

Part 23 Rules for Market transitions

Rule 2301 Introduction

- (a) These Market Transition Rules deal with certain matters occurring at and around each and any Transition Time. These Market Transition Rules form part of the Rules and are intended to be interpreted together with the Rules. All terms used but not defined in these Market Transition Rules have the meaning given to them elsewhere in the Rules. In the event of any conflict between any other section of the Rules and these Market Transition Rules in relation to any matter to which these Market Transition Rules relate, these Market Transition Rules shall prevail.

Rule 2302 Additional Definitions

- (a) The term "**Exiting Market**" means a Market which will cease to offer trading in the Transitioning Contracts at the Transition Time.
- (b) The term "**Market Transition Rules**" means the rules in this Part 23.
- (c) The term "**Receiving Market**" means a Market which will offer trading in the Transitioning Contracts as from the Transition Time.
- (d) The term "**Transitioning Contracts**" means, with respect to a Transition Time, such F&O Contracts, as are identified by the Exiting Market and Receiving Market by notice in writing to the Clearing House the trading of which is proposed to be transitioned from the Exiting Market to the Receiving Market with the consent of the Clearing House, as may be specified by the Clearing House from time to time by Circular following receipt of such notice.
- (e) The term "**Transition Time**" means a transition time designated by the Clearing House in a Circular with respect to one or more Transitioning Contracts.

Rule 2303 Exchange Transition

At each relevant Transition Time, the trading of the related Transitioning Contracts will transfer from the Exiting Market to the Receiving Market, as identified in the relevant Circular.

Rule 2304 Redesignation of Transitioning Contracts

- (a) With effect from each Transition Time, open Transitioning Contracts shall be automatically redesignated, without need for any further step or notices, such that they become Contracts made under the Market Rules of the Receiving Market and are no longer Contracts made under the Market Rules of the Exiting Market, for the purposes of the Rules. Any such redesignated Contract shall remain in full force and effect as between the relevant Clearing Member and the Clearing House. The Contract Terms of affected Transitioning Contracts shall be amended and restated automatically at the Transition Time accordingly.

- (b) With effect from the Transition Time, and without limiting Rule 2304(a), if the Receiving Market is a U.S. designated contract market and the Exiting Market is a non-U.S. Market that is not a U.S. designated contract market: (i) open Transitioning Contracts registered in the Non-DCM/Swap Customer Account of an FCM/BD Clearing Member shall be transferred, without need for any further step or notices, to the DCM Customer Account of such FCM/BD Clearing Member; and (ii) FCM/BD Customer Collateral constituting FCM/BD Other Transaction Collateral in respect of such open Transitioning Contracts shall be transferred to and held by the Clearing House in the Clearing House DCM Segregated Account as FCM/BD U.S. Futures Customer Collateral under the Rules, without need for any further step or notices.