

October 9, 2012

VIA E-MAIL

Ms. Sauntia Warfield
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20581

RE: Regulation 40.6(a). Chicago Mercantile Exchange Inc./The Board of Trade of the City of Chicago, Inc./The New York Mercantile Exchange, Inc./Commodity Exchange Inc. Submission # 12-319: Revisions to Limitation of Liability Rules and Conforming Amendments

Dear Ms. Warfield:

Chicago Mercantile Exchange, Inc. ("CME"), The Board of Trade of the City of Chicago, Inc. ("CBOT"), The New York Mercantile Exchange, Inc. ("NYMEX") and Commodity Exchange, Inc. ("COMEX"), (collectively, the "Exchanges") are self-certifying to the Commodity Futures Trading Commission (the "Commission") revisions to each Exchange's Rules 578 ("Limitation of Liability, No Warranties"), 579 ("Globex Control Center"), 587 ("Phantom Orders"), 588 ("Trade Cancellations and Price Adjustments"), 600 ("Disputes Subject to CME/CBOT/NYMEX Arbitration") and 621 ("Certain Claims Against the Exchange Involving Trading Systems or Services") (collectively, the "Liability Rules"). These revisions will be effective on October 24, 2012.

As discussed with the Commission previously, the updates to the Liability Rules are designed to continue to offer the Exchanges' market participants with industry leading liability protections while also accounting for marketplace standards and historical liability events at the Exchanges. The material changes to the Liability Rules are set out below.

- Adoption of a \$5,000,000 per month aggregate liability cap for losses resulting from phantom orders;
- Clarifying the Exchanges' permissible responses to phantom order events;
- Clarifying the Exchanges' order status liability to instances where incorrect order status is provided by the Global Command Center ("GCC") or Clearing Customer Service Desk;
- Clarifying the scope of GCC authority to cancel and price-adjust trades and the potential liability related thereto; and
- Removal of daily and annual liability caps for incorrect order status and negligence while maintaining a \$200,000 per month cap;

The Market Regulation Department and the Legal Department collectively reviewed the designated contract market core principles ("Core Principles") as set forth in the Commodity Exchange Act ("Act"). During the review, we have identified that the revisions to the limitation of liability rules and conforming amendments may have some bearing on the following Core Principles:

Prevention of Market Disruption: The revisions to the Liability Rules provide the marketplace with greater visibility regarding the GCC's authority to cancel and price-adjust non-phantom order trades that are inconsistent with prevailing market conditions and could have a material, adverse effect on the integrity of the market. These revisions will help the Exchanges' effectively address price distortions and thus comply with this Core Principle.

Execution of Transactions: The proposed revisions to Rule 588 clarify the authority of the GCC to cancel and price-adjust trades that are executed at prices that may not be reflective of the underlying market. This promotes the price discovery process by providing greater certainty to the marketplace that prices which are not reflective of the underlying market will be handled by the Exchanges in a clear and efficient manner. Since the revisions improve the Exchanges ability to ensure the price discovery function remains reflective of the market, they clearly complies with this Core Principle.

Financial Resources: The changes to the Liability Rules clarify the type and amount of liability the Exchanges will accept for order status/negligence issues and phantom orders. This will improve the ability of the Exchanges' to forecast their operating costs on an ongoing basis and thus enhance their ability to comply with the reporting requirements of this Core Principle.

The Exchanges certify that the revisions to the Liability Rules comply with the Act and regulations thereunder. There were no substantive opposing views to this proposal.

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

If you have any questions regarding this submission, please contact me at 312.930.8167 or via email at Sean.Downey@cmegroup.com. Alternatively, you may contact Robert Sniegowski at 312.341.5991 or via email at Robert.Sniegowski@cmegroup.com. Please reference CME/CBOT/NYMEX/COMEX Submission No. 12-319 in any related correspondence.

Sincerely,

/s/ Sean Downey
Director & Assistant General Counsel

Attachments: Exhibit A – Liability Rule

Proposed Liability Rule Revisions

CME Rules

578. LIMITATION OF LIABILITY, NO WARRANTIES

A. EXCEPT AS PROVIDED BELOW, THE EXCHANGE, THE BOARD OF TRADE OF THE CITY OF CHICAGO, INC. ("CBOT"), THE NEW YORK MERCANTILE EXCHANGE INC. ("NYMEX") (INCLUDING EACH OF THEIR RESPECTIVE SHAREHOLDERS) ALONG WITH THE BOARD OF TRADE OF KANSAS CITY, MISSOURI, INC. ("KCBT"), THE MINNEAPOLIS GRAIN EXCHANGE ("MGEX") AND ANY OTHER PARTICIPATING EXCHANGE, (INCLUDING EACH OF THEIR RESPECTIVE SUBSIDIARIES AND AFFILIATES), THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, CONSULTANTS, LICENSORS, MEMBERS, AND CLEARING MEMBERS, SHALL NOT BE LIABLE TO ANY PERSON FOR ANY LOSSES, DAMAGES, COSTS OR EXPENSES (INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS, LOSS OF USE, AND DIRECT, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES), ARISING FROM:

- (i) ANY FAILURE, MALFUNCTION, FAULT IN DELIVERY, DELAY, OMISSION, SUSPENSION, INACCURACY, INTERRUPTION, TERMINATION, OR ANY OTHER CAUSE, IN CONNECTION WITH THE FURNISHING, PERFORMANCE, OPERATION, MAINTENANCE, USE OF OR INABILITY TO USE ALL OR ANY PART OF ANY OF THE SYSTEMS AND SERVICES OF THE EXCHANGE OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS AND SERVICES, INCLUDING WITHOUT LIMITATION ELECTRONIC ORDER ENTRY/DELIVERY, TRADING THROUGH ANY ELECTRONIC MEANS, ELECTRONIC COMMUNICATION OF MARKET DATA OR INFORMATION, WORKSTATIONS USED BY MEMBERS AND AUTHORIZED EMPLOYEES OF MEMBERS, PRICE REPORTING SYSTEMS AND ANY AND ALL TERMINALS, COMMUNICATIONS NETWORKS, CENTRAL COMPUTERS, SOFTWARE, HARDWARE, FIRMWARE AND PRINTERS RELATING THERETO; OR
- (ii) ANY FAILURE OR MALFUNCTION, FAULT IN DELIVERY, DELAY, OMISSION, SUSPENSION, INACCURACY, INTERRUPTION OR TERMINATION, OR ANY OTHER CAUSE, OF ANY SYSTEM OR SERVICE OF THE EXCHANGE OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS OR SERVICES, CAUSED BY ANY THIRD PARTIES INCLUDING, BUT NOT LIMITED TO, INDEPENDENT SOFTWARE VENDORS AND NETWORK PROVIDERS; OR
- (iii) ANY ERRORS OR INACCURACIES IN INFORMATION PROVIDED BY THE EXCHANGE OR ANY EXCHANGE SYSTEMS, SERVICES OR FACILITIES; ~~EXCEPT FOR INCORRECT ORDER STATUSING INFORMATION AS PROVIDED IN RULE 579~~; OR
- (iv) ANY UNAUTHORIZED ACCESS TO OR UNAUTHORIZED USE OF ANY EXCHANGE SYSTEMS, SERVICES OR FACILITIES BY ANY PERSON.

THE FOREGOING LIMITATION OF LIABILITY SHALL APPLY WHETHER A CLAIM ARISES IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY, CONTRIBUTION OR OTHERWISE AND WHETHER THE CLAIM IS BROUGHT DIRECTLY OR AS A THIRD PARTY CLAIM.

THE FOREGOING LIMITATION OF LIABILITY SHALL BE SUBJECT TO THE COMMODITY EXCHANGE ACT AND REGULATIONS THEREUNDER. A PARTY WHO HAS BEEN FINALLY ADJUDICATED TO HAVE ENGAGED IN WILLFUL OR WANTON MISCONDUCT MAY NOT AVAIL ITSELF OF THE PROTECTIONS IN THIS RULE.

- B. THERE ARE NO EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS (INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE OR USE) PROVIDED BY THE EXCHANGE, CBOT, NYMEX OR ANY PARTICIPATING EXCHANGE (INCLUDING THEIR RESPECTIVE SUBSIDIARIES AND AFFILIATES), THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, CONSULTANTS, AND LICENSORS RELATING TO ANY SYSTEMS OR SERVICES OF THE EXCHANGE OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS OR SERVICES, INCLUDING THE GLOBEX SYSTEM.
- C. ANY DISPUTE ARISING OUT OF THE USE OF SYSTEMS OR SERVICES OF THE EXCHANGE OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS OR SERVICES IN WHICH THE EXCHANGE (INCLUDING ITS SUBSIDIARIES AND AFFILIATES), OR ANY OF ITS OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, CONSULTANTS OR LICENSORS IS A PARTY SHALL BE ARBITRATED PURSUANT TO EXCHANGE RULES. ANY ARBITRATION SHALL BE BROUGHT WITHIN THE PERIOD PRESCRIBED BY EXCHANGE RULES. ANY OTHER ACTIONS, SUITS OR PROCEEDINGS AGAINST ANY OF THE ABOVE MUST BE BROUGHT WITHIN TWO YEARS FROM THE TIME THAT A CAUSE OF ACTION HAS ACCRUED. THIS PARAGRAPH C SHALL IN NO WAY BE CONSTRUED TO LIMIT A PARTY'S OBLIGATION TO ARBITRATE ITS CLAIM OR TO CREATE A CAUSE OF ACTION AND SHALL NOT AUTHORIZE AN ACTION THAT WOULD

OTHERWISE BE PROHIBITED BY EXCHANGE RULES. IF FOR ANY REASON, A COURT OF COMPETENT JURISDICTION FINDS THAT SUCH DISPUTE IS NOT ARBITRABLE, SUCH DISPUTE MAY ONLY BE LITIGATED IN THE COUNTY OF COOK IN THE STATE OF ILLINOIS AND WILL BE GOVERNED BY THE LAWS OF THE STATE OF ILLINOIS WITHOUT REGARD TO ANY PROVISIONS OF ILLINOIS LAW THAT WOULD APPLY THE SUBSTANTIVE LAW OF A DIFFERENT JURISDICTION.

D. THE EXCHANGE, CBOT AND NYMEX MAY, IN ~~ITS~~THEIR SOLE DISCRETION, ASSUME RESPONSIBILITY FOR DIRECT, OUT-OF-POCKET LOSSES DIRECTLY CAUSED BY THE NEGLIGENCE OF GLOBAL COMMAND~~GLOBEX CONTROL~~ CENTER OR OTHER EXCHANGE STAFF AND/OR ORDER STATUS ERRORS PROVIDED BY THE GLOBAL COMMAND~~GLOBEX CONTROL~~ CENTER AND/OR THE CLEARING CUSTOMER SERVICE DESK~~OR EXCHANGE SYSTEMS, SERVICES OR FACILITIES~~. ~~NOTWITHSTANDING THE ABOVE~~IF SUCH LIABILITY IS ACCEPTED, THE ~~EXCHANGE'S TOTAL COMBINED~~ AGGREGATE OBLIGATIONS FOR THE EXCHANGE, CBOT AND NYMEX SHALL NOT EXCEED \$100,000 FOR ALL LOSSES FROM ALL CAUSES SUFFERED ON A SINGLE DAY; \$200,000 FOR ALL LOSSES SUFFERED FROM ALL CAUSES IN A SINGLE CALENDAR MONTH, EXCEPT FOR LOSSES CAUSED BY PHANTOM ORDERS WHICH ARE SUBJECT TO THE PROVISIONS OF PARAGRAPHS F. AND G. BELOW; ~~AND \$2,400,000 FOR ALL LOSSES FROM ALL CAUSES SUFFERED IN A SINGLE CALENDAR YEAR~~. ANY DISPUTED CLAIM ~~PURSUANT TO MADE UNDER THIS RULE~~PARAGRAPH D MUST BE ARBITRATED PURSUANT TO EXCHANGE RULES.

E. IN NO EVENT SHALL THE ~~EXCHANGE'S COLLECTIVE~~ TOTAL ~~COMBINED~~ AGGREGATE LIABILITY FOR THE EXCHANGE, CBOT AND NYMEX FOR ALL CLAIMS ARISING OUT OF ANY NEGLIGENCE, FAILURES, MALFUNCTIONS, FAULTS IN DELIVERY, DELAYS, OMISSIONS, SUSPENSIONS, INACCURACIES, INTERRUPTIONS, TERMINATIONS, ORDER STATusing ERRORS OR ANY OTHER CAUSES, EXCEPT FOR PHANTOM ORDERS WHICH ARE SUBJECT TO THE PROVISIONS OF PARAGRAPHS F. AND G. BELOW, IN CONNECTION WITH THE FURNISHING, PERFORMANCE, OPERATION, MAINTENANCE, USE OF OR INABILITY TO USE ALL OR ANY PART OF ANY OF THE EXCHANGE'S SYSTEMS OR SERVICES, OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS AND SERVICES, OR THE NEGLIGENCE OF EXCHANGE STAFF, EXCEED \$200,000 IN ANY CALENDAR MONTH~~\$2,400,000 IN ANY GIVEN CALENDAR YEAR~~.

IF THE NUMBER OF ALLOWED CLAIMS ARISING OUT OF ANY FAILURES OR MALFUNCTIONS ~~ON A SINGLE DAY OR IN A SINGLE~~ CALENDAR MONTH CANNOT BE FULLY SATISFIED BECAUSE OF THE ~~ABOVE DOLLAR~~MONTHLY LIABILITY LIMITATIONS, ALL SUCH CLAIMS SHALL BE LIMITED TO A PRO RATA SHARE OF THE MAXIMUM AMOUNT ~~FOR THE RESPECTIVE PERIOD~~AVAILABLE FOR THAT MONTH.

F. NOTWITHSTANDING THE FOREGOING, THE EXCHANGE, CBOT AND NYMEX MAY, IN THEIR SOLE DISCRETION, ASSUME RESPONSIBILITY FOR DIRECT, OUT-OF-POCKET NET LOSSES DIRECTLY CAUSED BY PHANTOM ORDERS (AS DEFINED BELOW). IF SUCH LIABILITY IS ACCEPTED, THE TOTAL AGGREGATE OBLIGATIONS FOR THE EXCHANGE, CBOT AND NYMEX SHALL NOT EXCEED \$5,000,000 FOR ALL SUCH LOSSES SUFFERED IN A SINGLE CALENDAR MONTH. ANY DISPUTED CLAIM MADE UNDER THIS RULE MUST BE ARBITRATED PURSUANT TO EXCHANGE RULES.

FOR THE PURPOSES OF THIS RULE AND RULE 588, A PHANTOM ORDER IS AN ORDER: 1) THAT WAS NOT AUTHORIZED BY A PERSON BUT WAS CAUSED BY A FAILURE, MALFUNCTION OR NEGLIGENT OPERATION OF GLOBEX OR ANY OTHER EXCHANGE SYSTEM, SERVICE OR FACILITY, OR 2) WHOSE TERMS (E.G. CONTRACT, CONTRACT MONTH, QUANTITY, PRICE OR DIRECTION) WERE CHANGED WITHOUT AUTHORIZATION OF THE PERSON PLACING THE ORDER SOLELY AS A RESULT OF A FAILURE, MALFUNCTION, OR NEGLIGENT OPERATION OF GLOBEX OR ANY OTHER EXCHANGE SYSTEM, SERVICE OR FACILITY.

G. IN NO EVENT SHALL THE COLLECTIVE TOTAL AGGREGATE LIABILITY FOR THE EXCHANGE, CBOT AND NYMEX FOR DIRECT, OUT-OF-POCKET NET LOSSES DIRECTLY CAUSED BY PHANTOM ORDER(S) EXCEED \$5,000,000 IN A SINGLE CALENDAR MONTH. COMPLIANCE WITH THE TERMS OF RULE 588.F., IS REQUIRED IN ORDER FOR LOSSES TO BE CONSIDERED BY THE EXCHANGE PURSUANT TO THIS RULE.

IF THE AMOUNT OF DIRECT, OUT-OF-POCKET NET LOSSES DIRECTLY CAUSED BY PHANTOM ORDERS IN A SINGLE CALENDAR MONTH CANNOT BE FULLY SATISFIED BECAUSE OF THE MONTHLY LIABILITY LIMITATION, ALL SUCH LOSSES SHALL BE LIMITED TO A PRO RATA SHARE OF THE MAXIMUM AMOUNT AVAILABLE FOR THAT MONTH.

A CLAIM AGAINST THE EXCHANGE, CBOT OR NYMEX ARISING OUT OF ANY FAILURE, ~~OR MALFUNCTION OR PHANTOM ORDER~~ SHALL ~~ONLY BE ALLOWED IF SUCH CLAIM IS BROUGHT IN ACCORDANCE WITH~~STRICTLY SUBJECT TO THE RESPECTIVE LIABILITY LIMITS OF THIS RULE.

579. **GLOBAL COMMAND**~~LOBEX CONTROL~~ CENTER

579.A. Customer Support

The ~~Global Command~~~~Globex Control~~ Center ("GCC") provides Globex customer support and problem management only to members, clearing members and customers designated by clearing members. In addition, designated KCBT AND MGEX members and clearing members may also receive customer support and problem management from GCC with respect to contracts traded on Globex. In order to be eligible for GCC support, such persons must register with the GCC ("Registered Contacts"). The GCC provides customer support via a specified telephone number and during specified hours. GCC employees may not always be available to assist Registered Contacts. Persons other than Registered Contacts, including non-members with Globex access pursuant to Rule 574, must contact their clearing members to make support requests.

579.B. GCC Communications

As provided in Rule 578, the Exchange shall not be liable for any loss resulting from any inability to communicate with the GCC. The liability of the Exchange for the negligent acts of GCC staff shall be subject to the limitations and conditions of Rule 578. In no event, however, shall the Exchange be liable for the negligence of the GCC if the person claiming to have suffered a loss could have secured the support it sought from GCC through its own administrative terminal, its clearing member's terminal or an Independent Software Vendor's ("ISV") terminal. For purposes of this rule, a person is deemed able to take action through its own administrative terminal, a clearing member's terminal or an ISV's terminal unless such terminal was inoperative or such terminal service was interrupted at the time the GCC took action.

579.C. Order Status

A person who believes he has received an incorrect order status or does not receive an appropriate status shall immediately notify the GCC. In the event that the GCC and an Exchange system, service or facility provide conflicting information relating to an order status, a person may only reasonably rely on the information received from the GCC. Additionally, such person shall take any necessary and appropriate market action to mitigate any potential losses arising from the incorrect order status or lack of appropriate order status immediately after the person knew or should have known that the order status information was incorrect or should have been received. Any liability of the Exchange for incorrect order status shall be subject to the limitations and conditions of Rule 578.

~~Notwithstanding the above, the Exchange shall not be liable for losses related to incorrect order status information if the Exchange provides prior notification that an Exchange system, service or facility may produce such incorrect information and also provides notification of a means to obtain correct order status information from such system, service or facility. In the event that the GCC and an Exchange system, service or facility provide conflicting information relating to an order status, a customer may only reasonably rely on the information received from the GCC. Any liability of the Exchange shall be subject to the liability caps and conditions of Rule 578.~~

579.D. Cancellation of Orders at Prices Outside of the Applicable Globex Price Limits

In certain circumstances, the price limits applicable to contracts traded on Globex may vary depending on the time of day. In this situation, it is possible for an order to be entered into the Globex system during one time period at a price that is outside of the price limit that applies during a subsequent time period. If this order remains in the system at the beginning of the subsequent time period, the system will freeze in the event a market order on the opposite side of the market is entered and there are no other resting orders against which it can be matched rather than allow the match to occur at a price outside of the applicable price limit. Accordingly, whenever the GCC becomes aware of a bid or offer in the Globex system for any contract that is outside of the applicable price limit, the GCC will cause such bid or offer to be cancelled and will promptly notify the affected Globex user of such cancellation.

587. **[RESERVED]PHANTOM ORDERS**

587.A. Definition

~~A phantom order is an order: 1) that was not authorized by any person but was caused by a failure, malfunction or negligent operation of Globex or any other Exchange system, service or facility, or 2) whose terms (e.g., contract, contract month, quantity, price or direction) were changed without authorization of the person placing the order solely as a result of a failure, malfunction, or negligent operation of Globex or any other Exchange system, service or facility.~~

587.B. Permissible Responses

~~If the Exchange has reason to believe that phantom orders have been or are being entered into and/or executed on any Exchange system, service or facility, the Exchange shall be empowered to take appropriate action with respect to any affected market, including without limitation, closing the market, deleting bids and offers, and/or suspending new bids and offers.~~

~~The Exchange shall promptly give notice that all Globex transactions that were directly or indirectly caused by the execution of phantom orders and were executed at prices outside of the non-reviewable range, as determined in accordance with Rule 588, shall be voided. The Exchange shall have no liability or responsibility~~

~~to the parties to any transactions that are voided pursuant to this paragraph.~~

~~The Exchange shall also be empowered to void Globex transactions that were directly or indirectly caused by the execution of phantom orders and were executed at prices within the non-reviewable range or phantom orders that were executed in the pit if the Exchange concludes that such transactions impair the integrity of the market. The Exchange's liability for voiding transactions within the non-reviewable range or voiding transactions executed in the pit is limited as provided in paragraph C.~~

587.C. — Limitation of Liability

~~Any liability of the Exchange for transactions voided by the Exchange that are within the non-reviewable range shall be subject to the limitations and conditions of Rule 578.~~

~~If phantom order transactions executed on the Globex system, by open outcry in the pit, or by means of any other Exchange system, service or facility, are not voided, the person who traded opposite a phantom order shall have no recourse against the Exchange. The gain or loss on the liquidation of positions resulting from execution of such phantom orders shall be the Exchange's responsibility. The Exchange shall promptly direct the member or clearing member carrying such positions to liquidate them in a commercially reasonable manner. Such member or firm shall liquidate within 30 minutes of such notification or within 30 minutes of the time it knew or should have known that it had been assigned transactions resulting from phantom orders, whichever is sooner. The Exchange's liability to such person shall be limited to the prices at which the positions could have been liquidated during the relevant time period.~~

588.

TRADE CANCELLATIONS AND PRICE ADJUSTMENTS

588.A. Global Command~~Globex Control~~ Center Authority Regarding Trade Cancellations and Price Adjustments

The following shall be applied to balance the adverse effects on market integrity of executing trades and publishing trade information inconsistent with prevailing market conditions while preserving legitimate expectations of trade certainty by market participants. This rule authorizes the Global Command~~Globex Control~~ Center ("GCC") to adjust trade prices or cancel trades ~~when such action is necessary to~~ where, in its absolute and sole discretion, the GCC believes such action is necessary to mitigate market disrupting events caused by the improper or erroneous use of the electronic trading system or by system defects. Notwithstanding any other provisions of this rule, the GCC may, in its absolute and sole discretion, adjust trade prices or cancel any trade if it believes~~the GCC determines~~ that allowing the trade(s) to stand as executed ~~could~~may have a material, adverse effect on the integrity of the market. All decisions of the GCC shall be final. Subject to the limitations and conditions of Rule 578, and irrespective of the terms of any order entered into Globex, the Exchange shall not have any liability for losses resulting from price adjustments or trade cancellations by the GCC under this Rule.

588.B. Review of Trades

The GCC may determine to review a trade based on its independent analysis of market activity or upon request for review by a user of the electronic trading system. A request for review must be made to the GCC via telephone within eight minutes of the execution of the trade. Any other form of communication with the GCC will not constitute a request for review as set forth in this Section. GCC phone numbers are available on the CME Group website.

The GCC shall determine whether or not a trade will be subject to review. In the absence of a timely request for review, during volatile market conditions, upon the release of significant news, or in any other circumstance in which the GCC deems it to be appropriate, the GCC may determine, in its sole discretion, that a trade shall not be subject to review.

Upon deciding to review a trade, the GCC will promptly issue an alert indicating that the trade is under review.

588.C. Price Adjustments and Cancellations

Upon making a determination that a trade will be subject to review, the GCC will first determine whether the trade price is within the Non-Reviewable Range for futures or within the Bid/Ask Reasonability Allowance for options, as described in Section G. The Bid/Ask Reasonability Allowance for an option is the maximum width of the bid/ask range which will be considered reasonable for use in applying the parameters necessary to establish the Non-Reviewable Range for the option. In applying the Non-Reviewable Range, the GCC shall determine the fair value market price for that contract at the time the trade under review occurred. The GCC may consider any relevant information, including, but not limited to, the last trade price in the contract or a better bid or offer price on the electronic trading system, a more recent price in a different contract month, the price of the same or related contract established in another venue or another market, the market conditions at the time of the trade, the theoretical value of an option based on the most recent implied volatility and responses to a Request for Quote (RFQ).

1. Trade Price Inside the Non-Reviewable Range

If the GCC determines that the price of the trade is inside the Non-Reviewable Range, the GCC will issue an alert indicating that the trade shall stand.

2. Trade Price Outside the Non-Reviewable Range

a. Futures Contract

If the GCC determines that a trade price is outside the Non-Reviewable Range for a futures contract (including futures spreads), the trade price shall be adjusted to a price that equals the fair value market price for that contract at the time the trade under review occurred, plus or minus the Non-Reviewable Range. In the event there are multiple parties, prices and/or contracts involved in the transactions at issue, the GCC has the authority, but not the obligation, to cancel rather than price adjust such transactions. The GCC will issue an alert regarding its decision.

b. Option Contracts

If the GCC determines that a trade price is outside the applicable Non-Reviewable Range for an option contract, the trade price shall be adjusted. In the case of a buy (sell) error, the price will be adjusted to the determined ask (bid) price set forth in the Bid/Ask Reasonability Allowance in Section G. plus (minus) the Non-Reviewable Range. In the event there are multiple parties, prices and/or contracts involved in the transactions at issue, the GCC has the authority, but not the obligation, to cancel rather than price adjust such transactions. The GCC will issue an alert regarding its decision.

Cancelled trade prices and any prices that have been adjusted shall be cancelled in the Exchange's official record of time and sales. Trades that are price adjusted shall be inserted in the time and sales record at the adjusted trade price.

588.D. Alternative Resolution by Agreement of Parties

With the approval of the GCC, parties to a trade that is price adjusted may instead mutually agree to cancel the trade. With the approval of the GCC, parties to a trade that is cancelled may instead mutually agree to price adjust the trade to a price consistent with the adjustment provisions of Section C.

Parties to a trade that is cancelled or price adjusted may mutually agree to a cash adjustment provided that such adjustments are reported to the GCC and the parties maintain a record of the adjustment.

An executed trade may not be reversed via transfer except where such trade is determined by GCC to be outside of the Non-Reviewable Range but not reported timely, subject to agreement of the parties and approval of the GCC. Any such transfer must occur at the original trade price and quantity; however the parties may mutually agree to a cash adjustment.

A trade that is not cancelled may not be reversed via a prearranged offsetting transaction unless such transactions are permitted and effected in accordance with Rule 539.C.

588.E. Liability for Losses Resulting from Price Adjustments or Cancellations and Prohibition on Claims for Losses Arising From Error Trades Executed Within the Non-Reviewable Range

A party entering an order that results in a price adjustment or trade cancellation shall be responsible for demonstrated claims of realized losses incurred by persons whose trade prices were adjusted or cancelled provided, however, that a claimant shall not be entitled to compensation for losses incurred as a result of the claimant's failure to take reasonable actions to mitigate the loss.

A claim for a loss pursuant to this section must be submitted to the Exchange on an Exchange claim form within five business days of the event giving rise to the claim. The Exchange shall reject any claim that is not filed in a timely manner or is not permitted by this section and such decisions shall be final. Eligible claims shall be forwarded by the Exchange to the party responsible for the order(s) that resulted in a trade cancellation or a price adjustment and to the clearing member through which the trade was placed. Such party, or the clearing member on behalf of the party, shall, within ten business days of receipt of the claim, admit or deny responsibility in whole or in part. Failure to respond to the claim within ten business days shall be considered a denial of liability.

To the extent that liability is admitted, payment shall be made within ten business days. Unless otherwise agreed upon in writing by the parties, failure to make the payment within ten business days shall be considered a denial of liability for purposes of this rule. A copy of any such written agreement must be provided to the Exchange.

To the extent that liability is denied, the party making the claim may submit the claim to arbitration in accordance with Rule 622. Such claims must be submitted to the Market Regulation Department within ten business days of the date the party was issued notification that liability was denied.

Claims for losses incurred as a result of trades executed in error at prices within the non-reviewable range may not be submitted for arbitration pursuant to the provisions of Chapter 6.

588.F. Permissible Responses to Phantom Orders

If the GCC has reason to believe that Phantom Orders as defined in Rule 578 have been or are being entered into any Exchange system, service or facility, the GCC shall be empowered to take appropriate action to protect the integrity of the market, including, without limitation, suspending trading and/or canceling unfilled orders. The GCC shall also be empowered, in its sole discretion, to cancel transactions or adjust the trade prices of transactions that were directly or indirectly caused by Phantom Orders, whether or not such transactions were executed at prices outside of the non-reviewable range specified in this Rule.

If Phantom Orders directly cause transactions to be executed on any Exchange system, service or facility and such transactions are not canceled, the GCC shall promptly direct the clearing member carrying positions resulting from such transactions to liquidate the positions in a commercially reasonable manner. Such positions shall be liquidated within 30 minutes of such notification or within 30 minutes of the time the clearing firm knew or should have known that it had been assigned transactions resulting from Phantom Orders, whichever is sooner. The GCC, in its sole discretion, may waive the 30 minute liquidation requirement if it determines that such requirement may have a material, adverse impact on the integrity of the market.

The GCC shall provide notification to the marketplace regarding any action taken or to be taken with respect to the entry of Phantom Orders or execution of a transaction as a result of Phantom Orders, and, in the event transactions are not otherwise canceled or price adjusted by the GCC, any actions required to be taken by clearing members. Such notification(s) shall be made as soon as practicable, but in no event more than 30 minutes after the time that the GCC has accurate information regarding the Phantom Orders that is sufficient to support the necessary notification(s).

Any Exchange, CBOT or NYMEX liability for losses resulting from Phantom Orders shall be subject to the limitations of Rule 578.

588.FG. Schedule of Administrative Fees

When GCC cancels or price adjusts a trade, the party responsible for entering the order into the electronic trading system that gave rise to the trade cancellation or price adjustment shall pay an administrative fee to the Exchange in the amount of \$500 for each such occurrence. If the party is not deemed a Member as defined in Rule 400 and fails to pay the fee, the clearing member through which the trade was placed shall be responsible for payment of the fee.

588.GH. Globex Non-Reviewable Trading Ranges

[The remainder of the Rule is unchanged.]

600. DISPUTES SUBJECT TO CME ARBITRATION

[Sections A. and B. are unchanged.]

600.C. Claims Against the Exchange

Claims against the Exchange pursuant to the provisions of Rule 578.C., Rule 578.D., Rule 578.F., and/or Rule 579.C., ~~and/or Rule 587.C.~~ shall be subject to mandatory arbitration in accordance with the rules of this Chapter, provided the claimant has complied with all pre-filing requirements under the applicable rule(s).

[The remainder of the Rule is unchanged.]

621. CERTAIN CLAIMS AGAINST THE EXCHANGE INVOLVING TRADING SYSTEMS OR SERVICES

621.A. General

All claims arising out of or relating to the following matters shall be arbitrated in accordance with the specific requirements of this Rule 621 and, to the extent not inconsistent with such requirements, the rules of this Chapter:

1. receipt of an incorrect order status or the failure to have received an appropriate order status;
2. the negligence of GCC personnel or any other Exchange staff; or
3. Phantom Orders, as defined in Rule 578.F.~~587.~~

Nothing in Rules 621 or 622 shall be construed to create a claim against the Exchange, to limit a defense available to the Exchange, or to obviate or modify any limitation of Exchange liability imposed by any other rule.

[The remainder of the Rule is unchanged.]

CBOT Rules

578. LIMITATION OF LIABILITY, NO WARRANTIES

- A. EXCEPT AS PROVIDED BELOW, THE EXCHANGE, ~~AND~~ CHICAGO MERCANTILE EXCHANGE INC. ("CME"), ~~AND THE NEW YORK MERCANTILE EXCHANGE INC. ("NYMEX")~~ (INCLUDING EACH OF THEIR RESPECTIVE SHAREHOLDERS, SUBSIDIARIES AND AFFILIATES), THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, CONSULTANTS, LICENSORS, MEMBERS, AND CLEARING MEMBERS, SHALL NOT BE LIABLE TO ANY PERSON FOR ANY LOSSES, DAMAGES, COSTS OR EXPENSES (INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS, LOSS OF USE, AND DIRECT, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES), ARISING FROM:
- (i) ANY FAILURE, MALFUNCTION, FAULT IN DELIVERY, DELAY, OMISSION, SUSPENSION, INACCURACY, INTERRUPTION, TERMINATION, OR ANY OTHER CAUSE, IN CONNECTION WITH THE FURNISHING, PERFORMANCE, OPERATION, MAINTENANCE, USE OF OR INABILITY TO USE ALL OR ANY PART OF ANY OF THE SYSTEMS AND SERVICES OF THE EXCHANGE, ~~OR CME~~ OR NYMEX, OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS AND SERVICES, INCLUDING WITHOUT LIMITATION ELECTRONIC ORDER ENTRY/DELIVERY, TRADING THROUGH ANY ELECTRONIC MEANS, ELECTRONIC COMMUNICATION OF MARKET DATA OR INFORMATION, WORKSTATIONS USED BY MEMBERS AND AUTHORIZED EMPLOYEES OF MEMBERS, PRICE REPORTING SYSTEMS AND ANY AND ALL TERMINALS, COMMUNICATIONS NETWORKS, CENTRAL COMPUTERS, SOFTWARE, HARDWARE, FIRMWARE AND PRINTERS RELATING THERETO; OR
 - (ii) ANY FAILURE OR MALFUNCTION, FAULT IN DELIVERY, DELAY, OMISSION, SUSPENSION, INACCURACY, INTERRUPTION OR TERMINATION, OR ANY OTHER CAUSE, OF ANY SYSTEM OR SERVICE OF THE EXCHANGE, ~~OR CME~~ OR NYMEX, OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS OR SERVICES, CAUSED BY ANY THIRD PARTIES INCLUDING, BUT NOT LIMITED TO, INDEPENDENT SOFTWARE VENDORS AND NETWORK PROVIDERS; OR
 - (iii) ANY ERRORS OR INACCURACIES IN INFORMATION PROVIDED BY THE EXCHANGE, ~~OR CME~~ OR NYMEX OR ANY EXCHANGE, ~~OR CME~~ OR NYMEX SYSTEMS, SERVICES OR FACILITIES; ~~EXCEPT FOR INCORRECT ORDER STATUSING INFORMATION AS PROVIDED IN RULE 579~~; OR
 - (iv) ANY UNAUTHORIZED ACCESS TO OR UNAUTHORIZED USE OF ANY EXCHANGE, ~~OR CME~~ OR NYMEX SYSTEMS, SERVICES OR FACILITIES BY ANY PERSON.

THE FOREGOING LIMITATION OF LIABILITY SHALL APPLY WHETHER A CLAIM ARISES IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY, CONTRIBUTION OR OTHERWISE AND WHETHER THE CLAIM IS BROUGHT DIRECTLY OR AS A THIRD PARTY CLAIM.

THE FOREGOING LIMITATION OF LIABILITY SHALL BE SUBJECT TO THE COMMODITY EXCHANGE ACT AND REGULATIONS THEREUNDER. A PARTY WHO HAS BEEN FINALLY ADJUDICATED TO HAVE ENGAGED IN WILLFUL OR WANTON MISCONDUCT MAY NOT AVAIL ITSELF OF THE PROTECTIONS IN THIS RULE.

- B. THERE ARE NO EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS (INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE OR USE) PROVIDED BY THE EXCHANGE, ~~OR CME~~ OR NYMEX (INCLUDING THEIR RESPECTIVE SUBSIDIARIES AND AFFILIATES), THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, CONSULTANTS, AND LICENSORS RELATING TO ANY SYSTEMS OR SERVICES OF THE EXCHANGE, ~~OR CME~~ OR NYMEX OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS OR SERVICES, INCLUDING THE GLOBEX SYSTEM.
- C. ANY DISPUTE ARISING OUT OF THE USE OF SYSTEMS OR SERVICES OF THE EXCHANGE, ~~OR CME~~ OR NYMEX OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS OR SERVICES IN WHICH THE EXCHANGE, ~~OR CME~~ OR NYMEX (INCLUDING THEIR RESPECTIVE SUBSIDIARIES AND AFFILIATES), OR ANY OF THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, CONSULTANTS OR LICENSORS IS A PARTY SHALL BE ARBITRATED PURSUANT TO EXCHANGE RULES. ANY ARBITRATION SHALL BE BROUGHT WITHIN THE PERIOD PRESCRIBED BY EXCHANGE RULES. ANY OTHER ACTIONS, SUITS OR PROCEEDINGS AGAINST ANY OF THE ABOVE MUST BE BROUGHT WITHIN TWO YEARS FROM THE TIME THAT A CAUSE OF ACTION HAS ACCRUED. THIS PARAGRAPH C SHALL IN NO WAY BE CONSTRUED TO LIMIT A PARTY'S OBLIGATION TO ARBITRATE ITS CLAIM OR TO CREATE A CAUSE OF ACTION AND SHALL NOT AUTHORIZE AN ACTION THAT WOULD OTHERWISE BE PROHIBITED BY EXCHANGE RULES. IF FOR ANY REASON, A COURT OF COMPETENT JURISDICTION FINDS THAT SUCH DISPUTE IS NOT ARBITRABLE, SUCH DISPUTE MAY ONLY BE LITIGATED IN THE COUNTY OF COOK IN THE STATE OF ILLINOIS AND WILL BE GOVERNED BY THE LAWS OF THE STATE OF

ILLINOIS WITHOUT REGARD TO ANY PROVISIONS OF ILLINOIS LAW THAT WOULD APPLY THE SUBSTANTIVE LAW OF A DIFFERENT JURISDICTION.

- D. THE EXCHANGE, ~~AND CME AND NYMEX~~ MAY, IN THEIR ~~RESPECTIVE~~ SOLE DISCRETION, ASSUME RESPONSIBILITY FOR DIRECT, OUT-OF-POCKET LOSSES DIRECTLY CAUSED BY THE NEGLIGENCE OF ~~GLOBAL COMMAND GLOBEX CONTROL~~ CENTER OR OTHER EXCHANGE, ~~OR CME OR NYMEX~~ STAFF AND/OR ORDER STATUS ERRORS PROVIDED BY THE ~~GLOBAL COMMAND GLOBEX CONTROL~~ CENTER ~~AND/OR THE CLEARING CUSTOMER SERVICE DESK OR EXCHANGE OR CME SYSTEMS, SERVICES OR FACILITIES. NOTWITHSTANDING THE ABOVE~~ IF SUCH LIABILITY IS ACCEPTED, THE ~~EXCHANGE'S AND CME'S~~ TOTAL ~~COMBINED~~ AGGREGATE OBLIGATIONS FOR THE EXCHANGE, CME AND NYMEX SHALL NOT EXCEED ~~\$100,000 FOR ALL LOSSES FROM ALL CAUSES SUFFERED ON A SINGLE DAY;~~ \$200,000 FOR ALL LOSSES SUFFERED FROM ALL CAUSES IN A SINGLE CALENDAR MONTH, EXCEPT FOR LOSSES CAUSED BY PHANTOM ORDERS WHICH ARE SUBJECT TO THE PROVISIONS OF PARAGRAPHS F. AND G. BELOW; ~~AND \$2,400,000 FOR ALL LOSSES FROM ALL CAUSES SUFFERED IN A SINGLE CALENDAR YEAR.~~ ANY DISPUTED CLAIM PURSUANT TO MADE UNDER THIS RULE PARAGRAPH D MUST BE ARBITRATED PURSUANT TO EXCHANGE RULES.

- E. IN NO EVENT SHALL THE ~~EXCHANGE'S AND CME'S COLLECTIVE~~ TOTAL ~~COMBINED~~ AGGREGATE LIABILITY FOR THE EXCHANGE, CME AND NYMEX FOR ALL CLAIMS ARISING OUT OF ANY NEGLIGENCE, FAILURES, MALFUNCTIONS, FAULTS IN DELIVERY, DELAYS, OMISSIONS, SUSPENSIONS, INACCURACIES, INTERRUPTIONS, TERMINATIONS, ORDER STATUSING ERRORS OR ANY OTHER CAUSES, EXCEPT FOR PHANTOM ORDERS WHICH ARE SUBJECT TO THE PROVISIONS OF PARAGRAPHS F. AND G. BELOW, IN CONNECTION WITH THE FURNISHING, PERFORMANCE, OPERATION, MAINTENANCE, USE OF OR INABILITY TO USE ALL OR ANY PART OF ANY OF THE EXCHANGE'S, ~~OR CME'S OR NYMEX'S~~ SYSTEMS OR SERVICES, OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS AND SERVICES, OR THE NEGLIGENCE OF EXCHANGE, ~~OR CME OR NYMEX~~ STAFF, EXCEED \$200,000 IN ANY CALENDAR MONTH ~~\$2,400,000 IN ANY GIVEN CALENDAR YEAR.~~

IF THE NUMBER OF ALLOWED CLAIMS ARISING OUT OF ANY FAILURES OR MALFUNCTIONS ON A SINGLE DAY OR IN A SINGLE CALENDAR MONTH CANNOT BE FULLY SATISFIED BECAUSE OF THE ABOVE DOLLAR MONTHLY LIABILITY LIMITATIONS, ALL SUCH CLAIMS SHALL BE LIMITED TO A PRO RATA SHARE OF THE MAXIMUM AMOUNT FOR THE RESPECTIVE PERIOD AVAILABLE FOR THAT MONTH.

- F. NOTWITHSTANDING THE FOREGOING, THE EXCHANGE, CME AND NYMEX MAY, IN THEIR SOLE DISCRETION, ASSUME RESPONSIBILITY FOR DIRECT, OUT-OF-POCKET NET LOSSES DIRECTLY CAUSED BY PHANTOM ORDERS (AS DEFINED BELOW). IF SUCH LIABILITY IS ACCEPTED, THE TOTAL AGGREGATE OBLIGATIONS FOR THE EXCHANGE, CME AND NYMEX SHALL NOT EXCEED \$5,000,000 FOR ALL SUCH LOSSES SUFFERED IN A SINGLE CALENDAR MONTH. ANY DISPUTED CLAIM MADE UNDER THIS RULE MUST BE ARBITRATED PURSUANT TO EXCHANGE RULES.

FOR THE PURPOSES OF THIS RULE AND RULE 588, A PHANTOM ORDER IS AN ORDER: 1) THAT WAS NOT AUTHORIZED BY A PERSON BUT WAS CAUSED BY A FAILURE, MALFUNCTION OR NEGLIGENT OPERATION OF GLOBEX OR ANY OTHER EXCHANGE, CME OR NYMEX SYSTEM, SERVICE OR FACILITY, OR 2) WHOSE TERMS (E.G. CONTRACT, CONTRACT MONTH, QUANTITY, PRICE OR DIRECTION) WERE CHANGED WITHOUT AUTHORIZATION OF THE PERSON PLACING THE ORDER SOLELY AS A RESULT OF A FAILURE, MALFUNCTION, OR NEGLIGENT OPERATION OF GLOBEX OR ANY OTHER EXCHANGE, CME OR NYMEX SYSTEM, SERVICE OR FACILITY.

- G. IN NO EVENT SHALL THE COLLECTIVE TOTAL AGGREGATE LIABILITY FOR THE EXCHANGE, CME AND NYMEX FOR DIRECT, OUT-OF-POCKET NET LOSSES DIRECTLY CAUSED BY PHANTOM ORDER(S) EXCEED \$5,000,000 IN A SINGLE CALENDAR MONTH. COMPLIANCE WITH THE TERMS OF RULE 588.F., IS REQUIRED IN ORDER FOR LOSSES TO BE CONSIDERED BY THE EXCHANGE PURSUANT TO THIS RULE.

IF THE AMOUNT OF DIRECT, OUT-OF-POCKET NET LOSSES DIRECTLY CAUSED BY PHANTOM ORDERS IN A SINGLE CALENDAR MONTH CANNOT BE FULLY SATISFIED BECAUSE OF THE MONTHLY LIABILITY LIMITATION, ALL SUCH LOSSES SHALL BE LIMITED TO A PRO RATA SHARE OF THE MAXIMUM AMOUNT AVAILABLE FOR THAT MONTH.

A CLAIM AGAINST THE EXCHANGE, ~~OR CME OR NYMEX,~~ ARISING OUT OF ANY FAILURE, ~~OR MALFUNCTION OR PHANTOM ORDER~~ SHALL ~~ONLY~~ BE ~~ALLOWED IF SUCH CLAIM IS BROUGHT IN ACCORDANCE WITH~~ STRICTLY SUBJECT TO THE RESPECTIVE LIABILITY LIMITS OF THIS RULE.

579. GLOBAL COMMAND GLOBEX CONTROL CENTER

579.A. Customer Support

The Global Command ~~Globex Control~~ Center ("GCC") provides Globex customer support and problem

management only to members, clearing members and customers designated by clearing members. In addition, designated KCBT and MGEX members and clearing members may also receive customer support and problem management from GCC with respect to contracts traded on Globex. In order to be eligible for GCC support, such persons must register with the GCC ("Registered Contacts"). The GCC provides customer support via a specified telephone number and during specified hours. GCC employees may not always be available to assist Registered Contacts. Persons other than Registered Contacts, including non-members with Globex access pursuant to Rule 574, must contact their clearing members to make support requests.

579.B. GCC Communications

As provided in Rule 578, the Exchange shall not be liable for any loss resulting from any inability to communicate with the GCC. The liability of the Exchange for the negligent acts of GCC staff shall be subject to the limitations and conditions of Rule 578. In no event, however, shall the Exchange be liable for the negligence of the GCC if the person claiming to have suffered a loss could have secured the support it sought from GCC through its own administrative terminal, its clearing member's terminal or an Independent Software Vendor's ("ISV") terminal. For purposes of this rule, a person is deemed able to take action through its own administrative terminal, a clearing member's terminal or an ISV's terminal unless such terminal was inoperative or such terminal service was interrupted at the time the GCC took action.

579.C. Order Status

A person who believes he has received an incorrect order status or does not receive an appropriate status shall immediately notify the GCC. In the event that the GCC and an Exchange system, service or facility provide conflicting information relating to an order status, a person may only reasonably rely on the information received from the GCC. Additionally, such person shall take any necessary and appropriate market action to mitigate any potential losses arising from the incorrect order status or lack of appropriate order status immediately after the person knew or should have known that the order status information was incorrect or should have been received. Any liability of the Exchange for incorrect order status shall be subject to the limitations and conditions of Rule 578.

~~Notwithstanding the above, the Exchange shall not be liable for losses related to incorrect order status information if the Exchange provides prior notification that an Exchange system, service or facility may produce such incorrect information and also provides notification of a means to obtain correct order status information from such system, service or facility. In the event that the GCC and an Exchange system, service or facility provide conflicting information relating to an order status, a customer may only reasonably rely on the information received from the GCC. Any liability of the Exchange shall be subject to the liability caps and conditions of Rule 578.~~

579.D. Cancellation of Orders at Prices Outside of the Applicable Globex Price Limits

In certain circumstances, the price limits applicable to contracts traded on Globex may vary depending on the time of day. In this situation, it is possible for an order to be entered into the Globex system during one time period at a price that is outside of the price limit that applies during a subsequent time period. If this order remains in the system at the beginning of the subsequent time period, the system will freeze in the event a market order on the opposite side of the market is entered and there are no other resting orders against which it can be matched rather than allow the match to occur at a price outside of the applicable price limit. Accordingly, whenever the GCC becomes aware of a bid or offer in the Globex system for any contract that is outside of the applicable price limit, the GCC will cause such bid or offer to be cancelled and will promptly notify the affected Globex user of such cancellation.

587.

[RESERVED] PHANTOM ORDERS

~~587.A. — Definition~~

~~A phantom order is an order: 1) that was not authorized by any person but was caused by a failure, malfunction or negligent operation of Globex or any other Exchange system, service or facility, or 2) whose terms (e.g., contract, contract month, quantity, price or direction) were changed without authorization of the person placing the order solely as a result of a failure, malfunction, or negligent operation of Globex or any other Exchange system, service or facility.~~

~~587.B. — Permissible Responses~~

~~If the Exchange has reason to believe that phantom orders have been or are being entered into and/or executed on any Exchange system, service or facility, the Exchange shall be empowered to take appropriate action with respect to any affected market, including without limitation, closing the market, deleting bids and offers, and/or suspending new bids and offers.~~

~~The Exchange shall promptly give notice that all Globex transactions that were directly or indirectly caused by the execution of phantom orders and were executed at prices outside of the non-reviewable range, as determined in accordance with Rule 588, shall be voided. The Exchange shall have no liability or responsibility to the parties to any transactions that are voided pursuant to this paragraph.~~

~~The Exchange shall also be empowered to void Globex transactions that were directly or indirectly caused by~~

~~the execution of phantom orders and were executed at prices within the non-reviewable range or phantom orders that were executed in the pit if the Exchange concludes that such transactions impair the integrity of the market. The Exchange's liability for voiding transactions within the non-reviewable range or voiding transactions executed in the pit is limited as provided in paragraph G.~~

~~**587.C. — Limitation of Liability**~~

~~Any liability of the Exchange for transactions voided by the Exchange that are within the non-reviewable range shall be subject to the limitations and conditions of Rule 578.~~

~~If phantom order transactions executed on the Globex system, by open outcry in the pit, or by means of any other Exchange system, service or facility, are not voided, the person who traded opposite a phantom order shall have no recourse against the Exchange. The gain or loss on the liquidation of positions resulting from execution of such phantom orders shall be the Exchange's responsibility. The Exchange shall promptly direct the member or clearing member carrying such positions to liquidate them in a commercially reasonable manner. Such member or firm shall liquidate within 30 minutes of such notification or within 30 minutes of the time it knew or should have known that it had been assigned transactions resulting from phantom orders, whichever is sooner. The Exchange's liability to such person shall be limited to the prices at which the positions could have been liquidated during the relevant time period.~~

588. TRADE CANCELLATIONS AND PRICE ADJUSTMENTS

588.A. Global Command~~Globex Control~~ Center Authority Regarding Trade Cancellations and Price Adjustments

The following shall be applied to balance the adverse effects on market integrity of executing trades and publishing trade information inconsistent with prevailing market conditions while preserving legitimate expectations of trade certainty by market participants. This rule authorizes the Global Command~~Globex Control~~ Center ("GCC") to adjust trade prices or cancel trades ~~when such action is necessary to where, in its absolute and sole discretion, the GCC believes such action is necessary to~~ mitigate market disrupting events caused by the improper or erroneous use of the electronic trading system or by system defects. Notwithstanding any other provisions of this rule, the GCC may, in its absolute and sole discretion, adjust trade prices or cancel any trade if it believes~~the GCC determines~~ that allowing the trade(s) to stand as executed ~~could~~may have a material, adverse effect on the integrity of the market. All decisions of the GCC shall be final. Subject to the limitations and conditions of Rule 578, and irrespective of the terms of any order entered into Globex, the Exchange shall not have any liability for losses resulting from price adjustments or trade cancellations by the GCC under this Rule.

588.B. Review of Trades

The GCC may determine to review a trade based on its independent analysis of market activity or upon request for review by a user of the electronic trading system. A request for review must be made to the GCC via telephone within eight minutes of the execution of the trade. Any other form of communication with the GCC will not constitute a request for review as set forth in this Section. GCC phone numbers are available on the CME Group website.

The GCC shall determine whether or not a trade will be subject to review. In the absence of a timely request for review, during volatile market conditions, upon the release of significant news, or in any other circumstance in which the GCC deems it to be appropriate, the GCC may determine, in its sole discretion, that a trade shall not be subject to review.

Upon deciding to review a trade, the GCC will promptly issue an alert indicating that the trade is under review.

588.C. Price Adjustments and Cancellations

Upon making a determination that a trade will be subject to review, the GCC will first determine whether the trade price is within the Non-Reviewable Range for futures or within the Bid/Ask Reasonability Allowance for options, as described in Section G. The Bid/Ask Reasonability Allowance for an option is the maximum width of the bid/ask range which will be considered reasonable for use in applying the parameters necessary to establish the Non-Reviewable Range for the option. In applying the Non-Reviewable Range, the GCC shall determine the fair value market price for that contract at the time the trade under review occurred. The GCC may consider any relevant information, including, but not limited to, the last trade price in the contract or a better bid or offer price on the electronic trading system, a more recent price in a different contract month, the price of the same or related contract established in another venue or another market, the market conditions at the time of the trade, the theoretical value of an option based on the most recent implied volatility and responses to a Request for Quote (RFQ).

1. Trade Price Inside the Non-Reviewable Range

If the GCC determines that the price of the trade is inside the Non-Reviewable Range, the GCC will issue an alert indicating that the trade shall stand.

2. Trade Price Outside the Non-Reviewable Range

a. Futures Contracts

If the GCC determines that a trade price is outside the Non-Reviewable Range for a futures contract (including futures spreads), the trade price shall be adjusted to a price that equals the fair value market price for that contract at the time the trade under review occurred, plus or minus the Non-Reviewable Range. In the event there are multiple parties, prices and/or contracts involved in the transactions at issue, the GCC has the authority, but not the obligation, to cancel rather than price adjust such transactions. The GCC will issue an alert regarding its decision.

b. Option Contracts

If the GCC determines that a trade price is outside the applicable Non-Reviewable Range for an option contract, the trade price shall be adjusted. In the case of a buy (sell) error, the price will be adjusted to the determined ask (bid) price set forth in the Bid/Ask Reasonability Allowance in Section G. plus (minus) the Non-Reviewable Range. In the event there are multiple parties, prices and/or contracts involved in the transactions at issue, the GCC has the authority, but not the obligation, to cancel rather than price adjust such transactions. The GCC will issue an alert regarding its decision.

Cancelled trade prices and any prices that have been adjusted shall be cancelled in the Exchange's official record of time and sales. Trades that are price adjusted shall be inserted in the time and sales record at the adjusted trade price.

588.D. Alternative Resolution by Agreement of Parties

With the approval of the GCC, parties to a trade that is price adjusted may instead mutually agree to cancel the trade. With the approval of the GCC, parties to a trade that is cancelled may instead mutually agree to price adjust the trade to a price consistent with the adjustment provisions of Section C.

Parties to a trade that is cancelled or price adjusted may mutually agree to a cash adjustment provided that such adjustments are reported to the GCC and the parties maintain a record of the adjustment.

An executed trade may not be reversed via transfer except where such trade is determined by GCC to be outside of the Non-Reviewable Range but not reported timely, subject to agreement of the parties and approval of the GCC. Any such transfer must occur at the original trade price and quantity; however the parties may mutually agree to a cash adjustment.

A trade that is not cancelled may not be reversed via a prearranged offsetting transaction unless such transactions are permitted and effected in accordance with Rule 539.C.

588.E. Liability for Losses Resulting from Price Adjustments or Cancellations and Prohibition on Claims for Losses Arising From Error Trades Executed Within the Non-Reviewable Range

A party entering an order that results in a price adjustment or trade cancellation shall be responsible for demonstrated claims of realized losses incurred by persons whose trade prices were adjusted or cancelled provided, however, that a claimant shall not be entitled to compensation for losses incurred as a result of the claimant's failure to take reasonable actions to mitigate the loss.

A claim for a loss pursuant to this section must be submitted to the Exchange on an Exchange claim form within five business days of the event giving rise to the claim. The Exchange shall reject any claim that is not filed in a timely manner or is not permitted by this section and such decisions shall be final. Eligible claims shall be forwarded by the Exchange to the party responsible for the order(s) that resulted in a trade cancellation or a price adjustment and to the clearing member through which the trade was placed. Such party, or the clearing member on behalf of the party, shall, within ten business days of receipt of the claim, admit or deny responsibility in whole or in part. Failure to respond to the claim within ten business days shall be considered a denial of liability.

To the extent that liability is admitted, payment shall be made within ten business days. Unless otherwise agreed upon in writing by the parties, failure to make the payment within ten business days shall be considered a denial of liability for purposes of this rule. A copy of any such written agreement must be provided to the Exchange.

To the extent that liability is denied, the party making the claim may submit the claim to arbitration in accordance with Rule 622. Such claims must be submitted to the Market Regulation Department within ten business days of the date the party was issued notification that liability was denied.

Claims for losses incurred as a result of trades executed in error at prices within the non-reviewable range may not be submitted for arbitration pursuant to the provisions of Chapter 6.

588.F. Permissible Responses to Phantom Orders

If the GCC has reason to believe that Phantom Orders as defined in Rule 578 have been or are being entered into any Exchange system, service or facility, the GCC shall be empowered to take appropriate action to protect the integrity of the market, including, without limitation, suspending trading and/or canceling unfilled orders. The GCC shall also be empowered, in its sole discretion, to cancel transactions or adjust the trade prices of transactions that were directly or indirectly caused by Phantom Orders, whether or not such transactions were executed at prices outside of the non-reviewable range specified in this Rule.

If Phantom Orders directly cause transactions to be executed on any Exchange system, service or facility and such transactions are not canceled, the GCC shall promptly direct the clearing member carrying positions

resulting from such transactions to liquidate the positions in a commercially reasonable manner. Such positions shall be liquidated within 30 minutes of such notification or within 30 minutes of the time the clearing firm knew or should have known that it had been assigned transactions resulting from Phantom Orders, whichever is sooner. The GCC, in its sole discretion, may waive the 30 minute liquidation requirement if it determines that such requirement may have a material, adverse impact on the integrity of the market.

The GCC shall provide notification to the marketplace regarding any action taken or to be taken with respect to the entry of Phantom Orders or execution of a transaction as a result of Phantom Orders, and, in the event transactions are not otherwise canceled or price adjusted by the GCC, any actions required to be taken by clearing members. Such notification(s) shall be made as soon as practicable, but in no event more than 30 minutes after the time that the GCC has accurate information regarding the Phantom Orders that is sufficient to support the necessary notification(s).

Any Exchange, CME or NYMEX liability for losses resulting from Phantom Orders shall be subject to the limitations of Rule 578.

588.FG. Schedule of Administrative Fees

When GCC cancels or price adjusts a trade, the party responsible for entering the order into the electronic trading system that gave rise to the trade cancellation or price adjustment shall pay an administrative fee to the Exchange in the amount of \$500 for each such occurrence. If the party is not deemed a Member as defined in Rule 400 and fails to pay the fee, the clearing member through which the trade was placed shall be responsible for payment of the fee.

588.GH. Globex Non-Reviewable Trading Ranges

[The remainder of the Rule is unchanged.]

600. DISPUTES SUBJECT TO CBOT ARBITRATION

[Sections A. and B. are unchanged.]

600.C. Claims Against the Exchange

Claims against the Exchange pursuant to the provisions of Rule 578.C., Rule 578.D., Rule 578.F., and/or Rule 579.C., ~~and/or Rule 587.C.~~ shall be subject to mandatory arbitration in accordance with the rules of this Chapter, provided the claimant has complied with all pre-filing requirements under the applicable rule(s).

[The remainder of the Rule is unchanged.]

621. CERTAIN CLAIMS AGAINST THE EXCHANGE INVOLVING TRADING SYSTEMS OR SERVICES

621.A. General

All claims arising out of or relating to the following matters shall be arbitrated in accordance with the specific requirements of this Rule 621 and, to the extent not inconsistent with such requirements, the rules of this Chapter:

1. receipt of an incorrect order status or the failure to have received an appropriate order status;
2. the negligence of GCC personnel or any other Exchange staff; or
3. Phantom Orders, as defined in Rule 578.F.587.

Nothing in Rules 621 or 622 shall be construed to create a claim against the Exchange, to limit a defense available to the Exchange, or to obviate or modify any limitation of Exchange liability imposed by any other rule.

[The remainder of the Rule is unchanged.]

NYMEX Rules

578. LIMITATION OF LIABILITY, NO WARRANTIES

- A. EXCEPT AS PROVIDED BELOW, THE EXCHANGE, ~~AND~~ CHICAGO MERCANTILE EXCHANGE INC. ("CME") AND THE BOARD OF TRADE OF THE CITY OF CHICAGO, INC. ("CBOT"), (INCLUDING EACH OF THEIR RESPECTIVE SHAREHOLDERS, SUBSIDIARIES AND AFFILIATES), THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, CONSULTANTS, LICENSORS, MEMBERS, AND CLEARING MEMBERS, SHALL NOT BE LIABLE TO ANY PERSON FOR ANY LOSSES, DAMAGES, COSTS OR EXPENSES (INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS, LOSS OF USE, AND DIRECT, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES), ARISING FROM:
- (i) ANY FAILURE, MALFUNCTION, FAULT IN DELIVERY, DELAY, OMISSION, SUSPENSION, INACCURACY, INTERRUPTION, TERMINATION, OR ANY OTHER CAUSE, IN CONNECTION WITH THE FURNISHING, PERFORMANCE, OPERATION, MAINTENANCE, USE OF OR INABILITY TO USE ALL OR ANY PART OF ANY OF THE SYSTEMS AND SERVICES OF THE EXCHANGE, ~~OR~~ CME OR CBOT, OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS AND SERVICES, INCLUDING WITHOUT LIMITATION ELECTRONIC ORDER ENTRY/DELIVERY, TRADING THROUGH ANY ELECTRONIC MEANS, ELECTRONIC COMMUNICATION OF MARKET DATA OR INFORMATION, WORKSTATIONS USED BY MEMBERS AND AUTHORIZED EMPLOYEES OF MEMBERS, PRICE REPORTING SYSTEMS AND ANY AND ALL TERMINALS, COMMUNICATIONS NETWORKS, CENTRAL COMPUTERS, SOFTWARE, HARDWARE, FIRMWARE AND PRINTERS RELATING THERETO; OR
 - (ii) ANY FAILURE OR MALFUNCTION, FAULT IN DELIVERY, DELAY, OMISSION, SUSPENSION, INACCURACY, INTERRUPTION OR TERMINATION, OR ANY OTHER CAUSE, OF ANY SYSTEM OR SERVICE OF THE EXCHANGE, ~~OR~~ CME OR CBOT, OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS OR SERVICES, CAUSED BY ANY THIRD PARTIES INCLUDING, BUT NOT LIMITED TO, INDEPENDENT SOFTWARE VENDORS AND NETWORK PROVIDERS; OR
 - (iii) ANY ERRORS OR INACCURACIES IN INFORMATION PROVIDED BY THE EXCHANGE, ~~OR~~ CME OR CBOT OR ANY EXCHANGE, ~~OR~~ CME OR CBOT SYSTEMS, SERVICES OR FACILITIES; ~~EXCEPT FOR INCORRECT ORDER STATUSING INFORMATION AS PROVIDED IN RULE 579~~; OR
 - (iv) ANY UNAUTHORIZED ACCESS TO OR UNAUTHORIZED USE OF ANY EXCHANGE, ~~OR~~ CME OR CBOT SYSTEMS, SERVICES OR FACILITIES BY ANY PERSON.

THE FOREGOING LIMITATION OF LIABILITY SHALL APPLY WHETHER A CLAIM ARISES IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY, CONTRIBUTION OR OTHERWISE AND WHETHER THE CLAIM IS BROUGHT DIRECTLY OR AS A THIRD PARTY CLAIM.

THE FOREGOING LIMITATION OF LIABILITY SHALL BE SUBJECT TO THE COMMODITY EXCHANGE ACT AND REGULATIONS THEREUNDER. A PARTY WHO HAS BEEN FINALLY ADJUDICATED TO HAVE ENGAGED IN WILLFUL OR WANTON MISCONDUCT MAY NOT AVAIL ITSELF OF THE PROTECTIONS IN THIS RULE.

- B. THERE ARE NO EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS (INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE OR USE) PROVIDED BY THE EXCHANGE, ~~OR~~ CME OR CBOT (INCLUDING THEIR RESPECTIVE SUBSIDIARIES AND AFFILIATES), THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, CONSULTANTS, AND LICENSORS RELATING TO ANY SYSTEMS OR SERVICES OF THE EXCHANGE, ~~OR~~ CME OR CBOT OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS OR SERVICES, INCLUDING THE GLOBEX SYSTEM.
- C. ANY DISPUTE ARISING OUT OF THE USE OF SYSTEMS OR SERVICES OF THE EXCHANGE, ~~OR~~ CME OR CBOT OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS OR SERVICES IN WHICH THE EXCHANGE, ~~OR~~ CME OR CBOT (INCLUDING THEIR RESPECTIVE SUBSIDIARIES AND AFFILIATES), OR ANY OF THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, CONSULTANTS OR LICENSORS IS A PARTY SHALL BE ARBITRATED PURSUANT TO EXCHANGE RULES. ANY ARBITRATION SHALL BE BROUGHT WITHIN THE PERIOD PRESCRIBED BY EXCHANGE RULES. ANY OTHER ACTIONS, SUITS OR PROCEEDINGS AGAINST ANY OF THE ABOVE MUST BE BROUGHT WITHIN TWO YEARS FROM THE TIME THAT A CAUSE OF ACTION HAS ACCRUED. THIS PARAGRAPH C SHALL IN NO WAY BE CONSTRUED TO LIMIT A PARTY'S OBLIGATION TO ARBITRATE ITS CLAIM OR TO CREATE A CAUSE OF ACTION AND SHALL NOT AUTHORIZE AN ACTION THAT WOULD OTHERWISE BE PROHIBITED BY EXCHANGE RULES. IF FOR ANY REASON, A COURT OF COMPETENT JURISDICTION FINDS THAT SUCH DISPUTE IS NOT ARBITRABLE, SUCH DISPUTE MAY ONLY BE LITIGATED IN THE COUNTY OF COOK IN THE STATE OF ILLINOIS AND WILL BE GOVERNED BY THE LAWS OF THE STATE OF

ILLINOIS WITHOUT REGARD TO ANY PROVISIONS OF ILLINOIS LAW THAT WOULD APPLY THE SUBSTANTIVE LAW OF A DIFFERENT JURISDICTION.

D. THE EXCHANGE, ~~AND~~ CME AND CBOT MAY, IN THEIR ~~RESPECTIVE~~ SOLE DISCRETION, ASSUME RESPONSIBILITY FOR DIRECT, OUT-OF-POCKET LOSSES DIRECTLY CAUSED BY THE NEGLIGENCE OF GLOBEX CONTROL CENTER OR OTHER EXCHANGE, ~~OR~~ CME OR CBOT STAFF AND/OR ORDER STATUS ERRORS PROVIDED BY THE GLOBEX CONTROL CENTER AND/OR THE CLEARING CUSTOMER SERVICE DESK OR EXCHANGE OR CME SYSTEMS, SERVICES OR FACILITIES. NOTWITHSTANDING THE ABOVE IF SUCH LIABILITY IS ACCEPTED, THE ~~EXCHANGE'S AND CME'S~~ TOTAL ~~COMBINED~~ AGGREGATE OBLIGATIONS FOR THE EXCHANGE, CME AND CBOT SHALL NOT EXCEED ~~\$100,000 FOR ALL LOSSES FROM ALL CAUSES SUFFERED ON A SINGLE DAY;~~ \$200,000 FOR ALL LOSSES SUFFERED FROM ALL CAUSES IN A SINGLE CALENDAR MONTH, EXCEPT FOR LOSSES CAUSED BY PHANTOM ORDERS WHICH ARE SUBJECT TO THE PROVISIONS OF PARAGRAPHS F. AND G. BELOW; ~~AND \$2,400,000 FOR ALL LOSSES FROM ALL CAUSES SUFFERED IN A SINGLE CALENDAR YEAR.~~ ANY DISPUTED CLAIM ~~PURSUANT TO MADE UNDER THIS RULE~~ PARAGRAPH D MUST BE ARBITRATED PURSUANT TO EXCHANGE RULES.

E. IN NO EVENT SHALL THE ~~EXCHANGE'S AND CME'S COLLECTIVE~~ TOTAL ~~COMBINED~~ AGGREGATE LIABILITY FOR THE EXCHANGE, CME AND CBOT FOR ALL CLAIMS ARISING OUT OF ANY NEGLIGENCE, FAILURES, MALFUNCTIONS, FAULTS IN DELIVERY, DELAYS, OMISSIONS, SUSPENSIONS, INACCURACIES, INTERRUPTIONS, TERMINATIONS, ORDER STATUSING ERRORS OR ANY OTHER CAUSES, EXCEPT FOR PHANTOM ORDERS WHICH ARE SUBJECT TO THE PROVISIONS OF PARAGRAPHS F. AND G. BELOW, IN CONNECTION WITH THE FURNISHING, PERFORMANCE, OPERATION, MAINTENANCE, USE OF OR INABILITY TO USE ALL OR ANY PART OF ANY OF THE EXCHANGE'S, ~~OR~~ CME'S OR CBOT'S SYSTEMS OR SERVICES, OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS AND SERVICES, OR THE NEGLIGENCE OF EXCHANGE, ~~OR~~ CME OR CBOT STAFF, EXCEED \$200,000 IN ANY CALENDAR MONTH ~~\$2,400,000 IN ANY GIVEN CALENDAR YEAR.~~

IF THE NUMBER OF ALLOWED CLAIMS ARISING OUT OF ANY FAILURES OR MALFUNCTIONS ~~ON A SINGLE DAY OR IN A~~ SINGLE CALENDAR MONTH CANNOT BE FULLY SATISFIED BECAUSE OF THE ~~ABOVE DOLLAR~~ MONTHLY LIABILITY LIMITATIONS, ALL SUCH CLAIMS SHALL BE LIMITED TO A PRO RATA SHARE OF THE MAXIMUM AMOUNT ~~FOR THE RESPECTIVE PERIOD AVAILABLE FOR THAT MONTH.~~

F. NOTWITHSTANDING THE FOREGOING, THE EXCHANGE, CME AND CBOT MAY, IN THEIR SOLE DISCRETION, ASSUME RESPONSIBILITY FOR DIRECT, OUT-OF-POCKET NET LOSSES DIRECTLY CAUSED BY PHANTOM ORDERS (AS DEFINED BELOW). IF SUCH LIABILITY IS ACCEPTED, THE TOTAL AGGREGATE OBLIGATIONS FOR THE EXCHANGE, CME AND CBOT SHALL NOT EXCEED \$5,000,000 FOR ALL SUCH LOSSES SUFFERED IN A SINGLE CALENDAR MONTH. ANY DISPUTED CLAIM MADE UNDER THIS RULE MUST BE ARBITRATED PURSUANT TO EXCHANGE RULES.

FOR THE PURPOSES OF THIS RULE AND RULE 588, A PHANTOM ORDER IS AN ORDER: 1) THAT WAS NOT AUTHORIZED BY A PERSON BUT WAS CAUSED BY A FAILURE, MALFUNCTION OR NEGLIGENT OPERATION OF GLOBEX OR ANY OTHER EXCHANGE, CME OR CBOT SYSTEM, SERVICE OR FACILITY, OR 2) WHOSE TERMS (E.G. CONTRACT, CONTRACT MONTH, QUANTITY, PRICE OR DIRECTION) WERE CHANGED WITHOUT AUTHORIZATION OF THE PERSON PLACING THE ORDER SOLELY AS A RESULT OF A FAILURE, MALFUNCTION, OR NEGLIGENT OPERATION OF GLOBEX OR ANY OTHER EXCHANGE, CME OR CBOT SYSTEM, SERVICE OR FACILITY.

G. IN NO EVENT SHALL THE COLLECTIVE TOTAL AGGREGATE LIABILITY FOR THE EXCHANGE, CME AND CBOT FOR DIRECT, OUT-OF-POCKET NET LOSSES DIRECTLY CAUSED BY PHANTOM ORDER(S) EXCEED \$5,000,000 IN A SINGLE CALENDAR MONTH. COMPLIANCE WITH THE TERMS OF RULE 588.F., IS REQUIRED IN ORDER FOR LOSSES TO BE CONSIDERED BY THE EXCHANGE PURSUANT TO THIS RULE.

IF THE AMOUNT OF DIRECT, OUT-OF-POCKET NET LOSSES DIRECTLY CAUSED BY PHANTOM ORDERS IN A SINGLE CALENDAR MONTH CANNOT BE FULLY SATISFIED BECAUSE OF THE MONTHLY LIABILITY LIMITATION, ALL SUCH LOSSES SHALL BE LIMITED TO A PRO RATA SHARE OF THE MAXIMUM AMOUNT AVAILABLE FOR THAT MONTH.

A CLAIM AGAINST THE EXCHANGE, ~~OR~~ CME OR CBOT, ARISING OUT OF ANY FAILURE, ~~OR~~ MALFUNCTION OR PHANTOM ORDER SHALL ~~ONLY BE ALLOWED IF SUCH CLAIM IS BROUGHT IN ACCORDANCE WITH~~ STRICTLY SUBJECT TO THE RESPECTIVE LIABILITY LIMITS OF THIS RULE.

579. GLOBAL COMMAND ~~GLOBEX CONTROL~~ CENTER

579.A. Customer Support

The Global Command ~~Globex Control~~ Center ("GCC") provides Globex customer support and problem management only to members, clearing members and customers designated by clearing members. In

addition, designated NYMEX, KCBT AND MGEX members and clearing members may also receive customer support and problem management from GCC with respect to contracts traded on Globex. In order to be eligible for GCC support, such persons must register with the GCC ("Registered Contacts"). The GCC provides customer support via a specified telephone number and during specified hours. GCC employees may not always be available to assist Registered Contacts. Persons other than Registered Contacts, including non-members with Globex access pursuant to Rule 574, must contact their clearing members to make support requests.

579.B. GCC Communications

As provided in Rule 578, the Exchange shall not be liable for any loss resulting from any inability to communicate with the GCC. The liability of the Exchange for the negligent acts of GCC staff shall be subject to the limitations and conditions of Rule 578. In no event, however, shall the Exchange be liable for the negligence of the GCC if the person claiming to have suffered a loss could have secured the support it sought from GCC through its own administrative terminal, its clearing member's terminal or an Independent Software Vendor's ("ISV") terminal. For purposes of this rule, a person is deemed able to take action through its own administrative terminal, a clearing member's terminal or an ISV's terminal unless such terminal was inoperative or such terminal service was interrupted at the time the GCC took action.

579.C. Order Status

A person who believes he has received an incorrect order status or does not receive an appropriate status shall immediately notify the GCC. In the event that the GCC and an Exchange system, service or facility provide conflicting information relating to an order status, a person may only reasonably rely on the information received from the GCC. Additionally, such person shall take any necessary and appropriate market action to mitigate any potential losses arising from the incorrect order status or lack of appropriate order status immediately after the person knew or should have known that the order status information was incorrect or should have been received. Any liability of the Exchange for incorrect order status shall be subject to the limitations and conditions of Rule 578.

~~Notwithstanding the above, the Exchange shall not be liable for losses related to incorrect order status information if the Exchange provides prior notification that an Exchange system, service or facility may produce such incorrect information and also provides notification of a means to obtain correct order status information from such system, service or facility. In the event that the GCC and an Exchange system, service or facility provide conflicting information relating to an order status, a customer may only reasonably rely on the information received from the GCC. Any liability of the Exchange shall be subject to the liability caps and conditions of Rule 578.~~

579.D. Cancellation of Orders at Prices Outside of the Applicable Globex Price Limits

In certain circumstances, the price limits applicable to contracts traded on Globex may vary depending on the time of day. In this situation, it is possible for an order to be entered into the Globex system during one time period at a price that is outside of the price limit that applies during a subsequent time period. If this order remains in the system at the beginning of the subsequent time period, the system will freeze in the event a market order on the opposite side of the market is entered and there are no other resting orders against which it can be matched rather than allow the match to occur at a price outside of the applicable price limit. Accordingly, whenever the GCC becomes aware of a bid or offer in the Globex system for any contract that is outside of the applicable price limit, the GCC will cause such bid or offer to be cancelled and will promptly notify the affected Globex user of such cancellation.

587.

[RESERVED] PHANTOM ORDERS

~~587.A. — Definition~~

~~A phantom order is an order: 1) that was not authorized by any person but was caused by a failure, malfunction or negligent operation of Globex or any other Exchange system, service or facility, or 2) whose terms (e.g., contract, contract month, quantity, price or direction) were changed without authorization of the person placing the order solely as a result of a failure, malfunction, or negligent operation of Globex or any other Exchange system, service or facility.~~

~~587.B. — Permissible Responses~~

~~If the Exchange has reason to believe that phantom orders have been or are being entered into and/or executed on any Exchange system, service or facility, the Exchange shall be empowered to take appropriate action with respect to any affected market, including without limitation, closing the market, deleting bids and offers, and/or suspending new bids and offers.~~

~~The Exchange shall promptly give notice that all Globex transactions that were directly or indirectly caused by the execution of phantom orders and were executed at prices outside of the non-reviewable range, as determined in accordance with Rule 588, shall be voided. The Exchange shall have no liability or responsibility to the parties to any transactions that are voided pursuant to this paragraph.~~

~~The Exchange shall also be empowered to void Globex transactions that were directly or indirectly caused by~~

~~the execution of phantom orders and were executed at prices within the non-reviewable range or phantom orders that were executed in the pit if the Exchange concludes that such transactions impair the integrity of the market. The Exchange's liability for voiding transactions within the non-reviewable range or voiding transactions executed in the pit is limited as provided in paragraph G.~~

~~**587.C. Limitation of Liability**~~

~~Any liability of the Exchange for transactions voided by the Exchange that are within the non-reviewable range shall be subject to the limitations and conditions of Rule 578.~~

~~If phantom order transactions executed on the Globex system, by open outcry in the pit, or by means of any other Exchange system, service or facility, are not voided, the person who traded opposite a phantom order shall have no recourse against the Exchange. The gain or loss on the liquidation of positions resulting from execution of such phantom orders shall be the Exchange's responsibility. The Exchange shall promptly direct the member or clearing member carrying such positions to liquidate them in a commercially reasonable manner. Such member or firm shall liquidate within 30 minutes of such notification or within 30 minutes of the time it knew or should have known that it had been assigned transactions resulting from phantom orders, whichever is sooner. The Exchange's liability to such person shall be limited to the prices at which the positions could have been liquidated during the relevant time period.~~

588. TRADE CANCELLATIONS AND PRICE ADJUSTMENTS

588.A. Global Command~~Globex Control~~ Center Authority Regarding Trade Cancellations and Price Adjustments

The following shall be applied to balance the adverse effects on market integrity of executing trades and publishing trade information inconsistent with prevailing market conditions while preserving legitimate expectations of trade certainty by market participants. This rule authorizes the Global Command~~Globex Control~~ Center ("GCC") to adjust trade prices or cancel trades ~~when such action is necessary to where, in its absolute and sole discretion, the GCC believes such action is necessary to~~ mitigate market disrupting events caused by the improper or erroneous use of the electronic trading system or by system defects. Notwithstanding any other provisions of this rule, the GCC may, in its absolute and sole discretion, adjust trade prices or cancel any trade if it believes~~the GCC determines~~ that allowing the trade(s) to stand as executed ~~could~~may have a material, adverse effect on the integrity of the market. All decisions of the GCC shall be final. Subject to the limitations and conditions of Rule 578, and irrespective of the terms of any order entered into Globex, the Exchange shall not have any liability for losses resulting from price adjustments or trade cancellations by the GCC under this Rule.

588.B. Review of Trades

The GCC may determine to review a trade based on its independent analysis of market activity or upon request for review by a user of the electronic trading system. A request for review must be made to the GCC via telephone within eight minutes of the execution of the trade. Any other form of communication with the GCC will not constitute a request for review as set forth in this Section. GCC phone numbers are available on the CME Group website.

The GCC shall determine whether or not a trade will be subject to review. In the absence of a timely request for review, during volatile market conditions, upon the release of significant news, or in any other circumstance in which the GCC deems it to be appropriate, the GCC may determine, in its sole discretion, that a trade shall not be subject to review.

Upon deciding to review a trade, the GCC will promptly issue an alert indicating that the trade is under review.

588.C. Price Adjustments and Cancellations

Upon making a determination that a trade will be subject to review, the GCC will first determine whether the trade price is within the Non-Reviewable Range for futures or within the Bid/Ask Reasonability Allowance for options, as described in Section G. The Bid/Ask Reasonability Allowance for an option is the maximum width of the bid/ask range which will be considered reasonable for use in applying the parameters necessary to establish the Non-Reviewable Range for the option. In applying the Non-Reviewable Range, the GCC shall determine the fair value market price for that contract at the time the trade under review occurred. The GCC may consider any relevant information, including, but not limited to, the last trade price in the contract or a better bid or offer price on the electronic trading system, a more recent price in a different contract month, the price of the same or related contract established in another venue or another market, the market conditions at the time of the trade, the theoretical value of an option based on the most recent implied volatility and responses to a Request for Quote (RFQ).

1. Trade Price Inside the Non-Reviewable Range

If the GCC determines that the price of the trade is inside the Non-Reviewable Range, the GCC will issue an alert indicating that the trade shall stand.

2. Trade Price Outside the Non-Reviewable Range

a. Futures Contracts

If the GCC determines that a trade price is outside the Non-Reviewable Range for a futures contract (including futures spreads), the trade price shall be adjusted to a price that equals the fair value market price for that contract at the time the trade under review occurred, plus or minus the Non-Reviewable Range. In the event there are multiple parties, prices and/or contracts involved in the transactions at issue, the GCC has the authority, but not the obligation, to cancel rather than price adjust such transactions. The GCC will issue an alert regarding its decision.

b. Option Contracts

If the GCC determines that a trade price is outside the applicable Non-Reviewable Range for an option contract, the trade price shall be adjusted. In the case of a buy (sell) error, the price will be adjusted to the determined ask (bid) price set forth in the Bid/Ask Reasonability Allowance in Section G. plus (minus) the Non-Reviewable Range. In the event there are multiple parties, prices and/or contracts involved in the transactions at issue, the GCC has the authority, but not the obligation, to cancel rather than price adjust such transactions. The GCC will issue an alert regarding its decision.

Cancelled trade prices and any prices that have been adjusted shall be cancelled in the Exchange's official record of time and sales. Trades that are price adjusted shall be inserted in the time and sales record at the adjusted trade price.

588.D. Alternative Resolution by Agreement of Parties

With the approval of the GCC, parties to a trade that is price adjusted may instead mutually agree to cancel the trade. With the approval of the GCC, parties to a trade that is cancelled may instead mutually agree to price adjust the trade to a price consistent with the adjustment provisions of Section C.

Parties to a trade that is cancelled or price adjusted may mutually agree to a cash adjustment provided that such adjustments are reported to the GCC and the parties maintain a record of the adjustment.

An executed trade may not be reversed via transfer except where such trade is determined by GCC to be outside of the Non-Reviewable Range but not reported timely, subject to agreement of the parties and approval of the GCC. Any such transfer must occur at the original trade price and quantity; however the parties may mutually agree to a cash adjustment.

A trade that is not cancelled may not be reversed via a prearranged offsetting transaction unless such transactions are permitted and effected in accordance with Rule 539.C.

588.E. Liability for Losses Resulting from Price Adjustments or Cancellations Cancellations and Prohibition on Claims for Losses Arising From Error Trades Executed Within the Non-Reviewable Range

A party entering an order that results in a price adjustment or trade cancellation shall be responsible for demonstrated claims of realized losses incurred by persons whose trade prices were adjusted or cancelled provided, however, that a claimant shall not be entitled to compensation for losses incurred as a result of the claimant's failure to take reasonable actions to mitigate the loss.

A claim for a loss pursuant to this section must be submitted to the Exchange on an Exchange claim form within five business days of the event giving rise to the claim. The Exchange shall reject any claim that is not filed in a timely manner or is not permitted by this section and such decisions shall be final. Eligible claims shall be forwarded by the Exchange to the party responsible for the order(s) that resulted in a trade cancellation or a price adjustment and to the clearing member through which the trade was placed. Such party, or the clearing member on behalf of the party, shall, within ten business days of receipt of the claim, admit or deny responsibility in whole or in part. Failure to respond to the claim within ten business days shall be considered a denial of liability.

To the extent that liability is admitted, payment shall be made within ten business days. Unless otherwise agreed upon in writing by the parties, failure to make the payment within ten business days shall be considered a denial of liability for purposes of this rule. A copy of any such written agreement must be provided to the Exchange.

To the extent that liability is denied, the party making the claim may submit the claim to arbitration in accordance with Rule 622. Such claims must be submitted to the Market Regulation Department within ten business days of the date the party was issued notification that liability was denied.

Claims for losses incurred as a result of trades executed in error at prices within the non-reviewable range may not be submitted for arbitration pursuant to the provisions of Chapter 6.

588.F. Permissible Responses to Phantom Orders

If the GCC has reason to believe that Phantom Orders as defined in Rule 578 have been or are being entered into any Exchange system, service or facility, the GCC shall be empowered to take appropriate action to protect the integrity of the market, including, without limitation, suspending trading and/or canceling unfilled orders. The GCC shall also be empowered, in its sole discretion, to cancel transactions or adjust the trade prices of transactions that were directly or indirectly caused by Phantom Orders, whether or not such transactions were executed at prices outside of the non-reviewable range specified in this Rule.

If Phantom Orders directly cause transactions to be executed on any Exchange system, service or facility and such transactions are not canceled, the GCC shall promptly direct the clearing member carrying positions resulting from such transactions to liquidate the positions in a commercially reasonable manner. Such positions shall be liquidated within 30 minutes of such notification or within 30 minutes of the time the clearing firm knew or should have known that it had been assigned transactions resulting from Phantom Orders, whichever is sooner. The GCC, in its sole discretion, may waive the 30 minute liquidation requirement if it determines that such requirement may have a material, adverse impact on the integrity of the market.

The GCC shall provide notification to the marketplace regarding any action taken or to be taken with respect to the entry of Phantom Orders or execution of a transaction as a result of Phantom Orders, and, in the event transactions are not otherwise canceled or price adjusted by the GCC, any actions required to be taken by clearing members. Such notification(s) shall be made as soon as practicable, but in no event more than 30 minutes after the time that the GCC has accurate information regarding the Phantom Orders that is sufficient to support the necessary notification(s).

Any Exchange, CME or CBOT liability for losses resulting from Phantom Orders shall be subject to the limitations of Rule 578.

588.FG. Schedule of Administrative Fees

When GCC cancels or price adjusts a trade, the party responsible for entering the order into the electronic trading system that gave rise to the trade cancellation or price adjustment shall pay an administrative fee to the Exchange in the amount of \$500 for each such occurrence. If the party is not deemed a Member as defined in Rule 400 and fails to pay the fee, the clearing member through which the trade was placed shall be responsible for payment of the fee.

588.GH. Globex Non-Reviewable Trading Ranges

[The remainder of the Rule is unchanged.]

600. DISPUTES SUBJECT TO NYMEX ARBITRATION

[Sections A. and B. are unchanged.]

600.C. Claims Against the Exchange

Claims against the Exchange pursuant to the provisions of Rule 578.C., Rule 578.D., Rule 578.F., and/or Rule 579.C., ~~and/or Rule 587.C.~~ shall be subject to mandatory arbitration in accordance with the rules of this Chapter, provided the claimant has complied with all pre-filing requirements under the applicable rule(s).

[The remainder of the Rule is unchanged.]

621. CERTAIN CLAIMS AGAINST THE EXCHANGE INVOLVING TRADING SYSTEMS OR SERVICES

621.A. General

All claims arising out of or relating to the following matters shall be arbitrated in accordance with the specific requirements of this Rule 621 and, to the extent not inconsistent with such requirements, the rules of this Chapter:

1. receipt of an incorrect order status or the failure to have received an appropriate order status;
2. the negligence of GCC personnel or any other Exchange staff; or
3. Phantom Orders, as defined in Rule 578.F.~~587.~~

Nothing in Rules 621 or 622 shall be construed to create a claim against the Exchange, to limit a defense available to the Exchange, or to obviate or modify any limitation of Exchange liability imposed by any other rule.

[The remainder of the Rule is unchanged.]