

June 1, 2012

**VIA E-MAIL**

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

**RE: Regulation 40.6(a) Rule Certification: Chicago Mercantile Exchange Inc./The Board of Trade of the City of Chicago, Inc.  
Submission #12-182: CME/CBOT Market Regulation Advisory Notice  
RA1201-3R**

Dear Mr. Stawick:

Chicago Mercantile Exchange Inc. ("CME") and The Board of Trade of the City of Chicago, Inc. ("CBOT") (collectively, the "Exchanges"), pursuant to Commodity Futures Trading Commission ("CFTC" or "Commission") Regulation 40.6(a), hereby notifies the Commission that they plan to issue revised CME & CBOT Market Regulation Advisory Notice RA1201-3R on June 4, 2012. A copy of RA1201-3R is attached as Exhibit 1.

RA1201-3 was originally self-certified in Submission 12-149 from May 21, 2012. Revised RA1201-3R is being issued to add an additional requirement attendant to the price reporting and submission to clearing of Basis Trade at Index Close ("BTIC") block trades in CME E-mini S&P Select Sector™ Stock Index futures ("Select Sector futures"). RA1201-3R clarifies that BTIC block trades in Select Sector futures may only be price reported and submitted to clearing via CME ClearPort as that is the only system of entry that will allow for the block trade price to be reported and cleared at a basis differential from the not-yet-known cash index closing price. This requirement has necessitated revisions to several sections of the Advisory Notice. Based on the issuance of the revised Advisory Notice, the launch date for BTIC block trades has been moved from June 11, 2012, to June 18, 2012.

The Exchange has reviewed the designated contract market core principles ("Core Principles") as set forth in the Commodity Exchange Act ("CEA") and has identified that the revised Advisory Notice may have some bearing on the following Core Principles:

- Contracts not readily subject to manipulation: The new Block Trade methodology is not readily subject to manipulation due to the deep liquidity and robustness in the underlying cash market, which provides diverse participation and sufficient spot transactions to support the final daily index value as calculated by S&P.
- Availability of General Information: The Exchange will publish information on the size of the BTIC block trade as well as the basis associated with the BTIC transaction on its website, together with daily trading volume, open interest and price information.
- Daily Publication of Trading Information: Trading volume, open interest and price information will be published daily on the Exchange's website and via quote vendors.
- Trade Information: All required trade information is included in the audit trail and is sufficient for the Market Regulation Department to monitor for market abuse.
- Execution of Transactions: This core principle and Regulation 1.38 allow for certain transactions to be executed off the centralized marketplace. CME has historically allowed block trading in

certain contracts as one form of allowable non-competitive transaction. Block trading is currently permitted in E-mini Select Sector Index futures. The Advisory Notice sets forth an alternative means of pricing the block trade, subject to certain requirements as set forth in the revised Rules. Additionally, these transactions, like all block trades, will be subject to review by the Market Regulation Department. For these reasons, the issuance of the revised Advisory Notice is compliant with this core principle.

The Exchange certifies that the revised Advisory Notice complies with the CEA and regulations thereunder. There were no substantive opposing views to the issuance of this revised Advisory Notice.

The Exchange certifies that this submission has been concurrently posted on the Exchange's website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

If you have any questions regarding this submission, please contact the undersigned at 312.930.8167 or via email at [Sean.Downey@cmegroup.com](mailto:Sean.Downey@cmegroup.com). Please reference CME & CBOT Submission No. 12-182 in any related correspondence.

Sincerely,

/s/Sean Downey  
Director & Assistant General Counsel

Attachment: Exhibit 1 – Market Regulation Advisory Notice RA1201-3R

# EXHIBIT 1

## MARKET REGULATION ADVISORY NOTICE

---

Exchange	CME & CBOT
Subject	Block Trades
Rule References	Rule 526
Advisory Date	June 4, 2012
Advisory Number	CME & CBOT RA1201-3R
Effective Date	June 6, 2012 – CBOT Black Sea Wheat Futures June 18, 2012 – BTIC Block Trades in Select Sector Futures

### Revised

This revised Advisory Notice is being issued to include additional requirements with respect to the price reporting and submission of Basis Trade at Index Close (“BTIC”) block trades in CME E-mini S&P S Select Sector™ Stock Index futures (“Select Sector futures”) that were not included in the Advisory Notice released on May 23, 2012. Additionally, the effective date for the launch of BTIC block trades in Select Sector futures has been moved to June 18, 2012.

**Market participants that transact BTIC block trades should be aware that the only acceptable method for price reporting and submitting BTIC block trades is through CME ClearPort.** It is not permissible for market participants to price report BTIC block trades to the Global Command Center (“GCC”) and separately enter the block trades into Front-End Clearing (“FEC”) as is allowed for other block trades in CME and CBOT products. Market participants should also be aware that entry of block trades into CME ClearPort requires registration. Additional information on registration for CME ClearPort is available on the CME Group website.

### **CBOT Black Sea Wheat Futures**

The launch date for the CBOT Black Sea Wheat futures contract remains June 6, 2012. On that date, this Advisory Notice will supersede CME & CBOT Market Regulation Advisory Notice RA1110-3 issued on December 5, 2011. Upon launch, block trading will be allowed in Black Sea Wheat futures at a minimum threshold of 10 contracts.

### **BTIC Block Trades in CME Select Sector Futures**

Effective on June 18<sup>th</sup>, CME will introduce BTIC Transactions in Select Sector futures. A BTIC Transaction is a futures transaction that is priced with reference to the applicable cash index close price. Beginning June 18<sup>th</sup>, CME will permit BTIC Transactions in Select Sector futures to be executed as block trades pursuant to the requirements of Rule 526 (“Block Trades”) and the requirements set forth in CME Chapter 369 (“E-mini S&P Select Sector Stock Index Futures”). The current minimum threshold of 50 contracts applicable to Select Sector futures will also apply to BTIC block trades in Select Sector futures. BTIC block trades in Select Sector futures may not be executed as a spread transaction pursuant to the requirements in Section 4 of this Advisory Notice. Parties wishing to effectuate a block spread transaction in BTIC Select Sector futures will be required to negotiate the transaction as separate outright

BTIC block trades. Each leg must meet the minimum threshold of 50 contracts and must comply with all other requirements set forth in Rule 526, CME Chapter 369 and this Advisory Notice.

The futures price assigned to the Select Sector futures BTIC block trade will be based on the current day's Select Sector cash index close price, or the current day's Select Sector cash index close price adjusted by any valid price increment (the "Basis") higher or lower than the Select Sector cash Index close price. The Basis must be stated in full tick increments as set forth in CME Rule 36901 ("Commodity Specifications"). **The BTIC block trade quantity and the Basis price must be reported to the Exchange via CME ClearPort within five minutes of the agreement of the parties to execute the trade.** Additionally, BTIC block trades must be reported to the Exchange via CME ClearPort at least 10 minutes prior to the scheduled close of the underlying primary securities market to establish the BTIC futures price on the current trading day. A BTIC block trade that is not reported at least 10 minutes prior to the scheduled close of the underlying primary securities market will be priced based on the index close price for the next available trading day for the primary securities market.

The futures price of a BTIC block trade will be determined by the Exchange at 3:45 p.m. Central Time and the Exchange-determined price will be final at that time. In the event of an early scheduled close of the primary securities market, the futures price of a BTIC block trade will be determined by the Exchange 45 minutes after the early scheduled close time for the primary securities market, and the Exchange-determined price will be final at that time. **In the event of an equity market disruption in the primary securities market, all BTIC block trades will be cancelled for that trade date.** BTIC block trades will also not be permitted on the last day of trading in an expiring contract month.

For additional information on BTIC transactions, including BTIC block trades, please see today's release of Special Executive Report S-6249R.

CME and CBOT products in which block trading is permitted appear in Section 10 and the text of CME and CBOT Rule 526 appears in Section 12 of this Advisory Notice.

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

Block trades are privately negotiated futures, options or combination transactions that meet certain quantity thresholds which are permitted to be executed apart from the public auction market. All block trades are subject to the conditions set forth in CME and CBOT Rule 526 ("Block Trades") and in this Advisory Notice. Additionally, BTIC block trades are also subject to the requirements set forth in CME Rule 36906.A. ("BTIC Block Trade Requirements").

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

Each party to a block trade must be an Eligible Contract Participant as that term is defined in Section 1a(12) of the Commodity Exchange Act. Eligible Contract Participants generally include exchange members and member firms, broker/dealers, government entities, pension funds, commodity pools, corporations, investment companies, insurance companies, depository institutions and high net-worth individuals. Commodity trading advisors and investment advisors who are registered or exempt from registration, and foreign persons performing a similar role and subject as such to foreign regulation, may participate in block transactions provided they have total assets under management exceeding \$25 million and the block trade is suitable for their customers.

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

Orders may not be bunched to meet the minimum block quantity thresholds.

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

Block trades may be executed at any time, including times during which the public auction market is closed. Notwithstanding the foregoing, BTIC block trades may not take place on the last day of trading in an expiring E-mini S&P Select Sector Index futures contract month.

Block trades must be transacted at prices that are “**fair and reasonable**” in light of (i) the size of the transaction, (ii) the prices and sizes of other transactions in the same contract at the relevant time, (iii) the prices and sizes of transactions in other relevant markets, including, without limitation, the underlying cash market or related futures markets, at the relevant time, and (iv) the circumstances of the markets or the parties to the block trade. The Basis applied to a BTIC block trade must also be fair and reasonable taking into account financing rates, expected dividend income and the time remaining until the applicable E-mini S&P Select Sector Stock Index futures contract expires pursuant to the requirements of CME Rule 36906 (“Basis Trade at Index Close (“BTIC”) Transactions”).

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

Block trade prices are reported independently of transaction prices in the regular market and are not included as part of the daily trading range. Block trade prices do not elect conditional orders (e.g. stop orders) or otherwise affect orders in the regular market.

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

The block trade minimum quantity requirements for outright futures and options are set forth in the list of block trade eligible products in Section 10 of this Advisory Notice. Additional information with respect to spreads and combinations executed as blocks appears below.

#### **a) Intra-Commodity Futures Spreads and Futures Combinations**

- i) All Products Excluding U.S. Treasury, OTR Treasury Yield, Interest Rate Swap and GSCI Futures

Intra-commodity futures spreads and futures combinations may be executed as block trades provided that the **sum** of the quantities of the legs meets the minimum block quantity threshold. For example, 2,000 Eurodollar future calendar spreads executed during RTH hours would meet the Eurodollar futures minimum quantity requirement of 4,000 contracts.

- ii) U.S. Treasury, OTR Treasury Yield and Interest Rate Swap Futures

***Intra-commodity calendar spread block trades are prohibited in CBOT U.S. Treasury futures, OTR Treasury Yield and Interest Rate Swap futures.*** Parties may not execute contingent block trades in outright contracts to circumvent the prohibition on the execution of block trades in intra-commodity calendar spreads. Additionally, Tandem spreads may not be executed as block trades.

- iii) GSCI Futures

In GSCI futures and GSCI Excess Return Index futures the block trade minimum is 300 contracts for each leg of the spread or combination. For example, the minimum quantity for a GSCI calendar spread would require 300 contracts in each leg of the spread for a total of 600 contracts while a GSCI futures butterfly would require a minimum volume of 1,200 contracts.

## b) Inter-Commodity Futures Spreads

### i) Short Term Interest Rate Futures

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

### ii) U.S. Treasury, OTR Treasury Yield, Interest Rate Swap and 10-Year Sovereign Yield Spread Futures

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

### iii) All Other Products

In all other block-eligible products, inter-commodity futures spreads may be executed as block trades provided that the quantity of **each leg of the spread** meets the **larger** of the threshold requirements for the underlying products.

## c) Intra-Commodity Option Spreads and Combinations

Intra-commodity option spreads and combinations may be executed as block trades provided that the quantity of **each leg of the spread** meets the designated minimum quantity threshold.

## d) Inter-Commodity Option Spreads and Combinations

Inter-commodity option spreads and combinations may be executed as block trades provided that the quantity of **each leg of the spread** meets the **larger** of the threshold requirements for the underlying products.

## e) Options/Futures Spreads

In general, options/futures spreads may be executed as block trades provided that the options component of the spread meets the minimum quantity threshold for the outright option or option combination and the quantity of futures executed is consistent with the delta of the options component of the spread. An exception applies to Weather and Housing options/futures spreads, where the legs of the spread may be summed to meet the 20-contract minimum threshold.

## **5. Block Trade Reporting Requirements**

### **a) Time Requirements**

#### **i) All Block Trades Excluding Interest Rates Outside of RTH and Weather and Housing at all Times**

Block trades must be reported to the Exchange by the seller within **five minutes** of the transaction.

#### **ii) Interest Rate Block Trades Outside of RTH**

Block trades executed during ETH or ATH must be reported to the Exchange by the seller within **fifteen minutes** of the transaction. For purposes of interest rate block trades, RTH, ETH and ATH are defined in Section 10 of this Advisory Notice.

#### **iii) Weather and Housing Block Trades**

Block trades must be reported to the Exchange by the seller within **fifteen minutes** of the transaction.

### **b) Reporting Methods**

Block trades must be reported to the Exchange via one of the following methods.

#### **i) Globex Control Center ("GCC")**

All block trades (except for BTIC block trades in CME Select Sector futures and block trades in Weather futures and options executed between 8:00 a.m. and 3:30 p.m. Chicago time, Monday – Friday on regular business days) may be reported to the GCC. The seller reports the trade by calling the GCC at **312.456.2391**. When the GCC is closed – for example, during the weekend – the block trade must be reported no later than five minutes prior to the opening of the next electronic trading session for that product.

#### **ii) CME ClearPort**

BTIC block trades in CME Select Sector futures must be reported electronically directly to CME Clearing via CME ClearPort. Block trades in other block-eligible contracts may also be electronically reported directly to CME Clearing via CME ClearPort. For information on reporting block trades through CME ClearPort, please contact customer service at 1.800.438.8616 or via email at [ClearPort@cmegroup.com](mailto:ClearPort@cmegroup.com).

#### **iii) Weather Blocks on CME Clearing360 via Pivot Instant Markets**

Block trades in Weather futures and options may be electronically reported directly to CME Clearing360 via Pivot Instant Markets by eligible inter-dealer brokers. For additional information on reporting block trades via Pivot Instant Markets, please contact Angie DiCarlo, Associate Director, CME Group Alternative Investments at 312.930.4515 or via email at [Angie.DiCarlo@cmegroup.com](mailto:Angie.DiCarlo@cmegroup.com).

#### **iv) Weather Block Trades Executed Between 8:00 a.m. and 3:30 p.m.**

Block trades in Weather futures and options executed between 8:00 a.m. and 3:30 p.m. Chicago time, Monday – Friday on regular business days should be reported to Exchange staff by calling 312.648.3935 or 312.648.3936.

When reporting a block trade, the following information will be required:

- Name and phone number of the clearing firm representative reporting the trade (unless the block trade is electronically reported);
- Buyer's clearing firm and seller's clearing firm;
- Contract, contract month and contract year for futures;
- Contract, contract month, contract year, strike price and put or call designation for standard options, as well as the expiration date and exercise style for flex options;
- Quantity of the trade or, for spreads and combinations, the quantity of each leg of the trade;
- Price of the trade or, for spreads and combinations, the price of each leg of the trade; and
- Execution time (in Central Time) of the trade (i.e. the time at which the trade was consummated).

## **6. Block Trade Submission Requirements to CME Clearing**

Block trades reported to the GCC or Exchange staff as described in numbers i) or iv) above must be submitted to CME Clearing through the FEC User Interface via the portal under BLOCK entry. For block trades executed between 6:00 a.m. and 6:00 p.m. **Central Time**, firms must submit the trade within one hour. For block trades executed between 6:00 p.m. and 6:00 a.m. **Central Time**, firms must submit the trade no later than 7:00 a.m. **Central Time**.

Block trades are entered by both the buyer's and seller's clearing firm and go through a two-sided match process. Upon entry, confirmation records will be routed back to the firms for bookkeeping purposes. When reporting spread or combination transactions, each leg must be entered individually. The execution time is required to be entered and must be the actual time at which the transaction was consummated by the two parties, not the time at which the trade is reported by the parties to their respective firms. Thus, if the clearing member has not acted as either principal or agent in the transaction, it must ensure that its customer provides an accurate execution time.

A block trade in a block-eligible option may be executed up to and including the day on which an option contract expires for purposes of offsetting an open option position. The offsetting block trade must be reported to the GCC pursuant to the requirements of section 4 above, and the offset must be reported to CME Clearing no later than the Position Change Submission ("PCS") deadline on the day on which the option contract expires. The current PCS deadline is 7:30 p.m. Central Time.

## **7. Block Trade Recordkeeping**

Complete order records for block trades must be created and maintained pursuant to Rule 536 and CFTC Regulations. However, as noted in Section 5, the time of execution of the block trade must also be recorded.

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

The date, execution time, contract details, price and quantity of block trades are reported upon receipt of the block information by GCC. Block trade information is reported on the MerQuote system and may be accessed by entering the code "BLK". The information will also be displayed on cmegroup.com at the following link: <http://www.cmegroup.com/tools-information/blocktrades.html>. Block trade information is also displayed on the trading floor.

Block trade prices are published separately from transactions in the regular market. Block trade volume is also included with other privately negotiated transactions in the daily volume reports published by the exchange.



## **9. Pre-Execution Communications**

The prohibition on prearranged trading and the requirements related to pre-execution communications with respect to certain Globex trades set forth in Rule 539 do not apply to block trades.

## **10. CME & CBOT Block Trade-Eligible Products**

For purposes of the interest rate products in the tables, the following times apply:

ETH: 12:00 a.m. – 7:00 a.m. CT, Monday through Friday on regular business days

RTH: 7:00 a.m. – 4:00 p.m. CT, Monday through Friday on regular business days

ATH: 4:00 p.m. – 12:00 a.m. CT, Monday through Friday on regular business days and at all times on weekends

<b>CME Products</b>	<b>Futures</b>	<b>Options</b>	<b>Flex Options</b>
<b>Eurodollars (RTH)</b>	<b>4,000 contracts - or 1,000 contracts provided that a minimum of 1,000 contracts are transacted in yrs 6-10</b>	<b>10,000 contracts</b>	<b>Not Available</b>
<b>Eurodollars (ETH)</b>	<b>2,000 contracts – or 500 contracts provided that a minimum of 500 contracts are transacted in yrs 6-10</b>	<b>5,000 contracts</b>	<b>Not Available</b>
<b>Eurodollars (ATH)</b>	<b>1,000 contracts – or 250 contracts provided that a minimum of 250 contracts are transacted in yrs 6-10</b>	<b>2,500 contracts</b>	<b>Not Available</b>
<b>Eurodollar E-mini futures (RTH)</b>	<b>40,000 contracts</b>	<b>Not available</b>	<b>Not available</b>
<b>Eurodollar E-mini futures (ETH)</b>	<b>20,000 contracts</b>	<b>Not available</b>	<b>Not available</b>
<b>Eurodollar E-mini futures (ATH)</b>	<b>10,000 contracts</b>	<b>Not available</b>	<b>Not available</b>
<b>3-Month Overnight Index Swaps (OIS)(RTH)</b>	<b>2,000 contracts</b>	<b>Not available</b>	<b>Not available</b>
<b>3-Month Overnight Index Swaps (OIS)(ETH)</b>	<b>1,000 contracts</b>	<b>Not available</b>	<b>Not available</b>
<b>3-Month Overnight Index Swaps (OIS)(ATH)</b>	<b>500 contracts</b>	<b>Not available</b>	<b>Not available</b>
<b>3-Month OIS/Eurodollar spread (RTH)</b>	<b>4,000 contracts (all legs combined)</b>	<b>Not available</b>	<b>Not available</b>
<b>3-Month OIS/Eurodollar spread (ETH)</b>	<b>2,000 contracts (all legs combined)</b>	<b>Not available</b>	<b>Not available</b>
<b>3-Month OIS/Eurodollar spread (ATH)</b>	<b>1,000 contracts (all legs combined)</b>	<b>Not available</b>	<b>Not available</b>
<b>T-Bills (RTH)</b>	<b>100 contracts</b>	<b>Not available</b>	<b>Not available</b>
<b>T-Bills (ETH)</b>	<b>50 contracts</b>	<b>Not available</b>	<b>Not available</b>
<b>T-Bills (ATH)</b>	<b>25 contracts</b>	<b>Not available</b>	<b>Not available</b>
<b>Euroyen (RTH)</b>	<b>200 contracts</b>	<b>200 contracts</b>	<b>Not available</b>
<b>Euroyen (ETH)</b>	<b>100 contracts</b>	<b>100 contracts</b>	<b>Not available</b>
<b>Euroyen (ATH)</b>	<b>50 contracts</b>	<b>50 contracts</b>	<b>Not available</b>
<b>One-Month Eurodollar (RTH)</b>	<b>400 contracts</b>	<b>400 contracts</b>	<b>Not available</b>

CME Products	Futures	Options	Flex Options
One-Month Eurodollar (ETH)	200 contracts	200 contracts	Not available
One-Month Eurodollar (ATH)	100 contracts	100 contracts	Not available
10-Year Sovereign Yield Spread	250 contracts	Not available	Not available
Three-Month Euribor	2,000 contracts (nearest 20 March quarterly cycle delivery months and non-March quarterly cycle delivery months)	Not available	Not available
	500 contracts (farthest 20 March quarterly cycle delivery months)		
Barclays Capital U.S. Aggregate Bond Index	50 contracts	Not available	Not available
Eurozone Harmonized Index of Consumer Prices (HICP)	50 contracts	Not available	Not available
S&P 500*	Not available	250 contracts	250 contracts
NASDAQ-100*	200 contracts - outright only	100 contracts	100 contracts
S&P SmallCap 600, E-mini S&P SmallCap 600, E-mini NASDAQ Composite Index, E-mini S&P Select Sector Stock Index	50 contracts	Not available	Not available
E-mini S&P CNX Nifty Index	50 contracts	Not available	Not available
E-micro S&P CNX Nifty Index	250 contracts	Not available	Not available
TRAKRS Indexes	100,000 contracts	Not available	Not available
S&P MidCap 400*, S&P 500/Citigroup Growth, S&P 500/Citigroup Value, Nikkei 225	50 contracts	250 contracts	250 contracts
Custom Stock Index/S&P Wise US	50 contracts	Not Available	Not available
Goldman Sachs Commodity Index (GSCI), GSCI Excess Return Index	50 contracts for outright – 300 contracts for each leg of a spread transaction	Not available	Not available
International Skimmed Milk Powder	20 contracts	Not available	Not available
EUR/USD 1-Month and 3-Month Realized Volatility	50 contracts	Not available	Not available
EUR/USD*, JPY/USD*	150 contracts	250 contracts	Not available
AUD/USD, CAD/USD, CHF/USD, GBP/USD, MXN/USD	100 contracts	250 contracts	Not available
EUR/GBP, EUR/CHF, EUR/JPY, NZD/USD, BRL/USD, CZK/USD, CZK/EUR, HUF/EUR, HUF/USD, ILS/USD, KRW/USD, PLN/USD, PLN/EUR, RMB/USD, RMB/EUR, RMB/JPY, RUB/USD, ZAR/USD, USD/TRY, EUR/TRY	50 contracts	250 contracts	Not available
AUD/CAD, AUD/JPY, AUD/NZD, CAD/JPY, CHF/JPY, EUR/AUD, EUR/CAD, EUR/NOK, EUR/SEK, GBP/JPY, GBP/CHF, NOK/USD, SEK/USD	50 contracts	Not available	Not available
Dow Jones CME FX\$INDEX	50 contracts	Not available	Not available
Weather	20 contracts	20 contracts	Not available
Wood Pulp	25 contracts	25 contracts	Not available
Housing	20 contracts	20 contracts	Not available
U.S. Dollar Cash Settled Crude Palm Oil	10 contracts	Not available	Not available

CME Products	Futures	Options	Flex Options
Cheese	20 contracts	Not available	Not available

\* NOT applicable to E-mini or E-micro FX or E-mini equity indexes except those listed above.

CBOT Products	Futures	Options	Flex Options
2-Year Treasury Notes (RTH)	5,000 contracts**	2,000 contracts	Same as Non-Flex Options
2-Year Treasury Notes (ETH)	2,500 contracts**	1,000 contracts	Same as Non-Flex Options
2-Year Treasury Notes (ATH)	1,250 contracts**	500 contracts	Same as Non-Flex Options
3-Year Treasury Notes (RTH)	5,000 contracts**	Not available	Not available
3-Year Treasury Notes (ETH)	2,500 contracts**	Not available	Not available
3-Year Treasury Notes (ATH)	1,250 contracts**	Not available	Not available
5- and 10-Year Treasury Notes (RTH)	5,000 contracts**	7,500 contracts	Same as Non-Flex Options
5- and 10-Year Treasury Notes (ETH)	2,500 contracts**	3,750 contracts	Same as Non-Flex Options
5- and 10-Year Treasury Notes (ATH)	1,250 contracts**	1,875 contracts	Same as Non-Flex Options
U.S. Treasury Bonds (RTH)	3,000 contracts**	7,500 contracts	Same as Non-Flex Options
U.S. Treasury Bonds (ETH)	1,500 contracts**	3,750 contracts	Same as Non-Flex Options
U.S. Treasury Bonds (ATH)	750 contracts**	1,875 contracts	Same as Non-Flex Options
Long-Term (Ultra) Treasury Bonds (RTH)	2,000 contracts**	Not available	Not available
Long-Term (Ultra) Treasury Bonds (ETH)	1,500 contracts**	Not available	Not available
Long-Term (Ultra) Treasury Bonds (ATH)	750 contracts**	Not available	Not available
2-, 5- and 10-Year OTR Treasury Yield (RTH)	2,000 contracts**	Not available	Not available
2-, 5- and 10-Year OTR Treasury Yield (ETH)	1,000 contracts**	Not available	Not available
2-, 5- and 10-Year OTR Treasury Yield (ATH)	500 contracts**	Not available	Not available
30-Day Fed Funds (RTH)	2,000 contracts	1,500 contracts	Same as Non-Flex Options
30-Day Fed Funds (ETH)	1,000 contracts	750 contracts	Same as Non-Flex Options
30-Day Fed Funds (ATH)	500 contracts	375 contracts	Same as Non-Flex Options
5-, 7-, 10- and 30-Year Interest Rate Swaps (RTH)	2,000 contracts	500 contracts	Not available
5-, 7-, 10- and 30-Year Interest Rate Swaps (ETH)	1,000 contracts	500 contracts	Not available
5-, 7-, 10- and 30-Year Interest Rate Swaps (ATH)	500 contracts	500 contracts	Not available
Dow Jones-UBS Commodity Index Excess Return	300 contracts	Not available	Not available
Dow Jones U.S. Real Estate Index	50 contracts	Not available	Not available
Ethanol	10 contracts	10 contracts	Not available

CBOT Products	Futures	Options	Flex Options
Distillers' Dried Grain	10 contracts	Not available	Not available
Black Sea Wheat	10 contracts	Not available	Not available

\*\* Block trading of intra-commodity Treasury, OTR Treasury Yield and Interest Rate Swap futures calendar spreads is prohibited.

## **11. Contact Information**

Questions regarding this advisory may be directed to the following individuals:

Market Regulation:	Colin Garvey, Investigations	312.435.3656
	Robert Sniegowski, Rules & Regulatory Outreach	312.341.5991
	Erin Schwartz, Rules & Regulatory Outreach	312.341.3083
CME Clearing:	CME Clearing Support	312.207.2525

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

## **12. Text of CME & CBOT Rule 526**

### **Rule 526 BLOCK TRADES**

The Exchange shall designate the products in which block trades shall be permitted and determine the minimum quantity thresholds for such transactions. The following shall govern block trades:

- A. A block trade must be for a quantity that is at or in excess of the applicable minimum threshold. Orders may not be aggregated in order to achieve the minimum transaction size, except by those entities described in Sections I. and J.
- B. Each party to a block trade must be an Eligible Contract Participant as that term is defined in Section 1a(12) of the Commodity Exchange Act.
- C. A member shall not execute any order by means of a block trade for a customer unless such customer has specified that the order be executed as a block trade.
- D. The price at which a block trade is executed must be fair and reasonable in light of (i) the size of the block trade, (ii) the prices and sizes of other transactions in the same contract at the relevant time, (iii) the prices and sizes of transactions in other relevant markets, including without limitation the underlying cash market or related futures markets, at the relevant time, and (iv) the circumstances of the markets or the parties to the block trade.
- E. Block trades shall not set off conditional orders (e.g., Stop Orders and MIT Orders) or otherwise affect orders in the regular market.
- F. **CME** - The seller must ensure that each block trade is reported to the Exchange within five minutes of the time of execution; except that block trades in interest rate futures and options executed outside of Regular Trading Hours (7:00 a.m. – 4:00 p.m. Central Time, Monday – Friday on regular business days) and Housing and Weather futures and options must be reported within fifteen minutes of the time of execution. The report must include the contract, contract month, price, quantity of the transaction, the respective clearing members, the time of execution, and, for options, strike price, put or call and expiration month. The Exchange shall promptly publish such information separately from the reports of transactions in the regular market.
- F. **CBOT** - The seller must ensure that each block trade is reported to the Exchange within five minutes of the time of execution; except that block trades in interest rate futures and options executed outside of Regular Trading Hours (7:00 a.m. – 4:00 p.m. Central Time, Monday – Friday on regular business days) must be reported within fifteen minutes of the time of execution. The report must include the contract, contract month, price, quantity of the transaction, the respective clearing members, the time of execution, and, for options, strike price, put or call and expiration month. The Exchange shall promptly publish such information separately from the reports of transactions in the regular market.
- G. Block trades must be reported to the Clearing House in accordance with an approved reporting method.
- H. Clearing members and members involved in the execution of block trades must maintain a record of the transaction in accordance with Rule 536.

- I. A commodity trading advisor ("CTA") registered or exempt from registration under the Act, including, without limitation, any investment advisor registered or exempt from registration under the Investment Advisors Act of 1940, shall be the applicable entity for purposes of Sections A., B., C., and D., provided such advisors have total assets under management exceeding \$25 million and the block trade is suitable for the customers of such advisors.
- J. A foreign Person performing a similar role or function to a CTA or investment advisor as described in Section I, and subject as such to foreign regulation, shall be the applicable entity for purposes of Sections A., B., C., and D., provided such Persons have total assets under management exceeding \$25 million and the block trade is suitable for the customers of such Persons.