

## EXHIBIT E

### MARKET REGULATION ADVISORY NOTICE

Exchange	CME, CBOT, NYMEX & COMEX
Subject	Pre-Execution Communications
Rule References	Rule 539
Advisory Date	December 5, 2017
Advisory Number	CME Group RA1718-5
Effective Dates	January 8, 2018

Effective on trade date January 8, 2018, and pending all relevant CFTC regulatory review periods, this Market Regulation Advisory Notice will supersede CME Group Market Regulation Advisory Notice RA1717R-5 from November 16 24, 2017. Effective on January 8, 2018, CME and CBOT will adopt amendments to Rule 539.C. (“Pre-Execution Communications Regarding Globex Trades”) to enable:

- RFQ + RFC Cross (“R-Cross”) for all CME agricultural futures products;
- Pre-execution communications regarding Globex trades in **all** CBOT agricultural futures products via the Globex Cross (“G-Cross”) or R-Cross protocol during all times that the products are eligible for trading on CME Globex; and
- Pre-execution communications regarding Globex trades in **all** CBOT agricultural options products via the R-Cross protocol during all times that the products are eligible for trading on CME Globex.

A complete list of eligible products and associated crossing protocols may be found here:

<http://www.cmegroup.com/rulebook/files/rule-539-c-crossing-protocols.xlsx>

#### **1. General Overview of Pre-Execution Communications**

Pre-execution communications are defined as communications between market participants for the purpose of discerning interest in the execution of a transaction prior to the exposure of the order to the market. Any communication that involves discussion of the size, side of market or price of an order, or a potentially forthcoming order, constitutes a pre-execution communication.

Pre-execution communications are prohibited in connection with pit transactions executed on the trading floor, with the sole exception of CME options on S&P futures transactions executed in accordance with CME Rule 549 (“Large Order Execution Transactions – (“LOX Orders”)).

Pre-execution communications are permitted in all CME, CBOT, NYMEX and COMEX futures and options products and CBOT invoice swap spreads traded on Globex.

#### **2. General Requirements for Permissible Pre-Execution Communications on Globex**

Pre-execution communications may occur only when the party for whose benefit the trade is being executed has previously consented to such communications.

Parties who have been involved in an allowable pre-execution communication may not disclose the details of that communication to other parties, nor may a party place any order to take advantage of the information conveyed in such communications except to facilitate the trade in accordance with the rule.

All transactions arising from permitted pre-execution communications must be executed in accordance with the requirements set forth in Rule 539.C.

### **3. Pre-Execution Communications Crossing Protocols on Globex**

The permissible protocol(s) for a particular product are set forth in the [Table](#).

Market participants must ensure that the entry of orders into Globex which result from permissible pre-execution communications utilize a permitted cross protocol for the particular product. In many instances, more than one cross protocol may be available for a particular group of products.

The use of an ineligible cross protocol for a particular product or group of products constitutes a violation of Rule 539.C.

A description of the four cross protocols is set forth below:

#### **A. Globex Cross (“G-Cross”)**

In a G-Cross, the order of the party that initiated the pre-execution must be entered into Globex first. The second party’s order may not be entered into Globex until a period of 5 seconds has elapsed from the time of entry of the first order. No Request for Quote (“RFQ”) is required in a G-Cross.

The G-Cross protocol is available for all futures and swaps products for which pre-execution communications are permissible. The G Cross protocol may not be used for the entry of any options orders or any spreads or combinations that include an option.

#### **B. Agency Cross (“A-Cross”)**

In an A-Cross, a Cross Sequence (“CS”) is used by a broker to enter the buy and the sell orders into Globex. Following the pre-execution communication, an RFQ for the particular futures, options, swap, spread or combination must be entered into Globex. Thereafter, a CS, which is defined as the entry of a day-limit order followed immediately by the entry of a day-fill-and-kill order, must be entered into Globex as follows:

For all NYMEX and COMEX Products, the orders must be entered no less than five (5) seconds and no more than thirty (30) seconds after the entry of the RFQ in order to proceed with the trade; or,

For all CME FX futures and options products, the orders must be entered no less than fifteen (15) seconds and no more than thirty (30) seconds after the entry of the RFQ in order to proceed with the trade.

A-Cross functionality is currently supported solely on CME Direct. Information concerning registering for access to CME Direct may be accessed via the following link:

<http://www.cmegroup.com/trading/cme-direct/registration.html>

While A-Cross functionality on CME Direct allows the broker to populate the opposing buy and sell orders in a single ticket, those orders will result in two discrete Globex order entries, which will be handled to the particular algorithm applicable to the product.

The broker must select the non-initiating party as the ‘Aggressor’ on the order ticket, which results in the CS being populated with the initiating party’s order as a day limit order and the non-initiating party’s order as a day fill-and-kill order. Failure to enter the buy and sell orders within 30 seconds after the entry of the RFQ will require the entry of a new RFQ and CS in order to proceed with the trade.

The initiating order will immediately match against any orders in the order book on the opposite side of the market that are at a price better than or equal to the price on the initiating order, up to the full quantity on the initiating order. Any unmatched balance on the initiating order will be filled against the non-initiating counterparty, and any remaining unmatched balance on the non-initiating side will be immediately cancelled.

If the cross price improves the best bid and the offer in the order book, or if there is no bid or offer in the order book, the two orders on the CS will be filled in their entirety opposite one another, unless any new orders are entered at a price equal to or better than the intended cross price before CS reaches Globex. If a new order is entered at a price equal to or better than the intended cross price before the CS reaches Globex, either of the two orders intended to be crossed will first transact against existing orders in the order book.

#### C. Committed Cross (“C-Cross”)

In a C-Cross, subsequent to the pre-execution communication, a Request for Cross (“RFC”) order which contains both the buy and the sell orders must be entered into Globex. Upon entry of the RFC, Globex will display an indication that a cross has been committed to the market and will occur in five (5) seconds.

The matching algorithm for the C-Cross will depend on whether the group of products is eligible for a better price match (“BPM”). See the Table for information on products eligible for a BPM allocation and the specific match percentage applicable to those products.

##### 1. Matching Algorithm for C-Cross with BPM:

If the price of the RFC represents a new best price level (both a bid price higher than the current bid and an offer price lower than the current offer) at the time of submission of the RFC to Globex, **and**, during the five (5) second period between the entry of the RFC and the cross occurring, a better price for either the buy or sell order has not been entered into Globex, a certain percentage of the quantity (“BPM allocation”) on the RFC will cross at the RFC price. After the initial BPM allocation, the remainder of the RFC will match as set forth in #2 below.

If the event the RFC price does not meet both of the requirements set forth above, the entirety of the cross will match as set forth in Section B.

##### 2. Matching Algorithm for C-Cross without BPM:

If the RFC price improves both the best bid and best offer (or if there is no bid/offer) in the order book after the five (5) seconds following submission of the RFC, 100% of the RFC quantity will match at the RFC price.

If the RFC price matches or is outside the best bid or offer in the market after the five (5) seconds following submission of the RFC, the applicable side of the RFC order will match against the orders in the book at a price better than or equal to the RFC price. Immediately thereafter, 100% of the smaller quantity remaining on one side of the RFC will match against the order on the opposite side of the RFC at the RFC price. Any unmatched balance on one side of the RFC will remain in the order book unless it is cancelled by the user.

C-Cross is currently available in all CME FX options and in all CME and CBOT Interest Rate and Equity Index options.

C-Cross functionality is supported on CME Direct, and may be supported by other Independent Software Vendors (“ISVs”).

#### D. RFQ + RFC Cross (“R-Cross”)

In an R-Cross, subsequent to the pre-execution communication, an RFQ for the particular option or spread or combination involving an option must be entered into Globex. Thereafter, the RFC order must be entered no less than fifteen (15) seconds and no more than thirty (30) seconds after the entry of the RFQ in order to proceed with the trade. Effective on January 8, 2018, in CME and CBOT agricultural futures and options, the RFC order must be entered no less than five (5) seconds and no more than thirty (30) seconds after the entry of the RFQ in order to proceed with the trade. The RFQ and the RFC order must be entered within the same trading session. Failure to enter the RFC order within 30 seconds after the entry of the RFQ will require a new RFQ to be entered prior to the entry of the RFC order, which must be entered in accordance with the time parameters described above in order to proceed with the trade.

Neither the price nor the quantity of the orders on the RFC is displayed to the marketplace. Additionally, there is no information on the participant-entered RFQ which identifies that an RFC is forthcoming. A participant-entered RFQ in connection with an R-Cross is indistinguishable from a generic RFQ sent to Globex.

Numerous ISVs support the R-Cross. For market participants using CME Direct, functionality built into the application will prevent the entry of the RFC outside of the prescribed time requirements. This functionality is intended to facilitate compliance with the relevant entry time requirements.

The matching algorithm for R-Cross is as follows:

1. If the RFC price improves both the best bid and best offer in the order book or if there is no bid/offer in the order book, 100% of the RFC quantity will match at the RFC price immediately upon submission of the RFC.
2. If the RFC price matches or is outside the best bid or offer in the market, the applicable side of the RFC order will immediately match against the orders in the book at a price better than or equal to the RFC price. Immediately thereafter, 100% of the smaller quantity remaining on one side of the RFC will match against the order on the opposite side of the RFC at the RFC price. Any unmatched balance on one side of the RFC will remain in the order book unless it is cancelled by the user.

R-Cross is currently available for CME Agricultural options, Commodity Index options, Real Estate options and Weather options; CBOT Grain and Oilseed options (during the time period set forth in Section 1); and in all NYMEX and COMEX options. Effective January 8, 2018, R-Cross will also be eligible for all CME Agricultural futures and all CBOT agricultural futures and options at all times that the products are eligible for trading on Globex.

Additional information on the crossing protocols is available via the following link:

<https://www.cmegroup.com/confluence/display/EPICSANDBOX/Cross+on+CME+Globex>

#### **4. Rule 539.C. Crossing Protocols Table**

A complete list of eligible products and associated crossing protocols may be found here:

<http://www.cmegroup.com/rulebook/files/Rule-539-C-Crossing-Protocols.xlsx>

Questions regarding this advisory may be directed to one of the following individuals in the Market Regulation Department:

Erin Middleton, Lead Rules & Regulatory Outreach Specialist, 312.341.3286

Jennifer Dendrinis, Director, Investigations, 312.341.7812

Colin Garvey, Manager, Investigations, 312.435.3656

Kathryn Pike, Senior Investigator, Investigations, 312.341.3028  
Robert Sniegowski, Executive Director, Rules & Regulatory Outreach, 312.341.5991  
Shawn Tan, Senior Rules & Regulatory Outreach Specialist, +65 6593 5580  
Daniel Stephens, Senior Rules & Regulatory Outreach Specialist, +44 20 3379 3304

For media inquiries concerning this Advisory Notice, please contact CME Group Corporate Communications at 312.930.3434 or [news@cmegroup.com](mailto:news@cmegroup.com).

## **CME Rule 539**

### **PREARRANGED, PRE-NEGOTIATED AND NONCOMPETITIVE TRADES PROHIBITED**

#### **539.A. General Prohibition**

No person shall prearrange or pre-negotiate any purchase or sale or noncompetitively execute any transaction, except in accordance with Sections B. and C. below.

#### **539.B. Exceptions**

The foregoing restriction shall not apply to block trades pursuant to Rule 526, Exchange for Related Positions transactions pursuant to Rule 538 or LOX Orders pursuant to Rule 549.

#### **539.C. Pre-Execution Communications Regarding Globex Trades**

Parties may engage in pre-execution communications with regard to transactions executed on the Globex platform where one party (the first party) wishes to be assured that a contra party (the second party) will take the opposite side of the order under the following circumstances:

1. A party may not engage in pre-execution communications with other market participants on behalf of another party unless the party for whose benefit the trade is being made has previously consented to permit such communications.
2. Parties to pre-execution communications shall not (i) disclose to a non-party the details of such communications or (ii) enter an order to take advantage of information conveyed during such communications except in accordance with this rule.
3. Permissible Entry Methods for Orders

The following order entry methods for futures, options, spreads and combinations vary by product, as set forth in the Rule 539.C. Crossing Protocols Table ("Table") in the Interpretations Section at the end of Chapter 5.

a. Globex Cross ("G-Cross")

The first party's order is entered into the Globex platform first. The second party's order may not be entered into the Globex platform until a period of 5 seconds has elapsed from the time of entry of the first order.

b. Agency Cross ("A-Cross")

A Cross Sequence ("CS") is used by a broker to enter the buy and the sell orders into Globex. Following the pre-execution communication, a Request for Quote ("RFQ") for the particular futures, options, spread or combination is entered into the Globex platform. Thereafter, a Cross Sequence, which is defined as the entry of a day-limit order followed immediately by the entry of a day-fill-and-kill order, must be entered into the Globex platform no less than fifteen (15) seconds and no more than thirty (30) seconds after the entry of the RFQ in order to proceed with the trade. The first party's order must be entered first, as a day-limit order, followed immediately by the entry of the second order as a day-fill-and-kill order. The CS must occur within the same trading session. Failure to enter the buy and sell orders within 30 seconds after the entry of the RFQ will require a new CS to be initiated in order to proceed with the trade.

c. Committed Cross ("C-Cross")

Following the pre-execution communication, a Request for Cross ("RFC") order which contains both the buy and the sell orders must be entered into the Globex platform. Upon entry of the RFC, the Globex platform will display an indication that a cross will occur in five (5) seconds. In certain products as set forth in the Table in the Interpretations Section at the end of Chapter 5, a certain percentage of the quantity on the RFC will cross if the price of the RFC represents a new best price level at the time of submission of the RFC to the Globex platform and a better price for either the buy or sell order has not been entered into the Globex platform during the five (5) second period between entry of the RFC and the cross occurring.

d. RFQ + RFC Cross ("R-Cross")

Following the pre-execution communication, a Request for Quote (“RFQ”) for the particular futures, options spread or combination must be entered into Globex. Thereafter, the RFC order must be entered no less than fifteen (15) seconds and no more than thirty (30) seconds after the entry of the RFQ in order to proceed with the trade, except the RFC order in Agricultural futures and options must be entered no less than five (5) seconds and no more than thirty (30) seconds after the entry of the RFQ. The RFQ and the RFC order must be entered within the same trading session. Failure to enter the RFC order within 30 seconds after the entry of the RFQ will require a new RFQ to be entered prior to the entry of the RFC order, which must be entered in accordance with the time parameters described above in order to proceed with the trade.

## **CBOT Rule 539**

### **PREARRANGED, PRE-NEGOTIATED AND NONCOMPETITIVE TRADES PROHIBITED**

#### **539.A. General Prohibition**

No person shall prearrange or pre-negotiate any purchase or sale or noncompetitively execute any transaction, except in accordance with Sections B. and C. below.

#### **539.B. Exceptions**

The foregoing restrictions shall not apply to block trades pursuant to Rule 526 or Exchange for Related Positions transactions pursuant to Rule 538.

#### **539.C. Pre-Execution Communications Regarding Globex Trades**

Parties may engage in pre-execution communications with regard to transactions executed on the Globex platform where one party (the first party) wishes to be assured that a contra party (the second party) will take the opposite side of the order under the following circumstances:

1. A party may not engage in pre-execution communications with other market participants on behalf of another party unless the party for whose benefit the trade is being made has previously consented to permit such communications.
2. Parties to pre-execution communications shall not (i) disclose to a non-party the details of such communications or (ii) enter an order to take advantage of information conveyed during such communications except in accordance with this rule.
3. Permissible Entry Methods for Orders

The following order entry methods for futures, options, swaps, spreads and combinations vary by product, as set forth in the Rule 539.C. Crossing Protocols Table (“Table”) in the Interpretations Section at the end of Chapter 5.

a. Globex Cross (“G-Cross”)

The first party’s order is entered into the Globex platform first. The second party’s order may not be entered into the Globex platform until a period of 5 seconds has elapsed from the time of entry of the first order.

b. Agency Cross (“A-Cross”)

A Cross Sequence (“CS”) is used by a broker to enter the buy and the sell orders into Globex. Following the pre-execution communication, a Request for Quote (“RFQ”) for the particular futures, options, spread or combination is entered into the Globex platform. Thereafter, a Cross Sequence, which is defined as the entry of a day-limit order followed immediately by the entry of a day-fill-and-kill order, must be entered into the Globex platform no less than fifteen (15) seconds and no more than thirty (30) seconds after the entry of the RFQ in order to proceed with the trade. The first party’s order must be entered first as a day-limit order, followed immediately by the entry of the second order as a day-fill-and-kill order. The CS must occur within the same trading session. Failure to enter the buy and sell orders within 30 seconds after the entry of the RFQ will require a new CS to be initiated in order to proceed with the trade.

c. Committed Cross (“C-Cross”)

Following the pre-execution communication, a Request for Cross (“RFC”) order which contains both the buy and the sell orders must be entered into the Globex platform. Upon entry of the RFC, the Globex platform will display an indication that a cross will occur in five (5) seconds. In certain products as set forth in the Table in the Interpretations Section at the end of Chapter 5, a certain percentage of the quantity on the RFC will cross if the price of the RFC represents a new best price level at the time of submission of the RFC to the Globex platform and a better price for either the buy or sell order has not been entered into the Globex platform during the five (5) second period between entry of the RFC and the cross occurring.

d. RFQ + RFC Cross (“R-Cross”)

Following the pre-execution communication, a Request for Quote (“RFQ”) for the particular futures, options spread or combination must be entered into Globex. Thereafter, the RFC order must be entered no less than

fifteen (15) and no more than thirty (30) seconds after the RFQ in order to proceed with the trade, except the RFC order in Agricultural futures and options must be entered no less than five (5) seconds and no more than thirty (30) seconds after the entry of the RFQ. The RFQ and the RFC order must be entered within the same trading session. Failure to enter the RFC order within 30 seconds after the entry of the RFQ will require a new RFQ to be entered prior to the entry of the RFC order, which must be entered in accordance with the time parameters described above in order to proceed with the trade.

## **NYMEX and COMEX Rule 539**

### **PREARRANGED, PRE-NEGOTIATED AND NONCOMPETITIVE TRADES PROHIBITED**

#### **539.A. General Prohibition**

No person shall prearrange or pre-negotiate any purchase or sale or noncompetitively execute any transaction, except in accordance with Sections B. and C. below.

#### **539.B. Exceptions**

The foregoing restriction shall not apply to block trades pursuant to Rule 526 or Exchange for Related Positions transactions pursuant to Rule 538.

#### **539.C. Pre-Execution Communications Regarding Globex Trades**

Parties may engage in pre-execution communications with regard to transactions executed on the Globex platform where one party (the first party) wishes to be assured that a contra party (the second party) will take the opposite side of the order under the following circumstances:

1. A party may not engage in pre-execution communications with other market participants on behalf of another party unless the party for whose benefit the trade is being made has previously consented to permit such communications.
2. Parties to pre-execution communications shall not (i) disclose to a non-party the details of such communications or (ii) enter an order to take advantage of information conveyed during such communications except in accordance with this rule.
3. Permissible Entry Methods for Orders

The following order entry methods for futures, options, spreads and combinations vary by product, as set forth in the Rule 539.C. Crossing Protocols Table ("Table") in the Interpretations Section at the end of Chapter 5.

a. Globex Cross ("G-Cross")

The first party's order is entered into the Globex platform first. The second party's order may not be entered into the Globex platform until a period of 5 seconds has elapsed from the time of entry of the first order.

b. Agency Cross ("A-Cross")

A Cross Sequence ("CS") is used by a broker to enter the buy and the sell orders into Globex. Following the pre-execution communication, a Request for Quote ("RFQ") for the particular futures, options, spread or combination is entered into the Globex platform. Thereafter, a Cross Sequence, which is defined as the entry of a day-limit order followed immediately by the entry of a day-fill-and-kill order, must be entered into the Globex platform no less than five (5) seconds and no more than thirty (30) seconds after the entry of the RFQ in order to proceed with the trade. The first party's order must be entered first as a day-limit order, followed immediately by the entry of the second order as a day-fill-and-kill order. The CS must occur within the same trading session. Failure to enter the buy and sell orders within 30 seconds after the entry of the RFQ will require a new CS to be initiated in order to proceed with the trade.

c. Committed Cross ("C-Cross")

Following the pre-execution communication, a Request for Cross ("RFC") order which contains both the buy and the sell orders must be entered into the Globex platform. Upon entry of the RFC, the Globex platform will display an indication that a cross will occur in five (5) seconds. In certain products as set forth in the Table in the Interpretations Section at the end of Chapter 5, a certain percentage of the quantity on the RFC will cross if the price of the RFC represents a new best price level at the time of submission of the RFC to the Globex platform and a better price for either the buy or sell order has not been entered into the Globex platform during the five (5) second period between entry of the RFC and the cross occurring.

d. RFQ + RFC Cross ("R-Cross")

Following the pre-execution communication, a Request for Quote ("RFQ") for the particular option or option spread or combination must be entered into Globex. Thereafter, the RFC order must be entered no less than fifteen (15) seconds and no more than thirty (30) seconds after the entry of the RFQ in order to proceed with the trade. The RFQ and the RFC order must be entered within the same trading session. Failure to enter the RFC order within 30 seconds after the entry of the RFQ will require a new RFQ to be entered prior to the entry

of the RFC order, which must be entered in accordance with the time parameters described above in order to proceed with the trade.

# MARKET REGULATION ADVISORY NOTICE

---

<b>Exchange</b>	<b>CME, CBOT, NYMEX &amp; COMEX</b>
<b>Subject</b>	<b>Block Trades</b>
<b>Rule References</b>	<b>Rule 526</b>
<b>Advisory Date</b>	<b>December 5, 2017</b>
<b>Advisory Number</b>	<b>CME Group RA1719-5</b>
<b>Effective Date</b>	<b>January 8, 2018</b>

Effective on trade date January 8, 2018, and pending all relevant regulatory review periods, this Market Regulation Advisory Notice will supersede CME Group Market Regulation Advisory Notice RA1709-5 from July 31, 2017. Effective on January 8, 2018, CME and CBOT will begin to permit block trading in all Agricultural futures and options products. As a result, Section 6 of this Advisory Notice has been updated to set forth the conventions that will apply to meeting the block trade minimum threshold for spreads and combinations in CME and CBOT Agricultural futures and options.

Additional information on the upcoming changes, including the block trade minimum thresholds for all CME and CBOT Agricultural futures and options products, is available on the CME Group website via the following link:

<http://www.cmegroup.com/trading/agricultural/relationship-based-trading-in-agricultural-products.html>

This Advisory Notice contains the following Sections:

1. [Definition](#)
2. [Participation](#)
3. [Different Accounts with Common Beneficial Ownership](#)
4. [Eligible Products](#)
5. [Time and Prices](#)
6. [Minimum Quantities](#)
7. [Block Trade Submission](#)
8. [Recordkeeping](#)
9. [Error Remediation](#)
10. [Dissemination of Block Trade Information](#)
11. [Use of Nonpublic Information](#)
12. [TAS & TAM Block Trades](#)
13. [Basis Trade at Index Close \("BTIC"\) Block Trades](#)
14. [Text of Rule 526](#)
15. [Contact Information](#)

All block trades are subject to the conditions set forth in Rule 526 and in this Advisory Notice. Violations of the Rule or any of the requirements and prohibitions set forth in this Advisory Notice may result in disciplinary action.

## **1. Definition of Block Trades**

Block trades are privately negotiated futures, options or combination transactions that meet certain quantity thresholds which are permitted to be executed apart from the public auction market.

It is not permissible to facilitate the execution of block trades in Exchange-traded products on a system or facility accessible to multiple parties that allows for the electronic matching of or the electronic acceptance of bids and offers. Parties may use communication technologies to bilaterally request block quotes from one or more participants and to conduct privately negotiated block trades. Parties may also utilize technologies supported by third parties which allow for the electronic posting of indicative block markets displayed to multiple market participants. However, block trades executed between parties based on such electronically displayed indicative markets may be transacted only through direct bilateral communications involving the broker, where applicable, and the parties to the trade.

## **2. Participation in Block Trades**

Each party to a block trade must be an Eligible Contract Participant as that term is defined in Section 1a(18) of the Commodity Exchange Act. Eligible Contract Participants generally include exchange members and member firms, broker/dealers, government entities, pension funds, commodity pools, corporations, investment companies, insurance companies, depository institutions and high net-worth individuals. Commodity trading advisors and investment advisors who are registered or exempt from registration, and foreign persons performing a similar role and subject as such to foreign regulation, may participate in block transactions provided they have total assets under management exceeding \$25 million and the block trade is suitable for their customers.

A customer order may be executed by means of a block trade only if the customer has specified that the order be executed as a block trade.

## **3. Block Trades between Different Accounts with Common Beneficial Ownership**

Block trades between different accounts with common beneficial ownership are prohibited unless 1) each party's decision to enter into the block trade is made by an independent decision-maker; 2) each party has a legal and independent bona fide business purpose for engaging in the block trade; and 3) the block trade is executed at a fair and reasonable price. In the absence of satisfying all the aforementioned requirements, the transaction may constitute an illegal wash trade prohibited by Rule 534 ("Wash Trades Prohibited"). Common beneficial ownership is defined as not only accounts with the same beneficial ownership, but also accounts with common beneficial ownership that is less than 100%.

## **4. Block-Eligible Products**

A complete list of block eligible products may be found here:

[CME, CBOT, NYMEX & COMEX Block Trade-Eligible Products and Minimum Quantity Thresholds](#)

The marketplace is notified of block trade minimum quantity thresholds and any changes thereto via a Special Executive Report issued by Research & Product Development. Interested market participants may receive these reports via email by visiting the CME Group Subscription Center located at:

<http://www.cmegroup.com/tools-information/subscriptions/advisory-subscribe.html>

## **5. Time and Prices of Block Trades**

Block trades may be executed at any time, including times during which the public auction market is closed. Block trades may not be executed after the expiration of the underlying futures or options on futures contract month.

Block trades must be transacted at prices that are "**fair and reasonable**" in light of (i) the size of the transaction, (ii) the prices and sizes of other transactions in the same contract at the relevant time, (iii) the prices and sizes of transactions in other relevant markets, including, without limitation, the underlying cash market or related futures markets, at the relevant time, and (iv) the circumstances of the markets or the parties to the block trade.

The trade price must be consistent with the minimum tick increment for the market in question. Additionally, each outright transaction and each leg of any block eligible spread or combination trade must be executed at a single price.

Block trade prices do not elect conditional orders (e.g. stop orders) or otherwise affect orders in the regular market.

## **6. Block Trade Minimum Quantities for Outrights, Spreads and Combinations**

The block trade minimum quantity requirements for outright futures and outright options may be found using the link below.

In certain CBOT Agricultural futures and options products, block trades executed during Regular Trading Hours ("RTH") are subject to a higher minimum threshold than block trades executed during either European Trading Hours ("ETH") or Asian Trading Hours ("ATH"). The block trade minimum quantity requirements for these products may also be found using the link below. For purposes of determining which minimum threshold applies, RTH for CBOT Agricultural futures and options products is defined as 8:30 a.m. to 1:30 p.m. Monday through Friday on regular business days, and ETH and ATH are defined as 1:30 p.m. to 8:30 a.m. Monday through Friday on regular business days and at any time on weekends.

[CME, CBOT, NYMEX & COMEX Block Trade-Eligible Products and Minimum Quantity Thresholds](#)

The bunching of block trade orders is not permitted except in the case of eligible CTAs or foreign Persons performing a similar role.

Information with respect to spreads and combinations executed as block trades appears below:

	<b>CME and CBOT Products</b>	<b>NYMEX and COMEX Products</b>
<b>Intra-Commodity Futures Spreads and Futures Combinations</b>	The <i>sum</i> of the quantities of the legs of the transaction must meet the minimum block quantity threshold. <b>* Exceptions apply in intra-commodity Agricultural, Foreign Exchange, U.S. Treasury and S&amp;P GSCI, S&amp;P GSCI ER and Bloomberg Roll Select Commodity Index futures spreads</b>	The <i>sum</i> of the quantities of the legs of the transaction must meet the minimum block quantity threshold
<b>Intra-Commodity Options Spreads and Options Combinations</b>	<i>Each leg of the spread</i> must meet the designated minimum quantity threshold.	
<b>Inter-Commodity Futures Spreads and Futures Combinations</b>	<i>Each leg of the spread</i> must meet the <i>larger</i> of the threshold requirements for the underlying products. <b>** Exceptions apply in:</b> i) Short Term Interest Rate Futures; ii) U.S. Treasury and 10-Year Sovereign Yield Spread Futures; and iii) Deliverable Interest Rate Swap Futures (“DSF”) & Deliverable Euro Interest Rate Swap Futures (“EUR IRS”) iv) U.S. Treasury Futures and Forward-Starting Libor Reference Interest Rate Swaps (“Treasury Invoice Spreads”)	The <i>sum</i> of the quantities of the legs of the transaction must meet the <i>larger</i> of the threshold requirements for the underlying products.
<b>Inter-Commodity Options Spreads and Options Combinations</b>	<i>Each leg of the spread</i> must meet the <i>larger</i> of the threshold requirements for the underlying products.	
<b>Options/Futures Spreads</b>	The options component of the spread must meet the minimum quantity threshold for the outright option or option combination and the quantity of futures executed must be consistent with the delta of the options component of the spread. <b>*** Exceptions apply in Weather and Housing options/futures spreads</b>	The options component of the spread must meet the minimum quantity threshold for the outright option or option combination and the quantity of futures executed must be consistent with the delta of the options component of the spread.

**\* Exceptions for Intra-Commodity Futures Spreads and Futures Combination:**

- i) Intra-Commodity Agricultural Futures Spreads

For intra-commodity CME and CBOT Agricultural futures spreads, each leg of the spread must meet the designated minimum quantity threshold.

- ii) Intra-Commodity Foreign Exchange Futures Spreads

For intra-commodity Foreign Exchange futures spreads, where the legs of the spread have different minimum quantity thresholds, the sum of the quantities of the legs of the transaction must meet the larger of the threshold requirements.

iii) Intra-Commodity U.S. Treasury Futures Spreads

*Intra-commodity calendar spread block trades are prohibited in CBOT U.S. Treasury futures.* Parties may not execute contingent block trades in outright contracts to circumvent the prohibition on the execution of block trades in intra-commodity calendar spreads. Additionally, Tandem spreads (a trade combining calendar spreads in two different Treasury futures) may not be executed as block trades.

iv) Intra-Commodity S&P GSCI, S&P GSCI ER and Bloomberg Roll Select Commodity Index Futures Spreads

For the above-referenced futures products, the block trade minimum is 50 contracts for each leg of the spread or combination. For example, the minimum quantity for an S&P GSCI calendar spread would require 50 contracts in each leg of the spread for a total of 100 contracts while a Bloomberg Roll Select Commodity Index futures butterfly would require a minimum volume of 200 contracts (50 contracts in each of the four legs of the butterfly).

**\*\* Exceptions for Inter-Commodity Futures Spreads and Futures Combinations**

i) Short Term Interest Rate Futures

In Short Term Interest Rate futures (Eurodollars, Eurodollar E-minis, Euribor, T-Bills, OIS, One-Month Eurodollar, Euroyen and 30-Day Fed Funds), inter-commodity futures spreads may be executed as block trades provided the sum of the legs of the spread meets the larger of the threshold requirements for the underlying products. For example, the minimum quantity thresholds for One-Month Eurodollar and Eurodollars during ETH are 200 and 2,000 contracts, respectively. Therefore, a block trade in the One-Month Eurodollar/Eurodollar spread can be executed provided the sum of the legs is at least 2,000 contracts.

ii) U.S. Treasury and 10-Year Sovereign Yield Spread Futures

In U.S. Treasury and 10-Year Sovereign Yield Spread futures, inter-commodity futures spreads may be executed as block trades provided each leg of the spread meets the minimum threshold requirement for the respective underlying products. For example, the minimum quantity thresholds for 10-Year Notes and U.S. Treasury Bonds during RTH are 5,000 and 3,000 contracts, respectively. Therefore, a block trade in the NOB spread (10-Year Note/Treasury Bond spread) can be executed only if the minimum quantity of the 10-Year Note leg of the spread is at least 5,000 contracts and the minimum quantity of the Treasury Bond leg of the spread is at least 3,000 contracts.

iii) Deliverable Interest Rate Swap Futures ("DSF") & Deliverable Euro Interest Rate Swap Futures ("EUR IRS")

Inter-commodity futures spreads or combinations composed only of DSF or composed only of EUR IRS (e.g., 2-Year DSF v. 10-Year DSF) may be executed as block trades provided the sum of the legs of the spread meets the larger of the threshold requirements for the underlying products. For example, the minimum block trade thresholds for 2-Year DSF and 10-Year DSF are 3,000 and 1,000 contracts, respectively. Thus, a spread between these two contracts may be executed as a block trade if the sum of the quantities of the legs is at least 3,000 contracts.

Inter-commodity futures spreads or combinations excluding those composed only of DSF or composed only of EUR IRS (e.g., 10-Year Treasury Notes vs. 10-Year DSF) may be executed as block trades provided each leg of the spread meets the minimum threshold requirement for the respective underlying products. For example, the minimum block trade thresholds for 10-Year Treasury Note futures and 10-Year DSF during RTH are 5,000 contracts and 1,000 contracts, respectively. A spread between these two contracts can be executed as a block trade, therefore, only if the quantity of the 10-Year Treasury Note leg is at least 5,000 contracts and the quantity of the 10-Year DSF leg is at least 1,000 contracts.

- iv) U.S. Treasury Futures and Forward-Starting Libor Reference Interest Rate Swaps (“Treasury Invoice Spreads”)

Contingent trades in Treasury Invoice Spreads where the block trade minimum thresholds for block trades in outright CBOT Treasury futures are circumvented are prohibited.

**\*\*\* Exceptions for Options/Futures Spreads**

Weather and Housing

An exception applies to Weather and Housing options/futures spreads, where the legs of the spread may be summed to meet the 20-contract minimum threshold.

**7. Block Trade Submission**

Block trades in CME, CBOT, NYMEX and COMEX products must be submitted via CME Direct or CME ClearPort.

**a) Submission Time Requirements**

After a block trade is consummated it must be submitted to the Exchange via CME Direct or CME ClearPort within 5 or 15 minutes, depending on the product. Submission via CME Direct or CME ClearPort will result in a price report to the marketplace and submission to CME Clearing provided both sides of the trade pass the required credit check and the relevant terms of the respective sides of the trade match.

Where it is necessary for parties to agree to the individual leg prices on certain spread and combination trades to submit the trade, parties must do so as expeditiously as possible after agreeing to engage in the block trade.

Block trade prices are reported independently of transaction prices in the regular market and are not included as part of the daily trading range.

<b>CME/ CBOT</b>	
<b>Reported within 5 Minutes</b>	<b>Reported within 15 Minutes</b>
<p>Except as specified in the boxes to the right of this table, block trades in all block-eligible CME and CBOT products must be submitted within 5 minutes of execution.</p> <p>Inter-commodity block spread or combination trade that includes a DSF or EUR IRS leg(s) and a leg(s) subject to a 5-minute submission requirement requires that the block spread or combination trade be submitted within 5 minutes of execution.</p>	<p>Block Trades during European or Asian hours (ETH or ATH)* in Foreign Exchange and Interest Rate products, including Treasury Invoice Spreads must be submitted within 15 minutes of execution.</p> <p>Block trades in select CME and CBOT Agricultural futures products and all CME and CBOT Agricultural options products must be submitted within 15 minutes of execution.</p>

	Block trades in Weather, Housing, DSF and EUR IRS contracts must be submitted within 15 minutes of execution.
--	---

\* For purposes of CME Foreign Exchange and CME and CBOT Interest Rate products, the following times apply:

- ETH: 12:00 a.m. – 7:00 a.m. CT, Monday through Friday on regular business days  
 RTH: 7:00 a.m. – 4:00 p.m. CT, Monday through Friday on regular business days  
 ATH: 4:00 p.m. – 12:00 a.m. CT, Monday through Friday on regular business days and at any time on weekends

NYMEX/ COMEX	
Reported within 5 Minutes	Reported within 15 Minutes
<u>Outright Futures</u>	
<ul style="list-style-type: none"> <li>• Brent Crude Oil Last Day Financial futures (BZ)</li> <li>• Light Sweet Crude Oil futures (CL)</li> <li>• New York Harbor ULSD Heating Oil futures (HO)</li> <li>• Henry Hub Natural Gas futures (NG)</li> <li>• RBOB Gasoline futures (RB)</li> <li>• Gold futures (GC)</li> <li>• Silver futures (SI)</li> <li>• Copper futures (HG)</li> </ul>	All other block-eligible NYMEX and COMEX futures and options products and all spreads and combinations in block-eligible NYMEX and COMEX futures and options products must be submitted within 15 minutes of execution.

**b) Additional Submission Requirements and Obligations**

Since July 17, 2017, all block trades have been required to be submitted directly to CME Clearing via CME Direct, the CME ClearPort User Interface (UI), or the CME ClearPort API through proprietary or 3<sup>rd</sup> party software. CME Direct connects to the CME ClearPort API.

For the block trade to be price reported to the marketplace and submitted to CME Clearing, both sides of the trade must pass the required credit check and the relevant terms of the respective sides of the trade must match. If either side does not pass the required credit check or the terms do not match, the block trade price will not be reported to the marketplace and the block trade will remain uncleared.

Entry into CME Direct or CME ClearPort may be done by each of the counterparties to the trade (single-sided entry) or via a broker or other authorized representative (dual-sided entry).

For single-sided entry, the buyer and seller of a block trade may agree to separately enter their side of the block trade into CME Direct or CME ClearPort, indicating each other as the opposite party. In this circumstance, **both** the buyer and seller must enter their respective side of the transaction within the required time-period.

For single-sided entry, one side of a trade (either the buyer or seller) may agree to enter their respective side of the trade and allege that trade against the other party. In this circumstance, the other party must ensure the alleged trade is accepted (complete with the correct account information for their side) within the required time-period. Consequently, the first party entering their side of the trade should ensure the information being entered is correct and must leave enough time for the second party to accept the trade within the requisite time-period.

For dual-sided entry where a broker or other representative is entering the buy and sell side of the block trade on behalf of the counterparties, the broker or other representative is responsible for the entry of the block trade within the requisite time-period.

#### Block Trades in CME and CBOT Products

Block trades may be entered in CME Direct or CME ClearPort from 6:00 p.m. CT through 5:45 p.m. CT each business day. CME Direct and CME ClearPort do not permit the entry of CME and CBOT block trades between 5:45 p.m. CT and 6:00 p.m. CT each business day or at any time on weekends. CME and CBOT block trades negotiated immediately prior to and during the time that block trade entry is not permitted must be entered by 6:05 p.m. CT for products subject to a 5-minute reporting requirement or by 6:15 p.m. CT for products subject to a 15-minute reporting requirement.

#### Block Trades in NYMEX and COMEX Products

Block trades may be entered in CME Direct or CME ClearPort from 5:00 p.m. CT/6:00 p.m. Eastern Time ("ET") through 4:00 p.m. CT/5:00 p.m. ET each business day. CME Direct and CME ClearPort do not permit the entry of NYMEX and COMEX block trades between 4:00 p.m. CT/5:00 p.m. ET and 5:00 p.m. CT/6:00 p.m. ET each business day or at any time on weekends. NYMEX and COMEX block trades negotiated immediately prior to and during the time that block trade entry is not permitted must be entered by 5:05 p.m. CT/6:05 p.m. ET for products subject to a 5-minute reporting requirement or by 5:15 p.m. CT/6:15 p.m. ET for products subject to a 15-minute reporting requirement.

Block trades negotiated at any other time during which CME Direct or CME ClearPort are closed must be submitted no later than 5 or 15 minutes after the time CME Direct or CME ClearPort reopens, depending on the reporting requirement for the specific product.

Block trades may also be reported to the CME ClearPort Facilitation Desk/Global Command Center by calling +1 800 438 8616 in the U.S., +44 20 7623 4747 in Europe, +65 6532 5010 in Asia, or via email at [FacDesk@cmegroup.com](mailto:FacDesk@cmegroup.com). **Please note that for the Facilitation Desk to submit the trade, the counterparty accounts must be registered with credit limits and product permissions set up in CME Account Manager.**

The Facilitation Desk is closed from 4:30 p.m. CT/5:30 p.m. ET Friday through 5:00 p.m. CT/6:00 p.m. ET Sunday.

#### c) Information Required for Reporting Block Trades to the CME ClearPort Facilitation Desk

When reporting a block trade to the CME ClearPort Facilitation Desk, the following information will be required:

- Contract, contract month and contract year for futures, and, additionally for options, strike price and put or call designation for standard options, as well as the expiration date and exercise style for flex options;
- Quantity of the trade or, for spreads and combinations, the quantity of each leg of the trade;
- Price of the trade or, for certain spreads and combinations, the price of each leg of the trade;

- Account numbers for each side of the trade;
- Buyer's clearing firm and seller's clearing firm;
- Name and phone number of the party reporting the trade (for block trades reported via telephone or email);
- For block trades reported via phone or email, counterparty name and contact information must also be provided for trade verification purposes; and
- Execution time (to the nearest minute in Central/Eastern Time) of the trade. The execution time is the time at which the trade was consummated.

A block trade in a block-eligible option may be executed up to and including the day on which an option contract expires for purposes of offsetting an open option position, provided the offsetting block trade is submitted via CME Direct or CME ClearPort no later than the beginning of the CME ClearPort maintenance window which begins at 4:00 p.m. Central Time each business day.

The failure to submit timely, accurate and complete block trade reports may subject the party responsible for the reporting obligation to disciplinary action. Parties shall not be sanctioned for block reporting infractions deemed to arise from factors beyond the reporting party's control (e.g. the block trade fails the CME ClearPort automated credit check).

**Please note that the execution time of a block trade is the time that the parties agree to the trade. Market participants must accurately report the execution time of the block trade. The reporting of inaccurate execution times may result in disciplinary action.**

## **8. Block Trade Recordkeeping**

Complete order records for block trades must be created and maintained pursuant to Rule 536 and CFTC Regulations. Additionally, the time of execution of the block trade must also be recorded for all block trades.

## **9. Error Remediation**

### Dual-Sided Entry

For dual-sided entry where a broker or other representative has entered the buy and sell side of the block trade on behalf of the counterparties and the trade has cleared, but for which the broker or other representative has made an error in the terms of the trade, the error may be corrected as follows: If the error is discovered on the same CME Direct or CME ClearPort trade date on which submission occurred (5:00 p.m. to 4:00 p.m. Central Time each business day), the broker or other representative may void the erroneous submission and resubmit the block trade with the correct information.

If the error is discovered after the CME Direct or CME ClearPort trade date on which submission occurred, the broker or other representative may request the Exchange to correct the error within three business days.

### Single-Sided Entry

For single-sided entry where the trade has cleared, but where an error has been made in the terms of the trade, either party may request the Exchange to correct the error within three business days.

All correction requests made to the Exchange must include evidence that the counterparties to the block trade agree to the correction request. All correction requests are subject to review and approval by the Exchange.

To request a correction please contact the CME ClearPort Facilitation Desk/Global Command Center at 1.800.438.8616 in the U.S., +44 20 7623 4747 in Europe, +65 6532 5010 in Asia, or via email at [FacDesk@cmegroup.com](mailto:FacDesk@cmegroup.com).

Error correction requests received after the three-business-day window may not take place without the express approval of CME Clearing. Market participants should contact CME Clearing Services at 312.270.2525.

## **10. Dissemination of Block Trade Information**

The date, execution time, contract month, price and quantity of block trades are automatically reported once they are cleared. Block trade information is reported on the MerQuote system and may be accessed by entering the code "BLK". Block trade information is also displayed on the CME Group website at the following link: <http://www.cmegroup.com/tools-information/blocktrades.html>. Block trade information is also displayed on the trading floor.

Block trade prices are published separately from transactions in the regular market.

Block trade volume is also identified in the daily volume reports published by the Exchange.

## **11. Use of Nonpublic Information Regarding Block Trades**

Parties involved in the solicitation or negotiation of a block trade may not disclose the details of those communications to any other party for any purpose other than to facilitate the execution of the block trade. Parties privy to nonpublic information regarding a consummated block trade may not disclose such information to any other party prior to the public report of the block trade by the Exchange. A broker negotiating a block trade on behalf of a customer may disclose the identity of the customer to potential counterparties, including the counterparty with which the block trade is consummated, only with the permission of the customer.

Parties to a potential block trade may engage in pre-hedging or anticipatory hedging of the position that they believe in good faith will result from the consummation of the block trade, except for an intermediary that takes the opposite side of its own customer order. In such instances, prior to the consummation of the block trade, the intermediary is prohibited from offsetting the position established by the block trade in any account which is owned or controlled, or in which an ownership interest is held, or for the proprietary account of the employer of such intermediary. The intermediary may enter into transactions to offset the position only after the block has been consummated.

It shall be a violation of Rule 526 for a person to engage in the front running of a block trade when acting on material nonpublic information regarding an impending transaction by another person, acting on nonpublic information obtained through a confidential employee/employer relationship, broker/customer relationship, or in breach of a pre-existing duty.

The Exchange may proceed with an enforcement action when the facts and circumstances of pre-hedging suggest deceptive or manipulative conduct by any of the involved parties, including when an intermediary handling a customer order acts against its customer's best interests.

This guidance applies only in the context of pre-hedging of block trades. This guidance does not affect any requirement under the CEA or Commission Regulations.

Parties solicited to provide a two-sided block market are not deemed to be in possession of nonpublic information provided side of market interest is not disclosed in the context of the solicitation.

## **12. TAS & TAM Block Trades**

Certain block-eligible futures contract months may be executed as block trades and assigned the current day's settlement price or any valid price increment ten ticks higher or lower than the settlement price ("TAS block trades"). Certain block-eligible futures contract months may also be executed as block trades and assigned the current day's marker price or any valid price increment ten ticks higher or lower than the marker price ("TAM block trades").

Additionally, intra-commodity calendar spreads may be executed as TAS or TAM block trades provided the underlying spread is eligible for TAS or TAM trading. Please refer to the most recent Advisory Notice on TAS and TAM transactions for the list of products, contract months and spreads for which TAS or TAM pricing is permitted.

The pricing of the legs of a TAS or TAM calendar spread block trade will be calculated as follows:

- The nearby leg of the spread will always be priced at the settlement or marker price, as applicable, for that contract month.
- The far leg of the spread will be priced at the settlement or marker price, as applicable, for that contract **minus** the allowable TAS or TAM price increment traded (-10 through +10), except in circumstances where the traded TAS or TAM price is the actual settlement or marker price of the contract.

TAS block trades, including eligible TAS calendar spread block trades, may not be executed on the last day of trading in an expiring contract.

The products and contract months in which TAS and TAM block trades are permitted are set forth in the list of block trade eligible products which is available on the CME Group website via the following link:

[NYMEX & COMEX Block Trade-Eligible Products and Minimum Quantity Thresholds](#)

## **13. Basis Trade at Index Close ("BTIC") Block Trades**

A BTIC Transaction is a futures transaction that is priced with reference to the applicable cash index close price. For a BTIC block trade executed on a given Trading Day on or before the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value for the current Trading Day. BTIC block trades will not be permitted on the last day of trading in an expiring contract month.

A list of BTIC block-eligible products and block minimum thresholds is available on the CME Group website via the following link:

[BTIC Block Trades Table](#)

The futures price assigned to a BTIC block trade will be based on either:

- the current day's close price of the relevant cash index as specified in the relevant rule chapter; or
- the current day's close price of the relevant cash index as specified in the relevant rule chapter adjusted by any valid price increment (the "Basis") higher or lower than the relevant cash index close price. The Basis must be stated in full tick increments as set forth in the relevant rule chapter.

The Basis applied to a BTIC block trade must be fair and reasonable taking into account financing rates, expected dividend income and the time remaining until the applicable futures contract expires.

The futures price of a BTIC block trade will be determined by the Exchange at 3:45 p.m. Central Time and the Exchange-determined price will be final at that time. In the event of an early scheduled close of the primary securities market, the futures price of a BTIC block trade will be determined by the Exchange 45 minutes after the early scheduled close time for the primary securities market, and the Exchange-determined price will be final at that time. In the event of an equity market disruption in the primary securities market, all BTIC block trades will be cancelled for that trade date.

BTIC block trades **may not** be executed as a spread transaction. Parties wishing to effectuate a block spread transaction in either product will be required to negotiate the transaction as separate outright BTIC block trades, and each leg must meet the minimum threshold.

#### **14. Text of Rule 526**

##### **Rule 526 BLOCK TRADES**

The Exchange shall designate the products in which block trades shall be permitted and determine the minimum quantity thresholds for such transactions. Additionally, with respect to block trades in swaps, the minimum size for such transactions shall be established at levels at or in excess of those set forth in Appendix F to Part 43 of CFTC Regulations *[this sentence appears solely in CBOT's rule]*. The following shall govern block trades:

- A. A block trade must be for a quantity that is at or in excess of the applicable minimum threshold. Orders may not be aggregated in order to achieve the minimum transaction size, except by those entities described in Sections I. and J.
- B. Each party to a block trade must be an Eligible Contract Participant as that term is defined in Section 1a(18) of the Commodity Exchange Act.
- C. A member shall not execute any order by means of a block trade for a customer unless such customer has specified that the order be executed as a block trade.
- D. The price at which a block trade is executed must be fair and reasonable in light of (i) the size of the block trade, (ii) the prices and sizes of other transactions in the same contract at the relevant time, (iii) the prices and sizes of transactions in other relevant markets, including without limitation the underlying cash market or related futures markets, at the relevant time, and (iv) the circumstances of the markets or the parties to the block trade.
- E. Block trades shall not set off conditional orders (e.g., Stop Orders and MIT Orders) or otherwise affect orders in the regular market.
- F. Unless otherwise agreed to by the principal counterparties to the block trade, the seller, or, in the case of a brokered transaction, the broker handling the block trade, must ensure that each block trade is reported to the Exchange within the time period and in the manner specified by the Exchange. The report must include the contract, contract month, price, quantity of the transaction, the respective clearing members, the time of execution, and, for options, strike price, put or call and expiration month. The Exchange shall promptly publish such information separately from the reports of transactions in the regular market.
- G. Block trades must be reported to the Clearing House in accordance with an approved reporting method.
- H. Clearing members and members involved in the execution of block trades must maintain a record of the transaction in accordance with Rule 536.
- I. A commodity trading advisor ("CTA") registered or exempt from registration under the Act, including, without limitation, any investment advisor registered or exempt from registration under the Investment Advisors Act of 1940, shall be the applicable entity for purposes of Sections A., B., C., and D., provided such advisors have total assets under management exceeding \$25 million and the block trade is suitable for the customers of such advisors.
- J. A foreign Person performing a similar role or function to a CTA or investment advisor as described in Section I, and subject as such to foreign regulation, shall be the applicable entity for purposes of Sections A., B., C., and D., provided such Persons have total assets under management exceeding \$25 million and the block trade is suitable for the customers of such Persons.

#### **15. Contact Information**

Questions regarding this Advisory Notice may be directed to the following individuals:

Market Regulation: Jennifer Dendrinis, Director, Investigations 312.341.7812  
Urmi Graft, Manager, Investigations 312.341.7639  
Mary Cantagallo, Lead Investigator, Investigations 312.341.7632  
Erin Middleton, Lead Rules & Regulatory Outreach Specialist 312.341.3286  
Daniel Stephens, Senior Rules & Regulatory Outreach Specialist +44 2033793304  
Shawn Tan, Senior Rules & Regulatory Outreach Specialist +65 65935580  
Robert Sniegowski, Executive Director, Rules & Regulatory Outreach 312.341.5991

For media inquiries concerning this Advisory Notice, please contact CME Group Corporate Communications at 312.930.3434 or [news@cmegroup.com](mailto:news@cmegroup.com).