CME Group

Special Executive Report

S-6392 **September 14, 2012**

This Special Executive Report contains the following:

1. <u>New Standard-Sized U.S. Dollar / Offshore Chinese Renminbi (CNH) Futures and E-micro U.S. Dollar / Offshore Chinese Renminbi (MNH) Futures to Launch Sunday, November 18, 2012</u>

Effective on Sunday, November 18, 2012, for the trade date of Monday, November 19, 2012, CME is launching new Standard-size and E-micro-size U.S. Dollar/Offshore Chinese Renminbi (USD/CNH) Futures contracts on CME Globex® and CME ClearPort®. These futures contracts feature physical delivery of Chinese renminbi in Hong Kong (CNH), pricing in interbank terms of Chinese renminbi per U.S. dollar with associated daily settlement variation banked in Chinese renminbi "offshore" in Hong Kong and fungible (offsetting) on a long (short) 10 E-micro to short (long) 1 standard contract basis. The Chinese government and People's Bank of China (PBOC) have undertaken various steps to "internationalize" the Chinese renminbi currency recently and among them, have allowed physical delivery of Chinese renminbi or yuan in Hong Kong. This market has grown over the past two years and CME believes it is sufficiently developed to underlie futures contracts.

These two new contracts are in addition to the Exchange's other currently listed U.S. dollar vs. Chinese renminbi products: Chinese Renminbi/U.S. Dollar futures and options priced in American-terms of U.S. dollars per Chinese renminbi with daily pays and collects in U.S. dollars (product code = RMB), and Standard-size and E-micro-size U.S. Dollar/Chinese Renminbi futures (product codes, respectively, CNY and MNY) priced in interbank terms of Chinese renminbi per U.S. dollar, but with daily implied pays and collects in RMB converted and banked into U.S. dollars. These currently listed dollar/renminbi products are unchanged and continue to be listed for trading after introduction of the new contracts.

Background on Chinese Renminbi Markets - The official currency of China is the Renminbi ("RMB"), and the primary unit of the Renminbi is the Yuan ("CNY"). As China's economy becomes increasingly integrated with the rest of the world, it is a natural trend for its currency (RMB) to be more widely used in trade and investment. However, RMB in China is a historically closed market with strict capital controls where currencies could not be delivered for offshore entities. Therefore, the non-deliverable forward ("NDF") market for CNY was primarily designed to solve hedging needs for this non-convertible currency. However, in order to pave the way for future relaxation of capital controls in mainland China, the Chinese government has introduced deliverable RMB offshore in Hong Kong ("CNH"). This is an important step towards "internationalization" of the Chinese currency. The result to date has been an impressive growth of the deliverable RMB market in Hong Kong with an increasing pool of available RMB liquidity for settlement and delivery. CME now has an opportunity to launch futures products directly tied to a deliverable underlying Renminbi product.

In June 2010, China launched a pilot scheme for RMB trade settlement through banks in Hong Kong (HK). The Chinese government has a publicly stated ambition of internationalizing the RMB and putting it on track to be one of the world's reserve currencies. The introduction of "CNH", the acronym for Renminbi held offshore in HK, is a major milestone taken by the Chinese government in this direction.

Since the launch in June 2010 of China's pilot program for RMB trade settlement through Hong Kong banks, the marketplace has witnessed a strong growth in counterparties and volumes in this offshore CNH market. For example, by the end of 2010, HK registered a monthly average of trade transactions of $4.85 billion (RMB 31 billion). This volume grew to $25 billion (RMB 160 billion) RMB in 2011. Trade settlement is playing a pivotal role in the growth and internationalization of RMB. According to SWIFT, as of February 2012, Europe is already on its way to be the next biggest contributor to global RMB transactions. It now represents 47% in RMB payments value, overtaking Asia Pacific (Excluding Hong Kong and China). At the same time, the offshore RMB deposits in HK reached nearly $94 billion (RMB 600 billion) by end 2011. Today HK hosts the largest pool of RMB liquidity outside Mainland China. About 70% of these RMB deposits, according to Hong Kong Monetary Authority (HKMA) sources, are held by corporate customers, over 15% of which were from overseas. According to HKMA, at the end of 2011, there were a total of 187 banks participating in the RMB clearing platform in Hong Kong, of which 88% or 165 were branches and subsidiaries of foreign banks, including the overseas presence of Chinese banks. Also, the HK market for RMB bonds ("Dim-Sum bonds") is the largest outside Mainland China. In 2010, RMB bonds issuances totaled $5.65 billion (36 billion yuan) that were underwritten by 16 issuers. In 2011, RMB bond issuances grew dramatically to over $15.7 billion (100 billion yuan) by 81 issuers.

CME Response to the Rise in the Offshore Chinese Renminbi Market - Given the rise in the offshore Chinese renminbi market in Hong Kong, CME plans to:

- Launch on Sunday, November 18th, standard-sized (USD 100,000) USD/Offshore RMB (CNH) futures, as well as E-micro (USD 10,000) USD/Offshore RMB (MNH) futures that are priced in the interbank standard quotation mechanism of RMB (CNH) per USD with the daily CNH pays and collects banked in Chinese renminbi in Hong Kong (CNH). Therefore, market participants will need to have established offshore Chinese renminbi accounts in Hong Kong through their Clearing firms prior to taking positions in these new contracts. In the event of unavailability of CNH to make daily settlement variation, CME rules provide for executive management (Chief Executive Officer, President or Chief Operating Officer or their delegate) to allow daily settlement variation in appropriate amounts of U.S. dollars or other convertible currency.

- Physical delivery at termination of the futures contracts with U.S. dollars moving in the USA and CNH moving in Hong Kong. Thus, market participants will need to make arrangements through their Clearing firm for physical delivery of CNH in Hong Kong before holding open positions in CNH futures at termination. In the event of unavailability of CNH to make payment of CNH for physical delivery of USD, CME rules provide for executive management (Chief Executive Officer, President or Chief Operating Officer or their delegate) to allow the CNH payment in appropriate amounts of U.S. dollars or other convertible currency.

- Monthly expirations out 13 consecutive months for the Standard-Size futures, plus an additional 8 March, June, September and December quarterly cycle months for a maturity range of 3 years. The E-micro futures will have 12 consecutive contract months listed for trading.

- Extend CME's E-micro, 1/10-size, FX product suite to USD/Offshore RMB (CNH) futures. Allows ten long (short) E-micro USD/Offshore RMB (MNH) futures to be offset with one short (long) Standard Size USD/RMB (CNH) futures by the account controller, if held in the same account.

2. Trading Hours and Venues

Both of the new futures contracts will be traded on the CME Globex electronic trading system on Sundays through Fridays from 5:00 p.m. to 4:00 p.m. Central Time (CT) on the next day. Please note that on Friday the CME Globex platform closes at 4:00 p.m. and reopens Sunday at 5:00 p.m. CT. Also, trade entry for the new futures contracts will be available on CME ClearPort. These hours are Sundays through Fridays**:** 5:00 p.m. – 4:15 p.m. CT on the next day with a 45–minute break each day beginning at 4:15 p.m. CT.

3. Membership Access / New Product Access Program

Both the Standard-size U.S. Dollar / Offshore Chinese Renminbi (CNH) futures contracts and the E-micro-size U.S. Dollar / Offshore Chinese Renminbi (MNH) futures are allocated to the IMM Division. Also, according to CME Rule 194 – **NEW PRODUCT ACCESS PROGRAM**, the two new Chinese Renminbi futures contracts will be included in the Exchange's "New Product Access Program." One effect of this provision is that IOM and GEM members trading these products on CME Globex will be charged lessee clearing fee rates rather than out-of-division rates for a limited time.

If you have any questions, please call Lori Aldinger, Manager, Financial Research & Product Development, at (312) 930-2337.

4. Initial Contract Months

Standard Size USD/Offshore RMB (CNH) Futures

Futures: Dec. 2012, Jan. 2013, Feb. 2013, Mar. 2013, Apr. 2013, May 2013, Jun. 2013, Jul. 2013, Aug. 2013, Sep. 2013, Oct. 2013, Nov. 2013, Dec. 2013 consecutive contract months, plus Mar. 2014, Jun. 2014, Sep. 2014, Dec. 2014, Mar. 2015, Jun. 2015, Sep. 2015 and Dec. 2015 quarterlies

Futures Calendar Spreads (Month = M1 through 13):

M2 vs. M1:	January 2013 vs. December 2012
M3 vs. M1:	February 2013 vs. December 2012
M4 vs. M1:	March 2013 vs. December 2012
M7 vs. M1:	June 2013 vs. December 2012
M10 vs. M1:	September 2013 vs. December 2012
M13 vs. M1:	December 2013 vs. December 2012
M5 vs. M2:	April 2013 vs. January 2013
M6 vs. M3:	May 2013 vs. February 2013
M7 vs. M4:	June 2013 vs. March 2013
M8 vs. M5:	July 2013 vs. April 2013
M9 vs. M6:	August 2013 vs. May 2013
M10 vs. M7:	September 2013 vs. June 2013
M11 vs. M8:	October 2013 vs. July 2013
M12 vs. M9:	November 2013 vs. August 2013
M13 vs. M10:	December 2013 vs. September 2013

E-micro USD/Offshore RMB (MNH) Futures

Futures: Dec. 2012, Jan. 2013, Feb. 2013, Mar. 2013, Apr. 2013, May 2013, Jun. 2013, Jul. 2013, Aug. 2013, Sep. 2013, Oct. 2013 and Nov. 2013 consecutive contract months

Futures Calendar Spreads (Month = M1 through 12):

M2 vs. M1:	January 2013 vs. December 2012
M3 vs. M1:	February 2013 vs. December 2012
M4 vs. M1:	March 2013 vs. December 2012
M7 vs. M1:	June 2013 vs. December 2012
M10 vs. M1:	September 2013 vs. December 2012
M5 vs. M2:	April 2013 vs. January 2013
M6 vs. M3:	May 2013 vs. February 2013
M7 vs. M4:	June 2013 vs. March 2013
M8 vs. M5:	July 2013 vs. April 2013
M9 vs. M6:	August 2013 vs. May 2013
M10 vs. M7:	September 2013 vs. June 2013
M11 vs. M8:	October 2013 vs. July 2013
M12 vs. M9:	November 2013 vs. August 2013

5. Listing Procedures for Adding New USD/Offshore RMB (CNH) Futures Contract

Standard Size USD/Offshore RMB (CNH) Futures: 13 consecutive calendar months (Jan, Feb, Mar, Apr, May, Jun, etc.) plus 8 deferred March quarterly cycle contracts (Mar, Jun, Sep and Dec) will be listed for trading at all times. A new futures contract month, either the next consecutive calendar month or next March quarterly contract month not yet listed, will be added for trading on the business day following the termination of trading for the nearby analogous contract month.

E-micro USD/Offshore RMB (MNH) Futures: 12 consecutive calendar months (Jan, Feb, Mar, Apr, May, Jun, etc.) will be listed for trading at all times. A new futures contract month not yet listed, will be added for trading on the business day following the termination of trading for the nearby analogous contract month. The first and second parts of the following table, respectively, illustrate the Standard Size and E-micro USD/Offshore RMB (CNY) futures contract month listing procedures.

Std. Size USD / Offshore RMB (CNH) Futures Contract Listing Procedures			
	Contract Month	***Termination Date[1] (see footnote)***	***Delivery Date***
Initial Futures Months	December 2012	Tues. 12/18/12	12/20/12
	January 2013	Tues. 1/15/13	1/17/13
	February 2013	Tues. 2/19/13	2/21/13
	March 2013	Tues. 3/19/13	3/21/13
	April 2013	Tues. 4/16/13	4/18/13
	May 2013	Tues. 5/14/13	5/16/13
	June 2013	Tues. 6/18/13	6/20/13
	July 2013	Tues. 7/16/13	7/18/13
	August 2013	Tues. 8/20/13	8/22/13
	September 2013	Tues. 9/17/13	9/19/13
	October 2013	Tues. 10/15/13	10/17/13
	November 2013	Tues. 11/19/13	11/21/13
	December 2013	Tues.12/17/13	12/19/13
	March 2014	Tues. 3/18/14**	3/20/14**
	June 2014	Tues. 6/17/14**	6/19/14**
	September 2014	Tues. 9/16/14**	9/18/14**
	December 2014	Tues. 12/16/14**	12/18/14**
	March 2015	Tues. 3/17/15**	3/19/15**
	June 2015	Tues. 6/16/15**	6/18/15**
	September 2015	Tues. 9/15/15**	9/17/15**
	December 2015	Tues. 1215/15**	12/17/15**
New Monthly Futures Added for Trading on Wednesday, December 19, 2012, the Day Following Termination of Nearby Contract.	January 2014	Tues. 1/14/14**	1/16/14**
New Monthly Futures Added for Trading on Wednesday, January 16, 2013, the Day Following Termination of Nearby Contract.	February 2014	Tues. 2/18/14**	2/20/14**
New March Quarterly Futures Added for Trading on Wednesday, February 20, 2013, the Day Following Termination of Nearby Contract, Etc.	March 2016	Tues. 3/15/16**	3/17/16**
**Subject to change pending release of Hong Kong bank holidays in 2014, 2015 and 2016.			

[1]Termination dates provided are relative to the Hong Kong/Beijing/Shanghai time zone. Please note that relative to the Chicago time zone, CME RMB futures contract termination of trading dates are the preceding business day, usually Monday evening.
**Subject to change pending release of Chinese bank holidays in 2014 and 2015.

E-Micro USD / Offshore RMB (CNH) Futures Contract Listing Procedures			
	Contract Month	***Termination Date[2] (see footnote)***	***Delivery Date***
Initial Futures Months	December 2012	Tues. 12/18/12	12/20/12
	January 2013	Tues. 1/15/13	1/17/13
	February 2013	Tues. 2/19/13	2/21/13
	March 2013	Tues. 3/19/13	3/21/13
	April 2013	Tues. 4/16/13	4/18/13
	May 2013	Tues. 5/14/13	5/16/13
	June 2013	Tues. 6/18/13	6/20/13
	July 2013	Tues. 7/16/13	7/18/13
	August 2013	Tues. 8/20/13	8/22/13
	September 2013	Tues. 9/17/13	9/19/13
	October 2013	Tues. 10/15/13	10/17/13
	November 2013	Tues. 11/19/13	11/21/13
New Monthly Futures Added for Trading on Wednesday, December 19, 2012, the Day Following Termination of Nearby Contract, Etc.	December 2013	Tues. 12/17/13	12/19/13
New Monthly Futures Added for Trading on Wednesday, January 16, 2013, the Day Following Termination of Nearby Contract, Etc.	January 2014	Tues. 1/14/14**	1/16/14**
New Monthly Futures Added for Trading on Wednesday, February 20, 2013, the Day Following Termination of Nearby Contract, Etc.	February 2014	Tues. 2/18/14**	2/20/14**
**Subject to change pending release of Hong Kong bank holidays in 2014.			

If you have any questions, please contact Daniel Grombacher, Senior Director, Research & Product Development, (email: Daniel.Grombacher@cmegroup.com or ph: 312-634-1583).

6. <u>Termination of Trading Schedules for New USD/Offshore RMB (CNH & MNH) Futures</u>

Futures trading for the new CNH and MNH futures terminate at 11:00 a.m. Hong Kong time (equal to 9:00 p.m. Central Standard Time or 10:00 p.m. Central Daylight Time prior evening in Chicago) on the first Hong Kong business day immediately preceding the third Wednesday of the contract month. If this date for termination is an Exchange holiday, futures trading shall terminate on the next preceding common Hong Kong and Exchange business day. The 11:00 a.m. Hong Kong time termination of trading time for the CME futures contract corresponds with

[2]Termination dates provided are relative to the Hong Kong/Beijing/Shanghai time zone. Please note that relative to the Chicago time zone, CME CNH futures contract termination of trading dates are the preceding business day, usually Monday evening.

the determination time for the Treasury Markets Association (TMA) Spot USD/CNY (HK) Fixing "benchmark rate" as calculated by Thomson Reuters (TR) and published on Reuters page <CNHFIX> as code <CNHFIX=>. Market participants have advised CME that alignment of the termination of trading time of its USD/CNH futures contracts with the time of determination of this TMA TR USD/CNH benchmark rate is beneficial.

Termination of trading for the new CNH and MNH futures contracts on the first Hong Kong business day preceding the third Wednesday of the contract month will in most cases align the new futures contracts' termination dates with those of CME's currently listed onshore Chinese renminbi versus U.S. dollar futures and options contracts. Also, since both CME's offshore and onshore dollar / renminbi futures reflect their underlying cash market conventions, settlement value for the new futures contracts at termination is "t + 2" business days. Therefore, physical delivery of CME's CNH and MNH futures occurs on the business day following the third Wednesday of the contract month, usually on a Thursday, or two business days following termination of trading. See the next section for a description of the physical delivery process.

If you have any questions, please contact, Daniel Grombacher, Senior Director, Research & Product Development, (email: Daniel.Grombacher@cmegroup.com or ph: 312-634-1583).

7. Physical Delivery Procedures at Termination of Trading

As noted in the previous section, physical delivery for the new CNH and MNH futures contracts occur on the business day following the third Wednesday of the contract month, usually a Thursday, which is two business days after termination of futures trading. As with other physical delivery CME FX futures contracts, clearing members representing the buyers and sellers at termination are required to submit to the Clearing House a delivery commitment form specifying the account information and amounts associated with the upcoming deliveries of Chinese renminbi in Hong Kong and U.S. dollars in the United States. These forms are required at the Clearing House by 10:00 a.m. Central time (CT) on the business day succeeding the termination of trading day. Please note that the termination of trading time is defined as 11:00 a.m. Hong Kong time one business day before third Wednesday, usually a Tuesday, but which corresponds to either 9:00 p.m. CT usually on a Monday evening during Central Standard Time or 10:00 p.m. during Central Daylight Time. So, the delivery commitment form deadline of 10:00 a.m. CT on the business day succeeding the termination day corresponds usually to 10:00 a.m. CT on Tuesday before the Thursday delivery day. See Tables 1 and 2 Final Delivery for illustrations of the timing for physical delivery for the CNH and MNH futures contracts.

Also, to secure the delivery, both buyers' and sellers' clearing members must either deposit appropriate amounts of cash to the Clearing House delivery account by 1:00 p.m. Central time on the day before delivery, or otherwise, provide on the day before the delivery day an irrevocable order to pay the appropriate amounts of currency to guarantee payment of Chinese renminbi in Hong Kong (CNH) and U.S. dollars in the United States, respectively, on the delivery day.

In the event, the exchange determines, after consultation with clearing members and its delivery banks concerning supplies of offshore renminbi, CME executive management (Chief Executive Officer, President or Chief Operating Officer or their delegate) may allow the CNH payment in appropriate amounts of U.S. dollars or other convertible currency.

These physical delivery procedures for the new CNH and MNH futures are covered by the following amendments to CME Rulebook Chapter 7, including new Rules 734.E., 738.D., new second paragraph to Rule 740 and new Rule 744. Also, the new individual CNH and MNH futures contract chapters contain "delivery" sections as CME Rules 284L02. and 344L02.

737.E. Physical Delivery U.S. Dollar/ Offshore Chinese Renminbi ("RMB") Contracts

A clearing member representing a customer that intends to accept delivery of a Physical Delivery U.S. Dollar / Offshore Chinese Renminbi Contract in liquidation of his position shall, no later than 10:00 a.m. Central Time (CT) on the business day succeeding the last day of trading, present to the Clearing House a Buyer's Non-CLS Delivery Commitment for U.S. Dollar / Offshore Chinese Renminbi Contracts. In addition by 1:00 p.m. CT on the first day preceding the delivery day that is a business day common to the Exchange, Chicago banks and New York City banks, the clearing member representing a customer that intends to accept delivery of a Physical Delivery U.S. Dollar/Offshore Chinese Renminbi Contract in liquidation of his position shall either deposit, or present a Bank Order to Pay, an amount in the minimum-fluctuation currency of Offshore Chinese Renminbi equal to the contract value based on the settlement price on the last day of trading. Such deposit shall be in the form of same-day funds to an account at a bank designated by the Clearing House. The bank Order to Pay shall be in a form approved by the Clearing House, and shall promise to pay same-day funds in offshore Chinese Renminbi on the delivery day.

In addition, by 10:00 a.m. local time in the country of delivery on the delivery day, the clearing member representing a customer accepting delivery of a Physical Delivery U.S. Dollar /Offshore Chinese Renminbi Contract in liquidation of his position shall deposit, in same-day funds to an account at a bank designated by the Clearing House, an amount in the minimum-fluctuation currency of offshore Chinese Renminbi equal to the contract value based on the applicable settlement price on the last day of trading.

738.D. Physical Delivery U.S. Dollar/ Offshore Chinese Renminbi ("RMB") Contracts

The clearing member representing a customer making delivery of a Physical Delivery U.S. Dollar/ Offshore Chinese Renminbi Contract, in liquidation of his position shall, no later than 10:00 a.m. on the business day succeeding the last day of trading, present to the Clearing House a Seller's Non-CLS Delivery Commitment for U.S. Dollar/ Offshore Chinese Renminbi Contracts. In addition by 1:00 p.m. on the first day preceding the delivery day that is a business day common to the Exchange, Chicago banks and New York City banks, the clearing member shall either deposit, or present a Bank Order to Pay, an amount equal to the trading unit of U.S. Dollars for the U.S. Dollar/ Offshore Chinese Renminbi Contract. Such deposit shall be in the form of same-day funds to an account at a bank designated by the Clearing House. The Bank Order to Pay shall be in a form approved by the Clearing House, and shall promise to pay same-day funds on the delivery day. The Seller shall have made all provisions necessary to receive delivery of the minimum-fluctuation currency (offshore Chinese Renminbi) within the country of issuance. The Seller's clearing member shall be responsible for delivering the trading unit currency (U.S. Dollars) on the delivery date to a bank designated by the Clearing House. The Exchange reserves the right to eliminate the requirement for sellers to post a Bank Order to Pay in the event that such requirement is no longer deemed necessary to secure the delivery.

Subject to the preceding two paragraphs, if the Seller's Non-CLS Delivery Commitment for U.S. Dollar/ Offshore Chinese Renminbi Contracts is received later than 10:00 a.m. on the last day of trading, but not later than 1:00 p.m. on the same day, the seller's clearing member shall be assessed a fine on a per-contract basis, the amount to be determined by Exchange staff. Any deliveries memoranda or instructions received subsequent to 1:00 p.m. on the same day, shall be deemed a delivery obligation failure and acted upon in accordance with Rule 743.B

740. PAYMENTS

New Second Paragraph

For the U.S. Dollar/Offshore Chinese Renminbi Contracts, the Clearing House shall designate a bank in the U.S. into which the trading unit currency (U.S. Dollars) shall be delivered. This bank shall notify the Clearing House when the trading unit currency funds have been received. In the case of these Currency Contracts, the U.S. Dollar delivery for each selling customer shall equal the net short value of positions in those currencies. Values for buyer's positions in contracts with minimum fluctuations in offshore Chinese Renminbi shall be the contract value based on the settlement price on the last day of trading (settlement price times contract size per contract). In the case of U.S. Dollar/ Offshore Chinese Renminbi Contracts, the Clearing House shall, promptly after receipt of notification that Offshore Chinese Renminbi funds have been received, transfer the U.S. dollar funds, that were previously deposited by the seller's clearing member to the account of the buyer's clearing member. See also CME Rule 744.

744. FAILSAFE CURRENCY AVAILABILITY PROCEDURES FOR PHYSICAL DELIVERY

At the sole discretion of the Chief Executive Officer, President or Chief Operating Officer or their delegate, following review of available information concerning supplies of offshore Chinese renminbi (RMB), obligations of physical delivery of offshore Chinese renminbi may be made in an appropriate amount of U.S. dollars in the United States or other convertible currency in the respective country of issue, or obligations of physical delivery of offshore Chinese renminbi may be satisfied by cash settlement or other means of settlement pursuant to Rule 230. The Chief Executive Officer, President or Chief Operating Officer or their delegate shall determine the applicable conversion rate of offshore Chinese renminbi (RMB) to U.S. dollars or other convertible currency based upon current published spot foreign exchange market rates.

Any such invocation of this clause may be deemed a delivery obligation failure and acted upon in accordance with Rule 743.B.

In the alternative, at sole discretion of the Chief Executive Officer, President or Chief Operating Officer or their delegate, following review of available information concerning supplies of offshore Chinese renminbi (RMB), obligations of physical delivery of offshore Chinese renminbi may be extended an additional business day or days. Any such invocation of this clause may be deemed a delivery obligation failure and acted upon in accordance with Rule 743.B.

284L02. SETTLEMENT PROCEDURES

284L02.A. Physical Delivery

1. Procedures
   In addition to the procedures and requirements contained in this chapter, delivery procedures shall be governed by the rules set forth in Chapter 7.
2. Delivery Days
   Delivery shall be made on the business day following the third Wednesday of the contract month. If that day is not a business day in the country of delivery or is a bank holiday in either Chicago or New York City, then delivery shall be made on the next day which is a business day in the country of delivery and is not a bank holiday in Chicago or New York City. Subject to Rule 744 and at the sole discretion of the Chief Executive Officer, President or Chief Operating Officer or their delegate, delivery may be extended an additional business day or days in order to accommodate availability of offshore Chinese renminbi. In such case, invocation of this clause may be deemed a delivery obligation failure and acted upon in accordance with Rule 743.B.

344L02. SETTLEMENT PROCEDURES

344L02.A. Physical Delivery

1. Procedures

   In addition to the procedures and requirements contained in this chapter, delivery procedures shall be governed by the rules set forth in Chapter 7.
2. Delivery Days
   Delivery shall be made on the business day following the third Wednesday of the contract month. If that day is not a business day in the country of delivery or is a bank holiday in either Chicago or New York City, then delivery shall be made on the next day which is a business day in the country of delivery and is not a bank holiday in Chicago or New York City. Subject to Rule 744 and at the sole discretion of the Chief Executive Officer, President or Chief Operating Officer or their delegate, delivery may be extended an additional business day or days in order to accommodate availability of offshore Chinese renminbi. In such case, invocation of this clause may be deemed a delivery obligation failure and acted upon in accordance with Rule 743.B.

TABLE 1. FINAL DELIVERY. During Daylight Saving Time (DST), so CME local times are Central Daylight Time (CDT):

If CME failed to receive the foreign currency, the USD or CNH would be held until we received the opposing currency. Normal timelines for CNH and MNH futures deliveries are as follows:

Monday, June 18	**CDT**	**Tuesday, June 19**	**HKT**
Last Trading & Final Settlement Price Determination	10:00 pm	Last Trading & Final Settlement Price Determination	11:00 am
Tuesday, June 19	**CDT**		HKT
Delivery Commitments due to Clearing House	10:00 am	Delivery Commitments due to Clearing House	11:00 pm
Wire Transfer denominated in CNH due	12 midnight		1:00 pm (Wednesday)
Wednesday, June 20	**CDT**	Thursday, June 21	**HKT**
Wire Transfer denominated in USD	1:00 pm		2:00 am (Thursday)
OTP in USD or CNH due to Clearing House (US Agent Bank)	1:00 pm	OTP in USD or CNH due to Clearing House	2:00 am
CNH payment confirmation received	9:00 pm	CNH payment confirmation received	10:00 am
Thursday, June 21	**CDT**		
CNH payment confirmation ends	4:00 am		5:00 pm
Release USD	10:00 am		11:00 pm

TABLE 2. FINAL DELIVERY. During Central Standard Time (CST):

Monday, June 18	**CST**	**Tuesday, June 19**	**HKT**
Last Trading & Final Settlement Price Determination	9:00 pm	Last Trading & Final Settlement Price Determination	11:00 am
Tuesday, June 19	**CST**		HKT
Delivery Commitments due to Clearing House	10:00 am	Delivery Commitments due to Clearing House	12:00 midnight
Wire Transfer denominated in CNH due	12 midnight		2:00 pm (Wednesday)
Wednesday, June 20	**CST**	Thursday, June 21	**HKT**
Wire Transfer denominated in USD	1:00 pm		3:00 am (Thursday)
OTP in USD or CNH due to Clearing House (US Agent Bank)	1:00 pm	OTP in USD or CNH due to Clearing House	3:00 am (Thursday)
CNH payment confirmation received	9:00 pm	CNH payment confirmation received	11:00 am (Thursday)
Thursday, June 21	**CST**		
CNH payment confirmation ends	4:00 am		6:00 pm (Thursday)
Release USD	10:00 am		12:00 Midnight

8. Position Limits and Hedge Exemptions / Failsafe Procedures

CME's position limits for the new Standard-size and E-micro U.S. Dollar/Offshore Chinese Renminbi (USD/CNH) futures contracts have two components:

(1) 1,000 CME full-size contracts in all months combined, net long or short, position limit (equal to $100 million), effective at all times across both new futures contracts, and

(2) 500 CME full-size contracts in the delivery month contract, net long or short, on or after the day one week prior to the termination of trading day (equal to $50 million) also across both new futures contracts.

However, to insure that institutional traders and market makers have flexibility to hedge the risk of underlying OTC USD/CNH transactions, CME allows exemptions from the 1,000 contract position limit for bona fide hedging. Individual market participants granted the hedge exemption from the 1,000 contract position limit, must have furnished all required documentation to the Market Regulation Department to satisfy the Exchange that such positions represent bona fide hedge positions and warrant exemption from position limits. However, to encourage rollovers or liquidations of USD/CNH futures positions prior to delivery, the hedge exemptions do not apply to the 500 contract position limit in the delivery month contract during its last five business days of trading. Hence, all market participants must reduce net open positions to 500 contracts in the delivery contract month as of the last five business days of trading in the spot month. This relatively conservative position limit and the removal of hedge exemptions during the delivery month are contract specifications designed to foster either liquidation of futures positions or rollover into the next deferred contract month prior to the delivery. Thus, these specifications aid the Exchange in managing physical payments of Chinese renminbi in Hong Kong that are associated with the physical delivery of U.S. dollars on the futures contracts.

Also, all of the traditional tools of the Exchange to prevent market congestion or squeezes in an emergency are available to CME for the two new USD/CNH futures contracts. The contract rules include "failsafe" provisions to allow the Exchange to extend the delivery period and/or allow daily CNH payments or final delivery amounts to be converted into U.S. dollars or some other fully convertible currency, should supplies of CNH ever become restricted or limited for any reason as declared by executive management or delegated person as assigned. These failsafe procedures (CME Rules 284L03. FAILSAFE CURRENCY AVAILABILITY PROCEDURES FOR DAILY SETTLEMENT (standard size contracts), 344L03. FAILSAFE CURRENCY AVAILABILITY PROCEDURES FOR DAILY SETTLEMENT (E-micro size contracts), and 744. FAILSAFE CURRENCY AVAILABILITY PROCEDURES FOR PHYSICAL DELIVERY) provide added flexibility to the Exchange to take action in the best interests of the market participants should such needs arise.

If you have any questions, please contact Daniel Grombacher, Senior Director, Research & Product Development, (email: Daniel.Grombacher@cmegroup.com or ph: 312-634-1583).

9. Reportable Position Levels and Underlying Cash Instrument for a USD / Offshore RMB (CNH) Futures EFRP

For purposes of Rule 817 – REPORTS OF LARGE POSITIONS, the minimum level at which positions must be reported to the Exchange is 25 contracts for the new Standard Size USD/Offshore RMB (CNH) futures contracts and 250 contracts for the new E-micro USD/Offshore RMB (MNH) futures contracts.

Execution of exchange of futures for physicals (EFP) will be subject to the same guidelines and documentation requirements currently governing these transactions in the current RMB/USD futures and other Exchange FX futures contracts. Transitory EFP's in the Standard Size and E-micro USD/RMB (CNY) futures should comply with the requirements for these transactions as spelled out in Market Regulation Advisory Notice, RA1006-5, Exchange for Related Positions. Please see the following link for further detail: http://www.cmegroup.com/rulebook/files/RA1006-5.pdf. If you have any questions, please call Market Surveillance, at (312) 341-7970.

10. Block Trading

Block trading is allowed in the Standard Size USD / Offshore RMB (CNH) futures contracts at a minimum threshold of 50 contracts. Block trading of E-micro USD/Offshore RMB (MNH) futures is not allowed. If you have any questions, please call Lori Aldinger, Manager, Financial Research & Product Development, at (312) 930-2337.

11. CME Globex Error Trade Policy

The standard CME Globex error trade policy for CME foreign exchange futures will apply to the two new USD/Offshore RMB futures. This includes a no bust range of "40 ticks or less" which is currently applicable for all foreign currency futures. CME Rule 588.G. table was updated as follows (additions underlined):

588.G. Globex Non-Reviewable Trading Ranges

Instrument	Non-Reviewable Range	Futures NRR Including Unit of Measure FX Products	NRR Ticks
E-micros (CME)			
E-micro USD/RMB (CNY) Futures	400	40 ticks	40
E-micro USD/Offshore RMB (MNH) Futures	400	40 ticks	40

Emerging Markets Currency Pairs (CME)			
USD/RMB (CNY) Futures	400	40 ticks	40
USD/Offshore RMB (CNH) Futures	400	40 ticks	40

If you have any questions, please contact the CME Globex Control Center at (312) 456-2391.

12. CME Globex Price Bands

As with our existing currency contracts, there are no price limits for CME Globex trading of CME FX futures and options contracts. However, for CME Globex trading, automated price banding prevents execution of orders at prices falling outside of 60 ticks for outright trades and 5 ticks for spread trades from the last sale, best bid or best offer. Price banding prevents the entry of limit orders more than a pre-determined amount above the last price in the case of bids and more than the same pre-determined amount below the last price in the case of offers. The band “shadows” the currency futures price as it reacts to new transaction prices, higher bids and lower offers. The CME Globex bands minimize inadvertent price entries into CME Globex.

If you have any questions, please contact the CME Globex Control Center at (312) 456-2391.

13. Contract Specifications Summary and CME Rulebook Contract Terms Appendices

A contract terms factsheet and two CME Rulebook chapters for the new products follow, respectively, as Appendices 1 through 3. Then, Appendix 4 contains appropriate amendments to the CME Rulebook Chapter 7 Delivery rules section. Appendix 5 highlights the Position Accountability & Position Limits and Reportable Levels table at the end of Chapter 5. Appendix 6 is the amendment to CME Rule 855 - OFFSETTING DIFFERENT SIZED FUTURES POSITIONS to allow the account controller within the same account to offset 10 long (short) E-micro USD/Offshore RMB (CNH) futures with 1 short (long) Standard Size USD/Offshore RMB (MNH) futures contract.

If you have any questions, please contact either KC Lam, Executive Director & Head of FX Asia (email: KC.Lam@cmegroup.com or +65-6593-5561) or Sandra Ro, Executive Director, FX Research & Product Development (email: Sandra.Ro@cmegroup.com or ph: +44 20 3379 3789) or Daniel Grombacher, Senior Director, Research & Product Development, (email: Daniel.Grombacher@cmegroup.com or ph: 312-634-1583).

Appendix 1

Standard and E-micro USD / Offshore RMB (CNH) Futures

	Standard USD / Offshore RMB (CNH) Futures	**E-micro USD / Offshore RMB (MNH) Futures**
Contract Size	"Standard" Futures based on 100,000 USD (≈ RMB 636,400);	E-micro Futures based on 10,000 USD (≈ RMB 63,640)
Tick Size	"Standard" Contract: Outrights quoted in 0.0001 RMB per USD = 10 RMB (≈ USD $1.57) per contract; calendar spreads quoted in 0.00005 RMB per USD = 5 RMB (≈ USD $0.79) per contract	E-micro Contract: Outrights quoted in 0.0001 RMB per USD = 1 RMB (≈ USD $0.16) per contract
CNH-Denominated	Daily pays and collects calculated and banked in CNH	
CME Globex® Trading Hours	Sundays through Fridays: 5:00 p.m.-4:00 p.m. (Central Time, CT) the next day. On Friday CME Globex® platform closes at 4:00 p.m. and reopens Sunday at 5:00 p.m.	
CME ClearPort® Hours	Sundays through Fridays**:** 5:00 p.m. – 4:15 p.m. CT) the next day with a 45–minute break each day beginning at 4:15 p.m. CT	
Months	Standard: 13 consecutive calendar months (Jan, Feb, Mar, Apr, May, Jun, Jul, Aug, Sep, Oct, Nov, Dec) plus 8 March quarterly months (3-year maturity range)	E-micro: 12 consecutive calendar months (Jan, Feb, Mar, Apr, May, Jun, Jul, Aug, Sep, Oct, Nov, Dec)
Last Trading Day	Trading ceases at 11:00 am Hong Kong time on 1st Hong Kong business day immediately preceding 3rd Wednesday of contract month	
Delivery Process / Delivery Day	Final settlement facilitated through delivery of $100,000 (standard contract) or $10,000 (E-micro contract) from short to long; vs. delivery of equivalent value of CNH from long to short; through correspondent banks as approved by CME Clearing House (CH) on the business day following the 3rd Wednesday of contract month. Payment of CNH vs. USD embargoed by CH pending receipt of Payment Orders from both long and short.	
Position Limits / Hedge Exemptions	For speculative position limit purposes, standard- and E-micro-size futures positions are aggregated with 10 E-micros equaling 1 standard-sized contract. A participant shall not own or control more than the aggregated equivalent of 1,000 CME standard-size contracts (100,000,000 U.S. dollars in notional value), in all months combined, net long or short, at any time, or no more than 500 CME standard-size contracts (50,000,000 U.S. dollars in notional value), in the delivery month contract, net long or short, on or after the day one week prior to the termination of trading day. Exemptions available for bona fide hedgers, but not in the delivery month contract during the last five business days of trading.	

Continued from page 14	Standard USD / Offshore RMB (CNH)Futures	E-micro USD / Offshore RMB (MNH) Futures
Offset of Std vs. E-micro USD / CNH Futures (Fungibility)	10 long (short) E-micro USD/Offshore RMB (MNH) futures may be offset with 1 short (long) Standard Size USD/Offshore RMB (CNH) futures, if held in the same account and authorized by the account controller	
CME Globex Error Trade Policy	40 ticks or less "no bust range"	
CME Globex Price Banding[3]	60 ticks for outright trades, 5 ticks for spread trades	
Block Trade Minimum Threshold	Standard: 50 contracts	E-micro: Not applicable
EFRP Eligibility	Yes	
Reportable Positions	Standard: 25 contracts	E-micro: 250 contracts
CME Globex Codes	Standard: CNH	E-micro: MNH

[3] For CME Globex trading, automated price banding prevents execution of orders at prices falling outside of 60 ticks for outright trades and 5 ticks for spread trades from the last sale, best bid or best offer. Price banding prevents the entry of limit orders more than a pre-determined amount above the last price in the case of bids and more than the same pre-determined amount below the last price in the case of offers. The band "shadows" the currency futures price as it reacts to new transaction prices, higher bids and lower offers.

Appendix 2

Chapter 284L.
U.S. Dollar/Offshore Chinese Renminbi (USD/RMB) Futures

284L00. SCOPE OF CHAPTER

This chapter is limited in application to futures trading in U.S. dollar versus offshore Chinese renminbi (for example, held in Hong Kong or any other country outside of the People's Republic of China designated by CME Clearing).[4] The procedures for trading, clearing, delivery, settlement and any other matters not specifically contained herein shall be governed by the rules of the Exchange.

284L01. FUTURES CALL

284L01.A. Trading Schedule

Futures contracts shall be scheduled for trading and delivery during such hours and in such months as may be determined by the Board of Directors.

284L01.B. Trading Unit

The unit of trading shall be 100,000 U.S. dollars.

284L01.C. Price Increments

Minimum price fluctuations shall be in multiplies of 0.0001 offshore Chinese renminbi (RMB) per U.S. dollar, equivalent to 10 RMB per contract. Trades may also occur in multiples of 0.00005 offshore Chinese renminbi (RMB) per U.S. dollar, commonly referred to as one-half tick (5 RMB/contract) for U.S. dollar/offshore Chinese renminbi (RMB) futures intra-currency spreads executed as simultaneous transactions on CME Globex® pursuant to Rule 542.F.

284L.01.D. Position Limits and Position Accountability

1. Authority – Position Limits and Position Accountability may be applicable, as defined by Rule 560, and as per the following.
2. Aggregation - For purposes of this Rule, where applicable:
   - futures,
   - options on futures,
   - E-mini futures,
   - E-micro futures,
   - cleared only spot, forward and swaps (combinations of spot and forwards or two maturity forwards),
   - cleared only options on spot and forwards; and
   - in addition, where applicable, the analogous reciprocal versions of the aforementioned contracts for the respective foreign exchange pairs,

   shall be aggregated with all products utilizing that foreign exchange (FX) pair, where Chinese renminbi is domiciled outside of the People's Republic of China, regardless of quoting conventions. The baseline for this aggregation shall be the denomination of the underlying full-size CME Offshore USD/RMB futures contract. Contract equivalents shall be determined through the conversion of the notional value (or contract size times the number of contracts in standardized products).
3. Contract Equivalent - For purposes of this Rule, a contract shall be deemed to be the equivalent of 100,000 U.S. dollars in notional value.

[4] The Chinese renminbi ("RMB" or "people's currency") is denominated in the unit "yuan" (also known by symbol "CNY"). However, Chinese renminbi held offshore in Hong Kong is also known by symbol "CNH."

4. Position Limit – A participant shall not own or control more than the aggregated equivalent of 1,000 CME full-size contracts (100,000,000 U.S. dollars in notional value), in all months combined, net long or short, at any time, or no more than 500 CME full-size contracts (50,000,000 U.S. dollars in notional value), in the delivery month contract, net long or short, on or after the day one week prior to the termination of trading day.
5. Exemptions - The foregoing position limits shall not apply to bona fide hedge positions meeting the requirements of Regulation 1.3(z)(1) of the CFTC and the rules of the Exchange, and shall not apply to other positions exempted pursuant to Rule 559. However, during the last five business days of trading in the delivery month contract, there shall be no exemption from the position limit allowed for the nearby expiring contract month.
6. Reserved

284L01.E. Termination of Trading

Futures trading shall terminate at 11:00 a.m. Hong Kong time (9:00 p.m. Central Standard Time or 10:00 p.m. Central Daylight Time) on the first Hong Kong business day immediately preceding the third Wednesday of the contract month. If the foregoing date for termination is an Exchange holiday, futures trading shall terminate on the next preceding common Hong Kong and Exchange business day.

284L01.F. Contract Modifications

Specifications shall be fixed as of the first day of trading of a contract, except that all deliveries must conform to government regulations in force at the time of delivery. If any national or international government agency or body issues an order, ruling, directive or law that conflicts with the requirements of these rules, such order, ruling, directive or law shall be construed to take precedence and become part of these rules and all open and new contracts shall be subject to such government orders.

284L02. SETTLEMENT PROCEDURES

284L02.A. Physical Delivery

1. Procedures
   In addition to the procedures and requirements contained in this chapter, delivery procedures shall be governed by the rules set forth in Chapter 7.
2. Delivery Days
   Delivery shall be made on the business day following the third Wednesday of the contract month. If that day is not a business day in the country of delivery or is a bank holiday in either Chicago or New York City, then delivery shall be made on the next day which is a business day in the country of delivery and is not a bank holiday in Chicago or New York City. Subject to Rule 744 and at the sole discretion of the Chief Executive Officer, President or Chief Operating Officer or their delegate, delivery may be extended an additional business day or days in order to accommodate availability of offshore Chinese renminbi. In such case, invocation of this clause may be deemed a delivery obligation failure and acted upon in accordance with Rule 743.B.

284L02.B. [Reserved]

284L03. FAILSAFE CURRENCY AVAILABILITY PROCEDURES FOR DAILY SETTLEMENT

At the sole discretion of the Chief Executive Officer, President or Chief Operating Officer or their delegate, following review of available information concerning supplies of offshore Chinese renminbi, obligations for daily settlement price variation (pays and collects) denominated in offshore Chinese renminbi may be made in an appropriate amount of U.S. dollars or other convertible currency. The Chief Executive Officer, President or Chief Operating Officer or their delegate, shall determine the applicable conversion rate of offshore Chinese renminbi to U.S. dollars or other convertible currency based upon current published spot foreign exchange market rates. Any such invocation of this clause may be deemed analogous to a delivery obligation failure and acted upon in accordance with Rule 743.B.

284L04. DECLARATIONS OF FORCE MAJEURE

(Refer to Rule 701.- DECLARATIONS OF FORCE MAJEURE)

Appendix 3

Chapter 344L.
E-Micro U.S. Dollar/Offshore Chinese Renminbi (USD/RMB) Futures

344L00. SCOPE OF CHAPTER

This chapter is limited in application to futures trading in E-micro U.S. dollar versus offshore Chinese renminbi (for example, held in Hong Kong or any other country outside of the People's Republic of China designated by CME Clearing).[5] The procedures for trading, clearing, delivery, settlement and any other matters not specifically contained herein shall be governed by the rules of the Exchange.

344L01. FUTURES CALL

344L01.A. Trading Schedule

Futures contracts shall be scheduled for trading and delivery during such hours and in such months as may be determined by the Board of Directors.

344L01.B. Trading Unit

The unit of trading shall be 10,000 U.S. dollars.

344L01.C. Price Increments

Minimum price fluctuations shall be in multiples of 0.0001 offshore Chinese renminbi (RMB) per U.S. dollar, equivalent to 1 RMB per contract.

344L.01.D. Position Limits and Position Accountability

1. Authority – Position Limits and Position Accountability may be applicable, as defined by Rule 560, and as per the following.
2. Aggregation - For purposes of this Rule, where applicable:
   - futures,
   - options on futures,
   - E-mini futures,
   - E-micro futures,
   - cleared only spot, forward and swaps (combinations of spot and forwards or two maturity forwards),
   - cleared only options on spot and forwards; and
   - in addition, where applicable, the analogous reciprocal versions of the aforementioned contracts for the respective foreign exchange pairs,

   shall be aggregated with all products utilizing that foreign exchange (FX) pair, where Chinese renminbi is domiciled outside of the People's Republic of China, regardless of quoting conventions. The baseline for this aggregation shall be the denomination of the underlying full-size Offshore CME USD/RMB futures contract. Contract equivalents shall be determined through the conversion of the notional value (or contract size times the number of contracts in standardized products).
3. Contract Equivalent - For purposes of this Rule, a contract shall be deemed to be the equivalent of 10,000 U.S. dollars in notional value or 1/10th the size of a full-size contract.

[5] The Chinese renminbi ("RMB" or "people's currency") is denominated in the unit "yuan" (also known by symbol "CNY"). However, Chinese renminbi held offshore in Hong Kong is also known by symbol "CNH."

4. Position Limit – A participant shall not own or control more than the aggregated equivalent of 1,000 CME full-size contracts (100,000,000 U.S. dollars in notional value), in all months combined, net long or short, at any time, or no more than 500 CME full-size contracts (50,000,000 U.S. dollars in notional value), in the delivery month contract, net long or short, on or after the day one week prior to the termination of trading day.
5. Exemptions - The foregoing position limits shall not apply to bona fide hedge positions meeting the requirements of Regulation 1.3(z)(1) of the CFTC and the rules of the Exchange, and shall not apply to other positions exempted pursuant to Rule 559. However, during the last five business days of trading in the delivery month contract, there shall be no exemption from the position limit allowed for the nearby expiring contract month.
6. Reserved

344L01.E. Termination of Trading

Futures trading shall terminate at 11:00 a.m. Hong Kong time (9:00 p.m. Central Standard Time or 10:00 p.m. Central Daylight Time) on the first Hong Kong business day immediately preceding the third Wednesday of the contract month. If the foregoing date for termination is an Exchange holiday, futures trading shall terminate on the next preceding common Hong Kong and Exchange business day.

344L01.F. Contract Modifications

Specifications shall be fixed as of the first day of trading of a contract, except that all deliveries must conform to government regulations in force at the time of delivery. If any national or international government agency or body issues an order, ruling, directive or law that conflicts with the requirements of these rules, such order, ruling, directive or law shall be construed to take precedence and become part of these rules and all open and new contracts shall be subject to such government orders.

344L02. SETTLEMENT PROCEDURES

344L02.A. Physical Delivery

1. Procedures

   In addition to the procedures and requirements contained in this chapter, delivery procedures shall be governed by the rules set forth in Chapter 7.
2. Delivery Days

   Delivery shall be made on the business day following the third Wednesday of the contract month. If that day is not a business day in the country of delivery or is a bank holiday in either Chicago or New York City, then delivery shall be made on the next day which is a business day in the country of delivery and is not a bank holiday in Chicago or New York City. Subject to Rule 744 and at the sole discretion of the Chief Executive Officer, President or Chief Operating Officer or their delegate, delivery may be extended an additional business day or days in order to accommodate availability of offshore Chinese renminbi. In such case, invocation of this clause may be deemed a delivery obligation failure and acted upon in accordance with Rule 743.B.

344L02.B. [Reserved]

344L03. FAILSAFE CURRENCY AVAILABILITY PROCEDURES FOR DAILY SETTLEMENT

At the sole discretion of the Chief Executive Officer, President or Chief Operating Officer or their delegate, following review of available information concerning supplies of offshore Chinese renminbi, obligations for daily settlement price variation (pays and collects) denominated in offshore Chinese renminbi may be made in an appropriate amount of U.S. dollars or other convertible currency. The Chief Executive Officer, President or Chief Operating Officer or their delegate, shall determine the applicable conversion rate of offshore Chinese renminbi to U.S. dollars or other convertible currency based upon current published spot foreign exchange market rates. Any such invocation of this clause may be deemed analogous to a delivery obligation failure and acted upon in accordance with Rule 743.B.

344L04. DECLARATIONS OF FORCE MAJEURE

(Refer to Rule 701.- DECLARATIONS OF FORCE MAJEURE)

Appendix 4

(Additions underscored, deletions bracketed and overstruck)

Chapter 7. Delivery Facilities and Procedures

737. FOREIGN CURRENCY BUYER'S DUTIES

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737.D. Physical Delivery U.S. Dollar/ Turkish Lira and Euro/ Turkish Lira Contracts

A clearing member representing a customer that intends to accept delivery of a Physical Delivery U.S. Dollar / Turkish Lira or Euro / Turkish Lira Contract in liquidation of his position shall, no later than 10:00 a.m. Central Time (CT) on the last day of trading, present to the Clearing House a Buyer's Non-CLS Delivery Commitment for U.S. Dollar / Turkish Lira or Euro / Turkish Lira Contracts. In addition by 1:00 p.m. CT on the first day preceding the delivery day that is a business day common to the Exchange, Chicago banks and New York City banks, the clearing member representing a customer that intends to accept delivery of a Physical Delivery Euro / Turkish Lira Contract in liquidation of his position shall either deposit, or present a Bank Order to Pay, an amount in the minimum-fluctuation currency of Turkish Lira equal to the contract value based on the settlement price on the last day of trading. Such deposit shall be in the form of same-day funds to an account at a bank designated by the Clearing House. The bank Order to Pay shall be in a form approved by the Clearing House, and shall promise to pay same-day funds in Turkish Lira on the delivery day.

In addition, by 10:00 a.m. local time in the country of delivery on the delivery day, the clearing member representing a customer accepting delivery of a Physical Delivery U.S. Dollar /Turkish Lira or Euro / Turkish Lira Contract in liquidation of his position shall deposit, in same-day funds to an account at a bank designated by the Clearing House, an amount in the minimum-fluctuation currency of Turkish Lira equal to the contract value based on the applicable settlement price on the last day of trading.

<u>**737.E. Physical Delivery U.S. Dollar/ Offshore Chinese Renminbi ("RMB") Contracts**</u>

<u>A clearing member representing a customer that intends to accept delivery of a Physical Delivery U.S. Dollar / Offshore Chinese Renminbi Contract in liquidation of his position shall, no later than 10:00 a.m. Central Time (CT) on the business day succeeding the last day of trading, present to the Clearing House a Buyer's Non-CLS Delivery Commitment for U.S. Dollar / Offshore Chinese Renminbi Contracts. In addition by 1:00 p.m. CT on the first day preceding the delivery day that is a business day common to the Exchange, Chicago banks and New York City banks, the clearing member representing a customer that intends to accept delivery of a Physical Delivery U.S. Dollar/Offshore Chinese Renminbi Contract in liquidation of his position shall either deposit, or present a Bank Order to Pay, an amount in the minimum-fluctuation currency of Offshore Chinese Renminbi equal to the contract value based on the settlement price on the last day of trading. Such deposit shall be in the form of same-day funds to an account at a bank designated by the Clearing House. The bank Order to Pay shall be in a form approved by the Clearing House, and shall promise to pay same-day funds in offshore Chinese Renminbi on the delivery day.</u>

<u>In addition, by 10:00 a.m. local time in the country of delivery on the delivery day, the clearing member representing a customer accepting delivery of a Physical Delivery U.S. Dollar /Offshore Chinese Renminbi Contract in liquidation of his position shall deposit, in same-day funds to an account at a bank designated by the Clearing House, an amount in the minimum-fluctuation</u>

currency of offshore Chinese Renminbi equal to the contract value based on the applicable settlement price on the last day of trading.

737.[~~E~~]F. Restrictions

From time to time, and frequently without warning, countries change the requirements and the restrictions on non-resident bank accounts. These take various forms including, but not limited to, non-interest-bearing deposit requirements, negative interest rates, prohibitions against investment in the country, ceilings on the amount of deposit and restrictions on the period of time such deposits may be maintained. It is the buyer's responsibility to be familiar with and in conformance with all regulations pertaining to the holding of non-resident bank accounts in the country in which he desired to accept delivery.

738. FOREIGN CURRENCY SELLER'S DUTIES

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738.C. Physical Delivery U.S. Dollar/ Turkish Lira and Euro/ Turkish Lira Contracts

The clearing member representing a customer making delivery of a Physical Delivery U.S. Dollar/ Turkish Lira or Euro/ Turkish Lira Contract, in liquidation of his position shall, no later than 10:00 a.m. on the last day of trading, present to the Clearing House a Seller's Non-CLS Delivery Commitment for U.S. Dollar/ Turkish Lira or Euro/ Turkish Lira Contracts. In addition by 1:00 p.m. on the first day preceding the delivery day that is a business day common to the Exchange, Chicago banks and New York City banks, the clearing member shall either deposit, or present a Bank Order to Pay, an amount equal to the trading unit of U.S. Dollars for the U.S. Dollar/ Turkish Lira Contract or Euro for the Euro/ Turkish Lira Contract. Such deposit shall be in the form of same-day funds to an account at a bank designated by the Clearing House. The Bank Order to Pay shall be in a form approved by the Clearing House, and shall promise to pay same-day funds on the delivery day. The Seller shall have made all provisions necessary to receive delivery of the minimum-fluctuation currency (Turkish Lira) within the country of issuance. The Seller's clearing member shall be responsible for delivering the trading unit currency (either U.S. Dollars or Euro as appropriate) on the delivery date to a bank designated by the Clearing House. The Exchange reserves the right to eliminate the requirement for sellers to post a Bank Order to Pay in the event that such requirement is no longer deemed necessary to secure the delivery.

Subject to the preceding two paragraphs, if the Seller's Non-CLS Delivery Commitment for U.S. Dollar/ Turkish Lira or Euro/ Turkish Lira Contracts is received later than 10:00 a.m. on the last day of trading, but not later than 1:00 p.m. on the same day, the seller's clearing member shall be assessed a fine on a per-contract basis, the amount to be determined by Exchange staff. Any deliveries memoranda or instructions received subsequent to 1:00 p.m. on the same day, shall be deemed a delivery obligation failure and acted upon in accordance with Rule 743.B.

738.D. Physical Delivery U.S. Dollar/ Offshore Chinese Renminbi ("RMB") Contracts

The clearing member representing a customer making delivery of a Physical Delivery U.S. Dollar/ Offshore Chinese Renminbi Contract, in liquidation of his position shall, no later than 10:00 a.m. on the business day succeeding the last day of trading, present to the Clearing House a Seller's Non-CLS Delivery Commitment for U.S. Dollar/ Offshore Chinese Renminbi Contracts. In addition by 1:00 p.m. on the first day preceding the delivery day that is a business day common to the Exchange, Chicago banks and New York City banks, the clearing member shall either deposit, or present a Bank Order to Pay, an amount equal to the trading unit of U.S. Dollars for the U.S. Dollar/ Offshore Chinese Renminbi Contract. Such deposit shall be in the form of same-day funds to an account at a bank designated by the Clearing House. The Bank Order to Pay shall be in a form approved by the Clearing House, and shall promise to pay same-day funds on the delivery day. The Seller shall have made all provisions necessary to receive delivery of the minimum-fluctuation currency (offshore Chinese Renminbi) within the country of issuance. The Seller's clearing member shall be responsible for delivering the trading unit currency (U.S. Dollars) on the delivery date to a bank designated by the Clearing House. The Exchange reserves the right to eliminate the requirement for sellers to post a Bank Order to Pay in the event that such requirement is no longer deemed necessary to secure the delivery.

Subject to the preceding two paragraphs, if the Seller's Non-CLS Delivery Commitment for U.S. Dollar/ Offshore Chinese Renminbi Contracts is received later than 10:00 a.m. on the last day of trading, but not later than 1:00 p.m. on the same day, the seller's clearing member shall be assessed a fine on a per-contract basis, the amount to be determined by Exchange staff. Any deliveries memoranda or instructions received subsequent to 1:00 p.m. on the same day, may be deemed a delivery obligation failure and acted upon in accordance with Rule 743.B.

738.[~~D~~]E. Restrictions
From time to time, and frequently without warning, countries change the requirements and the restrictions on non-resident bank accounts. These take various forms including, but not limited to, non-interest-bearing deposit requirements, negative interest rates, prohibitions against investment in the country, ceilings on the amount of deposit and restrictions on the period of time such deposits may be maintained. It is the seller's responsibility to be familiar with and in conformance with all regulations pertaining to the holding of non-resident bank accounts in the country in which he desired to make delivery.

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740. PAYMENTS

The Clearing House shall designate a bank in each foreign country into which foreign currency shall be delivered. These banks shall notify the Clearing House when foreign currency funds have been received. In the case of Currency Contracts, the foreign currency delivery for each customer shall equal the net short value of positions in that foreign currency. Values for positions in contracts with minimum fluctuations denominated in U.S. dollars shall be the contract size. Values for positions in contracts with minimum fluctuations in foreign currency shall be the contract value based on the settlement price on the last day of trading. In the case of Currency Contracts, the Clearing House shall, promptly after receipt of notification that foreign currency funds have been received, transfer the U.S. dollar funds previously deposited by the foreign currency buyer's clearing member to the account of the foreign currency seller's clearing member. For the U.S. Dollar/ Turkish Lira and Euro/ Turkish Lira Contracts, respectively, the Clearing House shall designate a bank in the U.S. and the European Union into which the trading unit currency (respectively, U.S. Dollars or Euro) shall be delivered. These banks shall notify the Clearing House when the trading unit currency funds have been received. In the case of these Currency Contracts, the U.S. Dollar or Euro delivery for each selling customer shall equal the net short value of positions in those currencies. Values for buyer's positions in contracts with minimum fluctuations in Turkish Lira shall be the contract value based on the settlement price on the last day of trading (settlement price times contract size per contract). In the case of U.S. Dollar/ Turkish Lira and Euro/ Turkish Lira Contracts, the Clearing House shall, promptly after receipt of notification that Turkish Lira funds have been received, transfer the U.S. dollar or Euro funds, respectively, that were previously deposited by the seller's clearing member to the account of the buyer's clearing member.

For the U.S. Dollar/Offshore Chinese Renminbi Contracts, the Clearing House shall designate a bank in the U.S. into which the trading unit currency (U.S. Dollars) shall be delivered. This bank shall notify the Clearing House when the trading unit currency funds have been received. In the case of these Currency Contracts, the U.S. Dollar delivery for each selling customer shall equal the net short value of positions in those currencies. Values for buyer's positions in contracts with minimum fluctuations in offshore Chinese Renminbi shall be the contract value based on the settlement price on the last day of trading (settlement price times contract size per contract). In the case of U.S. Dollar/ Offshore Chinese Renminbi Contracts, the Clearing House shall, promptly after receipt of notification that Offshore Chinese Renminbi funds have been received, transfer the U.S. dollar funds, that were previously deposited by the seller's clearing member to the account of the buyer's clearing member. See also CME Rule 744.

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743. DELIVERY INFRACTIONS

743.A. Late or Inaccurate Delivery

1. If a clearing member with a Delivery Commitment to pay funds pursuant to Rules 731, 732, 737 or 738 fails to deposit such funds in order to make timely payment on the date required in those rules, the Clearing House may impose a fine upon the clearing member pursuant to the schedule of fines maintained by the Clearing House in addition to charging the current overdraft rate applicable to the Exchange's foreign currency delivery account with the CME CLS Bank or with the Exchange's IMM foreign currency delivery account or any other compensation due to the late or inaccurate delivery.

   If by 9:30 a.m. Chicago time on the day following the date required in Rules 731, 732, 737 and 738, such deposit is not made, the failure shall be deemed a delivery obligation failure of the clearing member and the matter shall be acted upon pursuant to Section B of this Rule.

   Funds deposited pursuant to Rules 731, 732, 737 and 738 earlier than the required date of deposit shall not earn interest for the early time period.

2. If the information contained in either the Buyer's CLS on Non-CLS Delivery Commitment or the Seller's CLS or Non-CLS Delivery Commitment is inaccurate so that delivery cannot be accomplished in a timely manner, fines or damages may be assessed as in Section B below.

743.B. Delivery Obligation Failure

A clearing member with a CLS or Non-CLS Delivery Commitment who fails to perform all acts required by this chapter, or whose actions or inactions have been deemed a delivery obligation failure shall be liable to the Clearing House for any loss sustained, which loss shall be computed as follows:

1. The President of the Clearing House or his designee shall determine the change, if any, from the final settlement price on the last day of trading to the spot rate on the first day on which the transaction could be consummated on the spot market. The spot market rate for purposes of this computation shall be the means of the spot rates between a group of Chicago, Illinois banks selected for this purpose by Exchange staff at the earliest time it is determined the transaction can be completed in the spot market.
2. The related charges suffered by the Clearing House at any of its designated banks.
3. A sum not to exceed 1% of the U.S. dollar value of the contract. Such amount shall be set by the President of the Clearing House or his designee, acting in his sole discretion, and shall be binding upon both parties to the contract, except no such sum shall be assessed where a delivery obligation failure is occasioned by the circumstances delineated in Rule 701.

744. FAILSAFE CURRENCY AVAILABILITY PROCEDURES FOR PHYSICAL DELIVERY

At the sole discretion of the Chief Executive Officer, President or Chief Operating Officer or their delegate, following review of available information concerning supplies of offshore Chinese renminbi (RMB), obligations of physical delivery of offshore Chinese renminbi may be made in an appropriate amount of U.S. dollars in the United States or other convertible currency in the respective country of issue, or obligations of physical delivery of offshore Chinese renminbi may be satisfied by cash settlement or other means of settlement pursuant to Rule 230. The Chief Executive Officer, President or Chief Operating Officer or their delegate shall determine the applicable conversion rate of offshore Chinese renminbi (RMB) to U.S. dollars or other convertible currency based upon current published spot foreign exchange market rates. Any such invocation of this clause may be deemed a delivery obligation failure and acted upon in accordance with Rule 743.B.

In the alternative, at sole discretion of the Chief Executive Officer, President or Chief Operating Officer or their delegate, following review of available information concerning supplies of offshore Chinese renminbi (RMB), obligations of physical delivery of offshore Chinese renminbi may be extended an additional business day or days. Any such invocation of this clause may be deemed a delivery obligation failure and acted upon in accordance with Rule 743.B.

Appendix 5

Amendments to CME Rulebook Chapter 5

5.C. POSITION LIMIT AND REPORTABLE LEVEL TABLE
POSITION LIMIT, POSITION ACCOUNTABILITY AND REPORTABLE LEVEL TABLE

CONTRACT NAME	OPTIONS	FIRST SCALE-DOWN SPOT MONTH	SECOND SCALE-DOWN SPOT MONTH	SPOT MONTH	SINGLE MONTH	ALL MONTHS COMBINED	POSITION ACCOUNT-ABILITY	REPORT-ABLE FUT LEVEL	REPORT-ABLE OPT LEVEL
CME Foreign Exchange									
E-micro FX (each currency pair)							**(A)**	**250**	
…									
Swiss Franc/Japanese Yen							**6,000**	**25**	
Turkish Lira				**2,000**			**6,000**	**25**	
U.S. Dollar/Offshore Chinese Renminbi				**500**		**1,000**		**25**	

****For purposes of Position Accountability and Position Limits, notional value in the cleared only product will be converted to contract units, whereby, notional 100,000 U.S. dollars will equal one contract equivalent. Spot month position limits will be calculated based upon contract equivalents expiring within the ensuing 5 business days.

(A) Full-size IMM Futures Equivalents: Futures, options on futures, e-mini futures and e-micro futures shall be aggregated to the standard full-sized CME Group FX contract regardless of quoting convention. Products that are denominated in a base currency differing from that of the full-sized contract will be converted into common terms using the prior day's settlement, and the resulting notional value translated into full-sized contract equivalents.

Appendix 6

Amendments to CME Rulebook Chapter 8

855. OFFSETTING DIFFERENT SIZED FUTURES POSITIONS

With the consent of the account controller, a clearing member may offset and liquidate long E–Mini or E-Micro futures positions against short regular futures positions, or short E–Mini or E-Micro futures positions against long regular futures positions, held in the same account in the following ratios of E–Mini or E-Micro to regular futures contracts:

E–Mini S&P 500 to regular S&P 500: 5:1
E–Mini Nasdaq 100 Index to regular Nasdaq 100 Index: 5:1
E-Mini S&P Midcap 400 to regular S&P Midcap 400: 5:1
E–Mini Currency to regular Currency: 2:1
E-Mini S&P CNX Nifty Index Futures to E-micro S&P CNX Nifty Index Futures: 5:1
E-Mini Nikkei 225 (Yen) to regular Nikkei 225 (Yen) 5:1
E-Micro GBP/USD, EUR/USD, AUD/USD, CAD/USD, JPY/USD, CHF/USD, USD/RMB or CNY, USD/Offshore RMB or CNH to regular Currency 10:1

The clearing member shall notify the Clearing House of offsetting positions by submitting reports to the Clearing House in such form and manner as the Clearing House shall specify. The positions shall be offset at the previous day's settlement price.

The positions being offset shall be transferred to a CME holding account. Long and short positions in the same contract and contract month held in the holding account shall be netted, thus reducing the number of open positions in such contract.

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