NYSE Liffe U.S.

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Karl D. Cooper
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By Electronic Mail

March 9, 2011

Mr. David A. Stawick
Office of the Secretariat
Commodity Futures Trading Commission
1155 21st Street, N.W.
Washington, D.C. 20581

Re: NYSE Liffe U.S. – Listing of Interest Rate Futures Contracts

Dear Mr. Stawick:

I am the Chief Regulatory Officer of NYSE Liffe US LLC ("NYSE Liffe US" or the "Exchange"). Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended (the "Act"), and U.S. Commodity Futures Trading Commission Regulations (the "Regulations") Section 40.2, I enclose a Cover Sheet for NYSE Liffe US Submission 2011-107 and NYSE Liffe US Notice 05\2011 which sets forth new NYSE Liffe US Rule Chapters 101, 103, 105, 107, 109, and 121 and announces NYSE Liffe US's launch of Eurodollar Futures commencing with the March 21, 2011 trading session and the launch of Treasury Futures commencing with the March 28, 2011 trading session. The new rules will be effective prior to the launches and they are attached.

NYSE Liffe US herby certifies that this notice, the new products announced therein and new Chapters 101, 103, 105, 107, 109, and 121 attached thereto comply with the Commodity Exchange Act and regulations thereunder.

If you have any questions, please call me at (212) 656-4568.

Yours Truly,

Karl D. Cooper

Enclosures

NYSE LIFFE U.S. NOTICE No. 05/2011

ISSUE DATE: March 10, 2011
EFFECTIVE DATE: March 11, 2011

NYSE Liffe U.S. – Listing of Interest Rate Futures

Summary

This Notice provides Members with a summary of product specifications and certain key processes and procedures associated with NYSE Liffe U.S.'s launch of Interest Rate Futures. This includes specifics related to the launch of Eurodollar Futures on NYSE Liffe U.S. commencing with the March 21, 2011 Trading Session and Futures on U.S. Treasury Notes and Bonds commencing with the March 28, 2011 Trading Session. In addition, attached to the Notice are the new Rule Chapters being added to the Exchange's Rulebook setting forth the contract specifications for the new Contracts and related technical amendments.

1. Introduction and Background

1.1 NYSE Liffe U.S. will list for trading Three-Month Eurodollar Futures ("Eurodollar Futures") effective trade date March 21, 2011. Please see new Rule Chapter 121 effective March 20, 2011, which sets forth the legally binding terms and conditions for sellers and buyers of Eurodollar Futures. Rule Chapter 121 is attached in Appendix A hereto.

1.2 NYSE Liffe U.S. will list for trading Futures on U.S. Treasury Notes and Bonds ("Treasury Futures") effective trade date March 28, 2011.

1.3 The Treasury Futures will include the following five specific contracts:

Contract	Deliverable Basket
Short-Term U.S. Treasury Note Futures ("Two-Year Treasury Note Futures")	U.S. Treasury notes with an original term to maturity of not more than 5 years 3 months and a remaining term to maturity of not less than 1 year, 9 months and a remaining term to maturity of not more than two years

Medium-Term U.S. Treasury Note Futures ("Five-Year Treasury Note Futures")	U.S. Treasury notes with an original term to maturity of not more than 5 years 3 months and a remaining term to maturity of not less than 4 years 2 months
Long-Term U.S. Treasury Note Futures ("Ten-Year Treasury Note Futures")	U.S. Treasury notes with an original term to maturity of not more than 10 years and a remaining term to maturity of at least six-and-one half years
U.S. Treasury Bond Futures ("Bond Futures")	U.S. Treasury bonds that are either callable or non-callable. Non-callable bonds must have a remaining term to maturity of at least 15 years, but less than 25 years. Callable bonds must not be callable for at least 15 years with a remaining term to maturity of less than 25 years
Ultra Long U.S. Treasury Bond Futures ("Ultra Bond Futures")	U.S. Treasury bonds with a remaining term to maturity of not less than 25 years

Please see new Rule Chapters 101, 103, 105, 107 and 109, effective March 27, 2011, which set forth the legally binding terms and conditions for sellers and buyers of the Treasury Futures. Rule Chapters 101, 103, 105, 107 and 109 are attached in Appendix A hereto.

1.4 NYSE Liffe U.S. has selected New York Portfolio Clearing ("NYPC") as its Clearing Service Provider for Eurodollar Futures and Treasury Futures.

2. Launch of Trading and Trading Hours

2.1 Trading in Eurodollar futures will commence at 7:16 pm NY / 6:16 pm Central on March 20, 2011 for the March 21, 2011 Trading Session.

2.2 Trading in Treasury Futures will commence at 7:16 pm NY/ 6:16 pm Central on March 27, 2011 for the March 28, 2011 Trading Session.

2.3 From there on and subject to the Exchange's holiday calendar, Treasury Futures will be open for trading daily during the following hours:

Contract	Trading Hours (NY time)
Eurodollar Futures	7:16 pm-5:00 pm [day+1]
Two-Year Treasury Futures	7:16 pm-5:00 pm [day+1]
Five-Year Treasury Futures	7:16 pm-5:00 pm [day+1]
Ten-Year Treasury Futures	7:16 pm-5:00 pm [day+1]
Bond Futures	7:16 pm-5:00 pm [day+1]
Ultra Bond Futures	7:16 pm-5:00 pm [day+1]

3. Expiration and Delivery Months Available for Trading

3.1 At launch, the following Delivery Months will be available for the trading of the Two-Year, Five-Year, and Ten-Year Treasury Futures: June 2011, September 2011, December 2011, March 2012, and June 2012.

3.2 At launch, the following Delivery Months will be available for the trading of the Bond and Ultra Bond Futures: June 2011, September 2011, and December 2011.

3.3 Thereafter, the Exchange will make Delivery Months available for trading in Treasury Futures on the following basis: At the opening of trading during the first Trading Session following the last day of trading of a Contract, the Exchange will list the next available Delivery Month in the March, June, September and December quarterly cycle so that at the opening of trading for each Trading Session there are five Delivery Months available for trading in the Two-Year, Five-Year, and Ten-Year U.S. Treasury Note Futures and three Delivery Months available for trading in the U.S. Bond and Ultra Bond Futures.

3.4 At launch, the following Expiration Months will be available for trading in Eurodollar Futures: April 2011, May 2011, June, 2011, September 2011, December 2011, March 2012, June, 2012, September 2012, December 2012, March 2013, June, 2013, September 2013, December 2013, March 2013, June, 2013, September 2013, December 2013, March 2014, June, 2014, September 2014, December 2014, March 2015, June, 2015.

3.5 Thereafter, the Exchange will make Delivery Months available for trading in Eurodollar Futures on the following basis: At the opening of trading during the first Trading Session to commence following the expiration of a Contract, the Exchange will list the next available Expiration Month in the March, June, September and December quarterly cycle such that five years plus one month of quarterly expirations plus the two nearest serial months (i.e. calendar months that are not in the March, June, September and December quarterly cycle) are always available for trading.

4. Daily and Final Settlement Times and Procedures

4.1 Daily settlement will take place for Eurodollar Futures and Treasury Futures at 3:00 pm NY/ 2:00 pm Central.

4.2 To establish the official daily settlement prices for the Eurodollar Futures and Treasury Futures, the Exchange will primarily utilize the best bid and offer of the relevant Contract at 3:00 pm NY/2:00 pm Central and take the midpoint as the daily settlement price. However, in calculating settlement prices, the Exchange may also take into consideration the prevailing spread values between Delivery Months, Index levels, recent trades and prices in related markets.

4.3 Final settlement price upon expiration will be determined at 1:01pm NY/ 12:01 pm Central for each specific Treasury Futures on the following days:

Contract	**Last Trade Date**
Two-Year Treasury Futures	Last Business Day of Delivery Month
Five-Year Treasury Futures	Last Business Day of Delivery Month
Ten-Year Treasury Futures	7th Business Day Before Last Business Day of Delivery Month

Bond Futures	7th Business Day Before Last Business Day of Delivery Month
Ultra Bond Futures	7th Business Day Before Last Business Day of Delivery Month

4.4 Final settlement price upon expiration of Eurodollar Futures will be determined at 11am London time on the second London bank business day prior to the third Wednesday of the contract expiry month.

5. Exchange and Clearing Fees

5.1 CTI 1, 2, and 3 transactions will be subject to an Exchange Fee of $0.10 per contract per side. CTI 4 transactions will be subject to an Exchange Fee of $0.39 per contract per side. These fees will apply to all transactions in Eurodollar Futures and Treasury Futures from launch of the products.

5.2 A surcharge of $0.25 per contract per side will apply to Exchange for Related Positions ("EFRP") transactions.

5.3 NYPC will waive clearing fees for all Market Participants for 3 months after which NYPC fees will apply to these contracts as detailed on http://www.nypclear.com/

6. Block Trading Facilities

6.1 NYSE Liffe U.S. Notice 6/2009 sets forth the procedure for submission of a Block Trade in accordance with Exchange Rule 423. Block Trades will be permissible in Treasury and Eurodollar Futures in both outright and strategy transactions, in all delivery months available for trading on the NYSE Liffe U.S. Trading Platform.

6.2 The minimum number of Contracts per Block Trade transaction are as follows:

Contract	**Minimum Number of Contracts**
Eurodollar Futures	4,000
Two-Year U.S. Treasury Futures	3,000
Five-Year U.S. Treasury Futures	3,000
Ten-Year U.S. Treasury Futures	2,500
U.S. Bond Futures	1,500
Ultra Bond Futures	1,500

6.3 Strategy transactions in Treasury Futures and Eurodollar Futures may be executed as Block Trades provided that the aggregate of the legs of the transaction meet or exceed the minimum number of Contracts per Block Trade transaction.

6.4 Members are reminded that they are required to accurately make any post trade adjustments associated with the correct reporting of account information for Block Trades in their back office software before the end of the trading day.

7. Position Accountability Levels, Position Limits, and Reportable Futures Levels

7.1 Pursuant to NYSE Liffe U.S. Rules 419 and 420, the Exchange has determined that the following accountability levels, position limits and reportable futures levels will apply:

Contract	Accountability Level	Position Limit[1]	Reportable Futures Level
Eurodollar Futures	10,000	N/A	850
Two-Year Treasury Futures	7,500	25,000	1,000
Five-Year Treasury Futures	7,500	45,000	2,000
Ten-Year Treasury Futures	7,500	60,000	2,000
Bond Futures	10,000	25,000	1,500
Ultra Bond Futures	10,000	20,000	1,500

8. Initial Margin Levels and Available Offsets

8.1 NYSE Liffe U.S. minimum customer initial margin levels and variation margin levels for Eurodollar Futures and Treasury Futures can be found via the following link: http://www.nyseliffeus.com//margin-requirements. The Exchange has the authority to amend these minimum customer margin levels from time to time based on market conditions in accordance with Rules 516 through 521.

8.2 Margin charged to Clearing Members is set by NYPC as the Exchange's Clearing Service Provider pursuant to NYPC's margin methodology which is described on its website at the following link: http://www.nypclear.com/methodology.

9. Dynamic Price Limits and No Bust Ranges

9.1 NYSE Liffe U.S. Notice No. 09/2008, issued on September 4, 2008, informed Members of the Error Trade Policy and Trade Cancellations and Price Adjustments.

9.2 All incoming orders are subject to dynamic price limit levels. These are put in place to prevent the execution of orders with manifest pricing errors. For Futures Contracts, dynamic price limits are calculated from a base level which itself is calculated from a combination of the last trade and the mid-point between the bid and offer for the most actively traded front month and for the back Delivery Months with reference to spread relationships with the front Delivery Month.

9.3 Dynamic price limits are monitored throughout the entire trading day, including pre-open, and may be adjusted by the Exchange to reflect current market conditions. Orders submitted that fall outside price limits will automatically be rejected by the Trading Engine, and the originating trader will be notified via their front end trading application.

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[1] Rules 10103(d), 10303(d), 10503(d), 10703(d) and 10903(d) impose position limits during the contract's last 10 trading days and no hedge exemptions are permitted with respect to the limits.

9.4 The following thresholds will be set as the dynamic price limits and No Bust Ranges for Eurodollar Futures and Treasury Futures, expressed in ticks from the current base level:

Contract	**Dynamic Price Limit**
Eurodollar Futures	+/- 10
Two-Year Treasury Futures	+/- 15
Five-Year Treasury Futures	+/- 15
Ten-Year Treasury Futures	+/- 30
Bond Futures	+/- 30
Ultra Bond Futures	+/- 30

10. Deliveries on Treasury Futures

10.1 The delivery of U.S. Treasury notes or bonds in accordance with the terms of Treasury Futures contracts may be initiated by a short Clearing Member. The short Clearing Member may initiate delivery by entering an intent to deliver into the NYSE Liffe Guardian System before 9:00 p.m. New York / 8:00 p.m. Central two Business Day prior to the actual delivery. Short Clearing Members may enter intents beginning two Business Days prior to the first Business Day of the contract Delivery Month through the following Last Delivery Day for each Treasury Future:

Contract	**Last Delivery Day**
Two-Year Treasury Futures	Third Business Day Following Last Trading Day
Five-Year Treasury Futures	Third Business Day Following Last Trading Day
Ten-Year Treasury Futures	Last Business Day of Delivery Month
Bond Futures	Last Business Day of Delivery Month
Ultra Bond Futures	Last Business Day of Delivery Month

10.2 Deliveries must be conducted in accordance with the rules and processes of the Exchange and NYPC. It bears noting that following the assignment of long positions and determination of the security being delivered by the short within the NYPC Clearing and Processing system ("CPS"), deliveries will be effected through the FICC Real Time Trade Matching system, in accordance with FICC rules and processes. Specific information on the delivery process can be found on the NYPC website: http://www.nypclear.com/

10.3 Conversion factors referred to by Exchange rules and used in calculating the invoice amounts due the seller upon delivery are published by the Exchange.

10.4 In the event that the short Clearing Member fails to nominate a note(s) or bond(s) by 3:00 pm NY/ 2:00 pm Central on Notice Day, or 4:00 pm NY, 3:00 pm Central on the last Notice Day of the Delivery Month, the Clearing Service Provider will enter an eligible security or securities as directed by the Exchange on behalf of the short

Clearing Member. By trading on the Exchange's Trading Platform, Members agree to the Exchange's choice of security or securities if their Clearing Member has not entered a deliverable security into the NYPC Clearing and Processing System by the deadlines set forth above.

11. Matching Algorithm

11.1 Five-Year Treasury Futures, Ten-Year Treasury Futures, Bond Futures, and Ultra Bond Futures will be matched by the NYSE Liffe U.S. electronic trading system according to a first-in-first-out methodology.

11.2 Eurodollar Futures and Two-Year Treasury Futures will be matched by the NYSE Liffe U.S. electronic trading system according to a time and volume pro-rata methodology.

11.3 Market Participants can find additional details on the matching algorithms employed for Interest Rate Futures listed on NYSE Liffe U.S. as well as all products listed on NYSE Liffe U.S. at the following link http://www.nyseliffeus.com/matchingalgorithms

12. Implied Trading Functionality

12.1 NYSE Liffe U.S. Notice 01/2008 described the implied trading functionality available on the NYSE Liffe U.S. electronic trading system.

12.2 At launch, implied trading functionality will be disabled on all Treasury Futures contracts.

12.3 At launch, the following implied trading functionality will be enabled on Eurodollar Futures: "Implied In" (i.e. from outright to strategy market) for calendar spreads and butterfly markets, and "Implied Out" (i.e. from strategy to outright market) for calendar spreads.

Members who have questions or seek additional information in respect of this Notice should contact:

New York Office		
Lynn Martin		
Karl Cooper	+1 212 656 4300	nyseliffeus@nyx.com
Chicago Office		
Nancy Kaplan	+1 312 442 7730	

Appendix to NYSE Liffe US Notice XX/2011
Additions to the NYSE Liffe US Rules
In Connection with the Listing of Interest Rate Futures
No Underline Is Used

Chapter 101
Short-Term U.S. Treasury Note Futures (2-Year)

10101. Scope of Chapter

This chapter is limited in application to trading of Short-Term U.S. Treasury Note futures. The procedures for trading, clearing, delivery, and settlement, and any other matters not specifically covered in this Chapter shall be governed by the Rules of the Exchange, the Rules of the Clearing Service Provider, and the Rules of the Fixed Income Clearing Corporation (FICC). All times referenced in this chapter are New York times and are subject to change by the Exchange.

10102. Contract Specifications

(a) **Contract Grade**

The contract grade for delivery on futures made under these Rules shall be U.S. Treasury fixed-principal notes which have fixed semi-annual coupon payments, and which have:

(i) an original term to maturity (i.e., term to maturity at issue) of not more than 5 years and 3 months; and

(ii) a remaining term to maturity of not more than 2 years and not less than 1 year 9 months

For the purpose of determining a U.S. Treasury note's eligibility for contract grade, its remaining term to maturity shall be calculated from the first day of the Delivery Month and rounded down to the nearest one-month increment (e.g., 1 year 10 months 17 days shall be taken to be 1 year 10 months). New issues of U.S. Treasury notes that satisfy the standards in this Rule shall be added to the contract grade as they are issued. Notwithstanding the foregoing, the Exchange shall have the right to exclude any new issue from the contract grade or to further limit outstanding issues from the contract grade.

(b) **Physical Delivery**

Each individual contract lot that is delivered must be composed of one and only one contract grade Treasury note issue. The long Clearing Member taking delivery on behalf of the short Clearing Member making delivery shall be obligated to pay an amount for the delivery of Treasury notes as follows:

$$Amount = (\$2000 \times P \times c) + Accrued\ Interest$$

where:

P is the contract daily settlement price on the day that the short Clearing Member gives the Clearing Service Provider notice of intention to deliver. (Note that for notices of intent filed on the day of and after the last trading day, P will be the final settlement price). *P* shall be expressed in points and fractions of points with par on the basis of 100 points; and

c is a conversion factor equal to the price at which a note with the same time to maturity and with the same coupon rate, and with par on the basis of one (1) point, will yield 6% per annum according to conversion factor tables prepared and published by the Exchange.

For each individual contract lot that is delivered, the product expression *($2000 x P x c)* shall be rounded to the nearest cent, with half-cents rounded up to the nearest cent.

Example: Assume that *P* is 100 and 25/32nds. Assume that *c* is 0.9633. The product expression *($2000 x P x c)* is found to be $194,165.15625 or $194,165.16 when rounded. In the determination of the *Amount* for each individual contract lot being delivered, *Accrued Interest* shall be charged to the long Clearing Member taking delivery by the short Clearing Member making delivery, in accordance with 31 CFR Part 306 -- General Regulations Governing U.S. Securities.

10103. Trading Specifications

The number of contract Delivery Months open for trading at a given time shall be determined by the Exchange. Without limiting the foregoing, the Exchange customarily shall list for trading five consecutive Delivery Months in the March-June-September-December quarterly cycle. Effective the first trading day following the last trading day in a futures contract for any Delivery Month, the next eligible Delivery Month shall be automatically listed.

(a) **Trading Schedule**

The hours for trading shall be determined by the Exchange. On the last day of trading in an expiring contract, the close of the expiring contract shall begin at 1:00 p.m New York time and trading shall be permitted thereafter for a period not to exceed one minute.

(b) **Trading Unit**

The unit of trading shall be U.S. Treasury Notes having a face value at maturity of two hundred thousand dollars ($200,000) or multiples thereof.

(c) **Price Increments**

Par shall be on the basis of 100 points, with each point equal to $2,000 per contract. The minimum price fluctuation shall be one quarter of one thirty-second of one point (equal to $15.625 per contract), including intermonth spreads.

(d) **Position Limits and Position Accountability**

In accordance with Rule 420, no person shall own or control positions in excess of 25,000 contracts in an expiring contract during the contract's last 10 trading days. No hedge exemptions will be permitted with respect to this position limit.

Position accountability, as defined in Rule 420, will apply to trading in Short-Term U.S. Treasury Note Futures Contracts.

(e) **Termination of Trading**

The last day of trading in an expiring contract shall be the last Business Day of the contract's Delivery Month. Any contract remaining open after the last day of trading must be settled by physical delivery no later than the third Business Day after the last day of trading.

(f) **Contract Modifications**

Specifications shall be fixed as of the first day of trading and/or clearing of a contract except that all deliveries must conform to governmental regulations in force at the time of delivery. If any U.S. governmental agency or body issues an order, ruling, directive, regulation or law pertaining to the trading, clearing, or delivery of Short-Term U.S. Treasury Notes, such order, ruling, directive, regulation 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 order, ruling, directive, regulation or law.

10104. Date of Delivery

Delivery of contract grade U.S. Treasury notes may be made by a short Clearing Member, on any Business Day of the contract delivery month that the short Clearing Member selects. The contract delivery month shall be derived so as to commence on, and to include, the first Business Day of the contract's Delivery Month, and to extend to, and to include, the first three Business Days of the following month.

10105. Deliveries on Expiring Futures Contracts

Deliveries against expiring contracts shall be through the FICC Real Time Trade Matching system. Deliveries against an expiring contract can be made no earlier than the first Business Day of the contract's Delivery Month, and no later than the third Business Day of the following month. All deliveries will be assigned by the Clearing Service Provider.

(a) **Day of Intention**

No later than 9:00 p.m. New York time on the second Business Day preceding the intended day of delivery, the short Clearing Member must tender to the Clearing Service Provider all notices of intention to make delivery such as it has received from its customers who are short. On the last Day of Intention, all short Clearing Members must tender a notice of intention by 9:00 p.m. New York time. If a notice of intention is not received, the Clearing Service Provider shall automatically generate a notice of intention on behalf of the short Clearing Member.

Where a futures commission merchant, as a Clearing Member, has an interest both long and short for customers on its own books, it must tender all such notices of intention to deliver.

All notices of intention to deliver will be assigned by the Clearing Service Provider to one or more appropriate long Clearing Members.

(b) **Notice Day - Submission to FICC**

(i) In the case of deliveries to be made prior to the last permissible day of delivery, each short Clearing Member making delivery shall submit the CUSIP that it intends to deliver to the Clearing Service Provider by 3:00 p.m. New York time on the Business Day preceding the day of delivery ("Notice Day"). In the case of deliveries to be made on the last permissible day of delivery, the short Clearing Member shall submit such CUSIP to the Clearing Service Provider by 4:00 p.m. New York time on the last permissible Notice Day. In the event that a short Clearing Member has failed to nominate a security or securities by the deadline established above, the Exchange will nominate a security on behalf of the short Clearing Member. After the deadline for nominating the security or securities being delivered has passed, the Clearing Service Provider will assign such nominated security or securities to the long Clearing Member assigned in accordance with 10105(a).

(ii) After the nominated security has been allocated as described in 10105(b)(i) above, the Clearing Service Provider will send such delivery positions to the FICC Real Time Trade Matching system. Upon acceptance by FICC, the delivery shall be treated as a cash U.S. Treasury security transaction, subject to the Rules of FICC.

(c) **Day of Delivery**

On the day of delivery, the cash U.S. Treasury note transaction will be settled in accordance with the Rules of FICC. The last day of delivery will be the third Business Day after the contract's Delivery Month.

Chapter 103
Medium-Term U.S. Treasury Note Futures (5-Year)

10301. Scope of Chapter

This chapter is limited in application to trading of Medium-Term U.S. Treasury Note futures. The procedures for trading, clearing, delivery, and settlement, and any other matters not specifically covered in this Chapter shall be governed by the Rules of the Exchange, the Rules of the Clearing Service Provider, and the Rules of the Fixed Income Clearing Corporation (FICC). All times referenced in this chapter are New York times and are subject to change by the Exchange.

10302. Contract Specifications

(b) **Contract Grade**

The contract grade for delivery on futures made under these Rules shall be U.S. Treasury fixed-principal notes which have fixed semi-annual coupon payments, and which have:

(iii) an original term to maturity (i.e., term to maturity at issue) of not more than 5 years and 3 months; and

(iv) a remaining term to maturity of not less than 4 years 2 months.

For the purpose of determining a U.S. Treasury note's eligibility for contract grade, its remaining term to maturity shall be calculated from the first day of the contract's Delivery Month, and shall be rounded down to the nearest one-month increment (e.g., 4 years 5 months 17 days shall be taken to be 4 years 5 months). New issues of U.S. Treasury notes that satisfy the standards in this Rule shall be added to the contract grade as they are issued. Notwithstanding the foregoing, the Exchange shall have the right to exclude any new issue from the contract grade or to further limit outstanding issues from the contract grade.

(c) **Physical Delivery**

Each individual contract lot that is delivered must be composed of one and only one contract grade Treasury note issue. The long Clearing Member taking delivery on behalf of the short Clearing Member making delivery shall be obligated to pay an amount for the delivery of Treasury notes as follows:

$$Amount = (\$1000 \times P \times c) + Accrued\ Interest$$

where:

P is the contract daily settlement price on the day that the short Clearing Member gives the Clearing Service Provider notice of intention to deliver. (Note that for notices of intent filed on the day of and after the last trading day, P will be the final settlement price). P shall be expressed in points and fractions of points with par on the basis of 100 points; and

c is a conversion factor equal to the price at which a note with the same time to maturity and with the same coupon rate, and with par on the basis of one (1) point, will yield 6% per annum according to conversion factor tables prepared and published by the Exchange.

For each individual contract lot that is delivered, the product expression *($1000 x P x c)* shall be rounded to the nearest cent, with half-cents rounded up to the nearest cent.

Example: Assume that *P* is 100 and 25/32nds. Assume that *c* is 0.9633. The product expression *($1000 x P x c)* is found to be $97,082.578125 or $97,082.58 when rounded. In the determination of the *Amount* for each individual contract lot being delivered, *Accrued Interest* shall be charged to the long Clearing Member taking delivery by the short Clearing Member making delivery, in accordance with 31 CFR Part 306 -- General Regulations Governing U.S. Securities.

10303. Trading Specifications

The number of contract Delivery Months open for trading at a given time shall be determined by the Exchange. Without limiting the foregoing, the Exchange customarily shall list for trading five consecutive Delivery Months in the March-June-September-December quarterly cycle. Effective the first trading day following the last trading day in a futures contract for any Delivery Month, the next eligible Delivery Month shall be automatically listed.

(g) **Trading Schedule**

The hours for trading shall be determined by the Exchange. On the last day of trading in an expiring contract, the close of the expiring contract shall begin at 1:00 p.m New York time and trading shall be permitted thereafter for a period not to exceed one minute.

(h) **Trading Unit**

The unit of trading shall be U.S. Treasury Notes having a face value at maturity of one hundred thousand dollars ($100,000) or multiples thereof.

(i) **Price Increments**

Par shall be on the basis of 100 points, with each point equal to $1,000 per contract. The minimum price fluctuation shall be one quarter of one thirty-second of one point (equal to $7.8125 per contract), including intermonth spreads.

(j) **Position Limits and Position Accountability**

In accordance with Rule 420, no person shall own or control positions in excess of 45,000 contracts in an expiring contract during the contract's last

10 trading days. No hedge exemptions will be permitted with respect to this position limit.

Position accountability, as defined in Rule 420, will apply to trading in Medium-Term U.S. Treasury Note Futures Contracts.

(k) **Termination of Trading**

The last day of trading in an expiring contract shall be the last Business Day of the contract's Delivery Month. Any contract remaining open after the last day of trading must be settled by physical delivery no later than the third Business Day after the last day of trading.

(l) **Contract Modifications**

Specifications shall be fixed as of the first day of trading and/or clearing of a contract except that all deliveries must conform to governmental regulations in force at the time of delivery. If any U.S. governmental agency or body issues an order, ruling, directive, regulation or law pertaining to the trading, clearing, or delivery of Medium-Term U.S. Treasury Notes Futures, such order, ruling, directive, regulation 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 order, ruling, directive, regulation or law.

10304. Date of Delivery

Delivery of contract grade U.S. Treasury notes may be made by a short Clearing Member, on any Business Day of the contract delivery month that the short Clearing Member selects. The contract delivery month shall be derived so as to commence on, and to include, the first Business Day of the contract's Delivery Month, and to extend to, and to include, the first three Business Days of the following month.

10305. Deliveries on Expiring Futures Contracts

Deliveries against expiring contracts shall be through the FICC Real Time Trade Matching system. Deliveries against an expiring contract can be made no earlier than the first Business Day of the contract's Delivery Month, and no later than the third Business Day of the following month. All deliveries will be assigned by the Clearing Service Provider.

(d) **Day of Intention**

No later than 9:00 p.m. New York time on the second Business Day preceding the intended day of delivery, the short Clearing Member must tender to the Clearing Service Provider all notices of intention to make delivery such as it has received from its customers who are short. On the last Day of Intention, all short Clearing Members must tender a notice of intention by 9:00 p.m. New York time. If a notice of intention is not received, the Clearing Service Provider shall automatically generate a notice of intention on behalf of the short Clearing Member.

Where a futures commission merchant, as a Clearing Member, has an interest both long and short for customers on its own books, it must tender all such notices of intention to deliver.

All notices of intention to deliver will be assigned by the Clearing Service Provider to one or more appropriate long Clearing Members.

(e) **Notice Day - Submission to FICC**

(i) In the case of deliveries to be made prior to the last permissible day of delivery, each short Clearing Member making delivery shall submit the CUSIP that it intends to deliver to the Clearing Service Provider by 3:00 p.m. New York time on the Business Day preceding the day of delivery ("Notice Day"). In the case of deliveries to be made on the last permissible day of delivery, the short Clearing Member shall submit such CUSIP to the Clearing Service Provider by 4:00 p.m. New York time on the last permissible Notice Day. In the event that a short Clearing Member has failed to nominate a security or securities by the deadline established above, the Exchange will nominate a security on behalf of the short Clearing Member. After the deadline for nominating the security or securities being delivered has passed, the Clearing Service Provider will assign such nominated security or securities to the long Clearing Member assigned in accordance with 10305(a).

(ii) After the nominated security has been allocated as described in 10305(b)(i) above, the Clearing Service Provider will send such delivery positions to the FICC Real Time Trade Matching system. Upon acceptance by FICC, the delivery shall be treated as a cash U.S. Treasury security transaction, subject to the Rules of FICC.

(f) **Day of Delivery**

On the day of delivery, the cash U.S. Treasury note transaction will be settled in accordance with the Rules of FICC.

Chapter 105
Long-Term U.S. Treasury Note Futures (6½ to 10-Year)

10501. Scope of Chapter

This chapter is limited in application to trading of Long-Term U.S. Treasury Note futures. The procedures for trading, clearing, delivery, and settlement, and any other matters not specifically covered in this Chapter shall be governed by the Rules of the Exchange, the Rules of the Clearing Service Provider, and the Rules of the Fixed Income Clearing Corporation (FICC). All times referenced in this chapter are New York times and are subject to change by the Exchange.

10502. Contract Specifications

(c) **Contract Grade**

The contract grade for delivery on futures made under these Rules shall be U.S. Treasury fixed-principal notes which have fixed semi-annual coupon payments, and which have an original term to maturity of not more than 10 years and have a remaining term to maturity of not less than 6 years 6 months.

For the purpose of determining a U.S. Treasury note's eligibility for contract grade, its remaining term to maturity shall be calculated from the first day of the contract's Delivery Month, and shall be rounded down to the nearest three-month increment (e.g., 8 years 10 months 17 days shall be taken to be 8 years 9 months). New issues of U.S. Treasury notes that satisfy the standards in this Rule shall be added to the contract grade as they are issued. Notwithstanding the foregoing, the Exchange shall have the right to exclude any new issue from the contract grade or to further limit outstanding issues from the contract grade.

(d) **Physical Delivery**

Each individual contract lot that is delivered must be composed of one and only one contract grade Treasury note issue. The long Clearing Member taking delivery on behalf of the short Clearing Member making delivery shall be obligated to pay an amount for the delivery of Treasury notes as follows:

$$Amount = (\$1000 \times P \times c) + Accrued\ Interest$$

where:

P is the contract daily settlement price on the day that the short Clearing Member gives the Clearing Service Provider notice of intention to deliver. (Note that for notices of intent filed on the day of and after the last trading day, P will be the final settlement price). P shall be expressed in points and fractions of points with par on the basis of 100 points; and

c is a conversion factor equal to the price at which a note with the same time to maturity and with the same coupon rate, and with par on the basis of one

(1) point, will yield 6% per annum according to conversion factor tables prepared and published by the Exchange.

For each individual contract lot that is delivered, the product expression *($1000 x P x c)* shall be rounded to the nearest cent, with half-cents rounded up to the nearest cent.

Example: Assume that *P* is 100 and 25/32nds. Assume that *c* is 0.9633. The product expression *($1000 x P x c)* is found to be $97,082.578125 or $97,082.58 when rounded. In the determination of the *Amount* for each individual contract lot being delivered, *Accrued Interest* shall be charged to the long Clearing Member taking delivery by the short Clearing Member making delivery, in accordance with 31 CFR Part 306 -- General Regulations Governing U.S. Securities.

10503. Trading Specifications

The number of contract Delivery Months open for trading at a given time shall be determined by the Exchange. Without limiting the foregoing, the Exchange customarily shall list for trading five consecutive Delivery Months in the March-June-September-December quarterly cycle. Effective the first trading day following the last trading day in a futures contract for any Delivery Month, the next eligible Delivery Month shall automatically be listed.

(m)**Trading Schedule**

The hours for trading shall be determined by the Exchange. On the last day of trading in an expiring contract, the close of the expiring contract shall begin at 1:00 p.m New York time and trading shall be permitted thereafter for a period not to exceed one minute.

(n) **Trading Unit**

The unit of trading shall be U.S. Treasury Notes having a face value at maturity of one hundred thousand dollars ($100,000) or multiples thereof.

(o) **Price Increments**

Par shall be on the basis of 100 points, with each point equal to $1,000 per contract. The minimum price fluctuation shall be one half of one thirty-second of one point (equal to $15.625 per contract), except for intermonth spreads for which the minimum price fluctuation shall be one-quarter of one thirty-second of one point (equal to $7.8125 per contract).

(p) **Position Limits and Position Accountability**

In accordance with Rule 420, no person shall own or control positions in excess of 60,000 contracts in an expiring contract during the contract's last 10 trading days. No hedge exemptions will be permitted with respect to this position limit.

Position accountability, as defined in Rule 420, will apply to trading in Long-Term U.S. Treasury Futures Contracts.

(q) **Termination of Trading**

No trades in an expiring contract shall be made during the last 7 Business Days of the contract's Delivery Month. Any contract remaining open after the last day of trading must be settled by physical delivery no later than the last Business Day of the contract's Delivery Month.

(r) **Contract Modifications**

Specifications shall be fixed as of the first day of trading and/or clearing of a contract except that all deliveries must conform to governmental regulations in force at the time of delivery. If any U.S. governmental agency or body issues an order, ruling, directive, regulation or law pertaining to the trading, clearing, or delivery of Long-Term U.S. Treasury Notes, such order, ruling, directive, regulation 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 order, ruling, directive, regulation or law.

10504. Date of Delivery

Delivery of contract grade U.S. Treasury notes may be made by a short Clearing Member, on any Business Day of the contract delivery month that the short Clearing Member selects. The contract delivery month shall be derived so as to commence on, and to include, the first Business Day of the contract's Delivery Month, and to extend to, and to include, the last Business Day of the contract's Delivery Month.

10505. Deliveries on Expiring Futures Contracts

Deliveries against expiring contracts shall be through the FICC Real Time Trade Matching system. Deliveries against an expiring contract can be made no earlier than the first Business Day of the contract's Delivery Month, and no later than the last Business Day of the contract's Delivery Month. All deliveries will be assigned by the Clearing Service Provider.

(g) **Day of Intention**

No later than 9:00 p.m. New York time on the second Business Day preceding the intended day of delivery, the short Clearing Member must tender to the Clearing Service Provider all notices of intention to make delivery such as it has received from its customers who are short. On the last Day of Intention, all short Clearing Members must tender a notice of intention by 9:00 p.m. New York time. If a notice of intention is not received, the Clearing Service Provider shall automatically generate a notice of intention on behalf of the short Clearing Member.

Where a futures commission merchant, as a Clearing Member, has an interest both long and short for customers on its own books, it must tender all such notices of intention to deliver.

All notices of intention to deliver will be assigned by the Clearing Service Provider to one or more appropriate long Clearing Members.

(h) **Notice Day - Submission to FICC**

(i) In the case of deliveries to be made prior to the last permissible day of delivery, each short Clearing Member making delivery shall submit the CUSIP that it intends to deliver to the Clearing Service Provider by 3:00 p.m. New York time on the Business Day preceding the day of delivery ("Notice Day"). In the case of deliveries to be made on the last permissible day of delivery, the short Clearing Member shall submit such CUSIP to the Clearing Service Provider by 4:00 p.m. New York time on the last permissible Notice Day. In the event that a short Clearing Member has failed to nominate a security or securities by the deadline established above, the Exchange will nominate a security on behalf of the short Clearing Member. After the deadline for nominating the security or securities being delivered has passed, the Clearing Service Provider will assign such nominated security or securities to the long Clearing Member assigned in accordance with 10505(a).

(ii) After the nominated security has been allocated as described in 10505(b)(i) above, the Clearing Service Provider will send such delivery positions to the FICC Real Time Trade Matching system. Upon acceptance by FICC, the delivery shall be treated as a cash U.S. Treasury security transaction, subject to the Rules of FICC.

(i) **Day of Delivery**

On the day of delivery, the cash U.S. Treasury note transaction will be settled in accordance with the Rules of FICC.

Chapter 107
U.S. Treasury Bond Futures

10701. Scope of Chapter

This chapter is limited in application to trading of U.S. Treasury Bond futures. The procedures for trading, clearing, delivery, and settlement, and any other matters not specifically covered in this Chapter shall be governed by the Rules of the Exchange, the Rules of the Clearing Service Provider, and the Rules of the Fixed Income Clearing Corporation (FICC). All times referenced in this chapter are New York times and are subject to change by the Exchange.

10702. Contract Specifications

(d) **Contract Grade**

The contract grade for delivery on futures made under these Rules shall be U.S. Treasury fixed-principal bonds which have fixed semi-annual coupon payments, and which have:

(v) if not callable, have a remaining term to maturity of at least 15 years, but less than 25 years; and

(vi) if callable, the first call date is at least 15 years from the first day of the Delivery Month with a remaining term to maturity of less than 25 years.

For the purpose of determining a U.S. Treasury bond's eligibility for contract grade, its remaining term to maturity shall be calculated from the first day of the contract's Delivery Month, and shall be rounded down to the nearest three-month increment (e.g., 15 years 5 months 18 days shall be taken to be 15 years 3 months). New issues of U.S. Treasury bonds that satisfy the standards in this Rule shall be added to the contract grade as they are issued. Notwithstanding the foregoing, the Exchange shall have the right to exclude any new issue from the contract grade or to further limit outstanding issues from the contract grade.

(e) **Physical Delivery**

Each individual contract lot that is delivered must be composed of one and only one contract grade Treasury bond issue. The long Clearing Member taking delivery on behalf of the short Clearing Member making delivery shall be obligated to pay an amount for the delivery of Treasury bonds as follows:

$$Amount = (\$1000 \times P \times c) + Accrued\ Interest$$

where:

P is the contract daily settlement price on the day that the short Clearing Member gives the Clearing Service Provider notice of intention to deliver. (Note that for notices of intent filed on the day of and after the last trading day, P will be the final settlement price). *P* shall be expressed in points and fractions of points with par on the basis of 100 points; and

c is a conversion factor equal to the price at which a bond with the same time to maturity and with the same coupon rate, and with par on the basis of one (1) point, will yield 6% per annum according to conversion factor tables prepared and published by the Exchange.

For each individual contract lot that is delivered, the product expression *($1000 x P x c)* shall be rounded to the nearest cent, with half-cents rounded up to the nearest cent.

Example: Assume that *P* is 100 and 25/32nds. Assume that *c* is 0.9633. The product expression *($1000 x P x c)* is found to be $97,082.578125 or $97,082.58 when rounded. In the determination of the *Amount* for each individual contract lot being delivered, *Accrued Interest* shall be charged to the long Clearing Member taking delivery by the short Clearing Member making delivery, in accordance with 31 CFR Part 306 -- General Regulations Governing U.S. Securities.

10703. Trading Specifications

The number of contract Delivery Months open for trading at a given time shall be determined by the Exchange. Without limiting the foregoing, the Exchange customarily shall list for trading three consecutive Delivery Months in the March-June-September-December quarterly cycle. Effective the first trading day following the last trading day in a futures contract for any Delivery Month, the next eligible Delivery Month shall automatically be listed.

(s) **Trading Schedule**

The hours for trading shall be determined by the Exchange. On the last day of trading in an expiring contract, the close of the expiring contract shall begin at 1:00 p.m New York time and trading shall be permitted thereafter for a period not to exceed one minute.

(t) **Trading Unit**

The unit of trading shall be U.S. Treasury bonds having a face value at maturity of one hundred thousand dollars ($100,000) or multiples thereof.

(u) **Price Increments**

Par shall be on the basis of 100 points, with each point equal to $1,000 per contract. The minimum price fluctuation shall be one thirty-second of one point (equal to $31.25 per contract), except for intermonth spreads for which the minimum price fluctuation shall be one-quarter of one thirty-second of one point (equal to $7.8125 per contract).

(v) **Position Limits and Position Accountability**

In accordance with Rule 420, no person shall own or control positions in excess of 25,000 contracts in an expiring contract during the contract's last 10 trading days. No hedge exemptions will be permitted with respect to this position limit.

Position accountability, as defined in Rule 420, will apply to trading in U.S. Treasury Bond Futures Contracts.

(w) **Termination of Trading**

No trades in an expiring contract shall be made during the last 7 Business Days of the contract's Delivery Month. Any contract remaining open after the last day of trading must be settled by physical delivery no later than the last Business Day of the contract's Delivery Month.

(x) **Contract Modifications**

Specifications shall be fixed as of the first day of trading and/or clearing of a contract except that all deliveries must conform to governmental regulations in force at the time of delivery. If any U.S. governmental agency or body issues an order, ruling, directive, regulation or law pertaining to the trading, clearing, or delivery of U.S. Treasury Bonds, such order, ruling, directive, regulation 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 order, ruling, directive, regulation or law.

10704. Date of Delivery

Delivery of contract grade U.S. Treasury bonds may be made by a short Clearing Member, on any Business Day of the contract delivery month that the short Clearing Member selects. The contract delivery month shall be derived so as to commence on, and to include, the first Business Day of the contract's Delivery Month, and to extend to, and to include, the last Business Day of the contract's Delivery Month.

10705. Deliveries on Expiring Futures Contracts

Deliveries against expiring contracts shall be through the FICC Real Time Trade Matching system. Deliveries against an expiring contract can be made no earlier than the first Business Day of the contract's Delivery Month, and no later than the last Business Day of the contract's Delivery Month. All deliveries will be assigned by the Clearing Service Provider.

(j) **Day of Intention**

No later than 9:00 p.m. New York time on the second Business Day preceding the intended day of delivery, the short Clearing Member must tender to the Clearing Service Provider all notices of intention to make delivery such as it has received from its customers who are short. On the last Day of Intention, all short Clearing Members must tender a notice of intention by 9:00 p.m. New York time. If a notice of intention is not received, the Clearing Service Provider shall automatically generate a notice of intention on behalf of the short Clearing Member.

Where a futures commission merchant, as a Clearing Member, has an interest both long and short for customers on its own books, it must tender all such notices of intention to deliver.

All notices of intention to deliver will be assigned by the Clearing Service Provider to one or more appropriate long Clearing Members.

(k) **Notice Day - Submission to FICC**

(i) In the case of deliveries to be made prior to the last permissible day of delivery, each short Clearing Member making delivery shall submit the CUSIP that it intends to deliver to the Clearing Service Provider by 3:00 p.m. New York time on the Business Day preceding the day of delivery ("Notice Day"). In the case of deliveries to be made on the last permissible day of delivery, the short Clearing Member shall submit such CUSIP to the Clearing Service Provider by 4:00 p.m. New York time on the last permissible Notice Day. In the event that a short Clearing Member has failed to nominate a security or securities by the deadline established above, the Exchange will nominate a security on behalf of the short Clearing Member. After the deadline for nominating the security or securities being delivered has passed, the Clearing Service Provider will assign such nominated security or securities to the long Clearing Member assigned in accordance with 10705(a).

(ii) After the nominated security has been allocated as described in 10705(b)(i) above, the Clearing Service Provider will send such delivery positions to the FICC Real Time Trade Matching system. Upon acceptance by FICC, the delivery shall be treated as a cash U.S. Treasury security transaction, subject to the Rules of FICC.

(l) **Day of Delivery**

On the day of delivery, the cash U.S. Treasury bond transaction will be settled in accordance with the Rules of FICC.

Chapter 109
Ultra-Long U.S. Treasury Bond Futures

10901. Scope of Chapter

This chapter is limited in application to trading of Ultra-Long U.S. Treasury Bond futures. The procedures for trading, clearing, delivery, and settlement, and any other matters not specifically covered in this Chapter shall be governed by the Rules of the Exchange, the Rules of the Clearing Service Provider, and the Rules of the Fixed Income Clearing Corporation (FICC). All times referenced in this chapter are New York times and are subject to change by the Exchange.

10902. Contract Specifications

(e) Contract Grade

The contract grade for delivery on futures made under these Rules shall be U.S. Treasury fixed-principal bonds which have fixed semi-annual coupon payments, and which have a remaining term to maturity of at least 25 years.

For the purpose of determining a U.S. Treasury bond's eligibility for contract grade, its remaining term to maturity shall be calculated from the first day of the contract's Delivery Month, and shall be rounded down to the nearest three-month increment (e.g., 15 years 5 months 18 days shall be taken to be 15 years 3 months). New issues of U.S. Treasury bonds that satisfy the standards in this Rule shall be added to the contract grade as they are issued. Notwithstanding the foregoing, the Exchange shall have the right to exclude any new issue from the contract grade or to further limit outstanding issues from the contract grade.

(f) Physical Delivery

Each individual contract lot that is delivered must be composed of one and only one contract grade Treasury bond issue. The long Clearing Member taking delivery on behalf of the short Clearing Member making delivery shall be obligated to pay an amount for the delivery of Treasury bonds as follows:

$$Amount = (\$1000 \times P \times c) + Accrued\ Interest$$

where:

P is the contract daily settlement price on the day that the short Clearing Member gives the Clearing Service Provider notice of intention to deliver. (Note that for notices of intent filed on the day of and after the last trading day, P will be the final settlement price). P shall be expressed in points and fractions of points with par on the basis of 100 points; and

c is a conversion factor equal to the price at which a bond with the same time to maturity and with the same coupon rate, and with par on the basis of one (1) point, will yield 6% per annum according to conversion factor tables prepared and published by the Exchange.

For each individual contract lot that is delivered, the product expression *($1000 x P x c)* shall be rounded to the nearest cent, with half-cents rounded up to the nearest cent.

Example: Assume that *P* is 100 and 25/32nds. Assume that *c* is 0.9633. The product expression *($1000 x P x c)* is found to be $97,082.578125 or $97,082.58 when rounded. In the determination of the *Amount* for each individual contract lot being delivered, *Accrued Interest* shall be charged to the long Clearing Member taking delivery by the short Clearing Member making delivery, in accordance with 31 CFR Part 306 -- General Regulations Governing U.S. Securities.

10903. Trading Specifications

The number of contract Delivery Months open for trading at a given time shall be determined by the Exchange. Without limiting the foregoing, the Exchange customarily shall list for trading three consecutive Delivery Months in the March-June-September-December quarterly cycle. Effective the first trading day following the last trading day in a futures contract for any Delivery Month, the next eligible Delivery Month shall automatically be listed.

(y) **Trading Schedule**

The hours for trading shall be determined by the Exchange. On the last day of trading in an expiring contract, the close of the expiring contract shall begin at 1:00 p.m New York time and trading shall be permitted thereafter for a period not to exceed one minute.

(z) **Trading Unit**

The unit of trading shall be U.S. Treasury bonds having a face value at maturity of one hundred thousand dollars ($100,000) or multiples thereof.

(aa) **Price Increments**

Par shall be on the basis of 100 points, with each point equal to $1,000 per contract. The minimum price fluctuation shall be one thirty-second of one point (equal to $31.25 per contract), except for intermonth spreads for which the minimum price fluctuation shall be one-quarter of one thirty-second of one point (equal to $7.8125 per contract).

(bb) **Position Limits and Position Accountability**

In accordance with Rule 420, no person shall own or control positions in excess of 20,000 contracts in an expiring contract during the contract's last 10 trading days. No hedge exemptions will be permitted with respect to this position limit.

Position accountability, as defined in Rule 420, will apply to trading in U.S. Treasury Bond Futures Contracts.

(cc) **Termination of Trading**

No trades in an expiring contract shall be made during the last 7 Business Days of the contract's Delivery Month. Any contract remaining open after the last day of trading must be settled by physical delivery no later than the last Business Day of the contract's Delivery Month.

(dd) **Contract Modifications**

Specifications shall be fixed as of the first day of trading and/or clearing of a contract except that all deliveries must conform to governmental regulations in force at the time of delivery. If any U.S. governmental agency or body issues an order, ruling, directive, regulation or law pertaining to the trading, clearing, or delivery of U.S. Treasury Bonds, such order, ruling, directive, regulation 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 order, ruling, directive, regulation or law.

10904. Date of Delivery

Delivery of contract grade U.S. Treasury bonds may be made by a short Clearing Member, on any Business Day of the contract delivery month that the short Clearing Member selects. The contract delivery month shall be derived so as to commence on, and to include, the first Business Day of the contract's Delivery Month, and to extend to, and to include, the last Business Day of the contract's Delivery Month.

10905. Deliveries on Expiring Futures Contracts

Deliveries against expiring contracts shall be through the FICC Real Time Trade Matching system. Deliveries against an expiring contract can be made no earlier than the first Business Day of the contract's Delivery Month, and no later than the last Business Day of the contract's Delivery Month. All deliveries will be assigned by the Clearing Service Provider.

(m)**Day of Intention**

No later than 9:00 p.m. New York time on the second Business Day preceding the intended day of delivery, the short Clearing Member must tender to the Clearing Service Provider all notices of intention to make delivery such as it has received from its customers who are short. On the last Day of Intention, all short Clearing Members must tender a notice of intention by 9:00 p.m. New York time. If a notice of intention is not received, the Clearing Service Provider shall automatically generate a notice of intention on behalf of the short Clearing Member.

Where a futures commission merchant, as a Clearing Member, has an interest both long and short for customers on its own books, it must tender all such notices of intention to deliver.

All notices of intention to deliver will be assigned by the Clearing Service Provider to one or more appropriate long Clearing Members.

(n) **Notice Day - Submission to FICC**

(i) In the case of deliveries to be made prior to the last permissible day of delivery, each short Clearing Member making delivery shall submit the CUSIP that it intends to deliver to the Clearing Service Provider by 3:00 p.m. New York time on the Business Day preceding the day of delivery ("Notice Day"). In the case of deliveries to be made on the last permissible day of delivery, the short Clearing Member shall submit such CUSIP to the Clearing Service Provider by 4:00 p.m. New York time on the last permissible Notice Day. In the event that a short Clearing Member has failed to nominate a security or securities by the deadline established above, the Exchange will nominate a security on behalf of the short Clearing Member. After the deadline for nominating the security or securities being delivered has passed, the Clearing Service Provider will assign such nominated security or securities to the long Clearing Member assigned in accordance with 10905(a).

(ii) After the nominated security has been allocated as described in 10905(b)(i) above, the Clearing Service Provider will send such delivery positions to the FICC Real Time Trade Matching system. Upon acceptance by FICC, the delivery shall be treated as a cash U.S. Treasury security transaction, subject to the Rules of FICC.

(o) **Day of Delivery**

On the day of delivery, the cash U.S. Treasury bond transaction will be settled in accordance with the Rules of FICC.

Chapter 121

Three-Month Eurodollar Futures

12101. Scope of Chapter

This chapter is limited in application to futures trading in Three-Month Eurodollars. The procedures for trading, clearing, expiration and settlement, and any other matters not specifically covered in this Chapter shall be governed by the Rules of the Exchange and the Clearing Services Provider.

12102. Contract Specifications

Each futures contract shall be for a Eurodollar Interbank Time Deposit having a principal value of $1,000,000 with a three-month term to maturity.

12103 Trading Specifications

The number of contract Delivery Months open for trading at a given time shall be determined by the Exchange. Without limiting the foregoing, the Exchange customarily shall list for trading consecutive Delivery Months in the March-June-September-December quarterly cycle extending out five years and one additional quarterly expiration and will also list the two nearest serial Delivery Months. Effective the first trading day following the last trading day in a futures contract for any Delivery Month, the next eligible Delivery Month shall be automatically listed.

(a) **Trading Schedule**

Futures contracts shall be scheduled for trading during such hours and expiration in such months as may be determined by the Exchange.

(b) **Trading Unit**

The size of the unit of trading shall be Eurodollar Interbank Time Deposits in the amount of $1,000,000.

(c) **Price Increments**

Bids and offers shall be quoted in Three-Month LIBOR index points or 100 minus the three-month Eurodollar Interbank Time Deposit rate over a 360-day year. (For example, a rate of 2.5 percent shall be quoted as 97.50.)

i. For the nearest Delivery Month, the minimum price fluctuation shall be one-quarter of one basis point (.0025), equal to $6.25 per contract.

ii. For all Delivery Months excluding the nearest Delivery Month, the minimum price fluctuation shall be one-half of one basis point (.005), equal to $12.50 per contract.

(d) **Position Accountability**

Position accountability, as defined in Rule 420, will apply to trading in Eurodollar Futures Contracts.

(e) **Termination of Trading**

Futures trading shall terminate at 11:00 a.m. London Time on the second London bank business day immediately preceding the third Wednesday of the contract's Delivery Month.

(f) **Contract Modifications**

Specifications shall be fixed as of the first day of trading and/or clearing of a contract except that all deliveries must conform to governmental regulations in force at the time of Expiration. If any U.S. governmental agency or body issues an order, ruling, directive or law pertaining to the trading, clearing, or delivery of Eurodollars, 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.

12104. Settlement Procedures

Delivery shall be by cash settlement.

(a) **Final Settlement Price**

The final settlement price of an expiring contract shall be 100 minus the three-month Eurodollar interbank time deposit rate determined at the British Bankers' Association (BBA) LIBOR fixing on the last trading day. The value of such three-month Eurodollar interbank time deposit rate shall be rounded to the nearest 1/10,000th of a percentage point per annum. Any value ending in .00005 shall be rounded up. For example, a Three-Month BBA LIBOR fixing value of 2.65625 percent would be rounded up to 2.6563 percent, and then subtracted from 100 to determine a contract final settlement price of 97.3437.

(b) **Final Settlement**

Clearing Members holding open positions in a contract at the time of termination of trading in that contract shall make payment to or receive payment from the Clearing Service Provider in accordance with normal variation performance bond procedures based on a settlement price equal to the final settlement price.

Interpretations and Special Notices Relating to Chapter 121

An affiliate of the Exchange has entered into an agreement with the British Bankers' Association ("BBA") which provides the Exchange with access to BBA LIBOR for settling Three–Month Eurodollar futures contracts. Three–Month Eurodollar futures contracts are not in any way sponsored, endorsed, sold or promoted by the BBA, and the BBA has no obligation or liability in connection with the trading of any such contracts. BBA LIBOR is compiled and calculated solely by the BBA. However, the BBA shall not be liable (whether in negligence or otherwise) to any person for any error in BBA LIBOR, and the BBA shall not be under any obligation to advise any person of any error therein. THE BBA MAKES NO WARRANTY, EXPRESS OR IMPLIED, EITHER AS TO THE RESULTS TO BE OBTAINED FROM THE USE OF BBA LIBOR AND/OR THE FIGURE AT WHICH BBA LIBOR STANDS AT ANY PARTICULAR TIME ON ANY PARTICULAR DAY OR OTHERWISE. THE BBA MAKES NO EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE FOR USE WITH RESPECT TO THREE-MONTH EURODOLLAR FUTURES CONTRACTS.