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OFFICE OF THE SECRETARIAT

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May 21, 2009

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

**RE: CBOT Chapters 23, 24, 25 and 38 - Interest Rate
 Swap Futures
 CBOT Submission No. 09-097**

Dear Mr. Stawick:

The Board of Trade of the City of Chicago, Inc. ("CBOT" or "Exchange") hereby notifies the Commodity Futures Trading Commission of amended Exchange rules governing trading in 5-Year Interest Rate Swap Futures (CBOT Rulebook Chapter 24), 7-Year Interest Rate Swap Futures (Chapter 38), 10-Year Interest Rate Swap Futures (Chapter 23), and 30-Year Interest Rate Swap Futures (Chapter 25).

These futures contracts cash settle on March-quarterly IMM dates with reference to ISDA Benchmark Rates for U.S. dollar interest rate swaps with, respectively, 5-year, 7-year, 10-year, and 30-year terms to maturity.

The material amendments to these Chapters are as follows. (In each instance, the "xx" prefix denotes the corresponding CBOT Rulebook chapter number: 23, 24, 25, or 38.)

Rules xx101. widen the scope of information sources for determination of contract final settlement prices to include any "means such as shall be designated by ISDA for the purpose of publishing and disseminating ISDA Benchmark Rates for U.S. dollar interest rate swaps." Currently these chapters limit such information sources to "Reuters page ISDAFIX1 (or other Reuters page as shall be designated by ISDA...)"

Rules xx102. observe that trading in Interest Rate Swap futures shall be "regularly conducted in the first four consecutive contracts in the March-June-September-December quarterly cycle." As currently worded, these chapters observe that such trading will be regularly conducted in the first three March-quarterly delivery months.

Rules xx102.B. redefine the contract units of trading so that notional fixed interest payments are standardized around a rate of 4 percent per annum. Currently, these Rules standardize the contract units of trading around notional fixed interest payments at the rate of 6 percent per annum.

Rules xx103. are reorganized so such that newly created Rules xx103.A. define the contract final settlement values, and newly created Rules xx103.B. define contract final settlement prices.

Rules xx103. are also redrafted so as to bring procedures for determining contract final settlement prices into accord with changes to contract units of trading declared in the aforementioned amendments to Rules xx102.B.

Rules xx103., finally, are rewritten so as to include provisions, currently declared in Rules xx101., for establishing contract final settlement prices in the event of temporary disruption to the regular publication of the ISDA Benchmark Rates. These provisions have been expanded, moreover, to accommodate both prolonged hiatus and permanent cessation in the production and publication of ISDA Benchmark Rates.

No sooner than the second Exchange business day following the date of this submission, the versions of Chapters 23, 24, 25, and 38 as amended herein shall be entered into the CBOT Rulebook as Chapters 23R, 24R, 25R, and 38R, respectively, with application only to the respective futures contracts for delivery in December 2009 and thereafter.

Current versions of Chapters 23, 24, 25, and 38 shall continue to apply only to the respective futures contracts for delivery in June 2009 and September 2009. Upon expiration of the respective futures contracts for delivery in September 2009, the terms and conditions given in each such current "Chapter xx" shall be replaced by the terms and conditions given in the corresponding amended "Chapter xxR" (where "xx" denotes 23, 24, 25, or 38, as appropriate).

Pending expiration of futures contracts for delivery in September 2009, the following notification shall be appended as preface to each current "Chapter xx":

"The terms and conditions in this chapter shall apply only to contracts for delivery in June 2009 and September 2009. Upon expiration of contracts for delivery in September 2009, the terms and conditions given herein shall be replaced by the terms and conditions now given in Chapter xxR."

Pending expiration of futures contracts for delivery in September 2009, the following notification shall be appended as preface to each such amended "Chapter xxR":

"The terms and conditions in this chapter shall apply only to contracts for delivery in December 2009 and thereafter. Upon expiration of contracts for delivery in September 2009, as governed by terms and conditions given in Chapter xx, the terms and conditions given herein shall replace the terms and conditions given in Chapter xx."

CBOT certifies that these changes comply with the Commodity Exchange Act and regulations thereunder.

The eight appendices that follow present the amended versions of contract terms and conditions, followed in each case by mark ups to the current versions --

Appendix 1 -- Clean amended version of Chapter 23 for
10-Year Interest Rate Swap Futures.

Appendix 2 -- Amendments to the current version of Chapter 23.

Appendix 3 -- Clean amended version of Chapter 24 for
5-Year Interest Rate Swap Futures.

Appendix 4 -- Amendments to the current version of Chapter 24.

Appendix 5 – Clean amended version of Chapter 25 for
30-Year Interest Rate Swap Futures.

Appendix 6 – Amendments to the current version of Chapter 25.

Appendix 7 – Clean amended version of Chapter 38 for
7-Year Interest Rate Swap Futures.

Appendix 8 – Amendments to the current version of Chapter 38.

If you require any additional information regarding this action, please do not hesitate to contact Frederick Sturm at 312.930.1282 or via e-mail at frederick.sturm@cmegroup.com, or me at 312.648.5422. Please reference CBOT Submission No. 09-097 in any related correspondence.

Sincerely,

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

Appendix 1 – Amended Chapter 23

Chapter 23 10-Year Interest Rate Swap Futures

23100. SCOPE OF CHAPTER

This chapter is limited in application to trading of 10-Year Interest Rate Swap futures. The procedures for trading, clearing, inspection, delivery and settlement, and any other matters not specifically covered herein or in Chapter 7 shall be governed by the general rules of the Exchange.

23101. CONTRACT SPECIFICATIONS

The contract grade shall be the final settlement price (Rule 23103.B.) of the unit of trading (Rule 23102.B.) on the last day of trading (Rule 23102.F.).

The final settlement price shall be based upon the ISDA[®] Benchmark Rate^{*} for a 10-year U.S. dollar interest rate swap for the last day of trading, as published on the last day of trading on Reuters page ISDAFIX1sm (or on such other Reuters page or by such other means as shall be designated by ISDA for the purpose of publishing and disseminating ISDA Benchmark Rates for U.S. dollar interest rate swaps). Determination of the final settlement price on the basis of said ISDA Benchmark Rate shall be as prescribed in Rule 23103.

Hereafter in this chapter, the ISDA Benchmark Rate for a 10-year U.S. dollar interest rate swap shall be referenced as "the ISDA Benchmark," and ISDAFIX1 (or such other Reuters page or such other means as shall be designated by ISDA for the purpose of publishing and disseminating ISDA Benchmark Rates for U.S. dollar interest rate swaps) shall be referenced as "Reuters."

23102. TRADING SPECIFICATIONS

Trading in 10-Year Interest Rate Swap futures is regularly conducted in the first four consecutive contracts in the March-June-September-December quarterly cycle. The number of months open for trading at a given time shall be determined by the Exchange.

23102.A. Trading Schedule

The hours of trading for 10-Year Interest Rate Swap futures shall be determined by the Exchange. On the last day of trading in an expiring future, the close of the expiring future shall begin at 10:00 a.m. Chicago time, and trading shall be permitted thereafter for a period not to exceed one minute.

* ISDA[®] is a registered trademark, and ISDAFIXsm is a registered service mark, of the International Swaps and Derivatives Association, Inc. ISDA Benchmark mid-market par swap rates are collected at 10:00 a.m. Chicago time by Reuters Limited and ICAP plc and published on Reuters page ISDAFIX1. Source: Reuters Limited.

23102.B. Trading Unit

The unit of trading shall be the notional price of the fixed-rate side of a 10-year interest rate swap that has notional principal equal to \$100,000, and that exchanges semiannual interest payments at a fixed rate of 4 percent per annum, measured according to a 30/360 daycount convention, for floating interest rate payments, based on the 3-month London interbank offered rate (hereafter, LIBOR) and measured according to an actual/360 daycount convention, and that otherwise conforms to the terms prescribed by ISDA[®] for the purpose of computing the daily fixing of ISDA Benchmark Rates for U.S. dollar interest rate swaps.

23102.C. Price Increments

The price of 10-Year Interest Rate Swap futures shall be quoted in points. One point equals \$1,000.00. Par shall be on the basis of 100 points. The minimum price fluctuation shall be one-half of one thirty-second of one point (\$15.625 per contract) except for intermonth spreads, for which the minimum price fluctuation shall be one-fourth of one thirty-second of one point (\$7.8125 per contract). Contracts shall not be made on any other price basis.

23102.D. Reserved

23102.E. Reserved

23102.F. Termination of Trading

The last trading day of a 10-Year Interest Rate Swap futures contract shall be the second London business day before the third Wednesday of the contract's delivery month. After trading in expiring contracts has ceased, expiring contracts that remain open shall be liquidated by cash settlement as prescribed in Rule 23103.

23103. DELIVERY ON FUTURES CONTRACTS

Delivery against 10-Year Interest Rate Swap futures contracts shall be made by cash settlement through the Clearing House following normal variation margin procedures. Final settlement price shall be calculated on the last day of trading after Reuters has published the ISDA[®] Benchmark for the last day of trading. Generally, such publications will occur at 10:30 a.m. Chicago time on the last day of trading.

If Reuters fails to report the ISDA Benchmark for the last day of trading on the last day of trading, then the final settlement price shall be based upon the ISDA Benchmark for the next available business day to be reported by Reuters. If such ISDA Benchmark has not been reported within five (5) Exchange business days following the last day of trading, then the contract final settlement price shall be based upon the ISDA Benchmark for the last business day preceding the last day of trading.

23103.A. Final Settlement Value

The final settlement value shall be determined as follows:

$$\text{Final Settlement Value} = \$100,000 * [4/r + (1 - 4/r)*(1 + r/200)^{-20}]$$

where r represents the ISDA Benchmark for the last day of trading, expressed in percent terms. For example, if the ISDA Benchmark for the last day of trading is five and one quarter percent, then r is equal to 5.250.

23103.B. Final Settlement Price

The final settlement price shall be the final settlement value (Rule 23103.A.) rounded to the nearest one-quarter of one thirty-second of a price point.

Example: Suppose the ISDA Benchmark on the last day of trading is 5.500. The final settlement value will be \$88,579.56. To render this in terms of price points and quarters of thirty-seconds of price points, note that it is between 88-18.5/32nds and 88-18.75/32nds (where each price point equals \$1,000) –

$$88-18.75/32nds = \$88,585.9375$$

Final settlement value	=	\$88,579.56
88-18.5/32nds	=	\$88,578.125

The final settlement value is nearer to 88-18.5/32nds. Thus, the contract final settlement price is obtained by rounding down to 88-18.5/32nds.

In the event that the final settlement value is at the exact midpoint between any two adjacent quarters of one thirty-second of a price point, the final settlement price will be obtained by rounding up to the nearest one-quarter of a thirty-second of a price point.

Appendix 2 – Amendments to Current Chapter 23

(Additions are underlined. Deletions are ~~[bracketed and overstruck]~~.)

Chapter 23 10-Year Interest Rate Swap Futures

23100. SCOPE OF CHAPTER

This chapter is limited in application to trading of 10-Year Interest Rate Swap futures. The procedures for trading, clearing, inspection, delivery and settlement, and any other matters not specifically covered herein or in Chapter 7 shall be governed by the general rules of the Exchange.

23101. CONTRACT SPECIFICATIONS

The contract grade shall be the final settlement price (Rule 23103.B.) of the unit of trading~~], as defined in] (Rule 23102.B.)~~, on the last day of trading [~~as defined in] (Rule 23102.F.) [of this chapter]~~.

The final settlement price shall be based upon the ISDA[®] Benchmark Rate* for a 10-~~[Y]~~year U.S. dollar interest rate swap for the last day of trading, as published on the last day of trading on Reuters page ISDAFIX1sm (or on such other Reuters page or by such other means as shall be designated by ISDA for the purpose of publishing and disseminating ISDA Benchmark Rates for U.S. dollar interest rate swaps). Determination of the final settlement price on the basis of said ISDA Benchmark Rate shall be as prescribed in Rule 23103. [~~of this chapter. (ISDA[®] is a registered trademark, and ISDAFIXsm is a registered service mark, of the International Swaps and Derivatives Association, Inc.)]~~

Hereafter in this chapter, the ISDA Benchmark Rate for a 10-~~[Y]~~year U.S. dollar interest rate swap shall be referenced as the “the ISDA Benchmark,” and ISDAFIX1 (or such other Reuters page or such other means as shall be designated by ISDA for the purpose of publishing and disseminating ISDA Benchmark Rates for U.S. dollar interest rate swaps) shall be referenced as “Reuters”.

~~[If Reuters fails to report the ISDA Benchmark for the last day of trading on the last day of trading, then the final settlement price shall be based upon the ISDA Benchmark for the next available business day to be reported by Reuters.]~~

23102. TRADING SPECIFICATIONS

Trading in 10-Year Interest Rate Swap futures is regularly conducted in the first [~~three] four] consecutive contracts in the March-June-September-December quarterly cycle. The number of months open for trading at a given time shall be determined by the Exchange.~~

* ISDA[®] is a registered trademark, and ISDAFIXsm is a registered service mark, of the International Swaps and Derivatives Association, Inc. ISDA Benchmark mid-market par swap rates are collected at 10:00 a.m. [~~(Chicago time)]~~ by Reuters Limited and ICAP[Garban Intercapital] plc and published on Reuters page ISDAFIX1. Source: Reuters Limited.

23102.A. Trading Schedule

The hours of trading for 10-Year Interest Rate Swap futures shall be determined by the Exchange. On the last day of trading in an expiring future, the close of the expiring future

shall begin at 10:00 a.m. Chicago time and trading shall be permitted thereafter for a period not to exceed one minute.

23102.B. Trading Unit

The unit of trading shall be the notional price of the fixed-rate side of a 10-~~[Y]~~year interest rate swap that has notional principal equal to \$100,000, and that exchanges semiannual interest payments at a fixed rate of ~~[6%]~~ **4 percent** per annum, measured according to a 30/360 daycount convention, for floating interest rate payments, based on the 3-month London interbank offered rate (hereafter, LIBOR) and measured according to an actual/360 daycount convention, and that otherwise conforms to the terms prescribed by ISDA® for the purpose of computing the daily fixing of ISDA Benchmark Rates for U.S. dollar interest rate swaps.

23102.C. Price Increments

The price of 10-Year Interest Rate Swap futures ~~[contracts]~~ shall be quoted in points. One point equals \$1,000.00. Par shall be on the basis of 100 points. The minimum price fluctuation shall be one-half of one thirty-second ~~[(1/32)]~~ of one point (\$15.625 per contract) except for intermonth spreads, for which the minimum price fluctuation shall be one-fourth of one thirty-second of one point (\$7.8125 per contract). Contracts shall not be made on any other price basis.

23102.D. Reserved

23102.E. Reserved

23102.F. Termination of Trading

The last trading day of a 10-Year Interest Rate Swap futures contract shall be the second London business day before the third Wednesday of the contract's delivery month. After trading in expiring contracts ~~[for future delivery in the current delivery month]~~ has ceased, ~~[outstanding]~~ expiring contracts that remain open [for such delivery] shall be liquidated by cash settlement as prescribed in Rule 23103.

23103. DELIVERY ON FUTURES CONTRACTS

Delivery against 10-Year Interest Rate Swap futures contracts shall be made by cash settlement through the Clearing House following normal variation margin procedures. ~~[Generally, f]~~Final settlement price [value (defined below)] shall be calculated on the last day of trading after Reuters has published the ISDA® Benchmark for the last day of trading. Generally, such publications will occur at 10:30 a.m. Chicago time on the last day of trading. ~~[For exceptions to this, see Rule 23104.]~~

If Reuters fails to report the ISDA Benchmark for the last day of trading on the last day of trading, then the final settlement price shall be based upon the ISDA Benchmark for the next available business day to be reported by Reuters. If such ISDA Benchmark has not been reported within five (5) Exchange business days following the last day of trading, then the contract final settlement price shall be based upon the ISDA Benchmark for the last business day preceding the last day of trading.

23103.A. Final Settlement Value

The final settlement value shall be determined as follows:

$$\text{Final Settlement Value} = \$100,000 * [\frac{6}{4} / r + (1 - \frac{6}{4} / r) * (1 + \frac{0.01}{200} * r)^{20}]$$

where r represents the ISDA Benchmark for the last day of trading, expressed in percent terms. For example, if the ISDA Benchmark for the last day of trading is five and one quarter percent, then r is equal to 5.250.

23103.B. Final Settlement Price

The final settlement price shall be the final settlement value~~[, so determined,]~~ **(Rule 23103.A.)** rounded to the nearest one-quarter of one thirty-second of a price point.

Example: Suppose the ISDA Benchmark on the last day of trading is 5.500. The final

settlement value will be [~~\$103,806.81~~] \$88,579.56. To render this in terms of price points and quarters of thirty-seconds of price points, note that it is between [~~403-25.75/32nds and 403-26/32nds~~] 88-18.5/32nds and 88-18.75/32nds (where each price point equals \$1,000) -

[403-26/32nds] <u>88-18.75/32nds</u>	=	[\$103,812.50] <u>\$88,585.9375</u>
Final settlement value	=	[\$103,806.81] <u>\$88,579.56</u>
[403-25.75/32nds] <u>88-18.5/32nds</u>	=	[\$103,804.6875] <u>\$88,578.125</u>

The final settlement value is nearer to [~~403-25.75/32nds]~~ 88-18.5/32nds. Thus, the contract final settlement~~[expiration]~~ price is obtained by rounding down to [~~403-25.75/32nds]~~ 88-18.5/32nds.

In the event that the final settlement value is at the exact midpoint between any two adjacent quarters of one thirty-second of a price point, the final settlement price will be obtained by rounding up to the nearest one-quarter of a thirty-second of a price point.

Appendix 3 – Amended Chapter 24

Chapter 24 5-Year Interest Rate Swap Futures

24100. SCOPE OF CHAPTER

This chapter is limited in application to trading of 5-Year Interest Rate Swap futures. The procedures for trading, clearing, inspection, delivery and settlement, and any other matters not specifically covered herein or in Chapter 7 shall be governed by the general rules of the Exchange.

24101. CONTRACT SPECIFICATIONS

The contract grade shall be the final settlement price (Rule 24103.B.) of the unit of trading (Rule 24102.B.) on the last day of trading (Rule 24102.F.).

The final settlement price shall be based upon the ISDA[®] Benchmark Rate* for a 5-year U.S. dollar interest rate swap for the last day of trading, as published on the last day of trading on Reuters page ISDAFIX1sm (or on such other Reuters page or by such other means as shall be designated by ISDA for the purpose of publishing and disseminating ISDA Benchmark Rates for U.S. dollar interest rate swaps). Determination of the final settlement price on the basis of said ISDA Benchmark Rate shall be as prescribed in Rule 24103.

Hereafter in this chapter, the ISDA Benchmark Rate for a 5-year U.S. dollar interest rate swap shall be referenced as "the ISDA Benchmark," and ISDAFIX1 (or such other Reuters page or such other means as shall be designated by ISDA for the purpose of publishing and disseminating ISDA Benchmark Rates for U.S. dollar interest rate swaps) shall be referenced as "Reuters."

24102. TRADING SPECIFICATIONS

Trading in 5-Year Interest Rate Swap futures is regularly conducted in the first four consecutive contracts in the March-June-September-December quarterly cycle. The number of months open for trading at a given time shall be determined by the Exchange.

24102.A. Trading Schedule

The hours of trading for 5-Year Interest Rate Swap futures shall be determined by the Exchange. On the last day of trading in an expiring future, the close of the expiring future shall begin at 10:00 a.m. Chicago time, and trading shall be permitted thereafter for a period not to exceed one minute.

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24102.B. Trading Unit

The unit of trading shall be the notional price of the fixed-rate side of a 5-year interest rate swap that has notional principal equal to \$100,000, and that exchanges semiannual interest payments at a fixed rate of 4 percent per annum, measured according to a 30/360 daycount convention, for floating interest rate payments, based on the 3-month London interbank offered rate (hereafter, LIBOR) and measured according to an actual/360 daycount convention, and that otherwise conforms to the terms prescribed by ISDA® for the purpose of computing the daily fixing of ISDA Benchmark Rates for U.S. dollar interest rate swaps.

24102.C. Price Increments

The price of 5-Year Interest Rate Swap futures shall be quoted in points. One point equals \$1,000.00. Par shall be on the basis of 100 points. The minimum price fluctuation shall be one-half of one thirty-second of one point (\$15.625 per contract) except for intermonth spreads, for which the minimum price fluctuation shall be one-fourth of one thirty-second of one point (\$7.8125 per contract). Contracts shall not be made on any other price basis.

24102.D. Reserved

24102.E. Reserved

24102.F. Termination of Trading

The last trading day of a 5-Year Interest Rate Swap futures contract shall be the second London business day before the third Wednesday of the contract's delivery month. After trading in expiring contracts has ceased, expiring contracts that remain open shall be liquidated by cash settlement as prescribed in Rule 24103.

24103. DELIVERY ON FUTURES CONTRACTS

Delivery against 5-Year Interest Rate Swap futures contracts shall be made by cash settlement through the Clearing House following normal variation margin procedures. Final settlement price shall be calculated on the last day of trading after Reuters has published the ISDA® Benchmark for the last day of trading. Generally, such publications will occur at 10:30 a.m. Chicago time on the last day of trading.

If Reuters fails to report the ISDA Benchmark for the last day of trading on the last day of trading, then the final settlement price shall be based upon the ISDA Benchmark for the next available business day to be reported by Reuters. If such ISDA Benchmark has not been reported within five (5) Exchange business days following the last day of trading, then the contract final settlement price shall be based upon the ISDA Benchmark for the last business day preceding the last day of trading.

24103.A. Final Settlement Value

The final settlement value shall be determined as follows:

$$\text{Final Settlement Value} = \$100,000 * [4/r + (1 - 4/r)*(1 + r/200)^{-10}]$$

where r represents the ISDA Benchmark for the last day of trading, expressed in percent terms. For example, if the ISDA Benchmark for the last day of trading is five and one quarter percent, then r is equal to 5.250.

24103.B. Final Settlement Price

The final settlement price shall be the final settlement value (Rule 24103.A.) rounded to the nearest one-quarter of one thirty-second of a price point.

Example: Suppose the ISDA Benchmark on the last day of trading is 5.500. The final settlement value will be \$93,519.94. To render this in terms of price points and quarters of thirty-seconds of price points, note that it is between 93-16.5/32nds and 93-16.75/32nds (where each price point equals \$1,000) --

$$93-16.75/32nds \quad = \quad \$93,523.4375$$

Final settlement value	=	\$93,519.94
93-16.5/32nds	=	\$93,515.625

The final settlement value is nearer to 93-16.75/32nds. Thus, the contract final settlement price is obtained by rounding up to 93-16.75/32nds.

In the event that the final settlement value is at the exact midpoint between any two adjacent quarters of one thirty-second of a price point, the final settlement price will be obtained by rounding up to the nearest one-quarter of a thirty-second of a price point

Appendix 4 – Amendments to Current Chapter 24

(Additions are underlined. Deletions are ~~bracketed and overstruck~~.)

Chapter 24 5-Year Interest Rate Swap Futures

24100. SCOPE OF CHAPTER

This chapter is limited in application to trading of 5-Year Interest Rate Swap futures. The procedures for trading, clearing, inspection, delivery and settlement, and any other matters not specifically covered herein or in Chapter 7 shall be governed by the general rules of the Exchange.

24101. CONTRACT SPECIFICATIONS

The contract grade shall be the final settlement price (Rule 23104.B.) of the unit of trading, ~~as defined in~~ (Rule 24102.B.), on the last day of trading ~~as defined in~~ (Rule 24102.F.) ~~of this chapter~~.

The final settlement price shall be based upon the ISDA[®] Benchmark Rate* for a 5-~~Y~~year U.S. dollar interest rate swap for the last day of trading, as published on the last day of trading on Reuters page ISDAFIX1sm (or on such other Reuters page or by such other means as shall be designated by ISDA for the purpose of publishing and disseminating ISDA Benchmark Rates for U.S. dollar interest rate swaps). Determination of the final settlement price on the basis of said ISDA Benchmark Rate shall be as prescribed in Rule 24103. ~~of this chapter. (ISDA[®] is a registered trademark, and ISDAFIXsm is a registered service mark, of the International Swaps and Derivatives Association, Inc.)~~

Hereafter in this chapter, the ISDA Benchmark Rate for a 5-~~Y~~year U.S. dollar interest rate swap shall be referenced as the "the ISDA Benchmark," and ISDAFIX1 (or such other Reuters page or such other means as shall be designated by ISDA for the purpose of publishing and disseminating ISDA Benchmark Rates for U.S. dollar interest rate swaps) shall be referenced as "Reuters."

~~[[If Reuters fails to report the ISDA Benchmark for the last day of trading on the last day of trading, then the final settlement price shall be based upon the ISDA Benchmark for the next available business day to be reported by Reuters.]]~~

24102. TRADING SPECIFICATIONS

Trading in 5-Year Interest Rate Swap futures is regularly conducted in the first ~~three~~ four consecutive contracts in the March-June-September-December quarterly cycle. The number of months open for trading at a given time shall be determined by the Exchange.

* ISDA[®] is a registered trademark, and ISDAFIXsm is a registered service mark, of the International Swaps and Derivatives Association, Inc. ISDA Benchmark mid-market par swap rates are collected at 10:00 a.m. ~~[[Chicago time]]~~ by Reuters Limited and ICAP~~Garban Intercapital~~ plc and published on Reuters page ISDAFIX1. Source: Reuters Limited.

24102.A. Trading Schedule

The hours of trading for 5-Year Interest Rate Swap futures shall be determined by the

Exchange. On the last day of trading in an expiring future, the close of the expiring future shall begin at 10:00 a.m. Chicago time and trading shall be permitted thereafter for a period not to exceed one minute.

24102.B. Trading Unit

The unit of trading shall be the notional price of the fixed-rate side of a 5-~~[Y]~~year interest rate swap that has notional principal equal to \$100,000, and that exchanges semiannual interest payments at a fixed rate of ~~[6%]~~ **4 percent** per annum, measured according to a 30/360 daycount convention, for floating interest rate payments, based on the 3-month London interbank offered rate (hereafter, LIBOR) and measured according to an actual/360 daycount convention, and that otherwise conforms to the terms prescribed by ISDA® for the purpose of computing the daily fixing of ISDA Benchmark Rates for U.S. dollar interest rate swaps.

24102.C. Price Increments

The price of 5-Year Interest Rate Swap futures ~~[contracts]~~ shall be quoted in points. One point equals \$1,000.00. Par shall be on the basis of 100 points. The minimum price fluctuation shall be one-half of one thirty-second ~~[(1/32)]~~ of one point (\$15.625 per contract) except for intermonth spreads, for which the minimum price fluctuation shall be one-fourth of one thirty-second of one point (\$7.8125 per contract). Contracts shall not be made on any other price basis.

24102.D. Reserved

24102.E. Reserved

24102.F. Termination of Trading

The last trading day of a 5-Year Interest Rate Swap futures contract shall be the second London business day before the third Wednesday of the contract's delivery month. After trading in expiring contracts ~~[for future delivery in the current delivery month]~~ has ceased, ~~[outstanding]~~ expiring contracts that remain open~~[for such delivery]~~ shall be liquidated by cash settlement as prescribed in Rule 24103.

24103. DELIVERY ON FUTURES CONTRACTS

Delivery against 5-Year Interest Rate Swap futures contracts shall be made by cash settlement through the Clearing House following normal variation margin procedures. ~~[Generally, f]~~Final settlement price~~[value (defined below)]~~ shall be calculated on the last day of trading after Reuters has published the ISDA® Benchmark for the last day of trading. Generally, such publications will occur at 10:30 a.m. Chicago time on the last day of trading. ~~[For exceptions to this, see Rule 24104.]~~

If Reuters fails to report the ISDA Benchmark for the last day of trading on the last day of trading, then the final settlement price shall be based upon the ISDA Benchmark for the next available business day to be reported by Reuters. If such ISDA Benchmark has not been reported within five (5) Exchange business days following the last day of trading, then the contract final settlement price shall be based upon the ISDA Benchmark for the last business day preceding the last day of trading.

24103.A. Final Settlement Value

The final settlement value shall be determined as follows:

$$\text{Final Settlement Value} = \$100,000 * [\frac{6}{4}r + (1 - \frac{6}{4}r) * (1 + \frac{0.04}{200})^{-10}]$$

where r represents the ISDA Benchmark for the last day of trading, expressed in percent terms. For example, if the ISDA Benchmark for the last day of trading is five and one quarter percent, then r is equal to 5.250.

24103.B. Final Settlement Price

The final settlement price shall be the final settlement value~~[, so determined,]~~**(Rule 24103.A.)** rounded to the nearest one-quarter of one thirty-second of a price point.

Example: Suppose the ISDA Benchmark on the last day of trading is 5.500. The final

settlement value will be ~~[\$102,160.02]~~ **\$93,519.94**. To render this in terms of price points and quarters of thirty-seconds of price points, note that it is between ~~[102-05/32nds and 102-05-25/32nds]~~ **93-16.5/32nds and 93-16.75/32nds** (where each price point equals \$1,000) --

[102-05-25/32nds] 93-16.75/32nds	=	[\$102,164.0625] \$93,523.4375
Final settlement value	=	[\$102,160.02] \$93,519.94
[102-05/32nds] 93-16.5/32nds	=	[\$102,156.25] \$93,515.625

The final settlement value is nearer to ~~[102-05/32nds]~~ **93-16.75/32nds**. Thus, the contract **final settlement**~~[expiration]~~ price is obtained by rounding **[down] up** to ~~[102-05/32nds]~~ **93-16.75/32nds**.

In the event that the final settlement value is at the exact midpoint between any two adjacent quarters of one thirty-second of a price point, the final settlement price will be obtained by rounding up to the nearest one-quarter of a thirty-second of a price point.

Appendix 5 – Amended Chapter 25

Chapter 25 30-Year Interest Rate Swap Futures

25100. SCOPE OF CHAPTER

This chapter is limited in application to trading of 30-Year Interest Rate Swap futures. The procedures for trading, clearing, inspection, delivery and settlement, and any other matters not specifically covered herein or in Chapter 7 shall be governed by the general rules of the Exchange.

25101. CONTRACT SPECIFICATIONS

The contract grade shall be the final settlement price (Rule 25103.B.) of the unit of trading (Rule 25102.B.) on the last day of trading (Rule 25102.F.).

The final settlement price shall be based upon the ISDA[®] Benchmark Rate* for a 30-year U.S. dollar interest rate swap for the last day of trading, as published on the last day of trading on Reuters page ISDAFIX1sm (or on such other Reuters page or by such other means as shall be designated by ISDA for the purpose of publishing and disseminating ISDA Benchmark Rates for U.S. dollar interest rate swaps). Determination of the final settlement price on the basis of said ISDA Benchmark Rate shall be as prescribed in Rule 25103.

Hereafter in this chapter, the ISDA Benchmark Rate for a 30-year U.S. dollar interest rate swap shall be referenced as “the ISDA Benchmark,” and ISDAFIX1 (or such other Reuters page or such other means as shall be designated by ISDA for the purpose of publishing and disseminating ISDA Benchmark Rates for U.S. dollar interest rate swaps) shall be referenced as “Reuters.”

25102. TRADING SPECIFICATIONS

Trading in 30-Year Interest Rate Swap futures is regularly conducted in the first four consecutive contracts in the March-June-September-December quarterly cycle. The number of months open for trading at a given time shall be determined by the Exchange.

25102.A. Trading Schedule

The hours of trading for 30-Year Interest Rate Swap futures shall be determined by the Exchange. On the last day of trading in an expiring future, the close of the expiring future shall begin at 10:00 a.m. Chicago time, and trading shall be permitted thereafter for a period not to exceed one minute.

* ISDA[®] is a registered trademark, and ISDAFIXsm is a registered service mark, of the International Swaps and Derivatives Association, Inc. ISDA Benchmark mid-market par swap rates are collected at 10:00 a.m. Chicago time by Reuters Limited and ICAP plc and published on Reuters page ISDAFIX1. Source: Reuters Limited.

25102.B. Trading Unit

The unit of trading shall be the notional price of the fixed-rate side of a 30-year interest rate swap that has notional principal equal to \$100,000, and that exchanges semiannual interest payments at a fixed rate of 4 percent per annum, measured according to a 30/360 daycount convention, for floating interest rate payments, based on the 3-month London interbank offered rate (hereafter, LIBOR) and measured according to an actual/360 daycount convention, and that otherwise conforms to the terms prescribed by ISDA[®] for the purpose of computing the daily fixing of ISDA Benchmark Rates for U.S. dollar interest rate swaps.

25102.C. Price Increments

The price of 30-Year Interest Rate Swap futures shall be quoted in points. One point equals \$1,000.00. Par shall be on the basis of 100 points. The minimum price fluctuation shall be one-half of one thirty-second of one point (\$15.625 per contract) except for intermonth spreads, for which the minimum price fluctuation shall be one-fourth of one thirty-second of one point (\$7.8125 per contract). Contracts shall not be made on any other price basis.

25102.D. Reserved

25102.E. Reserved

25102.F. Termination of Trading

The last trading day of a 30-Year Interest Rate Swap futures contract shall be the second London business day before the third Wednesday of the contract's delivery month. After trading in expiring contracts has ceased, contracts that remain open shall be liquidated by cash settlement as prescribed in Rule 25103.

25103. DELIVERY ON FUTURES CONTRACTS

Delivery against 30-Year Interest Rate Swap futures contracts shall be made by cash settlement through the Clearing House following normal variation margin procedures. Final settlement price shall be calculated on the last day of trading after Reuters has published the ISDA[®] Benchmark for the last day of trading. Generally, such publications will occur at 10:30 a.m. Chicago time on the last day of trading.

If Reuters fails to report the ISDA Benchmark for the last day of trading on the last day of trading, then the final settlement price shall be based upon the ISDA Benchmark for the next available business day to be reported by Reuters. If such ISDA Benchmark has not been reported within five (5) Exchange business days following the last day of trading, then the contract final settlement price shall be based upon the ISDA Benchmark for the last business day preceding the last day of trading.

25103.A. Final Settlement Value

The final settlement value shall be determined as follows:

$$\text{Final Settlement Value} = \$100,000 * [4/r + (1 - 4/r)*(1 + r/200)^{-60}]$$

where r represents the ISDA Benchmark for the last day of trading, expressed in percent terms. For example, if the ISDA Benchmark for the last day of trading is five and one quarter percent, then r is equal to 5.250.

25103.B. Final Settlement Price

The final settlement price shall be the final settlement value (Rule 25103.A.) rounded to the nearest one-quarter of one thirty-second of a price point.

Example: Suppose the ISDA Benchmark on the last day of trading is 5.500. The final settlement value will be \$78,083. To render this in terms of price points and quarters of thirty-seconds of price points, note that it is between 78-2.5/32nds and 78-2.75/32nds (where each price point equals \$1,000) --

$$78-2.75/32nds \quad = \quad \$78,085.9375$$

Final settlement value	=	\$78,083.
78-2.5/32nds	=	\$78,078.125

The final settlement value is nearer to 78-2.75/32nds. Thus, the contract final settlement price is obtained by rounding up to 78-2.75/32nds.

In the event that the final settlement value is at the exact midpoint between any two adjacent quarters of one thirty-second of a price point, the final settlement price will be obtained by rounding up to the nearest one-quarter of a thirty-second of a price point.

Appendix 6 – Amendments to Current Chapter 25

(Additions are underlined. Deletions are ~~[bracketed and overstruck]~~.)

Chapter 25 30-Year Interest Rate Swap Futures

25100. SCOPE OF CHAPTER

This chapter is limited in application to trading of 30-Year Interest Rate Swap futures. The procedures for trading, clearing, inspection, delivery and settlement, and any other matters not specifically covered herein or in Chapter 7 shall be governed by the general rules of the Exchange.

25101. CONTRACT SPECIFICATIONS

The contract grade shall be the final settlement price (Rule 23105.B.) of the unit of trading~~], as defined in] (Rule 25102.B.)~~, on the last day of trading [~~as defined in] (Rule 25102.F.) [of this chapter]~~.

The final settlement price shall be based upon the ISDA[®] Benchmark Rate* for a 30-~~[Y]~~year U.S. dollar interest rate swap for the last day of trading, as published on the last day of trading on Reuters page ISDAFIX1sm (or on such other Reuters page or by such other means as shall be designated by ISDA for the purpose of publishing and disseminating ISDA Benchmark Rates for U.S. dollar interest rate swaps). Determination of the final settlement price on the basis of said ISDA Benchmark Rate shall be as prescribed in Rule 25103. [~~of this chapter. (ISDA[®] is a registered trademark, and ISDAFIXsm is a registered service mark, of the International Swaps and Derivatives Association, Inc.)]~~

Hereafter in this chapter, the ISDA Benchmark Rate for a 30-~~[Y]~~year U.S. dollar interest rate swap shall be referenced as the "the ISDA Benchmark," and ISDAFIX1 (or such other Reuters page or such other means as shall be designated by ISDA for the purpose of publishing and disseminating ISDA Benchmark Rates for U.S. dollar interest rate swaps) shall be referenced as "Reuters."

~~[If Reuters fails to report the ISDA Benchmark for the last day of trading on the last day of trading, then the final settlement price shall be based upon the ISDA Benchmark for the next available business day to be reported by Reuters.]~~

25102. TRADING SPECIFICATIONS

Trading in 30-Year Interest Rate Swap futures is regularly conducted in the first [~~three] four~~ consecutive contracts in the March-June-September-December quarterly cycle. The number of months open for trading at a given time shall be determined by the Exchange.

* ISDA[®] is a registered trademark, and ISDAFIXsm is a registered service mark, of the International Swaps and Derivatives Association, Inc. ISDA Benchmark mid-market par swap rates are collected at 10:00 a.m. [~~{Chicago time}]~~ by Reuters Limited and ICAP[Garban Inter-capital] plc and published on Reuters page ISDAFIX1. Source: Reuters Limited.

25102.A. Trading Schedule

The hours of trading for 30-Year Interest Rate Swap futures shall be determined by the Exchange. On the last day of trading in an expiring future, the close of the expiring future shall begin at 10:00 a.m. Chicago time and trading shall be permitted thereafter for a period not to exceed one minute.

25102.B. Trading Unit

The unit of trading shall be the notional price of the fixed-rate side of a 30-~~[Y]~~year interest rate swap that has notional principal equal to \$100,000, and that exchanges semiannual interest payments at a fixed rate of ~~[6%]~~ **4 percent** per annum, measured according to a 30/360 daycount convention, for floating interest rate payments, based on the 3-month London interbank offered rate (hereafter, LIBOR) and measured according to an actual/360 daycount convention, and that otherwise conforms to the terms prescribed by ISDA® for the purpose of computing the daily fixing of ISDA Benchmark Rates for U.S. dollar interest rate swaps.

25102.C. Price Increments

The price of 30-Year Interest Rate Swap futures ~~[contracts]~~ shall be quoted in points. One point equals \$1,000.00. Par shall be on the basis of 100 points. The minimum price fluctuation shall be one-half of one thirty-second ~~[(1/32)]~~ of one point (\$15.625 per contract) except for intermonth spreads, for which the minimum price fluctuation shall be one-fourth of one thirty-second of one point (\$7.8125 per contract). Contracts shall not be made on any other price basis.

25102.D. Reserved

25102.E. Reserved

25102.F. Termination of Trading

The last trading day of a 30-Year Interest Rate Swap futures contract shall be the second London business day before the third Wednesday of the contract's delivery month. After trading in expiring contracts ~~[for future delivery in the current delivery month]~~ has ceased, outstanding contracts that remain open~~[for such delivery]~~ shall be liquidated by cash settlement as prescribed in Rule 25103.

25103. DELIVERY ON FUTURES CONTRACTS

Delivery against 30-Year Interest Rate Swap futures contracts shall be made by cash settlement through the Clearing House following normal variation margin procedures. ~~[Generally, f]~~Final settlement price~~[value (defined below)]~~ shall be calculated on the last day of trading after Reuters has published the ISDA® Benchmark for the last day of trading. Generally, such publications will occur at 10:30 a.m. Chicago time on the last day of trading. ~~[For exceptions to this, see Rule 25104.]~~

If Reuters fails to report the ISDA Benchmark for the last day of trading on the last day of trading, then the final settlement price shall be based upon the ISDA Benchmark for the next available business day to be reported by Reuters. If such ISDA Benchmark has not been reported within five (5) Exchange business days following the last day of trading, then the contract final settlement price shall be based upon the ISDA Benchmark for the last business day preceding the last day of trading.

25103.A. Final Settlement Value

The final settlement value shall be determined as follows:

$$\text{Final Settlement Value} = \$100,000 * [\frac{614}{r} + (1 - \frac{614}{r}) * (1 + \frac{0.01 * r}{200})^{60}]$$

where r represents the ISDA Benchmark for the last day of trading, expressed in percent terms. For example, if the ISDA Benchmark for the last day of trading is five and one quarter percent, then r is equal to 5.250.

25103.B. Final Settlement Price

The final settlement price shall be the final settlement value~~[, so determined,]~~ (Rule 25103.A.) rounded to the nearest one-quarter of one thirty-second of a price point.

Example: Suppose the ISDA Benchmark on the last day of trading is 5.500. The final settlement value will be ~~[\$107,305.67]~~ \$78,083. To render this in terms of price points and quarters of thirty-seconds of price points, note that it is between ~~[407-9.75/32nds and 407-10/32nds]~~ 78-2.5/32nds and 78-2.75/32nds (where each price point equals \$1,000) –

[407-10/32nds] <u>78-2.75/32nds</u>	=	[\$107,312.50] <u>\$78,085.9375</u>
Final settlement value	=	[\$107,305.67] <u>\$78,083</u>
[407-9.75/32nds] <u>78-2.5/32nds</u>	=	[\$107,304.6875] <u>\$78,078.125</u>

The final settlement value is nearer to ~~[407-9.75/32nds]~~ 78-2.75/32nds. Thus, the contract final settlement~~[expiration]~~ price is obtained by rounding ~~[down]~~up to ~~[407-9.75/32nds]~~ 78-2.75/32nds.

In the event that the final settlement value is at the exact midpoint between any two adjacent quarters of one thirty-second of a price point, the final settlement price will be obtained by rounding up to the nearest one-quarter of a thirty-second of a price point.

Appendix 7 – Amended Chapter 38

Chapter 38 7-Year Interest Rate Swap Futures

38100. SCOPE OF CHAPTER

This chapter is limited in application to trading of 7-Year Interest Rate Swap futures. The procedures for trading, clearing, inspection, delivery and settlement, and any other matters not specifically covered herein or in Chapter 7 shall be governed by the general rules of the Exchange.

38101. CONTRACT SPECIFICATIONS

The contract grade shall be the final settlement price (Rule 38103.B.) of the unit of trading (Rule 38102.B.) on the last day of trading (Rule 38102.F.).

The final settlement price shall be based upon the ISDA[®] Benchmark Rate* for a 7-year U.S. dollar interest rate swap for the last day of trading, as published on the last day of trading on Reuters page ISDAFIX1sm (or on such other Reuters page or by such other means as shall be designated by ISDA for the purpose of publishing and disseminating ISDA Benchmark Rates for U.S. dollar interest rate swaps). Determination of the final settlement price on the basis of said ISDA Benchmark Rate shall be as prescribed in Rule 38103.

Hereafter in this chapter, the ISDA Benchmark Rate for a 7-year U.S. dollar interest rate swap shall be referenced as “the ISDA Benchmark,” and ISDAFIX1 (or such other Reuters page or such other means as shall be designated by ISDA for the purpose of publishing and disseminating ISDA Benchmark Rates for U.S. dollar interest rate swaps) shall be referenced as “Reuters.”

38102. TRADING SPECIFICATIONS

Trading in 7-Year Interest Rate Swap futures is regularly conducted in the first four consecutive contracts in the March-June-September-December quarterly cycle. The number of months open for trading at a given time shall be determined by the Exchange.

38102.A. Trading Schedule

The hours for trading for 7-Year Interest Rate Swap futures shall be determined by the Exchange. On the last day of trading in an expiring future, trading shall cease at 10:00 a.m. Chicago time.

* ISDA[®] is a registered trademark, and ISDAFIXsm is a registered service mark, of the International Swaps and Derivatives Association, Inc. ISDA Benchmark mid-market par swap rates are collected at 10:00 a.m. Chicago time by Reuters Limited and ICAP plc and published on Reuters page ISDAFIX1. Source: Reuters Limited.

38102.B. Trading Unit

The unit of trading shall be the notional price of the fixed-rate side of a 7-year interest rate swap that has notional principal equal to \$100,000, and that exchanges semiannual interest payments based on a fixed rate of 4 percent per annum, measured according to a 30/360 daycount convention, for floating interest rate payments based on the 3-month London interbank offered rate (hereafter, LIBOR) and measured according to an actual/360 daycount convention, and that otherwise conforms to the terms prescribed by ISDA[®] for the purpose of computing the daily fixing of ISDA Benchmark Rates for U.S. dollar interest rate swaps.

38102.C. Price Increments

The price of 7-Year Interest Rate Swap futures shall be quoted in points. One point equals \$1,000.00. Par shall be on the basis of 100 points. The minimum price fluctuation shall be one-half of one thirty-second of one point (\$15.625 per contract) except for intermonth spreads, for which the minimum price fluctuation shall be one-fourth of one thirty-second of one point (\$7.8125 per contract). Contracts shall not be made on any other price basis.

38102.D Reserved

38102.E. Reserved

38102.F. Termination of Trading

The last trading day of a 7-Year Interest Rate Swap futures contract shall be the second London business day before the third Wednesday of the contract's delivery month. After trading in expiring contracts has ceased, outstanding contracts shall be liquidated by cash settlement as prescribed in Rule 38103.

38103. DELIVERY ON FUTURES CONTRACTS

Delivery against 7-Year Interest Rate Swap futures contracts shall be made by cash settlement through the Clearing House following normal variation margin procedures. Final settlement price shall be calculated on the last day of trading after Reuters has published the ISDA[®] Benchmark for the last day of trading. Generally, such publications will occur at 10:30 a.m. Chicago time on the last day of trading.

If Reuters fails to report the ISDA Benchmark for the last day of trading on the last day of trading, then the final settlement price shall be based upon the ISDA Benchmark for the next available business day to be reported by Reuters. If such ISDA Benchmark has not been reported within five (5) Exchange business days following the last day of trading, then the contract final settlement price shall be based upon the ISDA Benchmark for the last business day preceding the last day of trading.

38103.A. Final Settlement Value

The final settlement value shall be determined as follows:

$$\text{Final Settlement Value} = \$100,000 * [4/r + (1 - 4/r)*(1 + r/200)^{-14}]$$

where r represents the ISDA Benchmark for the last day of trading, expressed in percent terms. For example, if the ISDA Benchmark for the last day of trading is five and one quarter percent, then r is equal to 5.25.

38103.B. Final Settlement Price

The final settlement price shall be the final settlement value (Rule 38103.A.) rounded to the nearest one-quarter of one thirty-second of a price point.

Example: Suppose the ISDA Benchmark on the last day of trading is 5.500. The final settlement value will be \$91,381.74. To render this in terms of price points and quarters of thirty-seconds of price points, note that it is between 91-12/32nds and 91-12.25/32nds (where each price point equals \$1,000) --

$$91-12.25/32nds \quad = \quad \$91,382.8125$$

Final settlement value	=	\$91,381.74
91-12/32nds	=	\$91,375.

The final settlement value is nearer to 91-12.25/32nds. Thus, the contract final settlement price is obtained by rounding up to 91-12.25/32nds.

In the event that the final settlement value is at the exact midpoint between any two adjacent quarters of one thirty-second of a price point, the final settlement price will be obtained by rounding up to the nearest one-quarter of a thirty-second of a price point.

Appendix 8 – Amendments to Current Chapter 38

(Additions are underlined. Deletions are [~~bracketed and overstruck~~].)

Chapter 38 7-Year Interest Rate Swap Futures

38100. SCOPE OF CHAPTER

This chapter is limited in application to trading of 7-Year Interest Rate Swap futures. The procedures for trading, clearing, inspection, delivery and settlement, and any other matters not specifically covered herein or in Chapter 7 shall be governed by the general rules of the Exchange.

38101. CONTRACT SPECIFICATIONS

The contract grade shall be the final settlement price (Rule 38103.B.) of the unit of trading[, ~~as defined in~~] (Rule 38102.B.), on the last day of trading [~~as defined in~~] (Rule 38102.F.) [~~of this chapter~~].

The final settlement price shall be based upon the ISDA[®] Benchmark Rate* for a 7-year U.S. dollar interest rate swap for the last day of trading, as published on the last day of trading on Reuters page ISDAFIX1sm [, ~~or Bloomberg page ISDAFIX1, or through any other distribution channel~~] (or on such other Reuters page or by such other means as shall be designated by ISDA for the purpose of publishing and disseminating ISDA Benchmark Rates for U.S. dollar interest rate swaps). Determination of the final settlement price on the basis of said ISDA Benchmark Rate shall be as prescribed in Rule 38103. [~~ISDA[®] is a registered trademark, and ISDAFIXsm is a registered service mark, of the International Swaps and Derivatives Association, Inc.~~]

Hereafter in this chapter, the ISDA Benchmark Rate for a 7-~~[Y]~~year U.S. dollar interest rate swap shall be referenced as the “the ISDA Benchmark,” and ISDAFIX1 (or such other Reuters page or such other means as shall be [all distribution channels such as are] designated by ISDA for the purpose of publishing and disseminating ISDA Benchmark Rates for U.S. dollar interest rate swaps) shall be referenced as “[~~ISDAFIX~~]Reuters.”

[~~If ISDAFIX fails to report the ISDA Benchmark for the last day of trading on the last day of trading, then the final settlement price shall be based upon the ISDA Benchmark for the next available business day to be reported by ISDAFIX.~~]

* ISDA[®] is a registered trademark, and ISDAFIXsm is a registered service mark, of the International Swaps and Derivatives Association, Inc. ISDA Benchmark mid-market par swap rates are collected at 10:00 a.m. Chicago time by Reuters Limited and ICAP plc and published on Reuters page ISDAFIX1. Source: Reuters Limited.

38102. TRADING SPECIFICATIONS

Trading in 7-Year Interest Rate Swap futures is regularly conducted in the first [~~three~~] four consecutive contracts in the March-June-September-December quarterly cycle. The number of months open for trading at a given time shall be determined by the Exchange.

38102.A. Trading Schedule

The hours for trading ~~of~~for 7-Year Interest Rate Swap futures shall be determined by the Exchange. On the last day of trading in an expiring future, trading shall cease at 10:00 a.m. Chicago time.

38102.B. Trading Unit

The unit of trading shall be the notional price of the fixed-rate side of a 7-year interest rate swap that has notional principal equal to \$100,000, and that exchanges semiannual interest payments based on a fixed rate of ~~[6%]~~ **4 percent** per annum, ~~[and]~~ measured according to a 30/360 daycount convention, for floating interest rate payments based on the 3-month London interbank offered rate (hereafter, LIBOR) and measured according to an actual/360 daycount convention, and that otherwise conforms to the terms prescribed by ISDA® for the purpose of computing the daily fixing of ISDA Benchmark Rates for U.S. dollar interest rate swaps.

38102.C. Price Increments

The price of 7-Year Interest Rate Swap futures ~~[contracts]~~ shall be quoted in points. One point equals \$1,000.00. Par shall be on the basis of 100 points. The minimum price fluctuation shall be one-half of one thirty-second of one point (\$15.625 per contract) except for intermonth spreads, for which the minimum price fluctuation shall be one-fourth of one thirty-second of one point (\$7.8125 per contract). Contracts shall not be made on any other price basis.

38102.D Reserved

38102.E. Reserved

38102.F. Termination of Trading

The last ~~[day of]~~ trading ~~day of~~~~[in]~~ a 7-Year Interest Rate Swap futures contract shall be the second London business day before the third Wednesday of the contract's delivery month. After trading in expiring contracts has ceased, outstanding contracts shall be liquidated by cash settlement as prescribed in Rule 38103.

38103. DELIVERY ON FUTURES CONTRACTS

Delivery against 7-Year Interest Rate Swap futures contracts shall be made by cash settlement through the Clearing House following normal variation margin procedures. ~~[Generally, f]~~Final settlement price [value (defined below)] shall be calculated on the last day of trading after Reuters has published the ISDA® Benchmark for the last day of trading. Generally, such publications will occur at 10:30 a.m. Chicago time on the last day of trading. ~~[For exceptions to this, see Rule 38101.]~~

If Reuters fails to report the ISDA Benchmark for the last day of trading on the last day of trading, then the final settlement price shall be based upon the ISDA Benchmark for the next available business day to be reported by Reuters. If such ISDA Benchmark has not been reported within five (5) Exchange business days following the last day of trading, then the contract final settlement price shall be based upon the ISDA Benchmark for the last business day preceding the last day of trading.

38103.A. Final Settlement Value

The final settlement value shall be determined as follows:

$$\text{Final Settlement Value} = \$100,000 * [\frac{6}{4}/r + (1 - \frac{6}{4}/r) * (1 + \frac{0.04}{200})^{-14}]$$

where r represents the ISDA Benchmark for the last day of trading, expressed in percent terms. For example, if the ISDA Benchmark for the last day of trading is five and one quarter percent, then r is equal to 5.25.

38103.B. Final Settlement Price

The final settlement price shall be the final settlement value, ~~so determined,~~ (Rule 38103.A.) rounded to the nearest one-quarter of one thirty-second of a price point.

Example: Suppose the ISDA Benchmark on the last day of trading is 5.500. The final settlement value will be ~~[\$402,872.75]~~ \$91,381.74. To render this in terms of price points and quarters of thirty-seconds of price points, note that it is between ~~[402-27.75/32nds and 402-28/32nds]~~ 91-12/32nds and 91-12.25/32nds (where each price point equals \$1,000) --

[402-28/32nds] <u>91-12.25/32nds</u>	=	[\$402,875.] <u>\$91,382.8125</u>
Final settlement value	=	[\$402,872.75] <u>\$91,381.74</u>
[402-27.75/32nds] <u>91-12/32nds</u>	=	[\$402,867.1875] <u>\$91,375.</u>

The final settlement value is nearer to ~~[402-28/32nds]~~ 91-12.25/32nds. Thus, the contract final settlement[expiration] price is obtained by rounding up to ~~[402-28/32nds]~~ 91-12.25/32nds.

In the event that the final settlement value is at the exact midpoint between any two adjacent quarters of one thirty-second of a price point, the final settlement price will be obtained by rounding up to the nearest one-quarter of a thirty-second of a price point.