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OFFICE OF THE SECRETARIAT
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April 17, 2009

Mr. David Stawick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20581

**RE: CME – OCC Cross-Margining Agreement
CME Submission No. 09-071**

Dear Mr. Stawick:

Chicago Mercantile Exchange Inc. ("CME") hereby notifies the Commodity Futures Trading Commission ("CFTC") that it is filing the attached, Amended and Restated Cross-Margining Agreement between CME and The Options Clearing Corporation ("OCC") with the CFTC. In addition, security futures on two ETFs, Standard & Poor's Depository Receipts ("SPY") and Diamonds Trust ("DIA") have been added as eligible contracts to the agreement.

CME certifies that this action complies with the Commodity Exchange Act and regulations thereunder.

If you have any questions regarding this matter, please contact me at 312.648.5422.

Sincerely,

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

AMENDED AND RESTATED
CROSS-MARGINING AGREEMENT

This Amended and Restated Cross-Margining Agreement (the "Agreement") is entered into this 28th day of May, 2008 by The Options Clearing Corporation ("OCC"), a Delaware corporation and the Chicago Mercantile Exchange Inc. ("CME"), a Delaware corporation.

RECITALS

A. OCC, CME and the Commodity Clearing Corporation, a New York Corporation that subsequently changed its name to the New York Clearing Corporation (the "NYCC") entered into a Cross-Margining Agreement dated May 19, 1997 (the "Original Agreement").

B. This Agreement amends and restates the Original Agreement in its entirety and reflects all changes made to the Original Agreement by subsequent amendments including the elimination of NYCC as a party to this Agreement.

C. OCC is a clearing agency registered with the Securities and Exchange Commission (the "SEC") under the Securities Exchange Act of 1934 (the "Exchange Act") and acts as the clearing organization for certain security futures and securities options presently listed and traded on national securities exchanges.

D. CME has been designated by the Commodity Futures Trading Commission (the "CFTC") pursuant to the Commodity Exchange Act (the "CEA") as a designated contract market and a derivatives clearing organization for certain futures contracts and options on futures contracts.

E. The Original Agreement established and this Agreement amends and restates cross-margining arrangements applicable to proprietary transactions and transactions of market professionals whereby (i) joint clearing members and (ii) pairs of affiliated clearing members that are prepared to deposit margin and pledge contracts to secure each other's obligations as described herein, may elect to have certain futures contracts and option contracts cleared by the respective clearing organizations carried in special pairs of accounts (proprietary or non-

proprietary), each pair to be combined and margined as a single account based upon the net risk presented by the contracts carried in such accounts.

F. In order to facilitate such cross-margining arrangements, the Original Agreement established and this Agreement amends and restates procedures whereby all margin deposited by clearing members in respect of such pairs of accounts would be held jointly by OCC and CME, and OCC and CME would have a joint security interest in contracts, margin and other property in the pairs of accounts, to secure all obligations of the clearing members to them.

AGREEMENTS

In consideration of the mutual covenants contained herein, the parties hereto agree as follows:

1. Definitions. In addition to the terms defined above, certain other terms used in this Agreement shall be defined as follows:

(a) "Affiliate," except as provided in Section 14 of this Agreement, means, when used in respect of a particular Clearing Member, a Clearing Member of one Clearing Organization who directly or indirectly controls a Clearing Member of the other Clearing Organization, or who is directly or indirectly controlled by or under common control with such Clearing Member. Ownership of 10% or more of the common stock of the relevant entity will be deemed prima facie control of that entity for purposes of this definition.

(b) "Business Day" means each day on which trading in Contracts is conducted and on which OCC and CME conduct money settlements; provided, however, that if trading in Contracts occurs on a bank holiday when money transfers cannot be made, such day shall be a Business Day for purposes of certain provisions of this Agreement but not for others as the context requires and as may be agreed upon from time to time by the parties; provided, further that Good Friday shall be a Business Day for purposes of Section 7 of this Agreement.

(c) "Cash Settlement Amount" means the cash amount due to or from a Joint Clearing Member or pair of Affiliated Clearing Members on each Business Day in respect of a pair of X-M Accounts as described in Section 7 of this Agreement.

(d) "Clearing Member" means a Clearing Member as defined in the OCC Rules ("OCC Clearing Member") or the CME Rules ("CME Clearing Member"). "Joint Clearing Member" means a Clearing Member of each Clearing Organization. "Affiliated Clearing Members" means two Clearing Members that are Affiliates of one another, one of which is a Clearing Member of one Clearing Organization, and the other of which is a Clearing Member at the other Clearing Organization.

(e) "Clearing Organization" means either OCC or CME.

(f) "Contract" means a long or short option contract, futures contract or other contract cleared by one of the Clearing Organizations.

(g) "Customers' Segregated Joint Custody Account" means one or more accounts established in the joint names of OCC and CME at one or more X-M Clearing Banks for the purpose of holding U.S. Treasury securities and GSE debt securities deposited by Clearing Members as Initial Margin in respect of Pairs of Non-Proprietary X-M Accounts.

(h) "Customers' Segregated Joint Margin Account" means one or more bank accounts established in the joint names of OCC and CME for the purpose of making daily money settlement and holding cash Margin in respect of Pairs of Non-Proprietary X-M Accounts.

(i) "Designated Clearing Organization" means the Clearing Organization designated by a Clearing Member or a pair of Affiliated Clearing Members in accordance with Section 2 of this Agreement.

(j) "Effective Date" shall mean the date established pursuant to Section 16(j) of this Agreement.

(k) "Eligible Contracts" means Contracts belonging to one of the classes of CME-cleared Contracts and OCC-cleared Contracts listed on Exhibit A hereto and any other classes of such Contracts as OCC and CME may agree in writing to include within this definition.

(l) "GSE debt securities" means certain debt securities issued by Congressionally chartered corporations. The following GSE debt securities are acceptable as a form of Initial Margin: (i) non-callable debt securities issued by the Federal Home Loan Mortgage Corporation under its Reference Debt Program and (ii) non-callable debt securities issued by the Federal National Mortgage Association under its Benchmark Debt Program.

(m) "Margin" means both Initial Margin and Variation Margin. "Initial Margin" means cash, securities or other property deposited with or held by OCC and CME in accordance with Section 5 of this Agreement to secure certain obligations of a Clearing Member or its Affiliated Clearing Member, if any, to OCC or CME. "Variation Margin" means daily mark-to-market payments in respect of futures contracts and shall include similar payments in respect of options contracts in the event that the terms of any option contract that is an Eligible Contract should provide for such futures-style or similar Variation Margin.

(n) "Margin and Settlement Report" means the report distributed by a Designated Clearing Organization to its Clearing Members in respect of pairs of X-M Accounts as provided in Section 7 of this Agreement.

(o) "Margin Requirement" means the amount of Initial Margin required by the Clearing Organizations with respect to a pair of X-M Accounts as provided in Section 5 of this Agreement. "Margin Deficit" means the amount by which the Initial Margin held by OCC and CME in respect of a pair of X-M Accounts is less than the Margin Requirement for such accounts, and "Margin Excess" means the amount by which such Initial Margin exceeds such Margin Requirement.

(p) "Market Professional" means (1) any Market-Maker, specialist, or Registered Trader as defined in the OCC Rules and (2) any CME member or firm owning a membership on CME, to the extent he or it is trading for his or its own account and not for others; provided that such person actively trades for his or its own account Eligible Contracts carried by a Joint Clearing Member or pair of Affiliated Clearing Members in its or their Non-Proprietary X-M Accounts at the Clearing Organizations.

(q) "MMF Shares" refer to shares in a money market fund which meet the requirements established under the Rules of both Clearing Organizations. For the avoidance of doubt, no provisions of this Agreement with respect to MMF Shares shall be applicable until all necessary regulatory approvals with respect to MMF Shares have been obtained.

(r) A "Non-Customer" of an OCC Clearing Member means a person whose account with such OCC Clearing Member would not be the account of a "customer" within the meaning of SEC Rules 8c-1 and 15c2-1 or whose positions are otherwise permitted under the OCC Rules to be carried in a Proprietary X-M Account. A "Non-Customer" of a CME Clearing Member means a person whose account with such Clearing Member would be a "proprietary account" within the meaning of Section 1.3(y) of the General Regulations of the CFTC.

(s) "Non-Proprietary X-M Account" means a cross-margined account limited to transactions and positions of Market Professionals and carried for an OCC Clearing Member by OCC or for a CME Clearing Member by CME as the context requires, but shall not include any transactions and positions of a Non-Customer of that Clearing Member. The term "Pair of Non-Proprietary X-M Accounts" means the Non-Proprietary X-M Account of a Joint Clearing Member or a pair of Affiliated Clearing Members at each Clearing Organization. The term "Non-Proprietary X-M Account" includes a Non-Proprietary X-M Pledge Account.

(t) "Non-Proprietary Liquidating Account" means one or more bank accounts established by the Clearing Organizations in connection with the liquidation of the Pair of Non-Proprietary X-M Accounts of a suspended Clearing Member or pair of Affiliated Clearing Members in accordance with Section 8 of this Agreement.

(u) "Proprietary Joint Custody Account" means one or more accounts established in the joint names of OCC and CME at one or more X-M Clearing Banks for the purpose of holding U.S. Treasury securities and GSE debt securities deposited by Clearing Members as Initial Margin in respect of Pairs of Proprietary X-M Accounts.

(v) "Proprietary Joint Settlement Account" means one or more bank accounts established in the joint names of OCC and CME for the purpose of making daily money

settlement and holding cash Margin in respect of X-M Accounts to the extent that such funds are not required to be held in the Customers' Segregated Joint Margin Account.

(w) "Proprietary X-M Account" means a cross-margined account limited to transactions and positions of Non-Customers and carried for an OCC Clearing Member by OCC or a CME Clearing Member by CME, as the context requires. The term "Pair of Proprietary X-M Accounts" means the Proprietary X-M Account of a Joint Clearing Member or a pair of Affiliated Clearing Members at each Clearing Organization. The term "Proprietary X-M Account" includes a Proprietary X-M Pledge Account.

(x) "Proprietary Liquidating Account" means one or more bank accounts established by the Clearing Organizations in connection with the liquidation of the Pair of Proprietary X-M Accounts of a suspended Clearing Member or pair of Affiliated Clearing Members in accordance with Section 8 of this Agreement.

(y) "Rules" means the By-Laws and Rules of OCC ("OCC Rules") and the Rules of CME ("CME Rules") as may be in effect from time to time.

(z) "X-M Account" means a Proprietary X-M Account or a Non-Proprietary X-M Account. The term "X-M Account" includes an X-M Pledge Account.

(aa) "X-M Clearing Bank" means a bank designated by OCC and CME in accordance with Section 2 of this Agreement for purposes of making daily money settlement in respect of Pairs of Proprietary X-M Accounts and Pairs of Non-Proprietary X-M Accounts.

(bb) "X-M Pledge Account" means an X-M Account in respect of which the Clearing Member has granted a security interest to a bank in accordance with Section 3 of this Agreement. An X-M Pledge Account may be either a Proprietary X-M Pledge Account or a Non-Proprietary X-M Pledge Account.

2. Establishment of X-M Accounts.

(a) Subject to the approval of the Clearing Organizations, each Joint Clearing Member or pair of Affiliated Clearing Members may establish one pair of Proprietary X-M Accounts and one pair of Non-Proprietary X-M Accounts. A pair of Proprietary X-M

Accounts consists of two accounts: a Proprietary X-M Account at each of CME and OCC. A pair of Non-Proprietary X-M Accounts consists of two accounts: a Non-Proprietary X-M Account at each of CME and OCC. Each X-M Account, and the Contracts and Margin contained therein or deposited in respect thereof, shall be treated in accordance with this Agreement, and each Clearing Organization agrees to adopt and seek regulatory approval of all necessary Rules to effectuate this purpose. It is understood that each X-M Account shall be subject also to other applicable Rules of the Clearing Organization at which it is carried to the extent not inconsistent with the provisions of this Agreement, and in the event of any such inconsistency, the provisions of this Agreement shall govern.

(b) Either OCC or CME will act as the Designated Clearing Organization for each Joint Clearing Member or pair of Affiliated Clearing Members electing cross-margining, as agreed in each case among OCC, CME and such Clearing Member(s). Except as otherwise permitted in writing by the Clearing Organizations, in the case of Affiliated Clearing Members, one Clearing Member that is a Clearing Member of the Designated Clearing Organization shall be appointed by the other Clearing Member as its agent for purposes of receiving daily Margin and Settlement Reports, depositing Margin in respect of the X-M Accounts, making money settlement in respect of such X-M Accounts, and otherwise interacting with the Designated Clearing Organization in respect of such X-M Accounts. Each Joint Clearing Member or pair of Affiliated Clearing Members shall be required to designate a bank account in an X-M Clearing Bank for purposes of daily money settlement in respect of its Pair of Proprietary X-M Accounts ("proprietary bank account") and a bank account for purposes of daily money settlement in respect of its Pair of Non-Proprietary X-M Accounts ("segregated funds bank account").

(c) Each Joint Clearing Member electing to establish a Pair of Proprietary X-M Accounts shall be required to execute a Proprietary Cross-Margin Account Agreement in the form prescribed by OCC and CME.

(d) Each pair of Affiliated Clearing Members electing to establish a Pair of Proprietary X-M Accounts shall be required to execute a Proprietary Cross-Margin Account Agreement in the form prescribed by OCC and CME.

(e) Each Joint Clearing Member electing to establish a Pair of Non-Proprietary X-M Accounts shall be required to execute a Non-Proprietary Cross-Margin Account Agreement in the form prescribed by OCC and CME.

(f) Each pair of Affiliated Clearing Members electing to establish a Pair of Non-Proprietary X-M Accounts shall be required to execute a Non-Proprietary Cross-Margin Account Agreement in the form prescribed by OCC and CME.

3. Establishment of X-M Pledge Accounts. The Clearing Organizations shall provide in their respective Rules that: (i) a Joint Clearing Member, or pair of Affiliated Clearing Members, may designate its Pair of Proprietary X-M Accounts as X-M Pledge Accounts by entering into a Proprietary X-M Pledge Account Agreement in a form to be agreed upon by OCC and CME and (ii) a Joint Clearing Member, or pair of Affiliated Clearing Members, may designate its Pair of Non-Proprietary X-M Accounts as Non-Proprietary X-M Pledge Accounts by entering into a Non-Proprietary X-M Pledge Account Agreement in a form to be agreed upon by OCC and CME. In accordance with such Agreements, the Clearing Member(s) will grant to a participating bank ("Secured Party") a security interest in all Contracts from time to time purchased or carried in the particular X-M Pledge Accounts (Proprietary or Non-Proprietary), and all proceeds of such Contracts, as security for loans extended by the Secured Party from time to time to the Clearing Member(s). All Cash Settlement Amounts due to a Joint Clearing Member or pair of Affiliated Clearing Members from OCC or CME in respect of X-M Pledge Accounts shall be paid to a bank account established by the Secured Party for that purpose and may be used by the Secured Party to repay amounts borrowed by the Clearing Member(s). The details respecting the operation of the X-M Pledge Accounts shall be set forth in a supplement to this Agreement as may be amended from time to time (the "Supplement"). Until the Supplement is executed by OCC and CME, and all necessary regulatory approvals with respect to the X-M Pledge Accounts have been obtained, no X-M Pledge Accounts shall be established.

4. Transactions and Positions Permitted in X-M Accounts. In an X-M Account a Clearing Member may purchase and sell Contracts, exercise option Contracts (and be assigned exercise notices in respect of option Contracts), and effect all other transactions in

accordance with the Rules; provided, however, that X-M Accounts shall be limited to transactions and positions in Eligible Contracts.

5. Initial Margin Required in X-M Accounts.

(a) The Clearing Organizations shall jointly determine the Margin Requirement for each pair of X-M Accounts carried by them as follows: (i) each Clearing Organization shall use its margin system to determine the amount of margin that it would ordinarily require with respect to all Contracts carried in such pair of X-M Accounts (without regard to Contracts carried in other accounts) as if such Contracts were carried in a single account at such Clearing Organization, and (A) the average of such amounts shall be the "Base Margin Requirement" and (B) the average of the risk margin component of such amounts shall be the "Risk Margin Requirement;" (ii) in the event that the Risk Margin Requirement exceeds certain levels, then a "Super Margin" amount shall be calculated by multiplying the "Incremental Factor" for such Risk Margin Requirement (as set forth in Exhibit B hereto) by such Risk Margin Requirement; and (iii) the Margin Requirement for such pair of X-M Accounts shall be the sum of the Base Margin Requirement and any Super Margin. Notwithstanding the foregoing, one Clearing Organization may in its discretion elect to use the margin calculation produced by the other Clearing Organization's margin system for determining the Base Margin Requirement and the Risk Margin Requirement for any set of X-M Accounts. Furthermore, if the Clearing Organizations mutually agree, in writing or orally, to use, on any day or for any period, one Clearing Organization's system for purposes of calculating the Base Margin Requirement and the Risk Margin Requirement, the other Clearing Organization need not use its systems for such purpose on such day or during such period. Any such oral agreement pursuant to this paragraph shall be made over a recorded telephone line and promptly confirmed in writing, but the failure to do so shall not affect the validity of such oral agreement.

(b) Either Clearing Organization may determine to increase the Margin Requirement for any pair of X-M Accounts at any time and in any amount as it deems appropriate in its discretion to reflect the financial condition of a Clearing Member (or its Affiliated Clearing Member), size of positions carried by a Clearing Member (or its Affiliated Clearing Member), unusual market conditions, changes in market prices or other special

circumstances. The Margin Requirement with respect to any pair of X-M Accounts may not be decreased without the consent of both Clearing Organizations.

(c) Each Clearing Organization assumes the responsibility of determining to its satisfaction that the Margin Requirement for any pair of X-M Accounts is adequate, and, notwithstanding any other provision of this Agreement, one Clearing Organization shall not have liability to the other Clearing Organization or to any other person based upon an allegation that any margin calculation made by such Clearing Organization was inaccurate or inadequate.

6. Forms of Initial Margin and Method of Holding Initial Margin.

(a) Initial Margin deposited in respect of X-M Accounts shall be deposited in the form of cash, United States Treasury securities, GSE debt securities, MMF Shares, letters of credit, common stocks, or a combination of the foregoing. Treasury securities, GSE debt securities and MMF Shares deposited as Initial Margin shall meet the requirements of both Clearing Organizations and shall be valued at the lowest value that would be given to them under the Rules of OCC or CME. Letters of credit shall be in a form mutually acceptable to both Clearing Organizations. Common stocks deposited as Initial Margin shall meet the requirements of both Clearing Organizations and shall be valued at the lowest value that would be given to them under the Rules of OCC or CME. The Clearing Organizations shall be joint beneficiaries thereof and each letter of credit shall provide that the proceeds of any demand for payment thereunder shall be deposited in a bank account in the names of the joint beneficiaries. In the event that the form of demand for payment under any such letter of credit provides for execution by only one beneficiary, such Clearing Organization shall not execute such a demand for payment without the written or oral consent of the other beneficiary(ies). Any such oral consent shall be granted over a recorded telephone line and promptly confirmed in writing, but the failure to do so shall not affect the validity of such consent. Letters of credit shall be issued by institutions approved for that purpose by the Clearing Organizations.

(b) Initial Margin deposited in the form of cash by a Clearing Member or pair of Affiliated Clearing Members in respect of a Pair of Proprietary X-M Accounts shall be deposited by the Clearing Organizations in a Proprietary Joint Settlement Account and shall be

held there until returned to the Clearing Member(s) or applied in accordance with this Agreement; provided, however, that such funds may be invested overnight by the Designated Clearing Organization subject to such arrangements as may be mutually agreed to by the Clearing Organizations. To the extent that such investment requires a transfer of funds from a Proprietary Joint Settlement Account by the Designated Clearing Organization, such transfer shall not require the approval of the other Clearing Organization. Treasury securities and GSE debt securities deposited in respect of a Pair of Proprietary X-M Accounts shall be held in book-entry form in a Proprietary Joint Custody Account. Common stock deposited in respect of a Pair of Proprietary X-M Accounts will be held in an account at the Depository Trust Company ("DTC") and will be subject to the joint control of OCC and CME. MMF Shares so deposited shall be held for the joint benefit of the Clearing Organizations in an account on the books of the issuing money market fund or its agent or in such other manner as shall be agreed to between the Clearing Organizations.

(c) Initial Margin deposited in the form of cash by a Clearing Member in respect of a Pair of Non-Proprietary X-M Accounts shall be deposited by the Clearing Organizations in a Customers' Segregated Joint Margin Account and shall be held there until returned to the Clearing Member(s) or applied in accordance with this Agreement; provided, however, that such funds may be invested overnight by the Designated Clearing Organization subject to such arrangements as may be mutually agreed to by the Clearing Organizations. To the extent that such investment requires a transfer of funds from a Customers' Segregated Joint Margin Account by the Designated Clearing Organization, such transfer shall not require the approval of the other Clearing Organization. Treasury securities and GSE debt securities deposited in respect of a Pair of Non-Proprietary X-M Accounts shall be held in book-entry form in a Customers' Segregated Joint Custody Account. MMF Shares so deposited shall be held for the joint benefit of the Clearing Organizations in an account on the books of the issuing money market fund or its agent or in such other manner as shall be agreed to between the Clearing Organizations. Common stock deposited in respect of a Pair of Non-Proprietary X-M Accounts will be held in an account at DTC which is designated as containing customer segregated funds, and will be subject to the joint control of the Clearing Organizations.

(d) Letters of credit deposited by a Clearing Member or a pair of Affiliated Clearing Members in respect of a pair of X-M Accounts will be held by the Designated Clearing Organization on behalf of both Clearing Organizations. If a Clearing Member deposits a letter of credit which indicates on its face that it is being deposited to serve as Margin for a Pair of Non-Proprietary X-M Accounts, such letter of credit shall not constitute Margin for any other account.

7. Daily Settlement Procedures.

(a) Settlement shall be conducted on each Business Day in accordance with the procedures set forth below. All times specified refer to local time in effect in Chicago, Illinois, and all such times may be changed from time to time as the parties agree in writing or orally. Any such oral agreement shall be made over a recorded telephone line and promptly confirmed in writing, but the failure to do so shall not affect the validity of such oral agreement. All instructions issued by a Clearing Organization pursuant to this Section 7 directing an X-M Clearing Bank to transfer funds to or from a Proprietary Joint Settlement Account or a Customers' Segregated Joint Margin Account, or directing transfers to or from the designated bank account of any Clearing Member in respect of X-M Accounts, shall be transmitted by facsimile, by other electronic means acceptable to the Clearing Organizations or by hand delivery in advance to the other Clearing Organization, and, except as otherwise provided in Section 6(b) or 6(c) of this Agreement, all such instructions directing the transfer of funds from a Proprietary Joint Settlement Account or a Customers' Segregated Joint Margin Account, or directing transfers to or from the designated bank account of any Clearing Member in respect of X-M Accounts, shall require the approval of the other Clearing Organization. For the avoidance of doubt, the provisions of this Section 7(a) shall apply to any instruction provided for in paragraphs (f) through (m) of this Section 7 with respect to the transfer of funds to or from either a Proprietary Joint Settlement Account or a Customers' Segregated Joint Margin Account.

(b) Not later than 5:00 a.m., the Clearing Organization issuing any instruction provided for in paragraphs (f) through (j) of this Section 7 ("Regular Morning Instruction") shall transmit a copy of such instruction to the other Clearing Organization. In the case of any instruction provided for in paragraphs (k) through (m) of this Section 7 (an "Intra-

Day Instruction"), the issuing Clearing Organization shall transmit the instruction to the other Clearing Organization as far in advance of the intended time of transfer as possible. The non-issuing Clearing Organization shall promptly acknowledge receipt of any instruction transmitted to it as provided in this paragraph and shall either (A) indicate its approval by signing the instruction and forwarding it to the applicable X-M Clearing Bank or (B) indicate its non-approval by informing the issuing Clearing Organization (in writing if so requested) of the reason for the non-approval of the instruction. Each non-issuing Clearing Organization shall so indicate its approval or non-approval: (A) in the case of a Regular Morning Instruction, at or prior to the later of 5:40 a.m. or 40 minutes from the time of receipt of such instruction and (B) in the case of an Intra-Day Instruction, within 30 minutes of receipt of such instruction. A Clearing Organization may withhold its approval of an instruction only if it reasonably believes one or more of the following to be true: (i) the amount of the transfer requested was incorrectly calculated, (ii) if the transfer is from an account of a Clearing Member, the Clearing Member is not obligated to make the payment represented by the transfer, (iii) if the transfer is to an account of a Clearing Member or another Clearing Organization, such Clearing Member or Clearing Organization is not entitled to receive the payment represented by the transfer, (iv) the transfer is otherwise not authorized under the terms of this Agreement, or (v) the Clearing Organization withholding approval has not received the information required to be provided to it pursuant to paragraph (d) of this Section 7 and is therefore unable to determine whether the instruction is proper. The withholding of approval of an instruction other than as permitted in the preceding sentence, or the negligent or willful failure by a Clearing Organization to indicate its approval or non-approval of a settlement instruction to the issuing Clearing Organization within the time specified above shall constitute a failure to perform a material obligation of this Agreement, and the Clearing Organization so failing shall be liable to the other Clearing Organization for any loss, cost or expense to such other Clearing Organization resulting from such failure. Each Clearing Organization acknowledges that time is of the essence with respect to its obligations under this Section 7. Any remedy referred to in this Section 7 shall be cumulative to any other remedies at law or equity that such Clearing Organization may have. Any dispute arising under this paragraph shall be subject to the arbitration procedures set forth in Section 17 of this Agreement; provided, however, that in the case of any arbitration proceeding relating to any such

dispute, the notice referred to in paragraph (d) of Section 17 may be furnished at any time prior to, or concurrently with, the institution of arbitration proceedings.

(c) In the event that one Clearing Organization withholds approval of a Settlement Instruction, the Clearing Organization initiating such Settlement Instruction shall as promptly as practicable initiate a revised Settlement Instruction reflecting any item, or any portion of any item, that is not in dispute. Such revised Settlement Instruction shall be transmitted to the other Clearing Organization for approval or non-approval as provided in paragraph (a) of this Section; provided, however, that such approval or non-approval shall be indicated as promptly as practicable and in no event later than 15 minutes after receipt of such revised Settlement Instruction. If such revised Settlement Instruction is approved, settlement shall be effected in accordance with the usual procedures. In the event that any funds in a Proprietary Joint Settlement Account or a Customers' Segregated Joint Margin Account are subject to a dispute between the Clearing Organizations as to their proper disposition and such dispute is not resolved within one hour after the time specified in paragraph (b) of this Section for approval or non-approval of Settlement Instructions, the funds subject to the dispute shall be transferred to a separate bank account established for that purpose by the Designated Clearing Organization on behalf of itself and the other Clearing Organization; provided, however, that the institution where the bank account will be established shall be subject to the approval of both OCC and CME. Any withdrawal of funds from such account shall require the approval of both Clearing Organizations. No Clearing Organization shall withhold its approval of any withdrawal of funds from such account if it has no claim against funds in such account.

(d) At or prior to 1:00 a.m., each Clearing Organization shall furnish to the other (in such form as may from time to time be agreed upon) information respecting: (i) the positions in each X-M Account carried at such Clearing Organization reflecting the preceding Business Day's trading activity and any transfers or other position adjustments affecting such accounts; (ii) settlement amounts for each such X-M Account reflecting option premiums, exercise settlement amounts, and any Variation Margin due to or from the Clearing Member in such account; (iii) daily futures settlement prices and option marking prices; and (iv) such other information as may reasonably be requested for the purposes of this Agreement by the Clearing Organization receiving such information. At or prior to 4:30 a.m. or such other time as

may be agreed upon, the Clearing Organizations shall jointly determine the Margin Requirement for each set of X-M Accounts in accordance with Section 5 of this Agreement.

(e) At or prior to 6:00 a.m., each Clearing Organization shall issue to each Clearing Member or pair of Affiliated Clearing Members for which it is the Designated Clearing Organization a Margin and Settlement Report. Such report shall show the Margin Requirement for each pair of X-M Accounts of such Clearing Member(s), the amount of Initial Margin previously deposited by the Clearing Member(s) in respect of such X-M Accounts, and any Margin Deficit or Margin Excess in respect of such accounts. Such report shall also show the net amount of premiums and exercise settlement amounts due to or from the Clearing Member(s) in respect of OCC options and CME options and the net amount of Variation Margin due to or from the Clearing Member(s) in such accounts. Option premiums, exercise settlement amounts and Variation Margin will be identified to the Clearing Organization at which they arise. These amounts shall be netted together with any Margin Deficit to obtain a single net Cash Settlement Amount due to or from the Clearing Member(s) in respect of each pair of X-M Accounts on that day. If the Cash Settlement Amount in respect of any pair of X-M Accounts is due from the Clearing Member(s), such Cash Settlement Amount shall be reduced by the amount of any Margin Excess held by the Clearing Organizations in respect of such pair of X-M Accounts in the form of cash.

(f) If a Cash Settlement Amount remains due from the Clearing Member(s) in respect of its or their Pair of Proprietary X-M Accounts after application of such Margin Excess, the Clearing Organizations shall issue instructions directing the applicable X-M Clearing Bank to transfer such amount from the designated proprietary bank account of the Clearing Member(s) to the Proprietary Joint Settlement Account; and if a Cash Settlement Amount remains due from the Clearing Member(s) with respect to its or their Pair of Non-Proprietary X-M Accounts after application of such Margin Excess, the Clearing Organizations shall issue instructions to the applicable X-M Clearing Bank to transfer such amount from the designated segregated funds bank account of the Clearing Member(s) to the Customers' Segregated Joint Margin Account. This paragraph refers to transfers that are to be effected by the X-M Clearing Banks at or prior to 6:40 a.m.

(g) CME shall issue instructions directing the applicable X-M Clearing Bank(s) (i) to transfer to or from the Proprietary Joint Settlement Account from or to CME's bank account the net amount of all premiums and Variation Margin due from or to CME as shown on the Margin and Settlement Reports for that day in respect of all Proprietary X-M Accounts carried at CME, and (ii) to transfer to or from the Customers' Segregated Joint Margin Account from or to CME's bank account the net amount of all premiums and Variation Margin due from or to CME as shown on the Margin and Settlement Reports for that day in respect of all Non-Proprietary X-M Accounts carried at CME. This paragraph refers to transfers that are to be effected by the X-M Clearing Banks at or prior to 6:40 a.m.

(h) OCC shall issue instructions directing the applicable X-M Clearing Bank(s) (i) to transfer to or from the Proprietary Joint Settlement Account from or to OCC's bank account the net amount of all premiums and exercise settlement amounts due from or to OCC as shown on the Margin and Settlement Reports for that day in respect of all Proprietary X-M Accounts carried at OCC, and (ii) to transfer to or from the Customers' Segregated Joint Margin Account from or to OCC's bank account the net amount of all premiums and exercise settlement amounts due from or to OCC as shown on the Margin and Settlement Reports for that day in respect of all Non-Proprietary X-M Accounts carried at OCC. This paragraph refers to transfers that are to be effected by the X-M Clearing Banks at or prior to 9:00 a.m. (in the case of amounts due to OCC) or 10:00 a.m. (in the case of amounts due from OCC).

(i) If a Cash Settlement Amount is due to a Clearing Member or pair of Affiliated Clearing Members in respect of its or their Pair of Proprietary X-M Accounts, the Clearing Organizations shall issue instructions directing the applicable X-M Clearing Bank to transfer the Cash Settlement Amount from the Proprietary Joint Settlement Account to the designated proprietary bank account of the Clearing Member(s); provided, however, that no such instructions shall be issued until the Designated Clearing Organization has received confirmation that the Clearing Member(s) has (have) completed its or their morning settlement obligations in respect of all other accounts carried by it or them at the Clearing Organizations. If a Cash Settlement Amount is due to a Clearing Member or pair of Affiliated Clearing Members in respect of its or their Pair of Non-Proprietary X-M Accounts, the Clearing Organizations shall issue instructions directing the applicable X-M Clearing Bank to transfer the Cash Settlement

Amount from the Customers' Segregated Joint Margin Account to the designated segregated funds bank account of the Clearing Member(s); provided, however, that no such instruction shall be issued until the Designated Clearing Organization has received confirmation that the Clearing Member(s) has (have) completed its or their morning settlement obligations in respect of all other non-proprietary accounts carried by it or them at the Clearing Organizations. This paragraph refers to transfers that are to be effected by the X-M Clearing Banks at or prior to 10:00 a.m.

(j) If there is a Margin Excess in respect of a pair of X-M Accounts, the Clearing Member or pair of Affiliated Clearing Members may withdraw the amount of the excess upon submission to the Designated Clearing Organization between 6:00 a.m. and 12:00 Noon (or between such other times as the Designated Clearing Organization may specify) of a withdrawal request in such form as the Designated Clearing Organization prescribes. Notwithstanding the foregoing, a Clearing Member or pair of Affiliated Clearing Members may not withdraw a margin excess in any form or currency in an amount in excess of the amount of margin of that form deposited by the Clearing Member in the pair of X-M Account from which the withdrawal is requested.

(k) Instructions to the applicable X-M Clearing Bank shall be issued by the Designated Clearing Organization at such time or times as may be specified by the other Clearing Organization during the Designated Clearing Organization's normal business hours (i) to transfer from the designated proprietary bank account of a Clearing Member or pair of Affiliated Clearing Members to the Proprietary Joint Settlement Account the amount of any intra-day call for additional Initial Margin or Variation Margin required by such Clearing Organization for a Pair of Proprietary X-M Accounts, or (ii) to transfer from the designated segregated funds bank account of a Clearing Member or pair of Affiliated Clearing Members to the Customers' Segregated Joint Margin Account the amount of any intra-day call for additional Initial Margin or Variation Margin required by such Clearing Organization for a Pair of Non-Proprietary X-M Accounts. The Designated Clearing Organization may, but shall not be obligated to issue instructions pursuant to this paragraph at times other than during its normal business hours at the request of the Clearing Organization.

(l) At the time or times determined by CME following the settlement time for any Intra Day Margin Call, CME shall issue instructions directing the X-M Clearing Banks: (i) to transfer to or from the Proprietary Joint Settlement Account from or to CME's bank account the net amount of intra-day Variation Margin due from or to CME in respect of all Proprietary X-M Accounts carried at CME, and (ii) to transfer to or from the Customers' Segregated Joint Margin Account from or to CME's bank account the net amount of intra-day Variation Margin due from or to CME in respect of all Non-Proprietary X-M Accounts carried at CME. Intra-day Variation Margin due to a Clearing Member or pair of Affiliated Clearing Members in respect of its or their Proprietary X-M Account at CME shall be held in the Proprietary Joint Settlement Account (or invested in accordance with Section 6 of this Agreement) overnight, except that the Clearing Member(s) may be permitted upon request to withdraw such Variation Margin to the extent that it does not exceed the amount of Margin Excess not withdrawn by such Clearing Member(s) in accordance with paragraph (k) of this Section, and any Variation Margin not so withdrawn shall be a credit to the Clearing Member(s) in calculating the Cash Settlement Amount due to or from the Clearing Member(s) in respect of its or their Pair of Proprietary X-M Accounts on the following Business Day. Intra-day Variation Margin due to a Clearing Member or pair of Affiliated Clearing Members in respect of its or their Non-Proprietary X-M Account at CME shall be held in the Customers' Segregated Joint Margin Account (or invested in accordance with Section 6 of this Agreement) overnight, except that the Clearing Member(s) may be permitted upon request to withdraw such Variation Margin to the extent that it does not exceed the amount of Margin Excess not withdrawn by such Clearing Member(s) in accordance with paragraph (k) of this Section, and any Variation Margin not so withdrawn shall be a credit to the Clearing Member(s) in calculating the Cash Settlement Amount due to or from the Clearing Member(s) in respect of its or their Pair of Non-Proprietary X-M Accounts on the following Business Day.

8. Suspension and Liquidation of Clearing Member.

(a) Either Clearing Organization may suspend a Clearing Member whose X-M Accounts it carries in accordance with its Rules. Upon such suspension, the suspending Clearing Organization shall immediately by telephone or in person, and thereafter in writing, notify the other Clearing Organization of such suspension, and each Clearing

Organization shall immediately liquidate the Contracts in each X-M Account carried for the suspended Clearing Member or its Affiliated Clearing Member at that Clearing Organization except to the extent that the Clearing Organizations agree, consistent with their respective Rules, (i) to transfer Contracts carried in the Non-Proprietary X-M Accounts of such Clearing Member(s), or (ii) to delay liquidation of some or all of such Contracts. The Clearing Organizations shall use their best efforts to coordinate the transfer or liquidation of such Contracts so that all "legs" of any "spread" or hedged position can be closed out simultaneously or, in the case of a transfer, so that the positions of each Market Professional can be transferred to the same clearing firm or pair of affiliated clearing firms. Any funds received by either Clearing Organization upon liquidation of the X-M Accounts of a Clearing Member pursuant to this Section shall be applied in accordance with the following paragraphs of this Section.

(b) Each Clearing Organization may apply any funds received on the liquidation of the Proprietary X-M Account of the suspended Clearing Member at such Clearing Organization to set off funds expended in liquidating such Proprietary X-M Account. Additionally, each Clearing Organization may apply any funds received on the liquidation of the Non-Proprietary X-M Account of such Clearing Member at such Clearing Organization to set off funds expended in liquidating such Non-Proprietary X-M Account. Following the initial setoffs referred to in the preceding sentences, any remaining proceeds from the liquidation of the Proprietary X-M Account may be applied to set off any remaining deficit incurred by such Clearing Organization in liquidating the Clearing Member's Non-Proprietary X-M Account. Funds received or expended in liquidating an X-M Account shall include funds received or expended in liquidating Contracts in such account, funds received or expended with respect to pending premium or Variation Margin settlements in such account, and any other funds received or expended by the Clearing Organizations in liquidating such account or in effecting transfers of positions in such account.

(c) The Clearing Organizations shall establish, in their joint names, a Proprietary Liquidating Account and a Non-Proprietary Liquidating Account at a bank that is acceptable to them. Any net proceeds from Contracts in the Proprietary X-M Accounts that remain after the setoffs referred to in the preceding paragraph shall be deposited in the Proprietary Liquidating Account, and any net proceeds from Contracts in the Non-Proprietary X-

M Accounts that remain after such setoffs shall be deposited in the Non-Proprietary Liquidating Account. Cash margin deposited in respect of the Proprietary X-M Accounts shall be deposited in the Proprietary Liquidating Account, and cash margin deposited in respect of the Non-Proprietary X-M Accounts shall be deposited in the Non-Proprietary Liquidating Account. The Clearing Organizations shall also promptly convert to cash, in the most orderly manner practicable, all other Margin jointly held by them in respect of the X-M Accounts; including demanding immediate payment of any letter of credit deposited as Margin unless both Clearing Organizations agree not to take such action. Cash proceeds of Margin deposited in respect of the Non-Proprietary X-M Accounts shall be deposited in the Non-Proprietary Liquidating Account, and cash proceeds of Margin deposited in respect of the Proprietary X-M Accounts shall be deposited in the Proprietary Liquidating Account.

(d) (i) If the Non-Proprietary X-M Accounts are not X-M Pledge Accounts, the funds in the Non-Proprietary Liquidating Account shall be applied to set off any liquidating deficits in, and to satisfy any settlement obligations with respect to, the Non-Proprietary X-M Accounts (including to reimburse the Proprietary Liquidating Account to the extent that proceeds of any Proprietary X-M Account were applied pursuant to paragraph (b) of this Section to set off a liquidating deficit in any Non-Proprietary X-M Account). If the Proprietary X-M Accounts are not X-M Pledge Accounts, the funds in the Proprietary Liquidating Account shall be applied first to set off any liquidating deficits in, and to satisfy any settlement obligations with respect to, the Proprietary X-M Accounts and, if such funds are more than sufficient to cover any net liquidating deficit in and settlement obligations with respect to such Proprietary X-M Accounts, the surplus may next be applied to set off any net liquidating deficits in, and to satisfy any settlement obligations with respect to, the Non-Proprietary X-M Accounts at the Clearing Organizations.

(ii) If any surplus remains in the Proprietary Liquidating Account after all of the foregoing setoffs, each Clearing Organization shall be entitled to 50% of the surplus, for application against any losses whatsoever to each of them resulting from defaults in other obligations of the defaulting Clearing Member (or either of the Affiliated Clearing Members in the case of a pair of Affiliated clearing Members); provided that if the net loss sustained by OCC or CME resulting from defaults in such other obligations ("other losses"),

before any assessment against non-defaulting Clearing Members or their clearing or guarantee fund deposits, amounts to less than their share of the surplus, then CME or OCC shall be entitled to retain or receive only an amount equal to its other losses, and (ii) the other Clearing Organization shall be entitled to retain or receive the balance of the surplus up to the amount of its other losses, if any.

(e) If either the Pair of Proprietary X-M Accounts or the Pair of Non-Proprietary X-M Accounts are X-M Pledge Accounts, the distribution of any funds in the Proprietary Liquidating Account or Non-Proprietary Liquidating Account (as applicable) shall be determined in accordance with the Supplement to this Agreement.

(f) If the funds in the Proprietary and Non-Proprietary Liquidating Accounts, when applied to the full extent permitted in accordance with this Section 8, are insufficient to offset the aggregate of the liquidating deficits in all X-M Accounts of the Clearing Member or pair of Affiliated Clearing Members at the Clearing Organizations, the Clearing Organizations each will bear 50% of the remaining shortfall. Each Clearing Organization agrees that it will, in accordance with its Rules, apply its clearing or guarantee fund and exercise any rights to make additional assessments against Clearing Members to the extent necessary to satisfy any obligation to the other Clearing Organization under the preceding sentence. Funds owed by one Clearing Organization under this paragraph to the other shall be paid promptly upon demand after a provisional determination of the amount thereof has been made, and any funds owed by one Clearing Organization to the other resulting from a subsequent adjustment to such a provisional determination shall be paid promptly upon demand after a determination of the amount of such adjustment. In calculating the net proceeds or liquidating deficit in respect of an X-M Account, each Clearing Organization shall include all expenses reasonably incurred in liquidating such account including, but not limited to, the cost of borrowing funds pursuant to paragraph (h) of this Section or otherwise in connection with such liquidation.

(g) Any amounts remaining in the Proprietary and Non-Proprietary Liquidating Accounts after all of the applications referred to in this Section shall be paid to the Clearing Member or pair of Affiliated Clearing Members or its or their respective representatives for distribution to the persons entitled thereto.

(h) Nothing in this Agreement shall be construed to require any Clearing Organization to deliver funds to the other Clearing Organization at any time when such Clearing Organization is subject to an expressly applicable stay or other order of a court or regulatory agency prohibiting it from doing so; provided, however, that such Clearing Organization shall use its best efforts to borrow funds equal in amount to those which it is stayed from delivering and deliver such borrowed funds to the other Clearing Organization pending the lifting of the stay or other order, and the cost of borrowing such funds shall be shared equally by the Clearing Organizations to the extent not chargeable against the Clearing Member. If it is determined that such Clearing Organization has no right to the funds subject to the stay, the Clearing Organizations shall share in any additional loss caused thereby in accordance with the formula set forth in paragraph (f) above for the allocation of losses.

(i) The formulas set forth in paragraphs (d) and (f) above for the allocation of surpluses and losses, respectively, shall be reviewed annually and, if any Clearing Organization believes in good faith that one or both such formulas should be revised, the Clearing Organizations shall make a good faith effort to arrive at an alternative formula or formulas satisfactory to each of them.

9. Confidentiality.

(a) Except as expressly authorized in this Agreement, each Clearing Organization shall maintain in confidence any and all information obtained by it in connection with this Agreement or the transactions or activities contemplated herein with respect to the other Clearing Organization or the positions, transactions or financial condition of any Clearing Member of such other Clearing Organization ("Confidential Information"). The foregoing shall not apply to any information which is or becomes generally known to the public, other than through an action or failure to act by such Clearing Organization. The foregoing shall not prohibit a Clearing Organization from furnishing Confidential Information to the CFTC or the SEC or, pursuant to any surveillance agreement or similar arrangement to which such Clearing Organization is a party, to any "self-regulatory organization" within the meaning of the CEA or the Exchange Act or to any foreign government or regulatory body.

(b) In the event that a Clearing Organization is required by subpoena, or by any other order of court, law or regulation to disclose any Confidential Information in the possession of such Clearing Organization, it is agreed that the Clearing Organization which is subject to such requirement shall provide the other Clearing Organization with prompt notice of such requirement so that the other Clearing Organization may seek an appropriate protective order and/or waive compliance with the provisions of this Section with respect to such required disclosure. In the event that such other Clearing Organization determines to seek a protective order, the Clearing Organization subject to the requirement shall cooperate to the extent reasonably requested by the other Clearing Organization. It is further agreed that if in the absence of a protective order or the receipt of a waiver hereunder, the Clearing Organization subject to the requirement is nonetheless, in the opinion of its counsel, compelled to disclose such Confidential Information to any tribunal or regulatory agency or else stand liable for contempt or suffer other censure or penalty, such Clearing Organization may produce such Confidential Information without liability under this Section 9.

(c) The provisions of this Section 9 shall survive the termination of this Agreement.

10. Indemnification.

(a) Each Clearing Organization (the "indemnitor") shall indemnify, defend and hold harmless the other Clearing Organization, its directors, officers, employees and each person, if any, who controls each such Clearing Organization ("indemnified party") against any Claims and Losses (as defined below) incurred by an indemnified party as the result, or arising from allegations, of:

(i) any action or failure to act by the indemnitor in connection with this Agreement or the cross-margining procedures contemplated under this Agreement, if any such action or failure to act constitutes a violation of this Agreement or any obligation undertaken in connection with this Agreement or the cross-margining procedures, any Rule of the indemnitor (except to the extent that such Rule is inconsistent with the provisions of this Agreement), or any law or governmental regulation applicable to the indemnitor;

(ii) without limiting the generality of the foregoing, in the case of an indemnitor that undertakes responsibility for directing the investment of cash deposited as Margin in respect of X-M Accounts, any unauthorized investment of such funds or any defalcation or theft of funds or investments by an employee of the indemnitor.

(b) As used in this Section 10, the term "Claims and Losses" means any and all losses, damages and expenses whatsoever (whether direct or arising from claims of third parties) including, without limitation, liabilities, judgments, damages, costs of investigation, reasonable attorneys fees and other expenses and amounts paid in settlement (pursuant to consent of the indemnitor, which consent shall not be unreasonably withheld) in connection with any action, suit, litigation, claim or proceeding to which an indemnified party is made a party defendant, or is threatened to be made such a party.

(c) Promptly after receipt by an indemnified party of notice of the commencement of any action or the assertion of any claim against such indemnified party, such indemnified party shall, if a claim in respect thereof is to be made against the indemnitor, notify the indemnitor in writing of the commencement of such action or assertion of such claim; but the omission so to notify the indemnitor will not relieve the indemnitor from any liability which it may have to any indemnified party except to the extent that the indemnitor has been prejudiced by the lack of prompt notice and shall in any event not relieve the indemnitor of any liability which it may have to an indemnified party otherwise than under this Section 10. In case any such action is brought against any indemnified party, and such party promptly notifies the indemnitor of the commencement thereof, the indemnitor will be entitled to participate in, and, to the extent that it may wish, to assume and control the defense thereof, with counsel chosen by it, and, after notice from the indemnitor to such indemnified party of its election so to assume the defense thereof, the indemnitor will not be liable to such indemnified party under this Section 10 for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof other than reasonable costs of investigation, but the indemnified party may, at its own expense, participate in such defense by counsel chosen by it, without, however, impairing the indemnitor's control of the defense. In any action in which the named parties include the indemnitor and one or more indemnified parties, the indemnitor shall have the right

to assume control of any legal defenses that are available to it and any of the indemnified parties. Notwithstanding the foregoing, in any action in which the named parties include both the indemnitor and an indemnified party and in which the indemnified party shall have been advised by its counsel that there may be legal defenses available to the indemnified party that are different from or additional to those available to the indemnitor, the indemnitor shall not have the right to assume such different or additional legal defenses; and provided further that the indemnitor shall not, in connection with one action or separate but substantially similar actions arising out of the same general allegations or circumstances, be liable for more than the reasonable fees and disbursements of one separate firm of attorneys for all of the indemnified parties for the purpose of conducting such different or additional legal defenses. The indemnitor may negotiate a compromise or settlement of any such action or claim provided that such compromise or settlement does not require a contribution by, or otherwise adversely affect the rights of, the indemnified party.

11. Limitation of Liability of Designated Clearing Organization. A Clearing Organization shall not have any liability to the other Clearing Organization as the result of any action taken, or omitted to be taken, by it in the course of performing its responsibilities as a Designated Clearing Organization under this Agreement unless such action or omission constitutes willful misconduct.

12. Representations and Warranties.

(a) The Clearing Organizations represent and warrant that as of the date hereof and as of the Effective Date:

(i) Good Standing. It is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation, has the power and authority to own its assets and to transact the business in which it is now engaged or proposed to be engaged and is duly qualified and authorized to do business as a foreign corporation and is in good standing under the laws of each jurisdiction in which failure to so qualify could have a material adverse effect on its financial condition, business or operations.

(ii) Corporate Power and Authority. It has all requisite corporate power and authority to enter into this Agreement and the agreements referenced in this Agreement, as applicable, and full power and authority to take all actions required of it pursuant to such agreements. This Agreement and the applicable agreements referenced in this Agreement will constitute, when executed and delivered, valid and binding obligations of such Clearing Organization, and the execution, delivery and performance of all of its obligations under this Agreement and the applicable agreements referenced in this Agreement have been duly authorized by all necessary corporate action on the part of such Clearing Organization.

(iii) No Violation. Except for provisions as to which waivers have been obtained, the execution and delivery of this Agreement and the applicable agreements referenced in this Agreement by the Clearing Organization and the performance of its obligations under this Agreement and the applicable agreements referenced in this Agreement: (i) do not result in a violation or breach of, do not conflict with or constitute a default under, and will not accelerate or permit the acceleration of performance required by, any of the terms and provisions of its certificate or articles of incorporation, by-laws, rules or other governing documents, any note, debt instrument, or any other agreement to which it is a party or to which any of its assets or properties is subject, and will not be an event which after notice or lapse of time or both will result in any such violation, breach, conflict, default or acceleration; and (ii) do not result in a violation or breach of any law, judgment, decree, order, rule or regulation of any governmental authority or court, whether federal, state or local, at law or in equity, applicable to it or any of its assets or properties.

(b) The Clearing Organizations represent and warrant that as of the Effective Date all authorizations, permits, approvals or consents required to be obtained from, and all notifications and filings required to be made with, all governmental authorities and regulatory bodies and third parties to permit such Clearing Organization to place into effect this Agreement and the applicable agreements referenced in this Agreement and to perform its obligations under this Agreement and under the applicable agreements referenced in this Agreement have been obtained.

13. Termination.

(a) OCC or CME may terminate this Agreement without cause by delivering written notice of termination to the other specifying a termination date not less than 90 days following the date on which such notice is sent.

(b) In the event that either party fails to perform any material obligation under this Agreement and such failure is not promptly cured after written notice thereof is sent to such party, a nondefaulting party may terminate this Agreement by delivering written notice of such termination to the other parties specifying a termination date not less than five Business Days following the date on which such notice of termination is sent.

(c) This Agreement will be terminated on the termination date established under paragraph (a) or (b) above except to the extent otherwise provided in this Agreement.

(d) In the event that a termination date is established under paragraph (a) or (b) above, each Clearing Organization shall promptly notify all of the affected Clearing Members for which it is a Designated Clearing Organization of the termination date. On and after the termination date, each Clearing Organization may calculate Margin on Contracts, and may clear and settle transactions, in each X-M Account maintained at that Clearing Organization in accordance with its Rules and procedures applicable to other accounts. Settlement in respect of options that were exercised on or prior to the termination date but that have not been settled prior to the termination date will be effected separately at the applicable Clearing Organization. Margin held jointly by OCC and CME in the form of cash, Treasury securities, GSE debt securities or other property other than letters of credit and MMF Shares shall be transferred from the Joint Custody Account to the custody of a Clearing Organization of the depositing Clearing Member(s) at the direction of such Clearing Member(s). Letters of credit shall be returned to the Clearing Member. MMF Shares that were held for the joint benefit of the Clearing Organizations in an account on the books of the issuing money market fund or its agent in such other manner as shall be agreed to between the Clearing Organizations shall be returned to the Clearing Member. Each Clearing Organization shall cooperate fully in exchanging all necessary data, records, computer files and other information, and in executing documents and taking other action necessary or appropriate to effect transfers, releases, etc. in order to effect termination of

the cross-margining arrangement as contemplated in this Agreement. In the event that a liquidation of a Clearing Member is pending on the termination date or prior to the time all Margin is released, the provisions of Section 8 of this Agreement shall survive the termination until such liquidation has been completed and any amount due from one Clearing Organization to the other in respect of such liquidation has been paid.

14. Forbearance of Authority to Reject Transactions. No Clearing Organization shall, without the express consent of the other, exercise any authority contained in its Rules to reject a transaction effected in an X-M Account (whether a purchasing or selling transaction) that was reported to such Clearing Organization in a report of matched trades.

15. Information Sharing.

(a) OCC and CME hereby agree to provide one another with the following information regarding their respective Clearing Members that have established X-M Accounts and any of their Clearing Members who are affiliates of such Clearing Members ("Reportable Clearing Members"):

(i) If a Clearing Organization applies certain special surveillance procedures to a Reportable Clearing Member, such Clearing Organization will inform the other Clearing Organization of that fact. In the case of a CME Clearing Member, this notification will be required if the CME Audit Department places a Reportable Clearing Member on its "high risk" list. In the case of an OCC Clearing Member, this notification will be required if OCC places a Reportable Clearing Member on its "Watch Level III" or "Watch Level IV."

(ii) If a Clearing Organization requires more frequent reporting of financial information by a Reportable Clearing Member, that Clearing Organization will inform the other Clearing Organization of that fact and the period of reporting.

(iii) If a Clearing Organization increases the capital requirement for any Reportable Clearing Member, that Clearing Organization will notify the other Clearing Organization of that fact, the amount of the additional capital required and the deadline for meeting the requirement.

(iv) If a Clearing Organization imposes higher margin requirements with respect to a particular Reportable Clearing Member, or issues a special intra-day call for margin or settlement variation in respect of any account of a Reportable Clearing Member, that Clearing Organization shall notify the other Clearing Organization of that fact and the amount of the additional margin required.

(v) Each Clearing Organization shall, upon request by the other Clearing Organization, furnish to such other Clearing Organization the following information with respect to each account carried by the Reportable Clearing Member with the Clearing Organization from whom the information is requested: (A) margin required and on deposit in respect of such account, and (B) the dollar amount of any current settlement obligations owed to or by the Reportable Clearing Member that have been determined for such account in respect of variation margin, premiums, option exercises and any other settlements.

(vi) Each Clearing Organization shall notify the other Clearing Organization of any disciplinary action (other than an appeal from an administrative fine) taken by its governing board, or committee or subcommittee thereof, against a Reportable Clearing Member involving non-compliance with financial or financial reporting requirements, or violation of the rules of OCC or the clearing rules of CME.

(vii) Each Clearing Organization shall notify the other Clearing Organization in the event that the notifying Clearing Organization learns of any major processing difficulties (including, but not limited to, back-office computer problems) or operational errors of a Reportable Clearing Member.

(viii) Each Clearing Organization agrees to notify the other Clearing Organization in the event that a Reportable Clearing Member defaults in any settlement obligation (other than routine delays of not more than forty-eight hours in the physical delivery of underlying interests).

(ix) For purposes of this paragraph 15(a), a Clearing Member shall be considered an "affiliate" of another Clearing Member if it controls or is controlled by such other Clearing Member; and "control" of one Clearing Member by another shall mean the

direct or indirect ownership by such Clearing Member of at least 50% of the equity of such other Clearing Member. Clearing Members that are related to one another in other ways shall also be considered "affiliates" of one another for purposes of this paragraph 15(a) in cases where the Clearing Organizations agree, whether in terms of a general rule or on a case-by-case basis, that the financial condition of the related Clearing Member could have a material impact on the financial condition of the cross-margining Clearing Member.

(b) OCC and CME hereby agree to notify one another in the event that the notifying Clearing Organization learns of any major processing difficulties (including, but not limited to, computer problems) or operational errors of an X-M Clearing Bank.

(c) OCC and CME hereby agree to inform one another, on a monthly basis, of the total size of, and aggregate amount of required contributions to, such Clearing Organization's clearing or guarantee fund.

(d) Any notice required to be given pursuant to this Section 14 shall be given by telephone over a recorded line or facsimile promptly upon the occurrence of the event giving rise to the requirement of notification, and any such notice given by telephone shall be promptly confirmed in writing. Each such notice shall be directed as follows:

If to OCC:

First Vice President - Risk Management
Recorded Telephone: (817) 552 3593
Facsimile: (312) 322-4534

If to CME:

Vice President - Clearing House Department
Recorded Telephone: (312) 930-3181
Facsimile: (312) 930-3187

In case of the absence or unavailability of any officer named above, any telephone calls shall be directed to another individual who has been designated in writing by the Clearing Organizations as authorized to receive such telephone calls. Prior to the Effective Date of this Agreement, each Clearing Organization shall provide the others with the name and telephone number of any other individual designated by such Clearing Organization pursuant to the preceding sentence.

16. General Provisions.

(a) Further Assurances. Each party agrees, without additional consideration, to execute and deliver such instruments and take such other actions as shall be reasonably required or as shall be reasonably requested by one or both of the other parties in order to carry out the transactions, agreements and covenants contemplated by this Agreement.

(b) Amendment, Modification and Waiver. Unless otherwise expressly provided herein, this Agreement may be permanently modified, amended or supplemented only by mutual written agreement of the parties. A party may temporarily waive or modify any condition intended to be for its benefit provided such waiver shall be in writing signed by the party or parties to be charged. Any delay or failure of any party hereto at any time to require performance by one or both of the other parties of any provision of this Agreement shall in no way affect the right of such party to require future performance of that or any other provision of this Agreement and shall not be construed as a waiver of any subsequent breach of any provision, a waiver of this provision itself or a waiver of any other right under this Agreement.

(c) Governing Law. This Agreement shall be governed by and construed in accordance with the laws (without regard to principles of conflicts of laws) of the State of Illinois.

(d) Notices. Unless otherwise expressly provided in this Agreement, all notices to be given by any party under this Agreement shall be in writing and shall be given by hand delivery, recognized courier delivery service, or by confirmed facsimile, to the other parties at the following addresses (or such other addresses as any party may furnish to the others in writing for such purpose):

If to OCC: The Options Clearing Corporation
One North Wacker Drive
Suite 500
Chicago, Illinois 60606
Attention: Chairman

Copy to: The Options Clearing Corporation
One North Wacker Drive
Suite 500
Chicago, Illinois 60606
Attention: General Counsel

If to CME: Chicago Mercantile Exchange
20 South Wacker Drive
Chicago, Illinois 60606
Attention: President

Copy to: Chicago Mercantile Exchange
20 South Wacker Drive
Chicago, Illinois 60606
Attention: General Counsel

(e) Assignment. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns, but neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any party hereto without the prior written consent of the other parties, nor is this Agreement intended to confer upon any other person except the parties any rights or remedies hereunder.

(f) Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

(g) Headings. The section and paragraph headings contained in this Agreement are solely for the purpose of reference, are not part of the agreement of the parties and shall not affect in any way the meaning or interpretation of this Agreement.

(h) Entire Agreement. Except as set forth expressly herein or in another instrument in writing signed by the party to be bound thereby which makes reference to this Agreement, this Agreement, including the exhibits hereto, embodies the entire agreement and understanding of the parties hereto in respect of the subject matter contained herein, and no other restrictions, promises, representations, warranties, covenants, or undertakings in relation thereto exist among the parties. This Agreement supersedes all prior agreements (including, but not limited to, the Original Agreement) and understandings among the parties with respect to such subject matter.

(i) Invalid Provision. In the event that any provision, or any portion of any provision, of this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision, or any other portion of any provision, of this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

(j) Effective Date. This Agreement shall become effective on a date mutually agreed to by the parties, which date shall be not earlier than the date on which all necessary regulatory approval has been received and not later than 60 days after such date.

(k) Force Majeure. Notwithstanding any other provision of this Agreement, no party hereto shall be liable for any failure to perform or delay in performing its obligations hereunder if such failure or delay is caused by fire, strike, power failure, riot or other civil commotion, acts of nature, acts of federal, state or municipal public authorities, governmentally ordered business or banking moratoria or orders to refrain from using power

(whether or not such moratoria or orders are legally authorized), equipment failure or any other condition or event beyond the reasonable control of the party whose performance is prevented or delayed. Each party agrees to notify the others promptly upon learning that any such condition or event has occurred and shall cooperate with the others, upon request, in arranging alternative procedures and in otherwise taking reasonable steps to mitigate the effects of any inability to perform or any delay in performing.

(l) For purposes of Title IV, Subtitle A of the Federal Deposit Insurance Corporation Improvement Act of 1991 [12 USC 4401- 4407], this Agreement shall be deemed to be a “netting contract” and all payments made or to be made hereunder, including payments made in accordance with this Agreement in connection with the liquidation of a Clearing Member or pair of Affiliated Clearing Members, shall be deemed to be “Covered Contractual Payment Obligations” or “Covered Contractual Payment Entitlements”, as the case may be, as well as “Covered Clearing Obligations”.

17. Arbitration.

(a) Any controversy or claim arising out of or relating to this Agreement, any amendments or modifications thereto hereafter entered into between OCC and CME, or the breach, termination or invalidity of any of the foregoing, shall be settled by arbitration before the American Arbitration Association (the “AAA”) in accordance with the then current Commercial Arbitration Rules of the AAA to the extent that such Rules do not conflict with any provisions of this section.

(b) The arbitration shall be held at the Chicago office of the AAA. The arbitration shall be held before a panel of three arbitrators: one appointed by each party and one neutral arbitrator to be appointed by agreement of the two party-appointed arbitrators. The neutral arbitrator shall be an attorney with not less than an aggregate of 12 years of experience in legal practice, legal teaching or adjudication. Only a neutral arbitrator shall act as chairman.

(c) No party hereto shall institute an arbitration proceeding hereunder unless, at least 30 days prior thereto, such party shall have furnished to the other party written notice of its intent to do so and of the basis therefor.

(d) Any award, order or judgment pursuant to such arbitration shall be deemed final and may be entered and enforced in any state or federal court of competent jurisdiction. Each party agrees to submit to the jurisdiction of any such court for purposes of the enforcement of any such award, order or judgment.

(e) Any award of damages pursuant to such arbitration shall be included in a written decision which shall state the reasons upon which the award was based, including all the elements involved in the calculation of any award of damages.

(f) Any arbitration proceeding hereunder shall be conducted on a confidential basis.

(g) Notwithstanding any other provision of this Agreement, each party shall have the right to apply to any court of competent jurisdiction for temporary injunctive or other preliminary relief.

(h) The parties agree to permit discovery proceedings in accordance with the Federal Rules of Civil Procedure both in advance of, and during recesses of, the arbitration hearings. Any disputes relating to such discovery will be resolved by the arbitrators.

(i) No arbitration arising out of or relating to this Agreement shall include, by consolidation, joinder or in any other manner, any additional person not a party to this Agreement except by written consent containing a specific reference to this Agreement and signed by the Clearing Organizations that are parties to the arbitration. Any such written consent to arbitration involving an additional person or persons shall not constitute consent to arbitration of any dispute not described therein or with any person not named or described therein.

(j) The provisions of this Section 17 shall survive the termination of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the date first above written.

THE OPTIONS CLEARING CORPORATION

By: W. S. Little
Name: MICHAEL E. CASIM
Title: President and COO

CHICAGO MERCANTILE EXCHANGE INC.

By: John Michaels
Name: John Michaels
Title: MD, Credit & Market Risk Mgt

EXHIBIT A

Effective: May 28, 2008

CME ELIGIBLE CONTRACTS

- S&P 500 Index Futures and put and call options on such futures
- S&P MidCap 400 Index Futures and put and call options on such futures
- S&P Barra Growth Index Futures and put and call options on such futures
- S&P Barra Value Index Futures and put and call options on such futures
- S&P 600 Small Cap Index Futures and put and call options on such futures
- S&P 500 Tech-Comm Index Futures and put and call options on such futures
- S&P 500 Financial Index Futures and put and call options on such futures
- Russell 1000 Index Futures and put and call options on such futures
- Russell 2000 Index Futures and put and call options on such futures
- Nikkei 225 Index Futures and put and call options on such futures
- NASDAQ Composite Index Futures
- NASDAQ 100 Index Futures and put and call options on such futures
- The CBOT Dow Jones Industrial Average Index Futures and put and call options thereon
- Dow Jones Total Market Index Futures
- Nasdaq Biotechnology Index Futures
- MSCI EAFE Index Futures
- MSCI Emerging Markets Index Futures

OCC ELIGIBLE CONTRACTS

Put and Call Options on:

- S&P 100 Index
- S&P 500 Index
- S&P 400 MidCap Index
- S&P 600 Small Cap Index
- S&P Barra Growth Index
- S&P Barra Value Index
- iShares S&P 100 Index Fund
- iShares S&P 600 Small Cap Index Fund
- iShares S&P 400 MidCap Index Fund
- The Japanese Index
- Nasdaq 100 Index
- Nasdaq Composite Index
- Morgan Stanley Multinational Index
- Dow Jones Industrial Average
- NASDAQ 100 Index SPDRs
- Diamonds Trust
- Russell 1000 Index
- Russell 2000 Index

- Russell 3000 Index
- Russell MidCap Index
- Russell 1000 Growth Index
- Russell 1000 Value Index
- Russell 2000 Growth Index
- Russell 2000 Value Index
- Russell 3000 Growth Index
- Russell 3000 Value Index
- Russell MidCap Growth Index
- Russell MidCap Value Index
- iShares Russell 1000 Index Fund
- iShares Russell 1000 Value Index Fund
- iShares Russell 1000 Growth Index Fund
- iShares Russell 2000 Index Fund
- iShares Russell 3000 Index Fund
- iShares Russell MidCap Index Fund
- iShares Russell MidCap Growth Index Fund
- iShares Russell MidCap Value Index Fund
- Fidelity Nasdaq Composite Index Tracking Stock
- Standard & Poor's Depository Receipts
- Nasdaq Biotechnology Index
- iShares Nasdaq Biotechnology Index
- iShares Russell 2000 Value Index Fund
- iShares Russell 3000 Value Index Fund
- iShares Russell 2000 Growth Index Fund
- iShares Russell 3000 Growth Index Fund
- iShares MSCI EAFE Index
- iShares MSCI Emerging Markets Index Fund
- Short QQQ ProShares
- Short Dow 30 ProShares)
- Short S&P 500 ProShares
- Short MidCap 400 ProShares
- Short SmallCap 600 ProShares
- UltraShort QQQ ProShares
- UltraShort Dow 30 ProShares
- UltraShort S&P 500 ProShares
- UltraShort MidCap 400 ProShares
- UltraShort SmallCap 600 ProShares
- Ultra QQQ ProShares
- Ultra Dow 30 ProShares
- Ultra S&P 500 ProShares
- Ultra MidCap 400 ProShares
- Ultra SmallCap 600 ProShares

Security Futures Contracts on:

- Diamonds Trust
- Standard & Poor's Depository Receipts

EXHIBIT B

CROSS-MARGIN SYSTEM SUPER MARGINS

<u>RISK MARGIN REQUIREMENT</u>	<u>APPLICABLE PERCENTAGE</u>
0 - \$16 MILLION	0%
\$16+ - \$32 MILLION	25%
\$32+ - \$48 MILLION	50%
\$48+ - \$64 MILLION	75%
\$64+ MILLION	100%