon in accordance with Rule 747.B. The buyer shall have made all provisions necessary to receive delivery within the country of issuance.

The deliverer of a foreign currency shall bear the costs of transferring the foreign currency into a bank designated by the Clearing House. The receiver of a foreign currency shall bear the costs of transferring the foreign currency out of the bank designated by the Clearing House. Such costs may include, but are not limited to, wire transfer charges, negative interest charges and transaction fees.

**742. DELIVERY NETTING FOREIGN CURRENCY SELLER'S DUTIES FOR CLS DELIVERIES**

A clearing member representing a customer delivering foreign currency through the CLS System to liquidate a net short position in that foreign currency shall, no later than 11:00 a.m. Chicago time on the last day of trading, present to the Clearing House a Seller's CLS Delivery Commitment, which identifies the CLS agent bank used by the seller and the number of contracts and their value for delivery (trading unit times number of contracts delivered). The clearing member and the customer's CLS agent bank shall assign a transaction reference number to the delivery transaction represented by the Seller's CLS Delivery Commitment. By 1:00 p.m. Chicago time on the last day of trading, the clearing member/customer shall enter the required delivery information into the Clearing 21 Currency Delivery System. Also, the clearing member/customer shall then arrange with its CLS agent bank to input the relevant banking instructions into the CLS System no later than 1:00 p.m. Chicago time on the business day preceding the delivery day. The CME Clearing House will arrange with the CME CLS Agent Bank to input the Exchange's relevant contra-side banking instructions into the CLS System. (The CME Clearing House is the buyer to every seller and the seller to every buyer in the currency delivery process through the CME CLS Agent Bank.)

A match of delivery information must occur in order for a delivery transaction to be finalized. In the event that clearing member/customer banking instructions are not entered into the CLS System by 1:00 p.m. Chicago time on the business day preceding the delivery day, then the unmatched transaction may not be completed and paid on the delivery date through the CLS System. In such event, delivery

instructions may be resubmitted to the CLS agent bank for delivery on the subsequent business day. Also, in such event, the Clearing House may assess fines for the delayed delivery. Further, if the delivery instructions remain unmatched by 1:00 p.m. Chicago time on the business day preceding the delivery day, the Clearing House may require the seller of the foreign currency to comply with other procedures as outlined in the Clearing House Manual.

The clearing member representing a customer making delivery shall define the payment method for each individual currency in a delivery at the time of setting up an account with its CLS agent bank. It is the responsibility of the clearing member/customer to make timely payment of currency in the delivery process.

If the Seller's CLS Delivery Commitment is received later than 11:00 a.m. Chicago time on the last day of trading, but not later than 8:00 a.m. Chicago time on the following day, the seller's clearing member shall be assessed a fine on a per contract basis, the amount to be determined by the Board. Any papers received subsequent to 8:00 a.m. Chicago time on the day following the last day of trading shall be deemed a default and acted upon in accordance with Rule 747.B. The seller shall have made all provisions necessary to make delivery within the country of issuance.

#### **742.A. CLS Delivered Currency Futures Contracts**

Exchange currency futures contracts delivered through the CLS Bank and/or the CME CLS Agent Bank shall be netted according to procedures specified by the Clearing House from time to time.

#### **742.B. Non-CLS Delivered Currency Futures Contracts**

To facilitate spread trading between currency products where positions held to termination create offsetting currency payment obligations, the Clearing House may net to the extent possible physical delivery payment obligations by clearing member customer by currency, in accordance with the procedures outlined in the Clearing House Manual of Operations. Clearing members desiring netting of obligations may only net payment obligations that arise from positions belonging to the same beneficial account owner, and shall be required to submit a Delivery Netting Request form, which identifies the final positions and net currency payments of a customer requesting delivery netting, to the Clearing House by 11:00 a.m. on the last day of trading.

Clearing members may also net delivery obligations within a given currency following the last day of trading in such eligible currency product. Clearing members may net delivery obligations across all accounts belonging to the same beneficial account owner.

Clearing members are prohibited from netting open positions across customer accounts while a currency contract remains eligible for trading on the Exchange.

Clearing members shall be required to submit a Delivery Netting Request, which identifies the final positions and net currency delivery obligations to the Clearing House by 11:00 a.m., on the last day of trading, in accordance with the procedures outlined in the Clearing House Manual of Operations.

743.

#### **DELIVERY INFRACTIONS/DATE**

Delivery of a foreign currency contract shall be completed in accordance with the specifications of the separate contracts

##### **743.A. Late or Inaccurate Delivery**

1. If a clearing member with a Delivery Commitment to pay funds pursuant to Rules 731, 732, 737 or 738 fails to deposit such funds in order to make timely payment on the date required in those rules, the Clearing House may impose a fine upon the clearing member pursuant to the schedule of fines maintained by the Clearing House in addition to charging the current overdraft rate applicable to the Exchange's foreign currency delivery account with the CME CLS Bank or with the Exchange's IMM foreign currency delivery account or any other compensation due to the late or inaccurate delivery.

If by 9:30 a.m. Chicago time on the day following the date required in Rules 731, 732, 737 and 738, such deposit is not made, the failure shall be deemed a delivery obligation failure of the clearing member and the matter shall be acted upon pursuant to Section B of this Rule.

Funds deposited pursuant to Rules 731, 732, 737 and 738 earlier than the required date of deposit shall not earn interest for the early time period.

2. If the information contained in either the Buyer's CLS on Non-CLS Delivery Commitment or the Seller's CLS or Non-CLS Delivery Commitment is inaccurate so that delivery cannot be accomplished in a timely manner, fines or damages may be assessed as in Section B below.

**743.B. Delivery Obligation Failure**

A clearing member with a CLS or Non-CLS Delivery Commitment who fails to perform all acts required by this chapter, or whose actions or inactions have been deemed a delivery obligation failure shall be liable to the Clearing House for any loss sustained, which loss shall be computed as follows:

1. The President of the Clearing House or his designee shall determine the change, if any, from the final settlement price on the last day of trading to the spot rate on the first day on which the transaction could be consummated on the spot market. The spot market rate for purposes of this computation shall be the means of the spot rates between a group of Chicago, Illinois banks selected for this purpose by Exchange staff at the earliest time it is determined the transaction can be completed in the spot market.
2. The related charges suffered by the Clearing House at any of its designated banks.
3. A sum not to exceed 1% of the U.S. dollar value of the contract. Such amount shall be set by the President of the Clearing House or his designee, acting in his sole discretion, and shall be binding upon both parties to the contract, except no such sum shall be assessed where a delivery obligation failure is occasioned by the circumstances delineated in Rule 701.

**744. SETTLEMENT FINALITY OF PAYMENT**

~~Settlement finality of payment results when a transaction is irrevocable. In the CLS System, this occurs from the synchronized exchange of both sides of the foreign exchange settlement instructions with payment versus payment. Under the CLS System operational time frames, payments begin for matched transactions on the delivery day at 12:00 midnight Chicago time (6:00 a.m. Central European Time) and end at 5:00 a.m. Chicago time (11:00 a.m. Central European Time). The CME Clearing House's obligation to the delivery transaction ends when payment is made through the CLS System.~~

**745. CLS OPERATIONAL DEADLINES AND COSTS OF DELIVERY**

~~When buyers and sellers elect to do currency deliveries through the CLS System, they agree to abide by the deadlines and compensation conventions established by their CLS agent bank, the CME CLS Agent Bank and the CLS Bank.~~

**746. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT**

~~If it is determined by the Board or the Business Conduct Committee that delivery or any precondition or requirement thereof is prevented by an act of government, act of God, or other emergency, it may take such action as it deems necessary and reasonable under the circumstances. Its decision shall be binding upon all parties to the contract.~~

~~The procedural requirements detailed in Rule 411.B. shall be followed in the implementation of this rule.~~

**747. DELIVERY INFRACTIONS**

**747.A. Late or Inaccurate Delivery**

1. ~~If a clearing member with a Delivery Commitment to pay funds pursuant to Rules 741 or 742 fails to deposit such funds in order to make timely payment on the date required in Rules 741 and 742, the clearing member may be charged the current overdraft rate applicable to the Exchange's foreign currency delivery account with the CME CLS Bank or any other compensation due to the late or inaccurate delivery.~~

~~If by 9:30 a.m. Chicago time on the day following the date required in Rules 741 and 742, such deposit is not made, the clearing member shall be deemed in default, and the matter be acted upon pursuant to Section B of this Rule.~~

~~Funds deposited pursuant to Rules 741 and 742 earlier than the required date of deposit shall not earn interest for the early time period.~~

2. ~~If the information contained in either the Buyer's CLS Delivery Commitment or the Seller's CLS Delivery Commitment is inaccurate so that delivery cannot be accomplished in a timely manner, fines or damages may be assessed as in Section B below.~~

**747.B. Default**

If a clearing member with a CLS Delivery Commitment fails to perform all acts required by this chapter, or is otherwise deemed in default, it shall be liable to the Clearing House for any loss sustained, which loss shall be computed as follows:

1. The Chief Executive Officer or his designee shall determine the change, if any, from the final settlement price on the last day of trading to the spot rate on the first day on which the transaction could be consummated on the spot market. The spot market rate for purposes of this computation shall be the means of the spot rates between a group of Chicago, Illinois banks selected for this purpose by the Board at the earliest time it is determined the transaction can be completed in the spot market.
2. The related charges suffered by the Clearing House at any of its designated banks.
3. A sum not to exceed 1% of the U.S. dollar value of the contract. (Such amount shall be set by the Chief Executive Officer or his designee, acting in his sole discretion, and shall be binding upon both parties to the contract, except no such sum shall be assessed where default is occasioned by the circumstances delineated in Rule 746.)

**748. CLEARING MEMBER DUTIES TO CLEARING HOUSE**

Upon request, every clearing member with an open long or short position in foreign currency as of the close of business on the Wednesday prior to delivery day shall present to the Clearing House an inventory with such open positions in a form as the Clearing House may prescribe. Upon request thereafter, accurate daily offset memoranda shall be submitted to the Clearing House through and including the final day of trading.

**749. DELIVERY NETTING**

CME currency futures contracts delivered through the CLS Bank and/or the CME CLS Agent Bank shall be netted at the clearing member/customer's CLS agent bank and not in the CME delivery system. (Next Rule 750)

**INTEREST RATE INSTRUMENTS**

**750. INTEREST RATE INSTRUMENTS**

Deliveries of interest rate instruments shall be governed by this chapter and by the rules of the relevant commodity specification chapters. (Next Rule 760)

**754-759. [RESERVED]**

**OTHER COMMODITIES**

**760. OTHER COMMODITIES**

All other commodities which do not have delivery provisions specified in this chapter shall be governed by the requirements of the relevant contract specification chapter.

**761.-769. [RESERVED]**

**770. ALTERNATIVE DELIVERY PROCEDURES**

A member or clearing member who, as the result of an error in the execution of an order or an out-trade discovered on or after the last day of trading, has a position in a contract which has expired and who is obligated either to make or take physical delivery in that contract, may offset such position against an opposite position of a member or clearing member whether or not such position exists as a result of an error or out-trade; provided, however, that the parties to any such out-trade shall exercise the utmost diligence to resolve the out-trade. No new positions can be created pursuant to this rule.

A clearing member desiring to offset such positions must notify the Clearing House by reporting its final open interest and submitting an Alternative Delivery Notice in accordance with the schedule established by the Clearing House Risk Committee and posted in the Clearing House Manual of Operations. Upon receipt of an Alternative Delivery Notice, the Clearing House shall randomly assign offsetting positions to each member or clearing member, thereby extinguishing each party's obligation to make or take physical delivery; provided, however, that in the event the Clearing House is unable to assign offsetting positions due to an insufficient number of available positions, delivery shall take place as required under Exchange rules.

The assignment of offsetting positions shall release clearing members and the Exchange from their respective obligations under the contracts.

Violation of this rule for the purpose of avoiding delivery may be a major offense.

### **DELIVERY OF CBOT PRODUCTS**

#### **771. SETTLEMENTS ON DELIVERY FAILS**

In the event a clearing member fails to fulfill its specific delivery obligations regarding a CBOT product pursuant to CBOT rules, the sole obligation of the Exchange is to pay reasonable damages proximately caused by ~~such delivery obligation failure~~ ~~the default~~, but in no event is the Exchange obligated to either: (1) pay any damages greater than the difference of the delivery price of the specific commodity and the reasonable market price of such commodity at the time delivery is required according to the Rules of the Exchange; or (2) make or accept delivery of the actual commodity; or (3) pay any damages relating to the accuracy, genuineness, completeness, or acceptableness of certificates, instruments, warehouse receipts or other similar documents; or (4) pay any damages relating to the failure or insolvency of banks, depositories, warehouses, or similar organizations or entities that may be involved with a delivery.

Notwithstanding any provision of the rules, the Exchange has no obligation or liability to any clearing member or any other person relating to a failure to fulfill a delivery obligation unless it is notified by the ~~non-defaulting clearing member that did perform, or was in a position to perform its delivery obligations,~~ that a ~~of such failure occurred,~~ as soon as possible, but in no event later than sixty minutes after the time the delivery obligation was to have been fulfilled according to the rules of the CBOT.

All delivery obligations of a clearing member to another clearing member which are not fulfilled by ~~the such non-performing clearing member~~ shall be deemed an obligation ~~of the defaulted clearing member to the Exchange by the clearing member that failed to perform such delivery obligations.~~ These obligations must be fulfilled to the Exchange within sixty minutes of the time the obligations were required to be fulfilled to the ~~non-defaulting clearing member that did perform its delivery obligations.~~

It shall be a major rule violation for a clearing member to fail to perform its delivery obligations regarding a CBOT product. Notwithstanding any provision in this rule, neither CME nor CBOT are prohibited from declaring a clearing member to be in default under the applicable rules of either exchange if the circumstances warrant such a determination.

#### **772.-779. [RESERVED]**

### **SECURITY FUTURES PRODUCTS**

#### **780. SECURITY FUTURES PRODUCTS**

Deliveries of Security Futures Products effected on a Marketplace apart from the Chicago Mercantile Exchange and cleared by the Clearing House per the provisions of Chapter 8-B shall be governed as set forth herein.

#### **781. DELIVERY OF UNDERLYING SECURITIES**

At maturity of a physically-settled stock future, in addition to the final variation payment (if any), the Clearing Member that is, or that represents, the seller shall be obligated to deliver, and the Clearing Member that is, or that represents, the buyer shall be obligated to receive and pay for, a quantity of the underlying security equal to the unit of trading at the aggregate purchase price.

#### **782. DESIGNATION OF DELIVERY FACILITIES**

Clearing Members shall be required to designate a clearing member of the Options Clearing Corporation (OCC) who is also a member of the Depository Trust Clearing Corporation (DTCC) to facilitate deliveries of physically-settled stock futures. Such designations shall be made through the execution of such agreements and per such procedures as the Clearing House may designate from time to time. Settlement of the obligations to deliver and pay for such underlying securities shall be effected in accordance with the provisions of the OCC and DTCC. The parties to such delivery shall bear the costs associated with such delivery per the provisions of the OCC and DTCC.

#### **783. CLEARING MEMBER DUTIES TO CLEARING HOUSE**

~~Upon request, every clearing member with an open long or short position in Security Futures Products carried by the Clearing House as of the close of business seven (7) business days prior to the maturity or expiration of such Security Futures Products shall present to the Clearing House an inventory with~~

such open positions in a form as the Clearing House may prescribe. Upon request thereafter, accurate daily offset memoranda shall be submitted to the Clearing House through and including the final day of trading. **[RESERVED]**

**784. FAILURE TO PERFORM**

If ~~a~~ a failure by a clearing member with a delivery commitment fails to perform all acts required herein and all acts per the provisions of the OCC and DTCC, ~~then that clearing member shall be deemed a~~ delivery obligation failure in default, which may be punishable as a major offense. The Board shall determine and assess losses sustained, taking into account the settlement price, interest earnings foregone, and such other factors as it deems appropriate. The Board may also assess such penalties as deemed appropriate in addition to damages. Further, such clearing member shall be subject to such penalties and remedies as may be prescribed by the provisions of the OCC and DTCC.

(End Chapter 7)

**INTERPRETATIONS & SPECIAL NOTICES  
RELATING TO CHAPTER 7**

**DELIVERY PROCEDURES-SELLER'S DUTIES-INTERPRETATION**

(Executive Report December 9, 1970)

In all instances where required by the Inspection and Delivery Department, the point of origin of a commodity must be shown on the Notice of Intent to deliver or other documents.

\*\*\*\*\*

**290. BANK ACCOUNTS**

The bank accounts of the Exchange shall be maintained and apportioned among at least three Chicago banks and shall consist of the following:

[Sections a. - d. are unchanged.]

- e. Delivery Account, in which there shall be deposited all funds payable to the Clearing House pursuant to Rule 734~~7~~ and from which funds may be withdrawn in accordance with Chapter 7.

[The remainder of the rule is unchanged.]

**CHAPTER 51  
Butter Futures**

**5108. [RESERVED]ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES  
(Refer to Rule 701. - ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)**

**CHAPTER 51A  
Options on Butter Futures**

**51A03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

**(Refer to Rule 701. - ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)if exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.**

**51A33. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 51A03701. – EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)

**CHAPTER 52  
Milk Futures**

**5208. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that the calculation of the final settlement price is prevented by a strike, fire, accident, action of government, or act of God, he shall call a special meeting of the Board of Directors or the Business Conduct Committee and arrange for the presentation of evidence respecting the emergency condition. If the Board or Committee determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

**CHAPTER 52A  
Options on Milk Futures**

**52A03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

**52A33. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 52A03701. – EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)

**CHAPTER 52B  
Midsized Options on Milk Futures**

**52B03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

**CHAPTER 54  
Nonfat Dry Milk Futures**

**5408. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that the calculation of the final settlement price is prevented by a strike, fire, accident, action of government, or act of God, he shall call a special meeting of the

~~Board of Directors or the Business Conduct Committee and arrange for the presentation of evidence respecting the emergency condition. If the Board or Committee determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 54A**

**Options on Nonfat Dry Milk Futures**

**54A03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 55**

**Class IV Milk Futures**

**5508. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If the Exchange President determines that the calculation of the final settlement price is prevented by a strike, fire, accident, action of government, or act of God, he shall call a special meeting of the Board of Directors or the Business Conduct Committee and arrange for the presentation of evidence respecting the emergency condition. If the Board or Committee determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 55A**

**Options on Class IV Milk Futures**

**55A03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**55A33. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 55A03701. – EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)~~

**CHAPTER 56**

**Cash Settled Butter Futures**

**5608. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If the Exchange President determines that the calculation of the final settlement price is prevented by a~~



~~strike, fire, accident, action of government, or act of God, he shall call a special meeting of the Board of Directors or the Business Conduct Committee and arrange for the presentation of evidence respecting the emergency condition. If the Board or Committee determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 101**  
**Live Cattle Futures**

**10105. ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

**(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)**

**CHAPTER 101A**  
**Options on Live Cattle Futures**

**101A03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**101A33. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 101A03701. – EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)~~

**CHAPTER 102**  
**Feeder Cattle Futures**

**10208. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If the Exchange President determines that the calculation of the final settlement price is prevented by a strike, fire, accident, action of government, or act of God, he shall call a special meeting of the Board of Directors or the Business Conduct Committee and arrange for the presentation of evidence respecting the emergency condition. If the Board or Committee determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 102A**  
**Options on Feeder Cattle Futures**

**102A03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**102A33. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule ~~402A03701~~. – EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)

**CHAPTER 151  
Frozen Pork Bellies Futures**

**15108. [RESERVED]ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)

**CHAPTER 151A  
Options on Frozen Pork Bellies Futures**

**151A03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)#  
exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

**151A33. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule ~~151A03701~~. – EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)

**CHAPTER 152  
Lean Hog Futures**

**15208. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)# if the Exchange President determines that the publication and availability of the final settlement price is prevented by a strike, fire, accident, action of government, or act of God, he shall call a special meeting of the Board of Directors or the Business Conduct Committee and arrange for the presentation of evidence respecting the emergency condition. If the Board or Committee determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

**CHAPTER 152A  
Options on Lean Hog Futures**

**152A03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)#  
exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

**152A33. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule ~~152A03701~~. – EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)

**CHAPTER 201  
Random Length Lumber Futures**

**20108. [RESERVED]ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

**(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)**

**CHAPTER 201A  
Options on Random Length Lumber Futures**

**201A03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**201A33. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule ~~201A03701~~. – EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)

**CHAPTER 202  
Ethanol Futures**

**20208. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If the Exchange President determines that an emergency exists or that physical delivery is prevented by a strike, fire, accident, action of government, or act of God, he shall call a special meeting of the Board of Directors or the Business Conduct Committee and arrange for the presentation of evidence respecting the emergency condition. If the Board or Committee determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

(End Chapter 202)

**INTERPRETATIONS & SPECIAL NOTICES RELATING TO CHAPTER 202**

**PENALTIES AND FINES (Amended December 2005)**

|    | <u>Cause</u>  | <u>Penalty / Fine</u>  |
|----|---|--|
| A. | 1. Materially incomplete or erroneous shipping instructions or material adjustment to instructions. | \$200 per business day (assessed against the buyer and payable to seller). |
|    | 2. Failure by the seller to properly follow shipping instructions within                            | \$200 per business day (assessed   |

|    |   |  |
|----|---|--|
|    | seven business days after receipt of instructions.  | against the seller and payable to buyer).  |
| B. | Failure by the seller to properly transmit the required information within one business day of railroad acceptance. (Independent of A.)   | \$100 per business day (assessed against the seller and payable to buyer).                         |
| C. | Failure by the seller to send the prescribed documents to the Clearing House within fourteen business days of receipt of buyer's shipping instructions.                                   | \$100 per business day (assessed against the seller and payable to the Clearing House).            |
| D. | Materially incomplete or erroneous delivery forms or material adjustment to delivery forms.   | \$150 per car (assessed against the seller and payable to the Clearing House).                     |
| E. | Failure by the seller to send the sample (in the size, container and package specified by the Clearing House) to the testing service on the business day after acceptance by the railroad | \$100 per business day per sample (assessed against the seller and payable to the Clearing House). |

(End Chapter 202)

**CHAPTER 204  
UREA Futures**

**20408. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that an emergency exists or that physical delivery is prevented by a strike, fire, accident, action of government, or act of God, he shall call a special meeting of the Board of Directors or the Business Conduct Committee and arrange for the presentation of evidence respecting the emergency condition. If the Board or Committee determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

(End Chapter 204)

**INTERPRETATIONS & SPECIAL NOTICES RELATING TO CHAPTER 204**

**PENALTIES AND FINES (amended December 2005)**

| Cause   | Penalty / Fine   |
|---|--|
| A. 1. Materially incomplete or erroneous shipping instructions or material adjustment to instructions.                      | \$200 per business day (assessed against the buyer and payable to seller). |
| 2. Failure by the seller to properly follow shipping instructions within seven business days after receipt of instructions. | \$200 per business day (assessed against the seller and payable to buyer). |

- |    |   |   |
|----|---|---|
| B. | Failure by the seller to properly transmit the required information within one business day of railroad acceptance. (Independent of A.)   | \$100 per business day (assessed against the seller and payable to buyer).                          |
| C. | Failure by the seller to mail the prescribed documents to the Clearing House within fourteen business days of receipt of buyer's shipping instructions.                                   | \$100 per business day (assessed against the seller and payable to the Clearing House).             |
| D. | Materially incomplete or erroneous delivery forms or material adjustment to delivery forms.   | \$150 per car (assessed against the seller and payable to the Clearing House).                      |
| E. | Failure by the seller to send the sample (in the size, container and package specified by the Clearing House) to the testing service on the business day after acceptance by the railroad | \$100 per business day per portion (assessed against the seller and payable to the Clearing House). |

(End Chapter 204)

**INTERPRETATIONS & SPECIAL NOTICES RELATING TO CHAPTER 204**

[The remainder of the Interpretation Section is unchanged.]

**CHAPTER 205  
Diammonium Phosphate Futures**

**20508. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that an emergency exists or that physical delivery is prevented by a strike, fire, accident, action of government, or act of God, he shall call a special meeting of the Board of Directors or the Business Conduct Committee and arrange for the presentation of evidence respecting the emergency condition. If the Board or Committee determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

(End Chapter 205)

**INTERPRETATIONS & SPECIAL NOTICES RELATING TO CHAPTER 205**

**PENALTIES AND FINES (amended December 2005)**

| Cause   | Penalty / Fine   |
|---|--|
| A. 1. Materially incomplete or erroneous shipping instructions or material adjustment to instructions.                      | \$200 per business day (assessed against the buyer and payable to seller). |
| 2. Failure by the seller to properly follow shipping instructions within seven business days after receipt of instructions. | \$200 per business day (assessed against the seller and payable to buyer). |

|    |   |   |
|----|---|---|
| B. | Failure by the seller to properly transmit the required information within one business day of railroad acceptance. (Independent of A.)   | \$100 per business day (assessed against the seller and payable to buyer).                          |
| C. | Failure by the seller to mail the prescribed documents to the Clearing House within fourteen business days of receipt of buyer's shipping instructions.                                   | \$100 per business day (assessed against the seller and payable to the Clearing House).             |
| D. | Materially incomplete or erroneous delivery forms or material adjustment to delivery forms.   | \$150 per car (assessed against the seller and payable to the Clearing House).                      |
| E. | Failure by the seller to send the sample (in the size, container and package specified by the Clearing House) to the testing service on the business day after acceptance by the railroad | \$100 per business day per portion (assessed against the seller and payable to the Clearing House). |

(End Chapter 205)

**INTERPRETATIONS & SPECIAL NOTICES RELATING TO CHAPTER 205**

[The remainder of the Interpretation Section is unchanged.]

**CHAPTER 206  
UREA Ammonium Nitrate (UAN) Futures**

**20608. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that an emergency exists or that physical delivery is prevented by a strike, fire, accident, action of government, or act of God, he shall call a special meeting of the Board of Directors or the Business Conduct Committee and arrange for the presentation of evidence respecting the emergency condition. If the Board or Committee determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

(End Chapter 206)

**INTERPRETATIONS & SPECIAL NOTICES RELATING TO CHAPTER 206**

**PENALTIES AND FINES (amended December 2005)**

| Cause  | Penalty / Fine   |
|--|--|
| A. 1. Materially incomplete or erroneous shipping instructions or material adjustment to instructions.     | \$200 per business day (assessed against the buyer and payable to seller). |
| 2. Failure by the seller to properly follow shipping instructions within seven business days after receipt | \$200 per business day (assessed against the seller and payable to         |

|    |   |  |
|----|---|--|
|    | of instructions.  | buyer).  |
| B. | Failure by the seller to properly transmit the required information within one business day of railroad acceptance. (Independent of A.)   | \$100 per business day (assessed against the seller and payable to buyer).                         |
| C. | Failure by the seller to send the prescribed documents to the Clearing House within fourteen business days of receipt of buyer's shipping instructions.                                   | \$100 per business day (assessed against the seller and payable to the Clearing House).            |
| D. | Materially incomplete or erroneous delivery forms or material adjustment to delivery forms.   | \$150 per car (assessed against the seller and payable to the Clearing House).                     |
| E. | Failure by the seller to send the sample (in the size, container and package specified by the Clearing House) to the testing service on the business day after acceptance by the railroad | \$100 per business day per sample (assessed against the seller and payable to the Clearing House). |

(End Chapter 206)

**INTERPRETATIONS & SPECIAL NOTICES RELATING TO CHAPTER 206**

[The remainder of the Interpretation Section is unchanged.]

**CHAPTER 251  
British Pound Sterling Futures**

**25103. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that an emergency exists and/or physical delivery is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 251A  
Options on British Pound Sterling Futures**

**251A04. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If exercise, assignment, or delivery or any precondition or requirement thereof is prevented by strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 252  
Canadian Dollar Futures**

**25203. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701 – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that an emergency exists and/or physical delivery is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

**CHAPTER 252A**  
**Options on Canadian Dollar Futures**

**252A04. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If exercise, assignment, or delivery or any precondition or requirement thereof is prevented by strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

**CHAPTER 253**  
**Japanese Yen Futures**

**25303. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that an emergency exists and/or physical delivery is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

**CHAPTER 253A**  
**Options on Japanese Yen Futures**

**253A04. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If exercise, assignment, or delivery or any precondition or requirement thereof is prevented by strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

**CHAPTER 254**  
**Swiss Franc Futures**

**25403. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that an emergency exists and/or physical delivery is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.



**CHAPTER 254A**  
**Options on Swiss Franc Futures**

**254A04. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If exercise, assignment, or delivery or any precondition or requirement thereof is prevented by strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 255**  
**Australian Dollar Futures**

**25503. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that an emergency exists and/or physical delivery is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 255A**  
**Options on Australian Dollar Futures**

**255A04. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If exercise, assignment, or delivery or any precondition or requirement thereof is prevented by strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 256**  
**Mexican Peso Futures**

**25603. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that an emergency exists and/or physical delivery is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 256A**  
**Options on Mexican Peso Futures**

**256A04. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If exercise, assignment, or delivery or any precondition or requirement thereof is prevented by strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it~~

deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

**CHAPTER 257**  
**Brazilian Real Futures**

**25703. Emergencies, Acts of Government, Acts of God ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that the calculation of the Final Settlement Price is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract. For example, and without in any way limiting the Board's power, it may: 1) accelerate or extend the Termination of Trading date, 2) set the Final Settlement Price equal to the previous day's settlement price, and/or 3) determine a Final Settlement Price based on information at its disposal.~~

**CHAPTER 257A**  
**Options on Brazilian Real Futures**

**257A04. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If exercise, assignment, or delivery or any precondition or requirement thereof is prevented by strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 258**  
**New Zealand Dollar Futures**

**25803. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that an emergency exists and/or physical delivery is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 258A**  
**Options on New Zealand Dollar Futures**

**258A04. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If exercise, assignment, or delivery or any precondition or requirement thereof is prevented by strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 259**  
**South African Rand Futures**

**25903. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that an emergency exists and/or physical delivery is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 259A**  
**Options on South African Rand Futures**

**259A04. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If exercise, assignment, or delivery or any precondition or requirement thereof is prevented by strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 260**  
**Russian Ruble Futures**

**26003. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that the calculation of the Final Settlement Price is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract. For example, and without in any way limiting the Board's power, it may: 1) accelerate or extend the Termination of Trading date, 2) set the Final Settlement Price equal to the previous day's settlement price, and/or 3) determine a Final Settlement Price based on information at its disposal.~~

**CHAPTER 260A**  
**Options on Russian Ruble Futures**

**260A04. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If exercise, assignment, or delivery or any precondition or requirement thereof is prevented by strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 261**  
**Euro Futures**

**26103. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If the Exchange President determines that an emergency exists and/or physical delivery is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 261A**  
**Options on Euro Futures**

**261A04. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If exercise, assignment, or delivery or any precondition or requirement thereof is prevented by strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 262**  
**E-mini Euro Futures**

**26203. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If the Exchange President determines that an emergency exists and/or physical delivery is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 263**  
**E-mini Japanese Yen Futures**

**26303. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If the Exchange President determines that an emergency exists and/or physical delivery is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 264**  
**Norwegian Krone Futures**

**26403. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If the Exchange President determines that an emergency exists and/or physical delivery is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 265**  
**Swedish Krona Futures**

**26503. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If the Exchange President determines that an emergency exists and/or physical delivery is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the~~

Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

**CHAPTER 266**  
**Czech Koruna Futures**

**26603. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that an emergency exists and/or physical delivery is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 266A**  
**Options on Czech Koruna Futures**

**266A04. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If exercise, assignment, or delivery or any precondition or requirement thereof is prevented by strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 267**  
**Hungarian Forint Futures**

**26703. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that an emergency exists and/or physical delivery is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 267A**  
**Options on Hungarian Forint Futures**

**267A04. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If exercise, assignment, or delivery or any precondition or requirement thereof is prevented by strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 268**  
**Polish Zloty Futures**

**26803. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that an emergency exists and/or physical delivery is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the~~

Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

**CHAPTER 268A**  
**Options on Polish Zloty Futures**

**268A04. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If exercise, assignment, or delivery or any precondition or requirement thereof is prevented by strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 301**  
**Euro/ British Pound (Euro/ BP) Cross Rate Futures**

**30103. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that an emergency exists and/or physical delivery is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 301A**  
**Options on Euro/ British Pound (Euro/ BP) Cross Rate Futures**

**301A04. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 302**  
**Euro/ Canadian Dollar (Euro/ CD) Cross Rate Futures**

**30203. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that an emergency exists and/or physical delivery is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 303**  
**Euro/ Japanese Yen (Euro/ JY) Cross Rate Futures**

**30303. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that an emergency exists and/or physical delivery is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 303A**

**Options on Euro/ Japanese Yen (Euro/ JY) Cross Rate Futures**

**303A04. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 304**

**Euro/ Swiss Franc (Euro/ SF) Cross Rate Futures**

**30403. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If the Exchange President determines that an emergency exists and/or physical delivery is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 304A**

**Options on Euro/ Swiss Franc (Euro/ SF) Cross Rate Futures**

**304A04. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 305**

**British Pound/ Japanese Yen (BP/ JY) Cross Rate Futures**

**30503. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If the Exchange President determines that an emergency exists and/or physical delivery is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 306**

**British Pound/ Swiss Franc (BP/ SF) Cross Rate Futures**

**30603. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If the Exchange President determines that an emergency exists and/or physical delivery is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

## CHAPTER 307

### Swiss Franc/ Japanese Yen (SF/ JY) Cross Rate Futures

#### 30703. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that an emergency exists and/or physical delivery is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

## CHAPTER 308

### Australian Dollar/ Canadian Dollar (AD/ CD) Cross Rate Futures

#### 30803. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that an emergency exists and/or physical delivery is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

## CHAPTER 309

### Australian Dollar/ Japanese Yen (AD/ JY) Cross Rate Futures

#### 30903. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that an emergency exists and/or physical delivery is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

## CHAPTER 310

### Australian Dollar/ New Zealand Dollar (AD/ NE) Cross Rate Futures

#### 31003. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that an emergency exists and/or physical delivery is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

## CHAPTER 311

### Canadian Dollar/ Japanese Yen (CD/ JY) Cross Rate Futures

#### 31103. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that an emergency exists and/or physical delivery is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

## CHAPTER 312

### Euro/ Australian Dollar (Euro/ AD) Cross Rate Futures

#### 31203. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that an emergency exists and/or physical delivery is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of



~~Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 313**

**Euro/ Norwegian Krone (Euro/ Nkr) Cross Rate Futures**

**31303. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that an emergency exists and/or physical delivery is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 314**

**Euro/ Swedish Krona (Euro/ Skr) Cross Rate Futures**

**31403. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that an emergency exists and/or physical delivery is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 315**

**Euro/ Czech Koruna (Euro/ Koruna) Cross Rate Futures**

**31503. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that an emergency exists and/or physical delivery is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 315A**

**Options on Euro/ Czech Koruna (Euro/ Koruna) Cross Rate Futures**

**315A04. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 316**

**Euro/ Hungarian Forint (Euro/ Forint) Cross Rate Futures**

**31603. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that an emergency exists and/or physical delivery is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

#### CHAPTER 316A

##### Options on Euro/ Hungarian Forint (Euro/ Forint) Cross Rate Futures

#### 316A04. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

#### CHAPTER 317

##### Euro/ Polish Zloty (Euro/ Zloty) Cross Rate Futures

#### 31703. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that an emergency exists and/or physical delivery is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

#### CHAPTER 317A

##### Options on Euro/ Polish Zloty (Euro/ Zloty) Cross Rate Futures

#### 317A04. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

#### CHAPTER 351

##### Standard and Poor's 500 Stock Price Index™ Futures

#### 35104. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If delivery or acceptance or any precondition or requirement of either is prevented by a strike, fire, accident, action of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

#### CHAPTER 351A

##### Options on Standard and Poor's 500 Stock Price Index™ Futures

#### 351A03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the~~

emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

**351A33. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 351A03701. – EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)

**CHAPTER 352**

**Nikkei Stock Average Futures**

**35204. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the calculation of the Final Settlement Price is prevented by a strike, fire, accident, action of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

**CHAPTER 352A**

**Options on Nikkei Stock Average Futures**

**352A03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If exercise, assignment, or delivery or any precondition or requirement thereof is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

**352A33. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT**

(Refer to Rule 352A04701. – EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)

**CHAPTER 352B**

**Yen Denominated Nikkei Stock Average Futures**

**352B04. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the calculation of the Final Settlement Price is prevented by a strike, fire, accident, action of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

**CHAPTER 353**

**Standard and Poor's MidCap 400 Stock Price Index™ Futures**

**35304. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If delivery or acceptance or any precondition or requirement of either is prevented by a strike, fire, accident, action of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

#### CHAPTER 353A

#### Options on Standard and Poor's MidCap 400 Stock Price Index™ Futures

**353A03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**353A33. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 353A03701. – EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)~~

#### CHAPTER 354

#### Russell 2000 Stock Price Index™ Futures

**35404. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If delivery or acceptance or any precondition or requirement of either is prevented by a strike, fire, accident, action of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

#### CHAPTER 354A

#### Options on Russell 2000 Stock Price Index™ Futures

**354A03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**354A33. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 354A03701. – EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)~~

**CHAPTER 355**  
**S&P 500/ BARRA Growth Index Futures**

**35504. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD OR OTHER EMERGENCIES) If delivery or acceptance or any precondition or requirement of either is prevented by a strike, fire, accident, action of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency condition exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

**CHAPTER 355A**  
**Options on S&P 500/ BARRA Growth Index Futures**

**355A03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

**355A33. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 355A03701. – EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)

**CHAPTER 355B**  
**S&P 500/Citigroup Growth Index Futures**

**355B04. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If delivery or acceptance or any precondition or requirement of either is prevented by a strike, fire, accident, action of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency condition exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

**CHAPTER 355C**  
**Options on S&P 500/ CITIGROUP Growth Index Futures**

**355C03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

**355C33. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule ~~355C03701~~. – EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)

**CHAPTER 356**

**S&P 500/ BARRA Value Index Futures**

**35604. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)~~if~~ delivery or acceptance or any precondition or requirement of either is prevented by a strike, fire, accident, action of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency condition exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

**CHAPTER 356A**

**Options on S&P 500/ BARRA Value Index Futures**

**356A03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)~~if~~ exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

**356A33. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule ~~356A03701~~. – EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)

**CHAPTER 356B**

**S&P 500/ CITIGROUP Value Index Futures**

**356B04. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)~~if~~ delivery or acceptance or any precondition or requirement of either is prevented by a strike, fire, accident, action of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency condition exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

**CHAPTER 356C**

**Options on S&P 500/ CITIGROUP Value Index Futures**

**356C03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)~~if~~ exercise or assignment or any precondition or requirement of either is prevented by a strike, fire,

accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

**356C33. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 356C03701. - EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)

**CHAPTER 357  
NASDAQ 100 Index Futures**

**35704. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. - ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)#  
delivery or acceptance or any precondition or requirement of either is prevented by a strike, fire, accident, action of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

**CHAPTER 357A  
Options on NASDAQ 100 Index Futures**

**357A03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. - ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)#  
exercise, assignment, or delivery or any precondition or requirement thereof is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

**357A33. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 357A03701. - EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)

**CHAPTER 358  
E-mini Standard and Poor's 500 Stock Price Index Futures**

**35804. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. - ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)#  
delivery or acceptance or any precondition or requirement of either is prevented by a strike, fire, accident, action of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

## CHAPTER 358A

### Options on E-mini Standard and Poor's 500 Stock Price Index Futures

**358A03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

## CHAPTER 359

### E-mini NASDAQ 100 Index® Futures

**35904. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If delivery or acceptance or any precondition or requirement of either is prevented by a strike, fire, accident, action of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

## CHAPTER 359A

### Options on E-mini NASDAQ 100 Index® Futures

**359A03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If exercise, assignment, or delivery or any precondition or requirement thereof is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

## CHAPTER 360

### E-Mini™ NASDAQ® Biotechnology Index Futures

**36004. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If delivery or acceptance or any precondition or requirement of either is prevented by a strike, fire, accident, action of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

## CHAPTER 361

### E-mini Russell 2000 Futures

**36104. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**



(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If delivery or acceptance or any precondition or requirement of either is prevented by a strike, fire, accident, action of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

#### CHAPTER 361A

#### Options on E-Mini Russell 2000 Futures

**361A03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

#### CHAPTER 362

#### E-mini Standard and Poor's MidCap 400 Stock Price Index Futures

**36204. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If delivery or acceptance or any precondition or requirement of either is prevented by a strike, fire, accident, action of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

#### CHAPTER 364

#### Long-Short Technology TRAKRS Index Futures

**36405. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If delivery or acceptance or any precondition or requirement of either is prevented by a strike, fire, accident, action of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

#### CHAPTER 365

#### S&P 500/ Technology SPCTR™ Futures

**36504. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the calculation of the Final Settlement Price is prevented by a strike, fire, accident, action of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of

~~Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 366**  
**S&P 500/ Financial SPCTR™ Futures**

**36604. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the calculation of the Final Settlement Price is prevented by a strike, fire, accident, action of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 367**  
**Rogers International Commodity<sup>SM</sup> TRAKRS<sup>SM</sup> FUTURES**

**36705. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If delivery or acceptance or any precondition or requirement of either is prevented by a strike, fire, accident, action of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 368**  
**S&P SmallCap 600 Index™ Futures**

**36804. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the calculation of the Final Settlement Price is prevented by a strike, fire, accident, action of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 369**  
**LMC TRAKRS<sup>SM</sup> Index Futures**

**36905. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If delivery or acceptance or any precondition or requirement of either is prevented by a strike, fire, accident, action of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 371**  
**E-Mini Russell 1000 Stock Price Index™ Futures**

**37104. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If delivery or acceptance or any precondition or requirement of either is prevented by a strike, fire, accident, action of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 372**  
**Commodity TRAKRS<sup>SM</sup> Futures**

**37205 EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If delivery or acceptance or any precondition or requirement of either is prevented by a strike, fire, accident, action of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 375**  
**Euro Currency TRAKRS<sup>SM</sup> Futures**

**37505. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If delivery or acceptance or any precondition or requirement of either is prevented by a strike, fire, accident, action of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 376**  
**Gold TRAKRS<sup>SM</sup> Futures**

**37605. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If delivery or acceptance or any precondition or requirement of either is prevented by a strike, fire, accident, action of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 377**  
**E-mini NASDAQ Composite Index Futures**

**37704. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If delivery or acceptance or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

#### CHAPTER 401

##### Goldman Sachs Commodity Index Futures

**40104. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that the calculation of the Final Settlement Price is prevented by a strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

#### CHAPTER 401A

##### Options on Goldman Sachs Commodity Index Futures

**401A03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

#### CHAPTER 403

##### CME Degree Days Index Futures

**40304. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

#### CHAPTER 403A

##### Options on CME Degree Days Index Futures

**403A03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

**CHAPTER 404**  
**CME\$INDEX™ Futures**

**40403. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If the Exchange President determines that an emergency exists and/or physical delivery is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 404A**  
**Options on CME\$INDEX™ Futures**

**404A04. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If exercise, assignment, or delivery or any precondition or requirement thereof is prevented by strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 405**  
**CME Seasonal Strip Degree Days Index Futures**

**40504. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If the Exchange President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 405A**  
**Options on CME Seasonal Strip Degree Day Index Futures**

**405A03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 406**  
**CME European HDD Index Futures**

**40604. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If the Exchange President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it~~

deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

#### CHAPTER 406A

##### Options on CME European HDD Index Futures

**406A03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

#### CHAPTER 407

##### CME European Seasonal Strip HDD Index Futures

**40704. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If the Exchange President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

#### CHAPTER 408

##### CME European CAT Index Futures

**40804. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If the Exchange President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

#### CHAPTER 408A

##### Options on CME European CAT Index Futures

**408A03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

#### CHAPTER 409

##### CME European Seasonal CAT Strip Index Futures

**40904. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If the Exchange President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 410**  
**Consumer Price Index Futures**

**41004. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If the Exchange President determines that the calculation of the Final Settlement Price is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 411**  
**CME Pacific Rim Index Futures**

**41104. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If the Exchange President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 411A**  
**Options on CME Pacific Rim Index Futures**

**411A03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 412**  
**CME Pacific Rim Seasonal Index Futures**

**41204. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If the Exchange President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 412A**  
**Options on CME Pacific Rim Seasonal Index Futures**

**412A03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

**CHAPTER 413**  
**CME X-Fund Index Futures**

**41304. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that the calculation of the Final Settlement Price is prevented by a strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors or the Business Conduct Committee and arrange for the presentation of evidence respecting the emergency condition. If the Board or Committee determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

**CHAPTER 414**  
**Futures on the Eurozone Harmonized Index of Consumer Prices (HICP) Futures**

**41404. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that the calculation of the Final Settlement Price is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

**CHAPTER 416**  
**CME Frost Days Index Futures**

**41604. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

**CHAPTER 416A**  
**Options on CME Frost Days Index Futures**

**416A03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.



**CHAPTER 417**  
**CME Seasonal Frost Days Index Futures**

**41704. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If the Exchange President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 417A**  
**Options on CME Seasonal Frost Days Index Futures**

**417A03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 451**  
**13-week U.S. Treasury Bills Futures**

**45106. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If the Exchange President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract. For example, and without limiting the Board's power, it may: extend delivery dates, and; determine a final settlement price based on the current cash value of a 13-Week U.S. Treasury bill as determined by using the current cash market yield curve for U.S. Treasury securities on the last day of trading.~~

**CHAPTER 451A**  
**Options on 13-week U.S. Treasury Bills Futures**

**451A03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)If exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 452**  
**Three-month Eurodollar Futures**

**45206. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If delivery or acceptance or any precondition or requirement of either is prevented by a strike, fire, accident, action of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 452A**  
**Options on Three-month Eurodollar Futures**

**452A03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 452B**  
**Three-month Eurodollar Forward Rate Agreement Futures**

**452B06. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If delivery or acceptance or any precondition or requirement of either is prevented by a strike, fire, accident, action of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 453**  
**One-month LIBOR Futures**

**45306. EMERGENCIES, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that the calculation of the Final Settlement Price is prevented by strike, fire, accident, act of government, or act of God, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 453A**  
**Options on One-month LIBOR Futures**

**453A03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 454**  
**Overnight Federal Funds Effective Rate Futures**

**45406. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 457**  
**Two-year Swap Futures**

**45706. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If delivery or acceptance or any precondition or requirement of either is prevented by a strike, fire, accident, action of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 458**  
**Five-year Swap Futures**

**45806. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If delivery or acceptance or any precondition or requirement of either is prevented by a strike, fire, accident, action of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 459**  
**Ten-year Swap Futures**

**45906. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If delivery or acceptance or any precondition or requirement of either is prevented by a strike, fire, accident, action of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 501**  
**Three-month Euroyen Futures**

**50107. ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)~~

**CHAPTER 501A**  
**Options on Three-month Euroyen Futures**

**501A03. {RESERVED} ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)~~

**CHAPTER 502**  
**10-year Japanese Government Bond Futures**

**50206. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 503**  
**Three-month Euroyen LIBOR Futures**

**50306. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

~~(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.~~

**CHAPTER 504**  
**91-day Mexican Treasury Bill (CETES) Futures**

**50404. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract. For example, or without limiting the Board's power, it may: extend the delivery date or determine a final settlement price based on the current cash value of a 91-Day Mexican Treasury Bill as determined by using the current cash market yield curve for Mexican Treasury securities on the last day of trading.

**CHAPTER 505**  
**28-day Mexican Interbank Equilibrium Interest Rate (TIIE) Futures**

**50504. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If the Exchange President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract. For example, or without limiting the Board's power, it may: extend the delivery date or determine a final settlement price based on the current cash value of a 28-Day TIIE as determined by using the current cash market yield curve for Mexican interbank money market on the last day of trading.

**CHAPTER 710**  
**Physically Delivered Single Security Futures**

**71005. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES) If delivery or acceptance or any precondition or requirement of either is prevented by a strike, fire, accident, action of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency condition exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

## GENERAL

### 800. CLEARING HOUSE <sup>1</sup>

~~For the greater convenience of its members, to facilitate the prompt adjustment of contract obligations, and to protect the integrity of contracts, the Exchange shall maintain and operate a Clearing House in order to protect market participants and to maintain the integrity of the contracts traded on or processed through the Exchange.~~ Membership in the Clearing House shall be a right and privilege granted by the Board of Directors which may, from time to time, establish such classes of membership in the Clearing House, together with the duties, rights and privileges thereof, as it deems necessary. Whenever these rules create a right in favor of the Clearing House, or impose a liability on the Clearing House, it shall be construed as the right or liability of the Exchange, and shall be enforced by or against the Exchange. ~~All Exchange contracts shall be cleared through the Clearing House, which shall maintain a record of these transactions.~~

Unless otherwise stated, "clearing member" shall mean all clearing members including, but not limited to, Class A clearing members, inactive Class A clearing members and Special CME clearing members.

### 801. MANAGEMENT <sup>2</sup>

The general direction of the Clearing House shall be under the jurisdiction of the Clearing House Risk Committee, subject to the approval of the Board. The Chief Executive Officer with the approval of the ~~Executive Committee~~Board shall appoint a Managing Director and President of the Clearing House, who shall be ~~in direct charge of~~ responsible for the daily operation of the Clearing House and the implementation of the rules applicable to the Clearing House. The Managing Director and President of the Clearing House may also delegate authority for certain aspects of the daily operation of the Clearing House to staff of the Clearing House. Exchange staff shall adopt, establish, publish and amend from time to time a Clearing House Manual of Operations ("Manual"). This Manual shall contain, among other things, information and directions for preparing trade data, completing prescribed memoranda and meeting other Clearing House requirements. The Manual and amendments thereto shall constitute part of the rules of the Exchange.<sup>3</sup>

### 802. PROTECTION OF CLEARING HOUSE <sup>4</sup>

#### 802.A. Default by Clearing Member and Other Participating Exchanges <sup>5</sup>

##### 1. Default by Clearing Member <sup>6</sup>

~~If a clearing member fails promptly to discharge any obligation to the Clearing House, it shall be in default. If a clearing member is in default, its security deposit (pursuant to Rule 816), its performance bonds on deposit with the Clearing House, and any of its other assets available to the Exchange, and the proceeds of the sale of any membership and Class A and Class B Shares assigned to it for clearing qualification, as well as any Membership Interests and the associated Class A Shares of a Special CME Clearing Member and any other assets held by, or pledged to or otherwise available to the Clearing House, shall be applied by the Clearing House to discharge the obligation. For purposes of this rule, each default by an individual clearing member will be considered a separate default event. The clearing member shall take no action, including but not limited to attempting to obtain a court order, that would interfere with the ability of the Clearing House to so apply such assets and proceeds.~~

~~For the purposes of this Rule, (i) the positions in the cross-margin account of a Participating Clearing Member or its Cross-Margining Affiliate at a Cross-Margining Clearing Organization, and the performance bond thereon, shall be considered assets of the Participating Clearing Member available to the Exchange to the extent provided in the Cross-Margining Agreement between the Exchange and such Cross-Margining Clearing Organization, and (ii) any excess proceeds from performance bond deposited by a Joint Clearing Member with respect to positions at a Common Banking and Settlement Clearing Organization shall be considered assets of the Joint Clearing Member available to the Exchange to the extent provided in the Common Banking and Settlement Agreement between the Exchange and such Common Banking and Settlement Clearing Organization. The clearing member in default shall immediately make up any deficiencies in its security deposit resulting from such application such default prior to the close of business on the next banking day.~~

The clearing member shall take no action, including but not limited to, attempting to obtain a court order, that would interfere with the ability of the Clearing House to so apply such assets and proceeds.

If the security deposit, performance bond and other assets of a clearing member available to the Exchange are

<sup>1</sup> Revised June 2003.

<sup>2</sup> Revised November 2000; September 2004.

<sup>3</sup> Revised June 1998; Revised November 2000.

<sup>4</sup> Revised September 1984; September 1989; June 1992.

<sup>5</sup> Revised November 2000; November 2001; June 2003.

<sup>6</sup> Revised September 1984; September 1989; June 1992; April 1993; January 1994; April 2000; November 2000.

insufficient to satisfy all of its obligations to the Clearing House, including all claims against the Clearing House by reason of its substitution for that clearing member pursuant to Rule 804, the Clearing House shall nonetheless pay all such claims, which shall be deemed a loss to it and which shall be a liability of the defaulting clearing member to the Exchange, which the Exchange may collect from any other assets of such clearing member or by process of law.<sup>1</sup>

2. Default by Other Participating Exchanges.<sup>2</sup>

~~If another a Participating Exchange fails to promptly to discharge any obligation to the Clearing House arising out of its obligations the Mutual Offset System to the Exchange, its such Participating Exchange's letters of credit, performance bonds or and other assets available to the Exchange shall be applied by the Clearing House Manager to discharge the obligation.~~

**802.B. Satisfaction of Clearing House Obligations**<sup>3</sup>

If the Clearing House is unable to immediately satisfy immediately all claims against it including, but not limited to, costs associated with the liquidation, transfer and managing of positions, arising out of: 1) its substitution (pursuant to Rule 804) for a defaulting clearing member or a defaulting Participating Exchange, or a defaulting Partner Clearinghouse; 2) a shortfall in a Joint Cross-Margining Program-Liquidating Account; or 3) a shortfall in a Guaranteed Cross-Margining Program that occurs as a result of a default by a Participating Clearing Member or its Cross-Margining Affiliate, as described in a Cross-Margining Agreement between the Exchange and a Cross-Margining Clearing Organization; or if the Clearing House is unable to meet any of its obligations as a result of 3) the failure of a depository, or exchange or market apart from the Exchange but whose transactions are cleared pursuant to the provisions of Chapter 8B or Chapter 8C, 8D, larceny, embezzlement or; 4) for any other cause, then such claim or obligation shall be met and made good promptly by the use and application of funds from the following sources in the order of priority hereafter listed, with eEach source of funds to set forth below shall be completely exhausted, to the extent practicable, before the next following source is applied. ~~While such application of funds shall be mandatory, the detailed implementation of Rule 802.B. shall be the responsibility of the Clearing House Risk Committee with the approval of the Board.~~

1. Surplus funds of the Exchange in excess of funds necessary for normal operations
2. The amount of security deposit required under Rule 816 from all classes of clearing members shall be applied toward meeting said loss, in direct proportion to the total security deposit requirement of each clearing member.<sup>4</sup>
3. Proceeds from any default insurance maintained by the Exchange to the extent that such proceeds are available in a timely manner to be applied towards the default.
4. The balance of the Clearing House loss remaining after application of the above funds shall be assessed against all clearing members (excluding any insolvent or defaulting clearing member). Each clearing member (excluding any insolvent or defaulting clearing member) shall be subject to an assessment up to an amount that does not exceed 275 per cent of such clearing member's security deposit requirement;
5. All amounts assessed by the Exchange against a clearing member pursuant to this Rule, during the hours in which the Federal Reserve's wire transfer system (Fedwire) is in operation, shall be paid to the Exchange by such clearing member prior to the close of Fedwire on such day. All amounts assessed within one (1) hour prior to the close of Fedwire shall be paid to the Exchange within one (1) hour after Fedwire next opens.

While such application of funds shall be mandatory, the detailed implementation of Rule 802.B. shall be the responsibility of the Clearing House Risk Committee with the approval of the Board.

5. ~~Any clearing member that does not satisfy an assessment, that may be made pursuant to paragraphs 4 or 5 above, and in accordance with paragraph 7 below, shall be in default. Any Clearing House loss that remains as a result of such default shall be assessed pursuant to paragraph 4.~~
6. ~~If a clearing member (i) makes payment of all amounts -assessed against it pursuant to paragraph 4 or 5 above, and in accordance with paragraph 7 below, and (ii) replenishes any deficiency in its security deposit in accordance with Rule 802.D., and (iii) satisfies all other conditions for withdrawal, it may, within five (5) business days of such payments, apply to withdraw from clearing membership pursuant to Rule 913. Immediately after the Exchange posts approves the clearing member's withdrawal, notice to the membership, the withdrawing clearing member shall not be subject to any other assessment pursuant to this Rule. Further, upon the approval of the clearing member's request to withdraw, the security deposit that it has restored shall not be used or applied towards meeting any claim or obligation of the Clearing House~~

<sup>1</sup> Revised October 1989; June 1992; January 1994.

<sup>2</sup> Adopted September 1984. Revised June 1992.

<sup>3</sup> Revised September 1984; March 1986; October 1989; April 2000; November 2000; April 2001; April 2002; August 2002; June 2003.

<sup>4</sup> Revised February 1988; October 1989.

pursuant to this Rule and shall be released in accordance with Rule 913.

7. ~~All amounts assessed by the Exchange against a clearing member pursuant to this Rule, during the hours in which the Federal Reserve's wire transfer system (Fedwire) is in operation, shall be paid to the Exchange by such clearing member prior to the close of Fedwire on such day. All amounts assessed within one (1) hour prior to the close of Fedwire shall be paid to the Exchange within one (1) hour after Fedwire next opens.~~
8. After payment of an assessment pursuant to this Rule, a clearing member shall charge other clearing members for whom it clears contracts or carries positions on its books to recover their proportional share of the assessment. Such other clearing members shall promptly pay the charge.
9. To the extent that, and irrespective of the fact that, the Exchange has default insurance coverage in effect at the time of an event of default, the Exchange may nevertheless continue to utilize the resources under the priority outlined in Rule 802.B.1, B.2, and B.4. for immediate liquidity while awaiting any insurance proceeds. Any insurance proceeds so recovered by the Exchange, to the extent not required by the Exchange to cure a default, will be applied to the credit of the non-defaulting clearing members.

#### **802.C. Rights of Exchange for Recovery of Loss**

1. ~~If the security deposit, performance bond and other assets of a clearing member available to the Exchange are insufficient to satisfy all of its obligations to the Clearing House, including all claims against the Clearing House by reason of its substitution for that clearing member pursuant to Rule 804, the Clearing House shall nonetheless pay all such claims, which shall be deemed a loss to it and which shall be a liability of the defaulting clearing member to the Exchange, which the Exchange may collect from any other assets of such clearing member or by process of law.<sup>4</sup>~~
2. If a loss for which clearing members or their security deposits have been assessed is afterward subsequently recovered by the Exchange ~~or the Clearing House~~ in whole or in part, the net amount of such recovery shall be credited to such persons or firms (whether or not they are clearing members at the time of recovery) in proportion to the amount of the assessment.

#### **802.D. Security Deposits to be Restored<sup>2</sup>**

In the event it shall become necessary ~~as provided above~~ to apply all or part of the security deposits to meet obligations to the Clearing House pursuant to Rule 802, clearing members shall immediately make good any such deficiency in security deposits prior to the close of business on the next banking day.

### **803. LIMITATION OF LIABILITY<sup>3</sup>**

The liability of the Clearing House shall be limited to losses resulting from the substitution of the Clearing House upon contracts between clearing members and to losses in connection with substitution of another Participating Exchange for clearing members (i.e., pursuant to the Mutual Offset System), and to losses in connection with amounts due and owing from a Partner Clearing House. The Clearing House shall not be liable for any other obligations, including but not limited to, obligations of a non-clearing member, obligations of a clearing member to a non-member, obligations of a clearing member to another member of the Clearing House who is acting for him as broker, or obligations to a customer by a clearing member; nor shall the Clearing House become liable to make deliveries to or accept deliveries from a customer of its clearing members.

### **804. SUBSTITUTION<sup>4</sup>**

Except with respect to trades made pursuant to Rules 526, 538, 719, and 853, and transactions entered into under CME AM and Rule 8D38, the Clearing House shall, through the process of novation, be substituted as, and assume the position of, seller to the buyer and buyer to the seller of the relevant number of Exchange or Marketplace contracts upon the successful matching of trade data submitted to the Exchange by the clearing members on the long and short sides of a trade. With respect to contracts that are traded on and matched by another exchange or market, the Clearing House shall be substituted as, and assume the position of, seller to buyer and buyer to seller of the relevant number of such contracts upon matching of trade data submitted to and accepted by the Exchange.

Upon such substitution, each clearing member shall be deemed to have bought the contracts from or sold the contracts to the Clearing House, as the case may be, and the Clearing House shall have all the rights and be subject to all the liabilities of such member with respect to such transaction. Such substitution shall be effective in law for all purposes.

With regard to trades made pursuant to Rules 526, 538, 719 and 853, the Clearing House shall be substituted at the time payment of the first settlement variation and performance bond due for such trades pursuant to Rules

<sup>1</sup> Revised October 1989; June 1992; January 1994.

<sup>2</sup> Revised February 1988; October 2001.

<sup>3</sup> Revised September 1984; April 2002.

<sup>4</sup> Revised December 1990; May 2000; June 2000; April 2002; June 2003.



814 and 815, respectively, is confirmed by the appropriate settlement bank for both members.<sup>1</sup>

With respect to trades made pursuant to Rule 8D38 (Finality), the Clearing House shall assume the obligation to perform when the results of an Auction are final as set forth in the CME AM rules.

**805. OPEN POSITIONS**

All contracts for the purchase or sale of any ~~commodity-product~~ for future delivery shall remain open and in force, and shall continue to be binding upon the original parties until liquidated by offset as provided in Rule 806 or by delivery or failure to perform as provided in Chapter 7.

**806. OFFSET BY LIQUIDATION PROCESS**

When a member buys and sells the same commodity for the same delivery month, a put or call option with the same strike price and expiration month and such contracts are cleared through the Clearing House, the purchases and sales are not automatically offset one against the other. Transactions can only be offset against one another by complying with Rule 811—Position Change Data.

A clearing member long or short any commodity to the Clearing House as a result of substitution may liquidate the position by acquiring an opposite position, ~~for its principal.~~

**807. OFFSETS MEMORANDUM AND OFFSETS DURING DELIVERY MONTH<sup>2</sup>**

~~When contracts are offset pursuant to Rule 806, the specific dates of contracts which are offset are not required until requested by the Clearing House. Prior to each delivery month, the Managing Director and President of the Clearing House shall request such clearing members to submit a complete and accurate record of dates of all open purchases for use in making deliveries, as provided in Rule 712. Clearing members shall bear full responsibility for inventories submitted to the Clearing House. On the following business day after submission of such record and up to and including the end of the delivery month, the clearing member shall present to the Clearing House with its clearing memoranda an offset memorandum on a form prescribed by the Clearing House. Such transactions shall be offset one against the other, as specified on the offset memorandum, and the clearing member shall be under no further liability to receive or make delivery with respect thereto.~~

Unless otherwise provided in the Clearing House Manual of Operations, beginning on the day following the first day on which longs may be assigned delivery, all purchases and sales, made in one day in the lead month contract by a person holding a long position in that contract, must first be netted out as day trades with only the excess buys considered new longs or the excess sales being offsets of the long position.

This rule shall not apply to trading in options contracts.<sup>3</sup>

**808. OFFSET NOT AUTOMATIC [RESERVED]<sup>4</sup>**

~~When a member buys and sells the same commodity for the same delivery month, a put option with the same strike price and expiration month or a call option with the same strike price and expiration month and such contracts are cleared through the Clearing House, the purchases and sales are not automatically offset one against the other. Transactions can only be offset against one another by complying with Rule 811—Position Change Data.~~

**809. TRADE DATA PROCESSING SYSTEM<sup>5</sup>**

**809.A. Clearing House Manual of Operations<sup>6</sup>**

~~Exchange staff shall adopt, establish, publish and amend from time to time a Clearing House Manual of Operations ("Manual"). This Manual shall contain information and directions for preparing trade data, completing prescribed memoranda and meeting other Clearing House requirements. The Manual and amendments thereto shall constitute part of the rules of the Exchange.<sup>7</sup>~~

**809.BA. Trade Data**

Every clearing member must submit to the Clearing House trade data for the day's business not later than the time specified by the Clearing House.<sup>8</sup>

**809.CB. Matched and Unmatched Trades (Non-Final)**

The Clearing House shall process all trade data submitted by clearing members but shall accept only those trade records (transactions) which are in agreement with the corresponding trade records submitted by the opposite clearing members.

<sup>1</sup> Revised June 1992.

<sup>2</sup> Revised June 1981; January 1986; November 2000; June 2003.

<sup>3</sup> Revised January 1983.

<sup>4</sup> Revised January 1983.

<sup>5</sup> Revised June 1998.

<sup>6</sup> Revised November 2000.

<sup>7</sup> Revised June 1998; Revised November 2000.

<sup>8</sup> Revised June 1998.

Trade records will be matched, to the extent the opposite trade information is consistent, through the tiered matching process.

Resubmitted trade data will be processed by the Clearing House. Trades with unmatched trade information remaining after the tiered matching process will be rejected and out-trade notices will be issued to clearing members.<sup>1</sup>

Trades unreconciled after the final reconciliation must be submitted on the following business day as "as-of-trades."<sup>2</sup>

**809.D. Unmatched Trades**

~~Trade records which do not match the trade records submitted by the opposite clearing member will be automatically rejected.~~<sup>3</sup>

**809.E. Out-Trade Notices**

~~For trade records rejected, out-trade notices will be printed and returned to the submitting clearing members who are then required to adjust the differences between themselves and to resubmit corrected data within a time limit specified by the Clearing House.~~<sup>4</sup>

**809.F. Matched Trades (Final)**

~~Resubmitted trade data will be processed by the Clearing House. Unmatched trades will again be rejected and out-trade notices will be issued to clearing members still having differences.~~<sup>5</sup>

**809.G. Unmatched Trades after Final Reconciliation**

~~Trades unreconciled after the final reconciliation must be submitted on the following business day as "as-of-trades."~~<sup>6</sup>

**809.HC. Trade Register and Clearing Reports**

From the trade data cleared during each day's reconciliation, the Clearing House will produce a trade register for each clearing member which member which will itemize by commodity and contract: the opening long and short position, the contracts bought and/or sold during the day, the prices at which executed, and the settlement amounts.<sup>7</sup>

The Clearing House will also produce a recap ledger for each clearing member that will itemize various position and financial information that includes but is not limited to, commodity positions, settlement amounts and performance bond information.

**809.IE. Reconciliation of Out-Trades<sup>8</sup>**

It shall be the primary responsibility of the clearing member to see that all trades are cleared prior to the opening of the following day's market. ~~In this regard, each clearing member must have adequate representation available to process out-trades for at least 90 minutes after availability of each "Non-Final Reconciliation Out-Trade Run." Additionally, every clearing member shall have a representative available on the trading floor for contracts for which the firm has out-trades no later than 60 minutes prior to the opening of the relevant market (or at such other times as may be designated by Exchange staff).~~<sup>9</sup>

Each member, if applicable, and clearing member firm shall designate a person or persons who will be available and responsible for reconciling the member or clearing member firm's out-trades. The person or persons shall be qualified to resolve out-trades as the member or clearing member firm's designated out-trade representative. Failure to have a qualified representative available, with all materials necessary to reconcile out-trades, at the time specified above shall constitute negligence in the determination of responsibility for any out-trades. If one firm cannot locate another firm's broker or representative for clearing purposes during these time periods, it shall report such fact to the Managing Director and President of the Clearing House. If the Managing Director and President of the Clearing House or his designee cannot find the broker or representative of the firm, fines will be assessed in the amounts of \$1,000, \$2,000 or \$3,000 sequentially, for violations occurring within a 30-day period.<sup>10</sup>

~~A clearing member may appoint as its representative a person or persons from another firm to act on its behalf and shall promptly notify the Clearing House in writing of such appointment. Otherwise, no person shall represent more than one firm. Exchange staff may require the termination of any dual representation arrangement that is deemed to impede efficient reconciliation of out-trades.~~<sup>11</sup>

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<sup>1</sup> Revised June 1998.

<sup>2</sup> Revised June 1998.

<sup>3</sup> Revised June 1998.

<sup>4</sup> Revised June 1998.

<sup>5</sup> Revised June 1998.

<sup>6</sup> Revised June 1998.

<sup>7</sup> Revised June 1998.

<sup>8</sup> Revised November 2000; June 2002.

<sup>9</sup> Revised January 1980; April 1987; September 1993; November 2000.

<sup>10</sup> Revised June 1996; November 2000.

<sup>11</sup> Revised May 1990; November 2000.

**810. FALSE ENTRIES ON CLEARING MEMORANDA <sup>1</sup>**

No member shall place any false or inaccurate entries on any clearing memoranda, including, with respect to a Participating Clearing Member, the clearing memoranda of a Cross-Margining Clearing Organization, or knowingly pay or receive any money therein not representing bona fide transactions or the actual differences due thereon.

**811. POSITION CHANGE DATA <sup>2</sup>**

Position change data must be submitted to the Clearing House each trading day not later than the time specified by the Clearing House. Position change data will be in such form and contain such information as prescribed by the Clearing House. When requested, the identification of accounts will be made available to the Audit Department.

**812. RECAP LEDGER <sup>3</sup> [RESERVED]**

~~From the cleared matched trade data and the position change data, the Clearing House will produce a recap ledger for each clearing member which will itemize the incoming commodities positions; the position changes for the day; the closing commodities positions; the net settlements, pay or collect; performance bonds required at the close of the day; the prior day's performance bond balance; the net performance bond deposited or released; and the combined net debit or credit balance for the day.~~

**813. SETTLEMENT PRICE <sup>4</sup>**

The settlement price shall be a price consistent with the minimum fluctuations of a commodity. Settlement prices shall be determined each business day for each commodity pursuant to the procedures set forth below. The procedure used to determine the settlement price of a commodity will depend on the product group, level of closing range activity and liquidity, and the bid – ask width and size, if settled to Globex.

1. The time and sales procedure is used when a trade occurs in the closing range (either the last 30 or 60 seconds). The first trade and every subsequent quote (trade, bid, offer) in the closing range are included in the calculation. The midpoint of the high and low quotes is the settlement price. If a midpoint cannot be determined, the settlement price is the price closer to the prior day's settlement price.
2. The last quote procedure is used when no trades occur in the closing range (either the last 30 or 60 seconds). The last valid quote of the day (trade, higher bid or lower offer) is the settlement price. In the event there are no valid quotes during the day, the settlement price will be the prior day's settlement price.
3. The bid-ask midpoint procedure is used for transactions that occur on Globex. The midpoint of the low bid and the high offer of the Globex closing range (either the last 30 or 60 seconds) is the settlement price. If a midpoint cannot be determined, the settlement price is the price closer to the prior day's settlement price.
4. When relevant spread trading information is available, it may also be used to assist in the calculation of settlement prices. (For example, Front and Red Eurodollars may be adjusted for calendar or fly spreads.)
5. In liquid commodities, where there is no relevant market activity, any applicable market information, such as spot or cash markets, may be used to determine the settlement price.
6. Notwithstanding any of the foregoing, settlement prices for the E-Mini Standard and Poor's 500 Stock Price Index Futures, the E-Mini Nasdaq 100 Index Futures, and the E-Mini Currency Futures contract months shall equal the settlement prices for the corresponding contract months of the Standard and Poor's 500 Stock Price Index Futures, the Nasdaq 100 Index Futures, and the Currency Futures, respectively. <sup>5</sup>
7. Options settlements are derived utilizing key market information, such as; outright bids and offers, implied volatility, the underlying futures movement, and relevant spread orders.
8. For products cleared by the Clearing House on behalf of another exchange, market or Marketplace other than the Exchange, the settlement price shall be determined according to the rules of such entity.
9. Notwithstanding the above, in the case of inaccuracy or unavailability of a settlement price from the Exchange, another exchange, market or Marketplace, or if such settlement price would create risk management concerns for the Clearing House, the Clearing House reserves the right to calculate settlement variation using an alternate price determined by the Clearing House <sup>6</sup>

~~The settlement price shall be a price consistent with the minimum fluctuations of the commodity. Settlement prices will be determined at the close of Regular Trading Hours:~~

- ~~A. For CME, IMM, IOM and GEM Division contracts, the settlement price shall be the average of the highest and lowest sales in the closing range; however, if subsequent to the last sale there are bids higher than the highest sale or offers lower than the lowest sale, then the highest such bid or lowest such offer shall be used~~

<sup>1</sup> Revised September 1989.

<sup>2</sup> Revised February 1998; June 1998.

<sup>3</sup> Revised March 1979; September 1981; October 1983; February 1988; March 1989; September 1989; June 1992; April 1993; September 1993; June 1998; October 2001.

<sup>4</sup> Revised January 1981; March 1981; April 1982; July 1982; September 1989; September 1992; November 1995; November 2000; November 2001.

<sup>5</sup> Adopted September 1997. Revised September 1999; May 2000; July 2000; June 2003.

<sup>6</sup> Adopted April 2002. Revised June 2003.

in the computation of the average.<sup>1</sup>

- B. For CME, IOM and GEM Division contracts, if no sale occurs in the closing range, the settlement price shall be the last sale price, or, if there is no sale during Regular Trading Hours, the last settlement price, unless there is a higher bid or lower offer in existence at the close. In such case, the higher bid or lower offer shall be the settlement price.<sup>2</sup>
- C. For IMM, IOM and GEM Division contracts, if no sale occurs in the closing range, the settlement price shall be set at a price which when compared to the settlement price of the next contract month reflects the same differential that existed between the two contract months on the previous day, unless there is a higher bid or lower offer in existence at the close. In such case, the higher bid or lower offer shall be the settlement price.<sup>3</sup>
- D. For IMM, IOM and GEM Division contracts, if such settlement price is not consistent with sales in other months during the closing range or with market information known to the designated Exchange official supervising the closing or to members of the Pit Committee, the designated Exchange official, with the advice of the Pit Committee, may establish a settlement price at a level consistent with such other sales or market information and shall prepare a written record setting forth the basis for any modification of such settlement price.<sup>4</sup>
- E. Notwithstanding any of the foregoing, settlement prices for the E-Mini Standard and Poor's 500 Stock Price Index Futures, the E-Mini Nasdaq 100 Index Futures, and the E-Mini Currency Futures contract months shall equal the settlement prices for the corresponding contract months of the Standard and Poor's 500 Stock Price Index Futures, the Nasdaq 100 Index Futures, and the Currency Futures, respectively.<sup>5</sup>
- F. For products cleared by the Clearing House on behalf of another exchange, market or Marketplace other than the Exchange, the settlement price shall be determined according to the rules of such entity. In the case of inaccuracy or unavailability of a settlement price from the exchange, market or Marketplace, or if such settlement price would create risk management concerns for the Clearing House, the Clearing House reserves the right to calculate settlement variation using an alternate price determined by the Clearing House.<sup>6</sup>

#### 814. **SETTLEMENT TO SETTLEMENT PRICE SETTLEMENT VARIATION DAILY**<sup>7</sup>

When a clearing member is long or short any amount of any futures contract at the end of the trading day, as indicated by its clearing memoranda, settlement shall be made with the Clearing House to the settlement price for that day, and such member shall be liable to pay to, or entitled to collect from, the Clearing House any loss or profit, as the case may be, represented by the difference between the price at which the commodity was bought or sold and the settlement price of the commodity at the end of the trading day. After making such settlement with the Clearing House, such member shall be deemed long or short (or long and short) such commodity, as the case may be, at the settlement price of the trading day. Notwithstanding the foregoing, the Clearing House shall not be required to pay any profit to a Participating Clearing Member in the event that such member or its Cross-Margining Affiliate fails to make any required settlement for that trading day with a Cross-Margining Clearing Organization.

If the market conditions or price fluctuations are such that the Clearing House deems it necessary, it may call upon the clearing members which in its opinion are affected to deposit with the Clearing House by such time as specified by the Clearing House the amount of funds that it estimates will be needed to meet such settlements as may be necessary. The Clearing House may pay out funds to those clearing members that in the opinion of the Clearing House will have credit balances as a result of those same market conditions or price fluctuations, except that in no instance may the Clearing House pay out funds to a clearing member, other than at the regular settlement, in excess of the total original performance bond deposits it holds for such clearing member. All deposits and payments made under this Rule shall be subject to the procedures prescribed by the Clearing House and set forth in the Manual.

Settlement variation, as figured to the market at such times as the Clearing House shall determine, must be paid in cash or any other form of collateral approved by the Clearing House Risk Committee.

#### 815. **DEBIT AND CREDIT BALANCES<sup>8</sup> [RESERVED]**

If the recap ledger of any member shows a debit balance against such member, payment for such debit balance

<sup>1</sup> Revised May 1992; November 1995.

<sup>2</sup> Revised November 1995.

<sup>3</sup> Revised November 1995.

<sup>4</sup> Revised November 1995.

<sup>5</sup> Adopted September 1997. Revised September 1999; May 2000; July 2000; June 2003.

<sup>6</sup> Adopted April 2002. Revised June 2003.

<sup>7</sup> Revised October 1989.

<sup>8</sup> Revised January 1983; November 1985; February 1988; October 2001.

~~shall be made directly to a bank designated by the Clearing House and in the manner and form and at the time prescribed by the Clearing House. If such recap ledger shows a credit balance in favor of such member after the Clearing House has tallied all credit balances enumerated thereon, such credit will be released by the Clearing House and presented to the member entitled to receive the same.~~

## **816. SECURITY DEPOSIT <sup>1</sup>**

Each clearing member shall make a deposit with the Exchange as security for its obligations to the Clearing House. The minimum security deposit of a Class A clearing member, shall equal the greater of (a) an amount specified by the Clearing House Risk Committee or (b) the clearing member's proportionate share of the "Aggregate Security Deposit," which shall be an amount determined by the Clearing House Risk Committee. Each clearing member's proportionate share of the Aggregate Security Deposit shall consist of (i) a specified percentage of the Aggregate Security Deposit multiplied by the clearing member's proportionate share (including the total risk performance bond requirement in respect of positions in its cross-margin accounts) of the average aggregate risk performance bond requirement (including the risk performance bond requirement in respect of positions in all cross-margin accounts) for the preceding three months; plus (ii) a specified percentage of the Aggregate Security Deposit multiplied by the clearing member's proportionate share of the total number of contracts executed on the Exchange and any applicable exchange or market during the preceding three months. The percentages in (i) and (ii) above shall be determined and modified by the Clearing House Risk Committee as appropriate. Some contracts may be weighted more heavily than others in order to reflect the greater risk associated with those contracts. The average aggregate risk performance bond requirement, the total number of contracts executed, and each clearing member's proportionate share of each will be calculated by the Clearing House, and a report setting forth such information and the clearing member's required security deposit will be given to the clearing member each quarter, or more frequently as Exchange staff shall determine. If such report indicates that the clearing member's current security deposit with the Exchange is smaller than the amount required, the clearing member shall increase its amount within five business days. If such report indicates that the clearing member's current security deposit with the Exchange is larger than the amount required, the clearing member may withdraw the excess amount.

~~A clearing member's security deposit may be in a form as set forth in the Manual, the form of cash, United States Treasury and agency Securities, units in CME's Interest Earning Facility for Proprietary Funds, L.L.C. or shares in CME's Interest Earning Facility 2 Program for the clearing member's House/Proprietary Account (as used in this Rule 816, such assets and any proceeds thereof are collectively referred to as "Assets"). Such security deposit forms and amounts shall be subject to the terms and conditions as approved by Exchange staff.~~

## **817. LIQUIDITY FACILITY**

Assets deposited by a clearing member in satisfaction of security deposit and performance bond requirements may also be used to directly secure the Exchange's obligations to its lenders under any liquidity facility entered into by the Exchange for the purpose of providing liquidity to the Exchange. By delivering assets to the Exchange in satisfaction of security deposit and performance bond requirements, each clearing member is hereby deemed: (i) to agree that its Assets may directly secure the Exchange's obligations to the Exchange's liquidity lenders and that its Assets may become subject to a lien in favor of the Exchange's liquidity lenders or otherwise guarantee the Exchange's obligations and; (ii) to authorize the Exchange, and appoint the Exchange (such appointment being coupled with an interest) as such clearing member's attorney-in-fact, to enter into agreements on its behalf in connection with its Assets serving as security for the Exchange's obligations to the Exchange's liquidity lenders; and (iii) acknowledge that the obligations of the Exchange to its liquidity lenders may be greater, and extend for periods of time longer, than the obligations, if any, of such clearing member to the Exchange. The Exchange, as each clearing member's attorney-in-fact, will have authority to enter into agreements on behalf of each clearing member and in each clearing member's name for the purpose of causing the clearing member's Assets to directly secure the Exchange's obligations to the Exchange's liquidity lenders. Any agreement entered into by the Exchange on behalf of clearing members pursuant to this Rule 817<sup>6</sup> shall bind each clearing member and will contain provisions, including representations, warranties and covenants, required by lenders under any liquidity facility. If there is a default under any such liquidity facility, the Assets of the clearing members pledged to secure such liquidity facility may be foreclosed upon by the Exchange's liquidity lenders and applied against the obligations of the Exchange under the related liquidity facility. The clearing members shall take no action, including but not limited to attempting to obtain a court order, that would interfere with the ability of such liquidity lenders to receive the benefit of their contractual remedies in connection with any such foreclosure or that would controvert or assert the invalidity of any provision of these rules. Each clearing member agrees to sign any document or agreement requested by the Exchange to further document the power of attorney set forth and established by these rules.

~~8187. - 819. [RESERVED] <sup>2</sup>~~

~~818. [RESERVED] <sup>3</sup>~~

<sup>1</sup> Revised March 1979; September 1981; October 1983; February 1988; March 1989; September 1989; March 1990; June 1992; April 1993; September 1993; September 1997; November 1999; November 2000; April 2001; July 2001; October 2001, February 2002; June 2003; October 2003.

<sup>2</sup> Moved to Rule 561 June 2003.

<sup>3</sup> Moved to Rule 562 June 2003.

819. ~~[RESERVED]~~

~~-(Next Rule 820)~~

## PERFORMANCE BONDS

### 820. PERFORMANCE BONDS CREDITED<sup>1</sup>

Performance bond requirements will be as determined by Exchange staff from time to time.

Subject to the terms and conditions as approved by Exchange staff, the Clearing House will accept as performance bond, cash, equity securities, shares of mutual funds, United States Treasury and agency Securities (under the conditions specified in Rule 825), Letters of Credit pursuant to Rule 822, units in CME's Interest Earning Facility Program, shares in CME's Interest Earning Facility 2 Program, permitted investments allowable under CFTC Regulation 1.25, and "readily marketable securities" as defined by Securities and Exchange Commission Rules, as applicable (as used in this Rule 821, such assets and any proceeds thereof are collectively referred to as "Assets"), all of which must be and remain unencumbered. The Clearing House may include other forms of collateral within the definition of "Assets" upon the approval of the Clearing House Risk Committee and notice to clearing members.

All performance bonds collateral, as herein described, shall be placed to the credit of the member paying the same for its customers' trades or its own (so-called "house") trades as designated by the Clearing member. The Clearing House shall value performance bond collateral as it deems appropriate. The clearing member shall transfer the acquired performance bond collateral to the Exchange or to an approved depository for safekeeping in an Exchange account and the Exchange shall retain control over such performance bond collateral. Neither the Exchange nor the Clearing House shall have any obligation or responsibility to preserve, protect, collect or realize upon, and under no circumstances shall the Exchange or Clearing House be liable for, any loss or diminution in value or depreciation in or in connection with the performance bond collateral maintained pursuant to this rule. A clearing member who maintains performance bond collateral for its benefit pursuant to this rule shall hold the Exchange and Clearing House harmless from all liability, losses and damages which may result from or arise with respect to the care and sale of such performance bond collateral. [All initial and additional performance bonds shall be retained by the Clearing House in whole or in part, as Exchange staff may deem necessary, until the trades for which such performance bond collaterals have been deposited, have been settled offset, cash settled, delivered or otherwise closed out as determined by Exchange staff.

Each clearing member shall reimburse the Clearing House for all fees, expenses, charges and costs assessed by a depository against the Exchange with respect to all performance bond collateral maintained in its account, and shall make deposits as may be required by the Clearing House by reason of any depreciation in the market value of such performance bond collateral. If a clearing member defaults to the Clearing House with respect to performance bonds, the performance bond collateral maintained in its account pursuant to this rule shall be taken over by the Clearing House and sold without notice and the proceeds of the performance bond collateral deposited for customers' trades shall be applied against the performance bond requirements for the clearing members' customers' accounts, and the proceeds of performance bond collateral deposited for the house trades shall be applied against the requirements for the clearing member's own (so-called "house") account.

Upon the final fulfillment or settlement of a contract, the performance bond deposited for such contract may be withdrawn from the Clearing House by the member who deposited the same.

### 821. ~~PERFORMANCE BOND AMOUNTS<sup>1</sup> 821. - 823. [RESERVED]~~

~~Performance bond requirements will be as determined by Exchange staff from time to time. Subject to the terms and conditions as approved by Exchange staff, the Clearing House will accept as performance bond, cash, equity securities, shares of mutual funds, United States Treasury and agency Securities (under the conditions specified in Rule 825), Letters of Credit pursuant to Rule 822, units in CME's Interest Earning Facility Program, shares in CME's Interest Earning Facility 2 Program, permitted investments allowable under CFTC Regulation 1.25, and "readily marketable securities" as defined by Securities and Exchange Commission Rules, as applicable (as used in this Rule 821, such assets and any proceeds thereof are collectively referred to as "Assets"), all of which must be and remain unencumbered. The Clearing House may include other forms of collateral within the definition of "Assets" upon the approval of the Clearing House Risk Committee and notice to clearing members.~~

~~Assets deposited by a clearing member in satisfaction of performance bond requirements may also be used, upon default by such clearing member in any of its obligations to the Clearing House or the Exchange, to directly secure the Exchange's obligations to its lenders under any liquidity facility entered into by the Exchange for the purpose of providing liquidity to the Exchange. By delivering assets to the Exchange in satisfaction of performance bond requirements, each clearing member is hereby deemed: (i) to agree that its Assets, upon~~

<sup>1</sup> Revised June 1992; November 2000.

<sup>2</sup> Revised May 1982; June 1984; February 1986; May 1987; November 1987; December 1990; March 1992; June 1992; November 1992; April 1993; November 1993; November 2000; July 2001; October 2001; April 2002; October 2003; November 2003; July 2004.

~~default of such clearing member, may directly secure the Exchange's obligations to the Exchange's liquidity lenders and that its Assets may become subject to a lien in favor of the Exchange's liquidity lenders or otherwise guarantee the Exchange's obligations; (ii) to authorize the Exchange, and appoint the Exchange (such appointment being coupled with an interest) as such clearing member's attorney-in-fact, to enter into agreements on its behalf in connection with its Assets serving as security for the Exchange's obligations to the Exchange's liquidity lenders; and (iii) acknowledge that the obligations of the Exchange to its liquidity lenders may be greater, and extend for periods of time longer, than the obligations, if any, of such clearing member to the Exchange. The Exchange, as each clearing member's attorney-in-fact, will have authority to enter into agreements on behalf of each clearing member and in each clearing member's name for the purpose of causing the clearing member's Assets to directly secure the Exchange's obligations to the Exchange's liquidity lenders as described in this Rule 821. Any agreement entered into by the Exchange on behalf of clearing members pursuant to this Rule 821 shall bind each clearing member and will contain provisions, including representations, warranties and covenants, required by lenders under any liquidity facility. If there is a default under any such liquidity facility, the Assets of the clearing members pledged to secure such liquidity facility may be foreclosed upon by the Exchange's liquidity lenders and applied against the obligations of the Exchange under the related liquidity facility. The clearing members shall take no action, including but not limited to attempting to obtain a court order, that would interfere with the ability of such liquidity lenders to receive the benefit of their contractual remedies in connection with any such foreclosure or that would controvert or assert the invalidity of any provision of these rules. Each clearing member agrees to sign any document or agreement requested by the Exchange to further document the power of attorney set forth and established by these rules.~~

**822. CLASS A CLEARING MEMBER LETTER OF CREDIT<sup>1</sup>**

~~Pursuant to Rule 821, a Class A clearing member may satisfy such portion of its performance bond requirement with the Clearing House as Exchange staff shall determine with one or more Letters of Credit to the order of the Exchange in a form and from a bank acceptable to the Exchange, and in accordance with Exchange procedures.~~

**823. SETTLEMENT VARIATION<sup>2</sup>**

~~Settlement variation as figured to the market at such times as the Clearing House shall determine, must be paid in cash.~~

**824. ADDITIONAL PERFORMANCE BOND<sup>3</sup>**

~~Whenever, in the opinion of the Clearing House Risk Committee Board of Directors, the President & Managing Director, Clearing House or, in his or her absence, the Managing Director, Clearing House, or Exchange staff, unstable conditions relating to one or more commodities products exist, it they may from time to time, call for additional performance bond collateral from clearing members. Such additional performance bond calls may be as much as or more than the original performance bond collateral. The performance bond collateral thus called for may be for one or more contract(s) from one or more clearing member(s) and on long positions, short positions or both.~~

~~In the event market conditions and price fluctuations at any time shall cause the Board of Directors Clearing House Risk Committee or the President & Managing Director, Clearing House or, in his or her absence, the Managing Director, Clearing House, to conclude that additional performance bonds collateral is are required to maintain an orderly market or to preserve fiscal integrity the Board of Directorsthe Clearing House Risk Committee or; the President & Managing Director, Clearing House or the Managing Director, Clearing House may call for additional performance bonds collateral to be deposited with the Clearing House during the next banking hour after demand therefor, or at such times as may be specified. Such additional performance bonds collateral may be called from the longs or the shorts or from both.<sup>4</sup>~~

~~When the Board of Directors Clearing House Risk Committee or the President & Managing Director, Clearing House or, in his or her absence, the Managing Director, Clearing House, shall be of the opinion that any clearing member is carrying commitments or incurring risk in its proprietary, customer and/or cross-margin accounts, that are larger than is justified by the financial condition of that clearing member, then they the Board of Directors Clearing House Risk Committee, the President and Managing Director, Clearing House or, in his or her absence, the Managing Director, Clearing House, may require additional performance bonds collateral of such clearing member which shall be deposited with the Clearing House during the next banking hour after demand therefor, or at such time as may be specified, or they may require that a portion of the open positions of said clearing member may be required to be transferred to the books of another clearing member.<sup>5</sup>~~

<sup>1</sup> Revised May 1982; February 1986; May 1987; June 1987; November 1987; March 1990; July 1990; June 1992; November 2000.

<sup>2</sup> Revised September 1989.

<sup>3</sup> Revised June 1992; November 2000.

<sup>4</sup> Revised June 1992.

<sup>5</sup> Revised February 1986; November 1987; March 1988; June 1992; Revised November 2000.

**825. SECURITIES [RESERVED]<sup>1</sup>**

~~Subject to such terms and conditions as shall have been approved by Exchange staff, a clearing member may maintain all or a portion of its performance bond on deposit with the Clearing House in equity securities, units of Standard & Poor's Depository Receipts, shares of mutual funds and United States Treasury Bills, Treasury Notes, Treasury Bonds, Treasury Bond Principal Strips, agency Securities and permitted investments allowable under CFTC Regulation 1.25 and "readily marketable securities" as defined by Securities and Exchange Commission Rules (collectively, "Securities"). Treasury and agency securities shall be maintained in multiples of \$5,000. The Clearing House may include other forms of collateral within the definition of "Securities" upon the approval of the Clearing House Risk Committee and notice to clearing members. The clearing member shall designate which of such Securities are to be maintained as performance bond for its customers' trades or its own (so-called "house") trades and the Securities will be held for that account. The Clearing House shall value Securities for performance bond purposes as it deems appropriate.~~

~~The clearing member shall transfer the acquired Securities to the Exchange or to an approved depository for safekeeping in an Exchange account for house trades or in an Exchange account for customers' trades, as the case may be, and the Exchange shall retain control over such Securities. Neither the Exchange nor the Clearing House shall have any obligation or responsibility to preserve, protect, collect or realize upon, and under no circumstances shall the Exchange or Clearing House be liable for, any loss or diminution in value or depreciation in or in connection with the Securities maintained pursuant to this rule. A clearing member who maintains Securities for its benefit pursuant to this rule shall hold the Exchange and Clearing House harmless from all liability, losses and damages which may result from or arise with respect to the care and sale of such Securities.~~

~~Each clearing member shall reimburse the Clearing House for all fees, expenses, charges and costs assessed by a depository against the Exchange with respect to all Securities maintained in its account, and shall make deposits as may be required by the Clearing House by reason of any depreciation in the market value of such Securities. If a clearing member defaults to the Clearing House with respect to performance bonds, the Securities maintained in its account pursuant to this rule shall be taken over by the Clearing House and sold without notice and the proceeds of Securities deposited for customers' trades shall be applied against the performance bond requirements for the clearing members' customers' accounts, and the proceeds of Securities deposited for the house trades shall be applied against the requirements for the clearing member's own (so-called "house") account.~~

**826. WITHDRAWAL OF PERFORMANCE BONDS<sup>2</sup> [RESERVED]**

~~Upon the final fulfillment or settlement of a contract, the performance bond deposited for such contract may be withdrawn from the Clearing House by the member who deposited the same.~~

**827. SECURITIES LENDING PROGRAM<sup>3</sup>**

United States Treasury Bills, Treasury Notes, Treasury Bonds, Treasury Bond Principal Strips, Agency Securities, and other financial instruments approved by Exchange staff, (collectively, "Securities") that are deposited with the Clearing House by clearing members in satisfaction of Security Deposit requirements or as performance bond for their own (i.e., "house") trades may be loaned out by the Exchange pursuant to the Securities Lending Program. Clearing members depositing Securities with the Exchange in satisfaction of security deposit requirements or as performance bond for house trades that are loaned out pursuant to the Securities Lending Program are deemed to agree that the lending of Securities under arrangements having safeguards consistent with generally accepted market practices will constitute reasonable care of the Securities in the possession of the Exchange or its securities lending custodian.

**828. [RESERVED] EMERGENCY PERFORMANCE BONDS<sup>4</sup>**

~~A. In the event market conditions and price fluctuations at any time shall cause the Chief Executive Officer or President to conclude that additional performance bonds are required to maintain an orderly market or to preserve fiscal integrity, the Chief Executive Officer or President may call for additional performance bonds to be deposited with the Clearing House during the next banking hour after demand therefor, or at such times as may be specified. Such additional performance bonds may be called from the longs or the shorts or from both.<sup>5</sup>~~

~~B. When the majority of a committee consisting of the Chairman of the Board, the Chief Executive Officer or President, the Managing Director and President of the Clearing House and Chairman of the Clearing House Risk Committee (or the officers of the Exchange authorized to act in their absence) shall be of the opinion that any clearing member is carrying commitments in its proprietary, customer and/or cross-margin accounts, that are larger than is justified by the financial condition of that clearing member, then they may require additional performance bonds of such clearing member which shall be deposited with the Clearing~~

<sup>1</sup> Revised February 1986; May 1986, December 1986; June 1987; November 1987; March 1990; June 1992; November 1992; April 1993; November 1993; January 1999; April 1999; November 2000; April 2002; November 2003; July 2004.

<sup>2</sup> Revised June 1992.

<sup>3</sup> Adopted April 2001.

<sup>4</sup> Revised June 1992; November 2000; September 2004.

<sup>5</sup> Revised June 1992.



House during the next banking hour after demand therefor, or at such time as may be specified, or they may require that a portion of the open positions of said clearing member be transferred to the books of another clearing member.<sup>1</sup>

~~C. In the event of the failure of a clearing member to deposit and maintain additional performance bonds or to comply with the order of transfer of positions as required under Rule 828, or in the event of the failure of a clearing member to deposit and maintain additional settlement as required under Rule 829, the Chairman of the Clearing House Risk Committee shall direct that member to forthwith effect a close out of all or such part of his trades so as to correct the delinquency. If there is a failure to so effectuate the reduction in position by the next business day, the Chief Executive Officer or President shall thereupon order the close out of all or the required part of the clearing member's position with due consideration to the positions of customers. Any clearing member whose trades are thus closed out shall provide for the payment of any loss to the Clearing House on his next Clearing House sheet.<sup>2</sup>~~

## 829. **ADVANCE CALL FOR SETTLEMENT<sup>3</sup> [RESERVED]**

~~If the market conditions or price fluctuations are such that the Clearing House deems it necessary, it may call upon the clearing members which in its opinion are affected to deposit with the Clearing House by such time as specified by the Clearing House the amount of funds that it estimates will be needed to meet such settlements as may be necessary. The Clearing House may pay out funds to those clearing members that in the opinion of the Clearing House will have credit balances as a result of those same market conditions or price fluctuations, except that in no instance may the Clearing House pay out funds to a clearing member, other than at the regular settlement specified in Rule 815, in excess of the total original performance bond deposits it holds for such clearing member. All deposits and payments made under this Rule shall be subject to the procedures prescribed by the Clearing House and set forth in the Clearing House Manual of Operations.~~

## 830. **CROSS-MARGINING<sup>4</sup>**

### 830.A. **Definitions**

1. **Cross-Margining Affiliate:** An affiliate of a Participating Clearing Member with which such clearing member is cross-margining its positions at the Clearing House and a Cross-Margining Clearing Organization.
2. **Participating Clearing Member:** A clearing member that is cross-margining its positions at the Clearing House with its own or a Cross-Margining Affiliate's positions at a Cross-Margining Clearing Organization.
3. **Cross-Margining Clearing Organization:** A clearing organization that has entered into a Cross-Margining Agreement with the Exchange.
4. **Joint Cross-Margining Program:** A cross-margining program in which the Exchange and one or more Cross-Margining Clearing Organizations each hold a joint security interest in positions, margin and other property of Participating Clearing Members and, if applicable, their Cross-Margining Affiliates.
5. **Guaranteed Cross-Margining Program:** A cross-margining program in which a guaranty is provided by and between the Exchange and one or more Cross-Margining Clearing Organizations and each entity holds an individual security interest in positions, margin and other property of Participating Clearing Members and, if applicable, their Cross-Margining Affiliate.

### 830.B. **Cross-Margining Programs<sup>5</sup>**

1. The Exchange may establish cross-margining programs as approved by the Clearing House Risk Committee and the Board. A clearing member may become a Participating Clearing Member participate in a Joint Cross-Mmargining Pprogram by establishing with the Clearing House one or more cross-margin accounts for cross-margining positions with either its own positions or those of a Ccross-Mmargining Aaffiliate, at a Cross-Margining Clearing Organization. In order to establish a cross-margin account, a clearing member shall enter into the agreements required by the Exchange. a Cross-Margined Account Agreement and Security Agreement with the Exchange, the Cross-Margining Clearing Organization, and, if applicable, the member's Cross-Margining Affiliate. That Agreement shall provide, among other things, that the Exchange and the Cross-Margining Clearing Organization shall jointly have a first lien on and security interest in all positions held in the cross-margin account, all related performance bond, and all proceeds of the foregoing, as security for the obligations of the clearing member and, if applicable, its Cross-Margining Affiliate, to the Exchange and the Cross-Margining Clearing Organization. Failure to comply with the terms

<sup>1</sup> Revised February 1986; November 1987; March 1988; June 1992; Revised November 2000.

<sup>2</sup> Revised June 1992; Revised November 2000.

<sup>3</sup> Revised February 1986; November 1987; March 1988; June 1992.

<sup>4</sup> Effective September 1989. Revised April 2000.

<sup>5</sup> Revised June 2003.

of that such Agreements may constitute a major rule violation.<sup>1</sup>

2. A clearing member may become a Participating Clearing Member in a Guaranteed Cross-Margining Program by entering into a Cross-Margining Participant Agreement with the Exchange, the Cross-Margining Clearing Organization, and, if applicable, the clearing member's Cross-Margining Affiliate. That Agreement shall provide, among other things, that a Participating Clearing Member shall immediately be obligated to reimburse the Exchange ("Reimbursement Obligation") in the event the Participating Clearing Member or its Cross-Margining Affiliate defaults in the payment of any obligation to a Cross-Margining Clearing Organization and the Exchange is required to make a guaranty payment to such Cross-Margining Clearing Organization. In addition, the Agreement shall provide that the Exchange shall have a first lien and security interest in all positions held, all related performance bond, and all proceeds of the foregoing, as security for the obligations of the clearing member and, if applicable, its Cross-Margining Affiliate, to the Exchange. Failure to comply with the terms of that Agreement may constitute a major rule violation.
3. The provisions of this Rule 830 and the corresponding sections of the Clearing House Manual shall apply to all CME-cleared positions held pursuant to a ~~Joint and a Guaranteed Cross-Margining Program~~ and shall supersede all other provisions of the Rules to the extent inconsistent therewith. In addition, the Exchange shall determine what positions will be eligible for cross-margining, ~~in a Joint and Guaranteed Cross-Margining Program.~~

**830.C. [Reserved]**

**830.D. Performance Bonds for Cross-Margining Program<sup>2</sup>**

Performance bond requirements for a Joint and Guaranteed Cross-Margining Program shall be determined as set forth in the Cross-Margining Agreement, and that Agreement shall also govern what forms of performance bond will be permitted and how such performance bond will be held.

**830.E. Close-Out of Cross-Margin Positions<sup>3</sup>**

A Participating Clearing Member may be suspended if it or its Cross-Margining Affiliate, if any, is in default in payment of any obligation, including a Reimbursement Obligation, with respect to a Joint or Guaranteed Cross-Margining Program.<sup>4</sup>

The cross-margin account of a clearing member participating in a Joint Cross-Margining Program may be liquidated by the Clearing House at the request of a Cross-Margining Clearing Organization whether or not the Exchange suspends, or is permitted under the Rules to suspend, such clearing member. Upon the suspension of a Participating Clearing Member, or upon receiving notice from a Cross-Margining Clearing Organization of its suspension of a Participating Clearing Member or its Cross-Margining Affiliate, the Clearing House shall have the right to liquidate the positions in the cross-margin account, convert to cash the performance bond therefor, and dispose of the proceeds thereof, all in accordance with the terms of the Cross-Margining Agreement.

The positions of a clearing member participating in a Guaranteed Cross-Margining Program may be liquidated by the Clearing House in the event that the Participating Clearing Member or its Cross-Margining Affiliate defaults in the payment of any obligation to the Clearing House or a Cross-Margining Clearing Organization. Upon the suspension of a Participating Clearing Member, or upon receiving notice from a Cross-Margining Clearing Organization of its suspension of a Participating Clearing Member or its Cross-Margining Affiliate, the Clearing House may liquidate: the positions of the Participating Clearing Member; all related performance bond; and all proceeds of the foregoing. The Exchange may then apply all such liquidated proceeds to satisfy the Participating Clearing Member's obligations to the Exchange, all in accordance with the terms of the Cross-Margining Agreement.

(Next Rule ~~832850~~)

**831. [RESERVED]<sup>5</sup>**

**832. COMMON BANKING AND SETTLEMENT<sup>6</sup>**

**832.A. Definitions**

1. ~~Common Banking and Settlement Clearing Organization: A clearing organization that has entered into a Common Banking and Settlement Agreement with the Exchange.~~
2. ~~Joint Clearing Member: A clearing member that is also a clearing member of one or more Common Banking and Settlement Clearing Organization(s).~~

**832.B. Common Banking and Settlement Agreement**

<sup>1</sup> Effective September 1989.

<sup>2</sup> Revised June 1992.

<sup>3</sup> Revised June 1992.

<sup>4</sup> Revised June 1992.

<sup>5</sup> Rule 831 deleted April 1998.

<sup>6</sup> Adopted January 1994. Revised April 1998.

~~Every Joint Clearing Member may become a participant in common banking and settlement by entering into a Clearing Member's Common Banking and Settlement Procedures Agreement with the Exchange and the applicable Common Banking and Settlement Clearing Organization(s). That Agreement shall provide, among other things, that the Exchange and the Common Banking and Settlement Clearing Organization(s) shall jointly have a first lien on and security interest in all cash, securities and other property deposited with or held by them as performance bond and all proceeds thereof, as security for the obligations of the Joint Clearing Member. Failure to comply with the terms of that Agreement may constitute a major rule violation.~~

~~The provisions of this Rule 832 and the corresponding sections of the Clearing House Manual shall apply to all CME cleared positions of the Joint Clearing Member and shall supersede all other provisions of the Rules to the extent inconsistent therewith.~~

~~**832.C. — Performance Bonds for Joint Clearing Members' Accounts**~~

~~Except to the extent provided otherwise in the Common Banking and Settlement Agreement, performance bond requirements for a Joint Clearing Member's accounts shall be determined in accordance with Exchange Rules. The Common Banking and Settlement Agreement shall govern how such performance bonds will be held.~~

~~**832.D. — Close-Out of Joint Clearing Members' Accounts**~~

~~Upon the suspension or expulsion of a Joint Clearing Member, the Clearing House shall have the right to liquidate the positions in the Joint Clearing Member's accounts, convert to cash the performance bond therefor, dispose of the proceeds thereof, and utilize any excess proceeds from performance bond deposited with respect to positions at the Common Banking and Settlement Clearing Organization, all in accordance with the terms of the Common Banking and Settlement Agreement.~~

(Next Rule 850)

~~8313.~~ ~~—~~ ~~849.~~ [RESERVED]

MISCELLANEOUS

**850. CLEARING HOUSE CHARGES/FEES**

A. Exchange Fees

Exchange Clearing House charges fees, including clearing fees, Globex system fees, brokerage and/or any transaction surcharges, shall be assessed against a clearing member for each side of a transaction in a commodity futures trading unit traded on, cleared by or processed through the Exchange as the Board or Exchange staff may from time to time prescribe.

B. Clearing Fees

Member rates will apply in the following situations based on the membership division held (note: "membership division" is deemed to also include transactions in lower divisions.) Transactions executed in a higher division than the membership division held will receive non-member rates.

1. Transactions executed on the trading floor for an account owned by a member if executed in accordance with Exchange policy for member rates. Transactions executed on Globex for an account owned by a member will be based on the combined memberships of both the operator and account owner, in accordance with Exchange policy for member rates.
2. Transactions for accounts owned by persons holding memberships through CME Rule 106.C. or D. if executed in accordance with Exchange policy for member rates. The owner of the membership does not receive members' rates.
3. Transactions for the proprietary accounts of a clearing member and its subsidiaries, which are wholly owned, directly or indirectly. (See Non-Member Rates i. below.)
4. Transactions for accounts owned by general partners of the clearing member whether or not they are members.
5. Transactions for an account owned by a corporation or partnership which is wholly-owned by a member or members and which transactions are solely for their benefit if executed in accordance with Exchange policy for member rates and as noted in Member Rates 1. above.
6. Transactions for the proprietary accounts of firms holding membership pursuant to Rule 106.H., 106.N. or 106.R. subject to approval by Exchange staff. If an employee of such firm holds the membership either the member or the firm may receive member rates, but not both.
7. Transactions for the proprietary accounts owned by each related party in a chain of related parties which holds a membership pursuant to Rule 106.I. subject to approval by Exchange staff. A "related-party" shall be defined to include a clearing member or a firm that either: owns, directly or indirectly, 100% of a clearing member or has 100% ownership, direct or indirect, in common with a firm that owns, directly or indirectly,

100% of a clearing member.

8. Transactions for the proprietary accounts owned by each related hedge fund in a "family of funds" which holds membership pursuant to Rule 106S, subject to approval by Exchange staff.
9. Transactions for joint accounts owned by a member/parent, member/spouse or member/child or a member/Rule 106.H. firm or a member/related party which would receive member rates.
10. Transactions executed on the trading floor for an account jointly owned by members will be based on the combined memberships of all account owners, in accordance with Exchange policy for member rates. Transactions executed on Globex for an account jointly owned by members will be based on the combined memberships of both the operator and account owners, in accordance with Exchange policy for member rates. The type of membership held (equity, lessee, clearing member, Rule 106.H., 106.I., 106.N., 106.R. or 106.S.) will determine the rate received. For on-floor trading activity, trading discretion over an account constitutes a "de facto" joint account for clearing fee purposes between the executing member and the account owner with respect to the trading activity of the executing member. For off-floor trading activity, an account is presumed to be jointly owned (for clearing fee purposes) where an individual or entity has direct or indirect risk of loss with respect to a specific trading account or group of trading accounts.

"Lowest Common Denominator" (LCD) Rule" - To determine the rates charged for a joint account, the LCD rule is used. Rates are determined by the type of membership held by all of the owners and applying the rates corresponding to the lowest level of membership (highest rate).

Non-Member Rates will apply in the following circumstances:

- i. Transactions for accounts owned by persons not holding Exchange memberships. (This includes transactions for officers and employees of clearing member firms, who may be considered "house" accounts of the firm, but who are not members.)
- ii. Transactions for the account jointly owned by a member and one or more non-members, except as noted in member rate categories 4. or 9. above.
- iii. Transactions for an omnibus account, whether or not the account is held in the name of a member, unless there is clear evidence that all transactions in the omnibus are eligible for member rates.
- iv. Transactions for accounts owned by a corporation or partnership which is not 100% owned by a member or members and which does not fall into member Rate categories 4., 5. or 9. above.

#### **851. GIVE-UP CHARGES [RESERVED]<sup>1</sup>**

A clearing member that is responsible for executing an order ("executing firm") that is to be cleared by another clearing member ("clearing firm"), and the floor broker that executes the order, may each charge a fee for the services performed.

#### **852. FINES FOR ERRORS, DELAYS AND OMISSIONS<sup>2</sup>**

Exchange staff shall establish, and from time to time revise, schedules of fines to be imposed upon clearing members for errors, delays and omissions with respect to trade and position data and other required Clearing House memoranda. These fines are to be collected by the Clearing House.

#### **853. TRANSFERS OF TRADES<sup>3</sup>**

A. Subject to the approval of Exchange staff:

1. Existing trades may be transferred from the books of one clearing member to the books of another clearing member provided:
  - i. Two or more clearing members merge. In that event, a transfer fee in the amount of the regular clearance fee may be assessed against each clearing member.
  - ii. A clearing member resigns from the Clearing House. In that event, a transfer fee in the amount of the regular clearance fee may be assessed against each clearing member.
  - iii. A new member of the Clearing House has an interest in existing trades on another clearing member's books. The original clearing member shall not suffer any loss in commission to which he

<sup>1</sup> Revised March 1979. Amendments of March 1992 rescinded June 1992. Revised June 1992.

<sup>2</sup> Revised November 2000.

<sup>3</sup> Revised August 1994; November 2000. Please see "Treatment of Concurrent Long and Short Positions, with Special Reference to Hold-Open Accounts" in Interpretations and Special Notices at the end of this Chapter 8.

is entitled on the trades that were transferred. A transfer fee in the amount of twice the regular clearance fee may be assessed against the new clearing member

2. Exchange staff may, with the consent of the clearing member(s) and the customer(s), approve a transfer of existing trades either (1) on the books of the same clearing member, or (2) from the books of one clearing member to the books of another clearing member if the transfer is in connection with, or as a result of, a merger, asset purchase, consolidation or similar non-recurring transaction between two or more entities where one or more entities become the successor in interest to one or more other entities.<sup>1</sup>

3. Exchange staff may, with the consent of both clearing members, transfer existing trades on the books of one clearing member to the books of another clearing member if, in staffs' opinion, the situation so requires and such transfer in is to the best interests of the Exchange. In such cases, the customer may be charged with only one commission.<sup>2</sup>

A.B. Existing trades may be transferred on the books of a clearing member provided:

1. An error has been made in the assignment of a trade or trades, or
2. The change merely constitutes a transfer from one account title to another account when beneficial ownership in said accounts remains the same.

~~B.~~ Existing trades may be transferred from the books of one clearing member to the books of another clearing member provided:

- ~~1. Two or more clearing members merge. In that event, a transfer fee in the amount of the regular clearance fee may be assessed against each clearing member.~~
- ~~2. A clearing member resigns from the Clearing House. In that event, a transfer fee in the amount of the regular clearance fee may be assessed against each clearing member.~~
- ~~3. A new member of the Clearing House has an interest in existing trades on another clearing member's books. The original clearing member shall not suffer any loss in commission to which he is entitled on the trades that were transferred. A transfer fee in the amount of twice the regular clearance fee may be assessed against the new clearing member.~~

4.C. Existing trades may be transferred on the books of a clearing member provided A clerical error was made by two or more clearing members in the clearing of a trade and the clerical error is discovered and the transfer is completed, within "T + 2." (i.e. trade date plus the next two business days). The proper indicator must be included in the transfer trade and both the trade to reverse the error and the replacement trade must clear as transfers. In this event, and only in this event, the transfer may liquidate an open position on the books of the clearing member(s). A transfer fee may be assessed for these transfers.<sup>3</sup>

D.C. Existing trades on the books of one clearing member may be transferred to the books of another clearing member at the request of a customer. In such cases, the customer may be charged a commission by both clearing members.<sup>4</sup>

~~D.~~ Existing trades on the books of one clearing member may be transferred to the books of another clearing member when such transfer is an exchange of futures for cash commodities or the exchange of futures in connection with cash commodity transactions. The provisions of this paragraph shall not apply to options transactions.

~~E.~~ Exchange staff may, with the consent of the clearing member(s) and the customer(s), approved a transfer of existing trades either (1) on the books of the same clearing member, or (2) from the books of one clearing member to the books of another clearing member if the transfer is in connection with, or as a result of, a merger, asset purchase, consolidation or similar non-recurring transaction between two or more entities where one or more entities become the successor in interest to one or more other entities.<sup>5</sup>

~~F.~~ Exchange staff may, with the consent of both clearing members, transfer existing trades on the books of one clearing member to the books of another clearing member if, in his opinion, the situation so requires and such transfer is to the best interests of the Exchange. In such cases, the customer may be charged with only one commission.<sup>6</sup>

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<sup>1</sup> Adopted September 1998; Revised November 2000.

<sup>2</sup> Revised November 2000.

<sup>3</sup> Adopted June 1990. Revised October 1991.

<sup>4</sup> Revised March 1979.

<sup>5</sup> Adopted September 1998; Revised November 2000.

<sup>6</sup> Revised November 2000.

GE. All transactions above shall be reported to the Clearing House in a form acceptable to the Exchange for the type of transactions involved. The clearing members involved shall maintain a full and complete record of all transactions together with all pertinent memoranda.

#### **854. [RESERVED] TREATMENT OF CONCURRENT LONG AND SHORT POSITIONS**

Set forth below are the procedures that must be followed for concurrent long and short positions and hold open accounts.

1. Unless concurrent long and short positions in the same commodity and month are held: i) on behalf of a domestic or foreign omnibus account; or ii) in accordance with CFTC Regulation 1.46, a single clearing member shall not carry such positions for: a) a single account; or b) accounts under common control and ownership. It is the duty of the clearing member to ascertain that such positions are permitted to be concurrently long and short.
2. If a single clearing member carries both speculative and hedge positions, they shall not be held in the same account, a separate hedge account must be so designated. Clearing members must obtain evidence ascertaining the validity of positions classified as bona fide hedges.
3. Concurrent long and short positions may not be offset by netting, transfer, adjustment, or any other bookkeeping procedures, but each side must be offset by normal transactions or in accordance with CME Rules 538 or 719 (cash for futures).
4. Clearing members who, pursuant to the rule, carry concurrent long and short positions, must report to the Exchange both sides as open positions. When either side, or both sides are reduced through transactions in the pit or in accordance with Rules 538 or 719, the open positions as reported to the Exchange must be reduced accordingly.
5. The Exchange takes no position regarding the internal bookkeeping procedures of its clearing members who, for the convenience of a customer, may "hold open" a position on its books. However, following an offsetting transaction on the Exchange, regardless of what is indicated on the clearing member's internal records, the Exchange Clearing House must be notified that the offset has occurred. Following this offset, the date represented by the long position is no longer available for delivery purposes. This procedure should eliminate the need for adjustments to be made during the final days of trading.
6. Although CME Rule 853 allows for existing trades to be transferred to the books of another clearing member at the request of a customer, it is considered to be a violation of Exchange Rules to knowingly allow such a transfer when it would result in concurrent speculative long and short positions not allowed by this rule. The positions which would create the concurrent long and short situation may not be so transferred, but must remain with the original clearing member, be transferred elsewhere, or liquidated by normal transactions or in accordance with CME Rule 538 or 719.

#### **855. OFFSETTING E-MINI AND REGULAR FUTURES POSITIONS**<sup>1</sup>

- A. With the consent of the account controller, a clearing member may offset and liquidate long E-Mini futures positions against short regular futures positions, or short E-Mini futures positions against long regular futures positions, held in the same account in the following ratios of E-Mini to regular futures contracts:

|  |     |
|--|-----|
| E-Mini S&P 500 to regular S&P 500:                   | 5:1 |
| E-Mini Nasdaq 100 Index to regular Nasdaq 100 Index: | 5:1 |
| E-Mini S&P Midcap 400 to regular S&P Midcap 400      | 5:1 |
| E-Mini Russell 2000 to regular Russell 2000          | 5:1 |
| E-Mini Currency to regular Currency:                 | 2:1 |

The clearing member shall notify the Clearing House of offsetting positions by submitting reports to the Clearing House in such form and manner as the Clearing House shall specify. The positions shall be offset at the previous day's settlement price.<sup>2</sup>

- B. The positions being offset shall be transferred to a CME holding account. Long and short positions in the same contract and contract month held in the holding account shall be netted, thus reducing the number of open positions in such contract.

(End Chapter 8)

<sup>1</sup> Effective September 1997. Revised May 2000; November 2001; October 2004.

<sup>2</sup> Revised September 1999; May 2000.

## **INTERPRETATIONS & SPECIAL NOTICES RELATING TO CHAPTER 8**

### **TREATMENT OF CONCURRENT LONG AND SHORT POSITIONS, WITH SPECIAL REFERENCE TO HOLD-OPEN ACCOUNTS**

(Special Executive Report, S-580, April 17, 1979, amended February, 1993, Revised November 2000)

Please be aware of the treatment given the following situations. Strict compliance with all Exchange rules and CFTC Regulations in these instances is essential to avoid mis-statement of the open interest and penalties imposed by the Clearing House Risk Committee or Exchange staff.

1. ~~Unless concurrent long and short positions in the same commodity and month are held: i) on behalf of a domestic or foreign omnibus account; or ii) in accordance with CFTC Regulation 1.46, a single clearing member shall not carry such positions for: a) a single account; or b) accounts under common control and ownership. It is the duty of the clearing member to ascertain that such positions are permitted to be concurrently long and short.~~
2. ~~If a single clearing member carries both speculative and hedge positions, they shall not be held in the same account, a separate hedge account must be so designated. Clearing members must obtain evidence ascertaining the validity of positions classified as bona fide hedges.~~
3. ~~Concurrent long and short positions may not be offset by netting, transfer, adjustment, or any other bookkeeping procedures, but each side must be offset by normal floor transactions or in accordance with CME Rules 538 or 719 (cash for futures).~~
4. ~~Clearing members who, pursuant to the rule, carry concurrent long and short positions, must report to the Exchange both sides as open positions. When either side, or both sides are reduced through transactions in the pit or in accordance with Rules 538 or 719, the open positions as reported to the Exchange must be reduced accordingly.~~
5. ~~The Exchange takes no position regarding the internal bookkeeping procedures of its clearing members who, for the convenience of a customer, may "hold-open" a position on its books. However, following an offsetting transaction on the Exchange, regardless of what is indicated on the clearing member's internal records, the Exchange Clearing House must be notified that the offset has occurred. Following this offset, the date represented by the long position is no longer available for delivery purposes. This procedure should eliminate the need for adjustments to be made during the final days of trading.~~
6. ~~Although CME Rule 853 allows for existing trades to be transferred to the books of another clearing member at the request of a customer, it is considered to be a violation of Exchange Rules to knowingly allow such a transfer when it would result in concurrent speculative long and short positions not allowed by this rule. The positions which would create the concurrent long and short situation may not be so transferred, but must remain with the original clearing member, be transferred elsewhere, or liquidated by normal floor transactions or in accordance with CME Rule 538 or 719, (cash or futures).~~

### **OPTION EXPIRATION CLEARING FEE CHARGES**

(Special Executive Report S-1310, December 23, 1983)

Effective January 3, 1984, there will be no clearing fee charge for the expiration of option contracts.

### **CLEARING FEE POLICY AND RULE 106.I.**

(Special Executive Report S-1582, December 23, 1985; Amended May 1990; June 1990; November 1995; May 2003)

During its review of the Clearance Fee Policy, the Board of Directors (1) reaffirmed the current policy regarding the application of the Clearance Fee Policy to members and non-members; and (2) adopted new Rule 106.I., which will be available for "100% owned" related parties of a clearing member for the purpose of receiving equity member rates for proprietary accounts only.

The current clearing fee policy is reprinted below.

## **CLEARINGANCE FEE POLICY<sup>1</sup>**

### **Member Rates:**

NOTE: Although equity and lessee members, clearing members, and firms owning membership pursuant to Rules 106.H., 106.I., or 106.N. are charged a reduced clearing fee for their proprietary transactions, the Board of Directors has determined that the fee for lessee members, 106.H., and 106.N. firms should be higher than the fee for equity members, clearing members and Rule 106.I. firms. The following policies will apply based on the membership held:

- A. Transactions executed on the trading floor for the account owned by a member, but only for products in his or her membership division and if executed in accordance with Exchange policy for member rates. Transactions executed on GLOBEX for the account owned by a member but only for products in his or her membership division will be based on the combined memberships of both the operator and account owner, in accordance with Exchange policy for member rates. Transactions executed outside of the membership division will receive non-member rates.
  - B. Transactions for the accounts owned by persons holding memberships through CME Rule 106.C. or D if executed in accordance with Exchange policy for member rates. The owner of the membership does not receive members' rates.
  - C. Transactions for the accounts owned by the clearing member and its subsidiaries, which are wholly owned, directly or indirectly. (See Non Member Rates A. below.)
  - D. Transactions for the accounts owned by general partners of the clearing member whether or not they are members.
  - E. Transactions for the account owned by a corporation or partnership which is wholly owned by a member or members and which transactions are solely for their benefit if executed in accordance with Exchange policy for member rates and as noted in Member Rates A. above.
  - F. Transactions for the proprietary account of a non-member firm whose employee holds a membership pursuant to CME Rule 106.H, subject to approval by Exchange staff. Either the member or the firm may receive member rates, but not both.
  - G. Transactions for the accounts owned by each related party in a chain of related parties, provided that an employee of one such related party, which may or may not be a clearing member, holds a membership pursuant to Rule 106.I. and such related party, directly or indirectly, owns either: 1) all of the related parties in the chain, or 2) is itself 100% owned by a single entity that owns, directly or indirectly, 100% of such related party. The initial purchase and any subsequent transfers pursuant to this rule are subject to approval by Exchange staff.
  - H. Transactions for the proprietary accounts of a GEM Institutional Access firm whose employee holds a membership pursuant to Rule 106.N subject to approval by Exchange staff. Either the member or the firm may receive member rates, but not both, for transactions in GEM Division products only.
  - I. Transactions executed on the trading floor for the account jointly owned by members but only for products in their membership divisions will be based on the combined memberships of all account owners, in accordance with Exchange policy for member rates. Transactions executed on GLOBEX for the account jointly owned by members but only for products in their membership divisions will be based on the combined memberships of both the operator and account owners, in accordance with Exchange policy for member rates. The type of membership held (equity, lessee, clearing member, Rule 106.H, I, or N) will determine the rate received. In addition, transactions executed outside of the membership division will receive non-member rates.
- For on floor trading activity, trading discretion over an account constitutes a "de facto" joint account for clearing fee purposes between the executing member and the account owner with respect to the trading activity of the executing member. For off floor trading activity, an account is presumed to be jointly owned (for clearing fee purposes) where an individual or entity has direct or indirect risk of loss with

<sup>1</sup> Revised November 2000; November 2001; August 2002; May 2003; July 2003.



respect to a specific trading account or group of trading accounts.

~~—"Lowest Common Denominator" (LCD) Rule"—To determine the rates charged for a joint account, the LCD rule is used. Rates are determined by the type of membership held by all of the owners and applying the rates corresponding to the lowest level of membership (highest rate).~~

~~Non-Member Rates will apply in the following circumstances:~~

- ~~A. Transactions for the accounts owned by persons not holding Exchange memberships. (This includes transactions by officers and employees of clearing member firms, who may be considered "house" accounts of the firm, but who are not members.)~~
- ~~B. Transactions for the account jointly owned by a member and one or more non-members (excluding a member/parent, member/spouse or member/child joint account, or a member/Rule 106.H. firm or a member/related party joint account, which would receive member rates).<sup>1</sup>~~
- ~~C. Transactions for an omnibus account, whether or not the account is held in the name of a member. (Only trades of a member, Rule 106.H. firm or related party not the entire account may receive member rates.)~~
- ~~D. Transactions for accounts owned by a corporation or partnership which is not 100% owned by a member or members and which does not fall into member Rate categories C., E., F., or G. above.~~

#### **INTERPRETATION TO RULE 802 FOR SPECIAL CLEARING MEMBER, MEFF<sup>2</sup>**

~~Pursuant to a special clearing arrangement between the CME and MEFF Sociedad Holding de Productos Financieros Derivados de Renta Variable ("MEFF"), MEFF has been designated as a Special Clearing Member of the CME.~~

~~In the event that an assessment is made by the CME pursuant to Rule 802, MEFF, as a Special Clearing Member, will be assessed pursuant to the procedure set forth below only for losses arising from CME cleared products that are traded at MEFF. Such products will be termed "MEFF Eligible Products." MEFF Eligible Products include the S&P Euro Index, S&P Europe 350 Index, and the following S&P Europe 350 Sector Indices: a) Information Technology, b) Telecommunications, and c) Financials, and all products mutually agreed upon in the future by the parties.~~

- ~~1) In the event of a clearing member default, the profit or loss arising from MEFF Eligible Products shall be construed as the profit or loss arising from the liquidation of MEFF Eligible Products, plus an allocation of the liquidation of collateral on deposit supporting the liquidated positions plus credit for any intercommodity spread credits applicable to the MEFF Eligible Product side of non-MEFF Eligible Products to MEFF Eligible Product spreads. The allocation of the proceeds from liquidated collateral will be pro-rated based on the portion of the total risk of the entire liquidated portfolio including non-MEFF Eligible Products, which is contributed by the MEFF Eligible Products.~~
- ~~2) If the profit or loss calculation in 1) above results in a loss, MEFF will be assessed as follows:
  - ~~i. 50% of such loss shall be assessed in proportion of MEFF's share of the total number of contracts in MEFF Eligible Products, cleared during the six month period next preceding the day the loss was declared by the Clearing House.~~
  - ~~ii. 50% of such loss shall be assessed in proportion to MEFF's share of the total open commitment in MEFF Eligible Products, as of the close of the tenth business day next preceding the day the loss was declared by the Clearing House.~~~~
- ~~3) If there are any unmet assessments under CME Rule 802, in each subsequent assessment round, MEFF's assessment calculated in 2) above will be proportionally adjusted by the unmet proportion of the preceding round.~~

<sup>1</sup> Revised June 1997.

<sup>2</sup> Adopted May 2001.

**INTERPRETATION OF RULE 821 REGARDING USE OF LETTERS OF CREDIT BY BANKS<sup>1</sup>**

(Special Executive Report S-1699, October 1986. Amended June 1992, June 1995, April 1996)

~~Rule 821 provides that the Clearing House will accept as performance bond bank issued letters of credit. The Exchange's policy is that a clearing member is not allowed to post with the Clearing House a letter of credit issued by itself or any of its affiliates.~~

**INTERPRETATION OF RULE 813  
ADDITIONAL DAILY SETTLEMENT PRICE PROCEDURES FOR CURRENCY FUTURES  
CONTRACTS<sup>2</sup> [VIC - Do we need this?]**

(Adopted January 2002)

~~In applying the provisions of CME Rule 813 - SETTLEMENT PRICE, if there is not a liquid market on the close for any CME currency or currency cross rate futures contracts, CME staff may reference current GLOBEX® trading, contact cash market participants and/or use foreign exchange market quotation services for input to determine daily settlement prices.~~

~~Please note that CME staff will use the best information that is available at the time of determination of the settlement prices. CME staff will ask all market participants present in the respective trading pits for their input in determining settlement prices. If cash market quotations are used as the basis for determining settlement prices, then the midpoint of the cash market bid and ask rates will be used. It is the intention of CME staff, when setting settlement prices for these less liquid contract months, not to violate any customer order that is received for execution in the trading pit prior to the close of Regular Trading Hours. The procedures described in this Interpretation are not intended to override those specified in CME Rule 813. These are simply additional procedures that may be utilized by CME staff in determining settlement prices pursuant to Rule 813 for less liquid foreign exchange product contract months.~~

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**DEFINITIONS**

[Unless the context otherwise requires, the following words and expressions shall be defined as follows and in conjunction with interpretations which may be found following each chapter.]

(No change to previous Definitions)

**PARTICIPATING EXCHANGE**

An exchange or a clearing house that has entered into a business relationship with the Exchange for clearing, order routing or any other business purpose.

(No further changes to Definitions)

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**872. DEFINITIONS**

(No changes to A-B)

**872.C. Participating Exchange [Reserved].<sup>3</sup>**

~~An exchange that is a party to the Mutual Offset System. (Chicago Mercantile Exchange Inc. and the Singapore Exchange Derivatives Trading Limited are parties to the Mutual Offset System.)~~

(No changes to remainder of rule)

<sup>1</sup> Revised June 1995.

<sup>2</sup> Revised May 2004.

<sup>3</sup> Revised November 2000.