

obligations to the FCM/BD Customer in respect of such transferred Margin shall be fully discharged).

If possible under the Default Portability Rules and any requirements of Applicable Law, the Clearing House will seek to dispose of Open Contract Positions in a Customer Account of an FCM/BD Clearing Member that is a Defaulter (by termination, liquidation or Transfer in accordance with Part 9 of the Rules) in accordance with the instructions of the relevant FCM/BD Customers or the bankruptcy trustee, as applicable, within seven calendar days of the date that the FCM/BD Clearing Member is declared a Defaulter. In the event a Transfer of Open Contract Positions to a Transferee Clearing Member has not been effected within such period, or the Clearing House for any reason deems it necessary or appropriate for its protection or the protection of market participants, the Clearing House will, subject to Applicable Laws, terminate or liquidate the Contracts pursuant to Part 9.

- (d) In respect of any Contract to which a Defaulter that is or was an FCM/BD Clearing Member and the Clearing House is or was a party, any net sum certified by the Clearing House pursuant to Rule 905(b) as payable by the Clearing House to the Defaulter in respect of any class of Customer Account of the Defaulter is intended to be treated in accordance with Applicable Laws of the United States of America, including the U.S. Bankruptcy Code and the CEA. With respect to any FCM/BD Clearing Member, the Clearing House and such FCM/BD Clearing Member intend that:
- (i) for purposes of the relevant provisions of the Federal Deposit Insurance Corporation Improvement Act of 1991:
 - (A) the Clearing House is a 'clearing organization';
 - (B) the Clearing House and each Clearing Member is a 'member';
 - (C) the Rules, Procedures, Clearing Membership Agreement, Contracts, Pledged Collateral Addendum and any other agreement between a Clearing Member and the Clearing House relating to Clearing of Contracts together constitute a 'netting contract' between those parties and include 'security agreements or arrangements or other credit enhancements related to such netting contract';
 - (D) an obligation of a Clearing Member to make a payment to the Clearing House, or of the Clearing House to make a payment to a Clearing Member, subject to a netting agreement, is a 'covered clearing obligation' and a 'covered contractual payment obligation';
 - (E) an entitlement of a Clearing Member to receive a payment from the Clearing House, or of the Clearing House to receive a payment from a Clearing Member, subject to a netting contract, is a 'covered contractual payment entitlement';