

October 26, 2012

Via E-MailMs. Sauntia Warfield
Office of the Secretariat
Commodity Futures Trading Commission
3 Lafayette Center
1155 21st Street NW
Washington, DC 20581**Re: Regulation §40.2(a) and §40.6(a) Certification of Terms and Conditions for
2-Year 5-Year, 10-Year, and 30-Year US Dollar Interest Rate Swap Futures
CBOT Submission No 12-360**

Dear Ms Warfield:

The Board of Trade of the City of Chicago, Inc. ("CBOT" or "Exchange") hereby notifies the Commodity Futures Trading Commission ("CFTC") that it is self-certifying terms and conditions for 2-Year US Dollar Interest Rate Swap futures, 5-Year US Dollar Interest Rate Swap futures, 10-Year Interest Rate Swap futures, and 30-Year US Dollar Interest Rate Swap futures ("USD IRS futures"), to be listed for trading beginning Tuesday, November 13, 2012.

In the following, Section 1 summarizes and discusses contract terms and conditions. Sections 2 and 3 set forth the requisite changes to CBOT Rulebook Chapter 5 in regard, respectively, to position accountability and reportable positions, and to non-reviewable trading ranges on the CME Globex electronic trading system ("Globex"). Section 4 addresses compliance with pertinent Core Principles for Designated Contract Markets ("Core Principles") as set forth in the Commodity Exchange Act ("Act" or "CEA").

Appendix A sets forth CBOT Rulebook Chapter 51 for 2-Year USD IRS futures, Chapter 52 for 5-Year USD IRS futures, Chapter 53 for 10-Year USD IRS futures, and Chapter 54 for 30-Year USD IRS futures. Appendix B presents the requisite amendments to CBOT Rulebook Chapter 5. Finally, Appendix C presents CME & CBOT Market Regulation Advisory Notice ("MRAN") RA1204-3 which notifies the marketplace that USD IRS futures are block eligible upon launch and lists their applicable minimum threshold quantities and reporting times. MRAN RA1204-3 will be released to the marketplace on October 29, 2012.

Section 1 -- Terms and Conditions of USD IRS Futures

Each USD IRS futures contract is for physical delivery of an interest rate swap, cleared by CME Clearing, at one of four benchmark terms to maturity: 2, 5, 10, or 30 years. Exhibit 1 summarizes contract terms and conditions.

Exhibit 1 --USD Interest Rate Swap Futures Contract Specifications

Trading Unit	An interest rate swap (IRS), cleared by CME Clearing, with notional principal equal to \$100,000 and tenor equal to Reference Tenor, that exchanges semiannual fixed interest payments at a rate per annum equal to Contract Fixed Rate for quarterly floating interest rate payments based on the 3-month London interbank offered rate.
Reference Tenors	2-Year, 5-Year, 10-Year, or 30-Year
Delivery Months	March, June, September, or December
Contract Fixed Rate	Set by the Exchange when a futures contract is listed for trading, as a rate per annum with 30/360 day count fraction, at an integer multiple of 25 basis points per annum.
Price Basis	Prices are made in terms of price points: 100 points plus net present value (NPV) of IRS that meets Delivery Standard, where NPV is present value of IRS fixed-rate payments minus present value of IRS floating-rate payments as of 3 rd Wednesday of Delivery Month. Par is on the basis of 100 points.
Contract Size	\$1,000 per point (\$100,000 per contract)

Minimum Price Increment	30-Year 10-Year and 5-Year 2-Year	1/32 nd point (\$31.25 per contract) ½ of 1/32 nd point (\$15.625 per contract) ¼ of 1/32 nd point (\$7.8125 per contract)
Last Trading Day	2 nd London business day before 3 rd Wednesday of futures Delivery Month	
Delivery Day	3 rd Wednesday of Delivery Month	
Delivery Standard	IRS cleared by CME Clearing House, with the following elections --	
	<i>Fixed Rate Payer</i>	Short futures position holder making delivery
	<i>Floating Rate Payer</i>	Long futures position holder taking delivery
	<i>IRS Effective Date</i>	3 rd Wednesday of Delivery Month = Futures Delivery Day
	<i>Currency</i>	USD
	<i>Notional Amount</i>	Futures Contract Size = \$1,000 per point (\$100,000 per futures contract)
	<i>Business Day(s)</i>	New York and London
	<i>Business Day Convention</i>	Modified Following
	<i>Termination Date</i>	Anniversary of IRS Effective Date at futures Reference Tenor
	<i>Fixed Rate Payment Dates</i>	Semiannually, from IRS Effective Date
	<i>Fixed Rate</i>	Contract Fixed Rate
	<i>Fixed Rate Day Count</i>	30/360
	<i>Floating Rate Paymt Dates</i>	Quarterly, from IRS Effective Date
	<i>Floating Rate Option</i>	USD-LIBOR-BBA
	<i>Designated Maturity</i>	3 Month
	<i>Spread</i>	None
	<i>Floating Rate Day Count</i>	Actual/360
	<i>Compounding</i>	None
Delivery Method	Physical delivery of IRS that meets Delivery Standard. Clearing Acceptance Date and Clearing Effective Date = First CME Clearing Business Day preceding 3 rd Wednesday of Delivery Month.	
	Delivery invoice price = IRS Initial Payment Amount, as determined by contract final settlement price, P:	
	If $100 < P$, then IRS Floating Rate Payer pays, and IRS Fixed Rate Payer receives, \$1,000 x (P – 100) per contract, rounded to nearest penny.	
	If $P \leq 100$, then IRS Fixed Rate Payer pays, and IRS Floating Rate Payer receives, \$1,000 x (100 – P) per contract, rounded to nearest penny.	
Delivery Eligibility	To participate in physical delivery, a futures position holder must be an Eligible Contract Participant (Section 1a(18) of Commodity Exchange Act, 17 CFR 1.3(m), and CME Rule 90005.C.) and must be registered with CME by a CME IRS Clearing Member as an IRS Participant (CME Rules 90005.A. and 90005.B.).	
Position Accountability	5,000+ contracts	
Reportable Positions	1+ contracts	
Trading Hours and Venue	CME Globex: 5pm to 4pm, Sun-Fri. Open outcry: 7:20am to 2pm, Mon-Fri.	
	Trading in expiring futures terminates at 2pm Chicago time on Last Trading Day.	
	US Dollar Interest Rate Swap futures will trade on, and according to the rules of, the Chicago Board of Trade.	
Ticker Symbols: Globex and Open Outcry	Initial Contract Fixed Rate	Secondary Contract Fixed Rate
	30-Year	B1U
	10-Year	N1U
		B2U
		N2U

5-Year	F1U	F2U
2-Year	T1U	T2U

A brief discussion of the key points related to the product offerings is as follows:

Trading schedule

Last trading day in an expiring contract is 2nd London business day before 3rd Wednesday of the futures delivery month. Physical delivery occurs on 3rd Wednesday of the futures delivery month.

Futures contract size

Each futures contract is for physical delivery of an IRS with notional size of \$100,000.

Deliverable-grade IRS

...will exchange semiannual interest payments at a fixed rate set by the Exchange, for quarterly floating interest rate payments based on the 3-month London interbank offered rate (hereafter, LIBOR). At delivery the futures buyer becomes the IRS floating-rate payer to (and fixed-rate receiver from) CME Clearing, and the futures seller becomes the IRS fixed-rate payer to (and floating-rate receiver from) CME Clearing.

IRS fixed rate

...for each USD IRS futures contract is fixed by the Exchange when the contract is initially listed for trading, and it remains fixed through termination of trading in the contract. For any given reference tenor and delivery month, the Exchange has the capability to list additional futures contracts at different fixed-rate levels.

Example: It's June. Suppose 30-year plain-vanilla IRS for forward start the following December are trading at rates in a wide range, encompassing 3.5 percent and 4.0 percent per year. To accommodate the needs of market participants, the Exchange might list two different 30-Year USD IRS futures for delivery in December, with fixed rates of 3.5 percent and 4.0 percent, respectively.

IRS floating rate

...for contract-grade IRS is US dollar 3-month BBA LIBOR[®].

Contract price

USD IRS futures prices will be quoted in points, with par equal to 100 points. Price is 100 plus the net present value (NPV) of the futures contract's deliverable-grade IRS as of the futures delivery day (ie, 3rd Wednesday of futures contract delivery month). NPV is the present value of the delivered IRS's fixed-rate payments minus the present value of its floating-rate payments. Prices are made in fractions of price points:

30-Year: $1/32^{\text{nd}}$ of one point. Eg, 98-08 (98 and $8/32^{\text{nds}}$ or 98.25), 98-09 (98 and $9/32^{\text{nds}}$ or 98.28125), 98-10 (98 and $10/32^{\text{nds}}$ or 98.3125).

5-Year and 10-Year: $1/2$ of $1/32^{\text{nd}}$ of one point. Eg, 98-080 (98 and $8/32^{\text{nds}}$ or 98.25), 98-085 (98 and $8.5/32^{\text{nds}}$ or 98.265625), 98-090 (98 and $9/32^{\text{nds}}$ or 98.28125).

2-Year: $1/4$ of $1/32^{\text{nd}}$ of one point. Eg, 98-080 (98 and $8/32^{\text{nds}}$ or 98.25), 98-082 (98 and $8.25/32^{\text{nds}}$ or 98.2578125), 98-085 (98 and $8.5/32^{\text{nds}}$ or 98.265625), 98-087 (98 and $8.75/32^{\text{nds}}$ or 98.2734375).

If a futures contract is priced at or very close to 100, then market participants effectively view the contract's deliverable-grade IRS as a par swap. If futures price is at a discount, eg, 98-16 (98 and $16/32^{\text{nds}}$, or 98.50), then market participants view the contract fixed rate as below par. Conversely, if the futures contract is priced at a premium, eg, 102-18 (102 and $18/32^{\text{nds}}$, or 102.5625), then an observer would infer that market participants regard the contract fixed rate as above par.

Delivery invoice price

...takes the form of an initial payment upon delivery of the contract-grade IRS, where the payment amount is determined by the difference between the futures final settlement price and par.

Example: Suppose 10-Year USD IRS futures expire at a final settlement price of 107-200 (or 107.625 points). In effect, market participants reckon the present value of fixed-rate payments that the contract's deliverable-grade IRS will make over the coming decade exceeds the expected present value of the swap's floating-rate payments by a present-valued margin equal to \$7,625 for every \$100,000 of notional principal --

\$7,625 = (\$1,000 per price point) x (107.625 points minus 100 points)

Two business days later, on the 3rd Wednesday of the futures delivery month, each long position holder in the expired futures pays a delivery invoice amount of \$7,625 per contract to become the floating-rate payer (fixed-rate receiver) on a new 10-year IRS in the amount of \$100,000 notional per contract. Conversely, each short position holder in the expired futures receives an Initial Payment Amount of \$7,625 as the fixed-rate payer (floating-rate receiver) on the new 10-year IRS.

Example: Suppose 2-Year USD IRS futures expire at a final settlement price of 99-235 (or 99.734375). As the final settlement price is below 100, market participants evidently expect the fixed-rate payments promised by the futures contract's deliverable-grade IRS to be exceeded by the swap's floating rate payment stream by a present-valued amount of \$265.63 per \$100,000 of notional principal --

$\$265.63 = (\$1,000 \text{ per point}) \times (100 \text{ points minus } 99.734375 \text{ points})$ rounded to nearest penny.

On the 3rd Wednesday of the delivery month, each long position holder in the expiring futures receives an Initial Payment Amount of \$265.63 per contract as the floating-rate payer (fixed-rate receiver) on a new 2-year IRS sized at \$100,000 notional per futures contract. The converse applies to each short position holder in the expiring futures.

Restrictions on making or taking physical delivery

Participation in the futures physical delivery process is limited to market participants who meet two criteria. First, they must be Eligible Contract Participants (ECPs), as that term is defined in Section 1a(18) of the Commodity Exchange Act. Second, an account that is assigned to deliver or accept delivery on an expiring contract must be registered with CME as an IRS Participant, by a duly recognized CME IRS Clearing Member. Only CME IRS Clearing Members may carry accounts into the delivery process.

Schedule for physical delivery on expiring contracts

Typically, termination of trading in expiring USD IRS futures will occur at 2pm Chicago time on the Monday before the 3rd ("IMM") Wednesday of the futures delivery month. To establish intent to take a futures contract position to delivery, a market participant has only to hold the position through termination of trading in the contract.

The following day -- typically, Tuesday before IMM Wednesday -- the Clearing House accepts for clearing the IRS that are to be delivered. Specifically, the Clearing House becomes the fixed rate payer to (and the floating rate receiver from) each long contract holder taking delivery. Simultaneously, the Clearing House becomes the floating rate payer to (and the fixed rate receiver from) each short contract holder making delivery.

The day thereafter -- typically, IMM Wednesday -- is the delivery day for the expiring futures contract. It is also the effective date for the IRS that have been delivered or accepted in delivery. It is also the point at which any initial payments that are entailed in delivery on the expired futures contract must be made to, or accepted from, the Clearing House.

Integrity of the delivery process

Several features of the physical delivery process warrant remark. First, at no point is there an event that would be considered an execution of an IRS. The buyers and sellers of the IRS that are delivered in fulfillment of expiring futures never face each other as IRS transactors, but only as buyers or sellers of futures.

Second, unlike deliveries on, eg, CBOT Treasury Note or Bond futures or CBOT grain futures, there is no need for the Clearing House to assign a clearing member carrying short interest to make delivery of contract-grade IRS to a clearing member carrying long interest. Instead, the Clearing House interposes itself directly as the central counterparty in the delivery -- the buyer to the seller, and the seller to the buyer -- at the point that the contract-grade IRS is accepted for clearing by the Clearing House.

Third, the contractual terms of the IRS delivered in fulfillment of the expiring futures contract are determined by activities governed by rules and regulations that apply to listing, trading, or settlement of futures. To be clear, the contractual terms of the IRS created upon futures delivery are not determined by activities governed by rules and regulations applicable to the listing, trading or settlement of swaps. For example, the fixed rate of the IRS made upon futures delivery is determined by the futures contract fixed rate, which in turn is one of the futures contract terms. Similarly, any initial payment due upon delivery of contract-grade IRS is determined by the futures contract final settlement price, which in turn is determined via centralized and competitive trading of the futures contract in a designated contract market (CBOT).

Fourth, the expiring futures contract is at all times margined and guaranteed by CME Clearing as a futures contract. By contrast, the IRS delivered in fulfillment of the futures contract is margined and guaranteed by CME Clearing as an IRS Product.

Section 2 – Reportable Positions and Position Accountability

Position accountability thresholds for USD IRS futures will resemble those that apply to extant CBOT Interest Rate Swap futures. In view of the requirement that a futures position holder must be an Eligible Contract Participant in order to participate in physical delivery on expiring contracts, USD IRS futures will be subject to a 1-contract reportable position threshold. Exhibit 2 summarizes.

Exhibit 2 – Changes to CBOT Rule 5.C. Position Limit and Reportable Level Table

(Additions are shown in **bold underline** font.)

CONTRACT NAME	Options	SCAL E-DOWN SPOT MONTH	SPOT ^{a]} MONTH	SINGLE ^{b]} MONTH	ALL ^{c]} MONTHS COMBINE D	POSITION ACCOUNTABILITY FUTURES/Options ^{d]}	REPORTABLE FUTURES LEVEL	REPORTABLE OPTIONS LEVEL
...
<u>30-Year USD IRS</u>						<u>5,000 / NA</u>	<u>1</u>	
<u>10-Year USD IRS</u>						<u>5,000 / NA</u>	<u>1</u>	
<u>5-Year USD IRS</u>						<u>5,000 / NA</u>	<u>1</u>	
<u>2-Year USD IRS</u>						<u>5,000 / NA</u>	<u>1</u>	

Section 3 – Globex Non-Reviewable Trading Ranges

As shown in Exhibit 3, the non-reviewable trading ranges that apply to trading in USD IRS futures on Globex will resemble, in the main, those that apply to CBOT Treasury Note and Bond futures.

Exhibit 3 – Changes to CBOT Rule 588.H. Globex Non-Reviewable Trading Ranges

(Additions are shown in **bold underline** font.)

Instrument	Non-Reviewable Range (NRR) in Globex Format	NRR including Unit of Measure	NRR Ticks
...
Interest Rate Swaps			
5, 7, 10, 30 Year Interest Rate Swap Futures	300	30/32 of 1 point	60
<u>30-Year US Dollar Interest Rate Swap Futures</u>	<u>30</u>	<u>30/32 of 1 point</u>	<u>30</u>
<u>10-Year US Dollar Interest Rate Swap Futures</u>	<u>300</u>	<u>30/32 of 1 point</u>	<u>60</u>
<u>5-Year US Dollar Interest Rate Swap Futures</u>	<u>150</u>	<u>15/32 of 1 point</u>	<u>30</u>
<u>2-Year US Dollar Interest Rate Swap Futures</u>	<u>150</u>	<u>15/32 of 1 point</u>	<u>60</u>
...

Section 4 – Compliance with Core Principles

The Exchange's Research Department and Legal Department have determined that the new product terms and conditions certified herein bear upon on the following Core Principles:

Core Principle 2 – Compliance with Rules

Trading in USD IRS futures will be subject to CBOT Rulebook Chapter 4, which includes prohibitions against fraudulent, noncompetitive, unfair, and abusive practices. Additionally, trading in these contracts will be subject to the Exchange's trade practice rules, the majority of which are contained in Chapter 5 and Chapter 8 of the Rulebook. As with all products listed for trading on one of CME Group's designated contract markets, trading activity in USD IRS futures will be subject to monitoring and surveillance by CME Group's Market Regulation Department. The Market Regulation Department has the authority to exercise its investigatory and enforcement power where potential rule violations are identified.

Core Principle 3 – Contracts Not Readily Subject to Manipulation

CME Clearing has the capability to interpose itself as the counterparty in as many contract-grade IRS as may be needed to fulfill delivery on expiring USD IRS futures contracts taken to delivery. In effect, there is no physical limitation upon the available supply of an expiring futures contract's deliverable commodity. For this reason, there is

no basis on which a would-be wrongdoer would be able either to manipulate or squeeze or congest a futures contract final settlement, or to attempt to do so.

Core Principle 4 – Prevention of Market Disruption

Trading in USD IRS futures shall be subject to CBOT Rulebook Chapters 4 and 7, which include prohibitions on manipulation, price distortion, and disruption to the physical delivery process. As with any new product listed for trading on a CME Group designated contract market, trading activity in USD IRS futures will be subject to monitoring and surveillance by CME Group's Market Regulation Department.

Core Principle 5 – Position Limits or Accountability

Position accountability thresholds for USD IRS futures shall be set at 5,000 contracts, similar to those that apply to extant CBOT Interest Rate Swap futures. In view of the requirement that a futures position holder must be an Eligible Contract Participant and a duly registered CME IRS Participant in order to participate in physical delivery on expiring contracts, USD IRS futures shall be subject to a 1-contract reportable position threshold.

Core Principle 7 – Availability of General Information

The Exchange shall publish on its website information in regard to futures contract specifications, terms, and conditions, as well as daily trading volume, open interest, and price information.

Core Principle 8 – Daily Publication of Trading Information

The Exchange shall publish contract trading volumes, open interest levels, and price information daily on its website and through quote vendors.

Core Principle 9 – Execution of Transactions

USD IRS futures shall be listed for trading on the CME Globex electronic trading platform and in open outcry. Both trading venues provide for competitive and open execution of transactions. Globex affords, moreover, the benefits of reliability and global connectivity. The Globex non-reviewable trading ranges for these contracts will be as follows:

30-Year USD IRS Futures –	30/32nds of 1 price point	(30 minimum price increments)
10-Year USD IRS Futures –	30/32nds of 1 price point	(60 minimum price increments)
5-Year USD IRS Futures –	15/32nds of 1 price point	(30 minimum price increments)
2-Year USD IRS Futures –	15/32nds of 1 price point	(60 minimum price increments)

Core Principle 10 – Trade Information

All requisite trade information shall be included in the audit trail and will suffice for the Market Regulation Department to monitor for market abuse.

Core Principle 11 – Financial Integrity of Transactions

USD IRS futures shall be cleared by the CME Clearing House, which is registered with the Commission as a derivatives clearing organization, and which is subject to all CFTC regulations related thereto.

Core Principle 12 – Protection of Markets and Market Participants

CBOT Rulebook Chapters 4 and 5 set forth multiple prohibitions that preclude intermediaries from disadvantaging their customers. These rules apply to trading in all of the Exchange's competitive trading venues and will apply to transactions in USD IRS futures.

Core Principle 13 – Disciplinary Procedures

CBOT Rulebook Chapter 4 provides for the Exchange to discipline, suspend, or expel members or market participants who violate the rules of the Exchange. Trading in USD IRS futures shall be subject to these provisions. The Exchange's Market Regulation Department has the authority to exercise its powers of enforcement, in the event that rule violations in these products are identified.

Core Principle 14 – Dispute Resolution

Disputes with respect to USD IRS futures shall be subject to the arbitration provisions set forth in CBOT Rulebook Chapter 6, which allow all nonmembers to submit claims for financial losses resulting from transactions on the Exchange to arbitration. Pursuant to these provisions, any member named as a respondent in any such claim submitted by a nonmember is required to participate in arbitration proceedings. Additionally, the Exchange requires members to resolve via arbitration all disputes concerning transactions on the Exchange.

The Exchange certifies that 2-Year US Dollar Interest Rate Swap futures, 5-Year US Dollar Interest Rate Swap futures, 10-Year Interest Rate Swap futures, and 30-Year US Dollar Interest Rate Swap futures comply with the Act and rules thereunder, with no substantive opposing views to this proposal.

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

If you require any additional information regarding this action, please do not hesitate to contact me at 312-466-7478. Please reference CBOT Submission No. 12-360 in any related correspondence.

Sincerely,

/s/ Tim Elliott
Executive Director and Associate General Counsel

Attachments: Appendix A
 Appendix B
 Appendix C

Appendix A

CBOT Rulebook Chapter 51 2-Year US Dollar Interest Rate Swap Futures

51100. SCOPE OF CHAPTER

This chapter is limited in application to trading of 2-Year US Dollar Interest Rate Swap (“USD IRS”) futures. The procedures for trading, clearing, delivery, and settlement, and any other matters not specifically covered herein, shall be governed by the general rules of the Exchange (“Rules”).

Capitalized terms in this Chapter that are not otherwise defined in this Chapter shall have the meanings given to such terms in the other Chapters of the Rules. Capitalized terms in this Chapter that are not otherwise defined in either this Chapter or the other Chapters of the Rules shall have the meanings set forth in the ISDA Definitions (Chicago Mercantile Exchange (“CME”) Rule 90002.N.).

All times referenced in this chapter are Chicago times and are subject to change by the Exchange.

51101. CONTRACT SPECIFICATIONS

51101.A. Contract Grade

The contract grade for delivery on expiring futures made under these Rules shall be an Interest Rate Swap Contract (“IRS Contract” per CME Rule 90002.J.) that is accepted for clearing by the Clearing House (CME Rulebook Chapters 8F, 8G, 900, and 901) and that is subject to the following Contract Elections (CME Rule 90002.F.):

1. Fixed Rate Payer: An account required to deliver on a short position in such expiring futures contract (CBOT Rules 51104.) shall be the Fixed Rate Payer to the Clearing House. Where such account is required to accept delivery on a long position in such expiring futures contract, the Clearing House shall be the Fixed Rate Payer to such account.
2. Floating Rate Payer: An account required to accept delivery on a long position in such expiring futures contract (CBOT Rules 51104.) shall be the Floating Rate Payer to the Clearing House. Where such account is required to deliver on a short position in such expiring futures contract, the Clearing House shall be the Floating Rate Payer to such account.
3. IRS Effective Date: Third (3rd) Wednesday of futures contract delivery month (CBOT Rules 51102. and 51103.A.).
4. Currency: US dollars (CME Rule 90102.B.).
5. Notional Amount: \$100,000.
6. Business Day(s): New York and London.
7. Business Day Convention: Modified Following.
8. Termination Date: Second (2nd) anniversary of IRS Effective Date. (CBOT Rule 51101.A.3.).
9. Initial Payment Amount: See CBOT Rule 51101.B.
10. Initial Amount Payer: See CBOT Rule 51101.B.
11. Fixed Rate Payment Dates: Semiannually from IRS Effective Date (CBOT Rule 51101.A.3.) subject to CBOT Rules 51101.A.6. and 51101.A.7.
12. Fixed Rate: Futures contract fixed interest rate set by the Exchange at an integer multiple of 25 basis points (ie, one quarter of one percent) per annum when such futures contract is initially listed for trading (CBOT Rule 51102.).
13. Fixed Rate Day Count: 30/360.

- | | | |
|-----|------------------------------|--|
| 14. | Floating Rate Payment Dates: | Quarterly from IRS Effective Date (CBOT Rule 51101.A.3.) subject to CBOT Rules 51101.A.6. and 51101.A.7. |
| 15. | Floating Rate Option: | USD-LIBOR-BBA (CME Rule 90102.E.1.). |
| 16. | Designated Maturity: | Three (3) months. |
| 17. | Floating Rate Day Count: | Actual/360. |
| 18. | Spread: | None. |
| 19. | Compounding: | None. |

51101.B. Physical Delivery

Each individual futures contract lot that is delivered shall be an IRS Contract (CME Rule 90002.J.) that meets Contract Grade (CBOT Rule 51101.A.).

For an IRS Clearing Member carrying an account that is required to make or accept delivery on an expiring futures contract, the IRS Initial Payment Amount (CBOT Rule 51101.A.9.) due upon delivery (CBOT Rule 51103.) of such IRS Contract, and the Initial Amount Payer (CBOT Rule 51101.A.10.), shall be determined as follows:

Define P as the Final Settlement Price (CBOT Rule 812.) of an expiring futures contract, as determined by the Exchange at such contract's Termination of Trading (CBOT Rule 51102.F.), where such Final Settlement Price is expressed in points and fractions of points, with par on the basis of 100 points (Rule 51102.C.).

1. If P is greater than 100 points, then the long IRS Clearing Member taking delivery shall pay to the Clearing House, and the short IRS Clearing Member making delivery shall receive from the Clearing House, an Initial Payment Amount equal to:

$(\$1,000 \text{ per point}) \times (P \text{ points minus } 100 \text{ points}) \text{ per contract.}$

2. Else, if P is less than or equal to 100 points, then the short IRS Clearing Member making delivery shall pay to the Clearing House, and the long IRS Clearing Member taking delivery shall receive from the Clearing House, an Initial Payment Amount equal to:

$(\$1,000 \text{ per point}) \times (100 \text{ points minus } P \text{ points}) \text{ per contract.}$

3. For each individual contract lot that is delivered, such Initial Payment Amount shall be rounded to the nearest cent, with half-cents rounded up to the nearest cent.

Example: For a hypothetical expiring futures contract, assume the final settlement price P is 100-205 (ie, 100 and 20.5/32^{nds} or 100.640625 points). On the third Wednesday of the contract Delivery Month the holder of a long futures position taking delivery (the Floating Rate Payer in the delivered IRS Contract) shall pay to the Clearing House an Initial Payment Amount of \$640.63 per contract, equal to $(\$1,000 \text{ per point}) \times (100.640625 \text{ points minus } 100 \text{ points})$, or \$640.625 (CBOT Rule 51101.B.1.) rounded up to the nearest penny (CBOT Rule 51101.B.3.). Conversely, the holder of a short futures position making delivery (the Fixed Rate Payer in the delivered IRS Contract) shall receive from the Clearing House an Initial Payment Amount of \$640.63 per contract.

51102. TRADING SPECIFICATIONS

The number of contract delivery months open for trading at a given time shall be determined by the Exchange. Without limitation to the foregoing, the Exchange customarily shall list for trading futures contracts for delivery in at least each of the two nearest months in the March-June-September-December quarterly cycle.

For a given futures contract for a given delivery month, the Exchange shall determine the value of the Fixed Rate that shall standardize the Contract Grade for such futures contract (CBOT Rule 51101.A.12.). The Exchange also shall determine whether, and when, to list for trading any additional futures contract(s) for such delivery month that are standardized to Fixed Rate value(s) different to the Fixed Rate value of such futures contract.

51102.A. Trading Schedule

The hours of trading shall be determined by the Exchange. On the last day of trading in an expiring contract (CBOT Rule 51102.F.), the close of the expiring contract shall begin at 1:59 pm, and trading shall be permitted thereafter for a period not to exceed one minute.

51102.B. Trading Unit

The unit of trading shall be IRS Contracts that meet Contract Grade (CBOT Rule 51101.A.) having notional amount of one hundred thousand US dollars (\$100,000) or multiples thereof.

51102.C. 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 ($1/4$ of $1/32^{\text{nd}}$) of one point (equal to \$7.8125 per contract). Contracts shall not be made on any other price basis.

51102.D. Reserved**51102.E. Position Limits and Position Accountability**

Position accountability (CBOT Rule 560.) shall apply to trading of 2-Year USD IRS futures.

51102.F. Termination of Trading

Trading in an expiring futures contract shall terminate no later than 2:00 pm (CBOT Rule 51102.A.) on the second London business day before the third Wednesday of the contract delivery month.

51103. DATE OF DELIVERY

Delivery on an expiring futures contract shall be made by a short IRS Clearing Member, and shall be taken by a long IRS Clearing Member, on the third Wednesday of the futures delivery month (CBOT Rule 51102.).

51103.A. IRS Effective Date

Such Date of Delivery shall be the Effective Date (CBOT Rule 51101.A.3.) of the IRS Contract that is delivered or accepted for delivery in fulfillment of such expiring futures contract.

51103.B. Acceptance Date and Clearing Effective Date

The first Clearing Business Day (CME Rule 90002.D.) preceding such Date of Delivery shall be the Acceptance Date (CME Rule 90002.B.) and the Clearing Effective Date (CME Rule 90002.E.) of the IRS Contract to be delivered or accepted for delivery in fulfillment of such expiring futures contract.

51104. DELIVERIES ON EXPIRING FUTURES CONTRACTS**51104.A. Requirements for Participation in Delivery**

For an account carried by a clearing member to make or accept delivery on an expiring futures contract, the holder of such account is required (a) to be an Eligible Contract Participant, as that term is defined in Section 1a(18) of the Commodity Exchange Act (17 CFR 1.3(m)), and (b) to be either an IRS Clearing Member (CME Rule 90005.A.) or to be registered with CME by an IRS Clearing Member as an IRS Participant (CME Rule 8F009. and CME Rule 90005.B.).

51104.B. Obligations in Delivery

An IRS Clearing Member carrying an account that is required to make or accept delivery on an expiring futures contract shall guarantee and assume complete responsibility for the performance of all delivery requirements set forth in the Rules.

Upon termination of trading in an expiring futures contract (CBOT Rule 51102.F.), each such account that holds a long interest in such futures contract shall be required to accept delivery from the Clearing House of IRS Contracts that meet Contract Grade (CBOT Rule 51101.A.), and each such account that holds a short interest in such futures contract shall be required to make delivery to the Clearing House of IRS Contracts that meet Contract Grade.

Where an IRS Clearing Member carries accounts holding interest both long and short in such expiring futures contract, the IRS Clearing Member must guarantee acceptance of delivery by all such accounts holding long interest, and must guarantee that delivery is made by all such accounts holding short interest.

51104.C. Registration

Any IRS Contract that is delivered or accepted for delivery in fulfillment of an expiring futures contract must be identified with an account number which identifies the holder of such account making or accepting delivery of such IRS Contract, and which specifies whether such delivery is made or accepted by a proprietary account of an IRS Clearing Member or by a customer registered as an IRS Participant (CME Rule 8F009. and CME Rule 90005.B.).

51104.D. Reporting

In respect of the requirements set forth in CBOT Rule 51104.A., during the last five (5) business days of trading in an expiring futures contract, each clearing member that carries accounts holding long or short interest in such expiring futures contract shall:

1. ensure that the requirements set forth in CBOT Rule 51104.A. are met at all times.
2. report to the Clearing House on each business day an accurate inventory of such long and short interest, in such manner and at such times as the Clearing House may prescribe, *provided that* such inventory must include, for each account holding such long or short interest:
 - (a) the account number identifying the holder of such account (CBOT Rule 51104.C.);
 - (b) the identity of the IRS Clearing Member who will carry such account, and who shall guarantee and assume complete responsibility for performance of all delivery requirements, in the event such account is required to make or accept delivery; and
 - (c) confirmation that each such account meets these requirements.

51104.E. Clearing House Financial Safeguards

A futures contract made under these Rules shall be a Base Guaranty Fund Product subject to the Clearing House financial safeguards provided by the General Guaranty Fund (CME Rule 802.A.).

An IRS Contract that is delivered or accepted for delivery in fulfillment of a futures contract made under these Rules shall be an IRS Product subject to the Clearing House financial safeguards provided by the IRS Guaranty Fund (CME Rule 8G07.).

51105. (RESERVED)

51106. (RESERVED)

51107. PAYMENT

Where an Initial Payment Amount is required in fulfillment of delivery on an expiring futures contract (CBOT Rule 51101.B.), an IRS Clearing Member that is determined as an Initial Payment Payer shall pay to the Clearing House, and an IRS Clearing Member that is determined as the receiver of an Initial Payment Amount shall receive from the Clearing House, an amount equal to such Initial Payment Amount on the Date of Delivery (CBOT Rule 51103.) at such time as the Clearing House may designate.

If such Initial Payment Amount is equal to or greater than \$100,000,000, then the IRS Clearing Member that is determined as the Initial Payment Payer shall pay such Initial Payment Amount to the Clearing House no later than 6:00pm on the Acceptance Date of the IRS Contracts that are delivered, and

accepted for delivery, in fulfillment of such expiring futures contract (CBOT Rule 51103.B. and CME Rule 90102.C.)

CBOT Rulebook Chapter 52

5-Year US Dollar Interest Rate Swap Futures

52100. SCOPE OF CHAPTER

This chapter is limited in application to trading of 5-Year US Dollar Interest Rate Swap (“USD IRS”) futures. The procedures for trading, clearing, delivery, and settlement, and any other matters not specifically covered herein, shall be governed by the general rules of the Exchange (“Rules”).

Capitalized terms in this Chapter that are not otherwise defined in this Chapter shall have the meanings given to such terms in the other Chapters of the Rules. Capitalized terms in this Chapter that are not otherwise defined in either this Chapter or the other Chapters of the Rules shall have the meanings set forth in the ISDA Definitions (Chicago Mercantile Exchange (“CME”) Rule 90002.N.).

All times referenced in this chapter are Chicago times and are subject to change by the Exchange.

52101. CONTRACT SPECIFICATIONS

52101.A. Contract Grade

The contract grade for delivery on expiring futures made under these Rules shall be an Interest Rate Swap Contract (“IRS Contract” per CME Rule 90002.J.) that is accepted for clearing by the Clearing House (CME Rulebook Chapters 8F, 8G, 900, and 901) and that is subject to the following Contract Elections (CME Rule 90002.F.):

- | | | |
|-----|---------------------------|---|
| 1. | Fixed Rate Payer: | An account required to deliver on a short position in such expiring futures contract (CBOT Rules 52104.) shall be the Fixed Rate Payer to the Clearing House. Where such account is required to accept delivery on a long position in such expiring futures contract, the Clearing House shall be the Fixed Rate Payer to such account. |
| 2. | Floating Rate Payer: | An account required to accept delivery on a long position in such expiring futures contract (CBOT Rules 52104.) shall be the Floating Rate Payer to the Clearing House. Where such account is required to deliver on a short position in such expiring futures contract, the Clearing House shall be the Floating Rate Payer to such account. |
| 3. | IRS Effective Date: | Third (3 rd) Wednesday of futures contract delivery month (CBOT Rules 52102. and 52103.A.). |
| 4. | Currency: | US dollars (CME Rule 90102.B.). |
| 5. | Notional Amount: | \$100,000. |
| 6. | Business Day(s): | New York and London. |
| 7. | Business Day Convention: | Modified Following. |
| 8. | Termination Date: | Fifth (5th) anniversary of IRS Effective Date. (CBOT Rule 52101.A.3.). |
| 9. | Initial Payment Amount: | See CBOT Rule 52101.B. |
| 10. | Initial Amount Payer: | See CBOT Rule 52101.B. |
| 11. | Fixed Rate Payment Dates: | Semiannually from IRS Effective Date (CBOT Rule 52101.A.3.) subject to CBOT Rules 52101.A.6. and 52101.A.7. |
| 12. | Fixed Rate: | Futures contract fixed interest rate set by the Exchange at an integer multiple of 25 basis points (ie, one quarter of one percent) per annum when such futures contract is initially listed for trading (CBOT Rule 52102.). |
| 13. | Fixed Rate Day Count: | 30/360. |

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|-----|------------------------------|--|
| 14. | Floating Rate Payment Dates: | Quarterly from IRS Effective Date (CBOT Rule 52101.A.3.) subject to CBOT Rules 52101.A.6. and 52101.A.7. |
| 15. | Floating Rate Option: | USD-LIBOR-BBA (CME Rule 90102.E.1.). |
| 16. | Designated Maturity: | Three (3) months. |
| 17. | Floating Rate Day Count: | Actual/360. |
| 18. | Spread: | None. |
| 19. | Compounding: | None. |

52101.B. Physical Delivery

Each individual futures contract lot that is delivered shall be an IRS Contract (CME Rule 90002.J.) that meets Contract Grade (CBOT Rule 52101.A.).

For an IRS Clearing Member carrying an account that is required to make or accept delivery on an expiring futures contract, the IRS Initial Payment Amount (CBOT Rule 52101.A.9.) due upon delivery (CBOT Rule 52103.) of such IRS Contract, and the Initial Amount Payer (CBOT Rule 52101.A.10.), shall be determined as follows:

Define P as the Final Settlement Price (CBOT Rule 812.) of an expiring futures contract, as determined by the Exchange at such contract's Termination of Trading (CBOT Rule 52102.F.), where such Final Settlement Price is expressed in points and fractions of points, with par on the basis of 100 points (Rule 52102.C.).

1. If P is greater than 100 points, then the long IRS Clearing Member taking delivery shall pay to the Clearing House, and the short IRS Clearing Member making delivery shall receive from the Clearing House, an Initial Payment Amount equal to:

$(\$1,000 \text{ per point}) \times (P \text{ points minus } 100 \text{ points}) \text{ per contract.}$

2. Else, if P is less than or equal to 100 points, then the short IRS Clearing Member making delivery shall pay to the Clearing House, and the long IRS Clearing Member taking delivery shall receive from the Clearing House, an Initial Payment Amount equal to:

$(\$1,000 \text{ per point}) \times (100 \text{ points minus } P \text{ points}) \text{ per contract.}$

3. For each individual contract lot that is delivered, such Initial Payment Amount shall be rounded to the nearest cent, with half-cents rounded up to the nearest cent.

Example: For a hypothetical expiring futures contract, assume the final settlement price P is 100-205 (ie, 100 and $20.5/32^{\text{nds}}$ or 100.640625 points). On the third Wednesday of the contract Delivery Month the holder of a long futures position taking delivery (the Floating Rate Payer in the delivered IRS Contract) shall pay to the Clearing House an Initial Payment Amount of \$640.63 per contract, equal to $(\$1,000 \text{ per point}) \times (100.640625 \text{ points minus } 100 \text{ points})$, or \$640.625 (CBOT Rule 52101.B.1.) rounded up to the nearest penny (CBOT Rule 52101.B.3.). Conversely, the holder of a short futures position making delivery (the Fixed Rate Payer in the delivered IRS Contract) shall receive from the Clearing House an Initial Payment Amount of \$640.63 per contract.

52102. TRADING SPECIFICATIONS

The number of contract delivery months open for trading at a given time shall be determined by the Exchange. Without limitation to the foregoing, the Exchange customarily shall list for trading futures contracts for delivery in at least each of the two nearest months in the March-June-September-December quarterly cycle.

For a given futures contract for a given delivery month, the Exchange shall determine the value of the Fixed Rate that shall standardize the Contract Grade for such futures contract (CBOT Rule 52101.A.12.).

The Exchange also shall determine whether, and when, to list for trading any additional futures contract(s) for such delivery month that are standardized to Fixed Rate value(s) different to the Fixed Rate value of such futures contract.

52102.A. Trading Schedule

The hours of trading shall be determined by the Exchange. On the last day of trading in an expiring contract (CBOT Rule 52102.F.), the close of the expiring contract shall begin at 1:59 pm, and trading shall be permitted thereafter for a period not to exceed one minute.

52102.B. Trading Unit

The unit of trading shall be IRS Contracts that meet Contract Grade (CBOT Rule 52101.A.) having notional amount of one hundred thousand US dollars (\$100,000) or multiples thereof.

52102.C. 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 ($1/2$ of $1/32^{\text{nd}}$) 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 ($1/4$ of $1/32^{\text{nd}}$) of one point (equal to \$7.8125 per contract). Contracts shall not be made on any other price basis.

52102.D. Reserved

52102.E. Position Limits and Position Accountability

Position accountability (CBOT Rule 560.) shall apply to trading of 5-Year USD IRS futures.

52102.F. Termination of Trading

Trading in an expiring futures contract shall terminate no later than 2:00 pm (CBOT Rule 52102.A.) on the second London business day before the third Wednesday of the contract delivery month.

52103. DATE OF DELIVERY

Delivery on an expiring futures contract shall be made by a short IRS Clearing Member, and shall be taken by a long IRS Clearing Member, on the third Wednesday of the futures delivery month (CBOT Rule 52102.).

52103.A. IRS Effective Date

Such Date of Delivery shall be the Effective Date (CBOT Rule 52101.A.3.) of the IRS Contract that is delivered or accepted for delivery in fulfillment of such expiring futures contract.

52103.B. Acceptance Date and Clearing Effective Date

The first Clearing Business Day (CME Rule 90002.D.) preceding such Date of Delivery shall be the Acceptance Date (CME Rule 90002.B.) and the Clearing Effective Date (CME Rule 90002.E.) of the IRS Contract to be delivered or accepted for delivery in fulfillment of such expiring futures contract.

52104. DELIVERIES ON EXPIRING FUTURES CONTRACTS

52104.A. Requirements for Participation in Delivery

For an account carried by a clearing member to make or accept delivery on an expiring futures contract, the holder of such account is required (a) to be an Eligible Contract Participant, as that term is defined in Section 1a(18) of the Commodity Exchange Act (17 CFR 1.3(m)), and (b) to be either an IRS Clearing Member (CME Rule 90005.A.) or to be registered with CME by an IRS Clearing Member as an IRS Participant (CME Rule 8F009. and CME Rule 90005.B.).

52104.B. Obligations in Delivery

An IRS Clearing Member carrying an account that is required to make or accept delivery on an expiring futures contract shall guarantee and assume complete responsibility for the performance of all delivery requirements set forth in the Rules.

Upon termination of trading in an expiring futures contract (CBOT Rule 52102.F.), each such account that holds a long interest in such futures contract shall be required to accept delivery from the Clearing House of IRS Contracts that meet Contract Grade (CBOT Rule 52101.A.), and each such account that holds a short interest in such futures contract shall be required to make delivery to the Clearing House of IRS Contracts that meet Contract Grade.

Where an IRS Clearing Member carries accounts holding interest both long and short in such expiring futures contract, the IRS Clearing Member must guarantee acceptance of delivery by all such accounts holding long interest, and must guarantee that delivery is made by all such accounts holding short interest.

52104.C. Registration

Any IRS Contract that is delivered or accepted for delivery in fulfillment of an expiring futures contract must be identified with an account number which identifies the holder of such account making or accepting delivery of such IRS Contract, and which specifies whether such delivery is made or accepted by a proprietary account of an IRS Clearing Member or by a customer registered as an IRS Participant (CME Rule 8F009. and CME Rule 90005.B.).

52104.D. Reporting

In respect of the requirements set forth in CBOT Rule 52104.A., during the last five (5) business days of trading in an expiring futures contract, each clearing member that carries accounts holding long or short interest in such expiring futures contract shall:

1. ensure that the requirements set forth in CBOT Rule 52104.A. are met at all times.
2. report to the Clearing House on each business day an accurate inventory of such long and short interest, in such manner and at such times as the Clearing House may prescribe, *provided that* such inventory must include, for each account holding such long or short interest:

- (a) the account number identifying the holder of such account (CBOT Rule 52104.C.);
- (b) the identity of the IRS Clearing Member who will carry such account, and who shall guarantee and assume complete responsibility for performance of all delivery requirements, in the event such account is required to make or accept delivery; and
- (c) confirmation that each such account meets these requirements.

52104.E. Clearing House Financial Safeguards

A futures contract made under these Rules shall be a Base Guaranty Fund Product subject to the Clearing House financial safeguards provided by the General Guaranty Fund (CME Rule 802.A.).

An IRS Contract that is delivered or accepted for delivery in fulfillment of a futures contract made under these Rules shall be an IRS Product subject to the Clearing House financial safeguards provided by the IRS Guaranty Fund (CME Rule 8G07.).

52105. (RESERVED)

52106. (RESERVED)

52107. PAYMENT

Where an Initial Payment Amount is required in fulfillment of delivery on an expiring futures contract (CBOT Rule 52101.B.), an IRS Clearing Member that is determined as an Initial Payment Payer shall pay to the Clearing House, and an IRS Clearing Member that is determined as the receiver of an Initial Payment Amount shall receive from the Clearing House, an amount equal to such Initial Payment Amount on the Date of Delivery (CBOT Rule 52103.) at such time as the Clearing House may designate.

If such Initial Payment Amount is equal to or greater than \$100,000,000, then the IRS Clearing Member that is determined as the Initial Payment Payer shall pay such Initial Payment Amount to the Clearing House no later than 6:00pm on the Acceptance Date of the IRS Contracts that are delivered, and accepted for delivery, in fulfillment of such expiring futures contract (CBOT Rule 52103.B. and CME Rule 90102.C.).

CBOT Rulebook Chapter 53 10-Year US Dollar Interest Rate Swap Futures

53100. SCOPE OF CHAPTER

This chapter is limited in application to trading of 10-Year US Dollar Interest Rate Swap (“USD IRS”) futures. The procedures for trading, clearing, delivery, and settlement, and any other matters not specifically covered herein, shall be governed by the general rules of the Exchange (“Rules”).

Capitalized terms in this Chapter that are not otherwise defined in this Chapter shall have the meanings given to such terms in the other Chapters of the Rules. Capitalized terms in this Chapter that are not otherwise defined in either this Chapter or the other Chapters of the Rules shall have the meanings set forth in the ISDA Definitions (Chicago Mercantile Exchange (“CME”) Rule 90002.N.).

All times referenced in this chapter are Chicago times and are subject to change by the Exchange.

53101. CONTRACT SPECIFICATIONS

53101.A. Contract Grade

The contract grade for delivery on expiring futures made under these Rules shall be an Interest Rate Swap Contract ("IRS Contract" per CME Rule 90002.J.) that is accepted for clearing by the Clearing House (CME Rulebook Chapters 8F, 8G, 900, and 901) and that is subject to the following Contract Elections (CME Rule 90002.F.):

1. Fixed Rate Payer: An account required to deliver on a short position in such expiring futures contract (CBOT Rules 53104.) shall be the Fixed Rate Payer to the Clearing House. Where such account is required to accept delivery on a long position in such expiring futures contract, the Clearing House shall be the Fixed Rate Payer to such account.
2. Floating Rate Payer: An account required to accept delivery on a long position in such expiring futures contract (CBOT Rules 53104.) shall be the Floating Rate Payer to the Clearing House. Where such account is required to deliver on a short position in such expiring futures contract, the Clearing House shall be the Floating Rate Payer to such account.
3. IRS Effective Date: Third (3rd) Wednesday of futures contract delivery month (CBOT Rules 53102. and 53103.A.).
4. Currency: US dollars (CME Rule 90102.B.).
5. Notional Amount: \$100,000.
6. Business Day(s): New York and London.
7. Business Day Convention: Modified Following.
8. Termination Date: Tenth (10th) anniversary of IRS Effective Date. (CBOT Rule 53101.A.3.).
9. Initial Payment Amount: See CBOT Rule 53101.B.
10. Initial Amount Payer: See CBOT Rule 53101.B.

11. Fixed Rate Payment Dates: Semiannually from IRS Effective Date (CBOT Rule 53101.A.3.) subject to CBOT Rules 53101.A.6. and 53101.A.7.
12. Fixed Rate: Futures contract fixed interest rate set by the Exchange at an integer multiple of 25 basis points (ie, one quarter of one percent) per annum when such futures contract is initially listed for trading (CBOT Rule 53102.).
13. Fixed Rate Day Count: 30/360.

14. Floating Rate Payment Dates: Quarterly from IRS Effective Date (CBOT Rule 53101.A.3.) subject to CBOT Rules 53101.A.6. and 53101.A.7.
15. Floating Rate Option: USD-LIBOR-BBA (CME Rule 90102.E.1.).
16. Designated Maturity: Three (3) months.
17. Floating Rate Day Count: Actual/360.
18. Spread: None.
19. Compounding: None.

53101.B. Physical Delivery

Each individual futures contract lot that is delivered shall be an IRS Contract (CME Rule 90002.J.) that meets Contract Grade (CBOT Rule 53101.A.).

For an IRS Clearing Member carrying an account that is required to make or accept delivery on an expiring futures contract, the IRS Initial Payment Amount (CBOT Rule 53101.A.9.) due upon delivery (CBOT Rule 53103.) of such IRS Contract, and the Initial Amount Payer (CBOT Rule 53101.A.10.), shall be determined as follows:

Define *P* as the Final Settlement Price (CBOT Rule 812.) of an expiring futures contract, as determined by the Exchange at such contract's Termination of Trading (CBOT Rule 53102.F.), where such Final Settlement Price is expressed in points and fractions of points, with par on the basis of 100 points (Rule 53102.C.).

1. If P is greater than 100 points, then the long IRS Clearing Member taking delivery shall pay to the Clearing House, and the short IRS Clearing Member making delivery shall receive from the Clearing House, an Initial Payment Amount equal to:

$(\$1,000 \text{ per point}) \times (P \text{ points minus } 100 \text{ points}) \text{ per contract.}$

2. Else, if P is less than or equal to 100 points, then the short IRS Clearing Member making delivery shall pay to the Clearing House, and the long IRS Clearing Member taking delivery shall receive from the Clearing House, an Initial Payment Amount equal to:

$(\$1,000 \text{ per point}) \times (100 \text{ points minus } P \text{ points}) \text{ per contract.}$

3. For each individual contract lot that is delivered, such Initial Payment Amount shall be rounded to the nearest cent, with half-cents rounded up to the nearest cent.

Example: For a hypothetical expiring futures contract, assume the final settlement price P is 100-205 (ie, 100 and $20.5/32^{\text{nds}}$ or 100.640625 points). On the third Wednesday of the contract Delivery Month the holder of a long futures position taking delivery (the Floating Rate Payer in the delivered IRS Contract) shall pay to the Clearing House an Initial Payment Amount of \$640.63 per contract, equal to $(\$1,000 \text{ per point}) \times (100.640625 \text{ points minus } 100 \text{ points})$, or \$640.625 (CBOT Rule 53101.B.1.) rounded up to the nearest penny (CBOT Rule 53101.B.3.). Conversely, the holder of a short futures position making delivery (the Fixed Rate Payer in the delivered IRS Contract) shall receive from the Clearing House an Initial Payment Amount of \$640.63 per contract.

53102. TRADING SPECIFICATIONS

The number of contract delivery months open for trading at a given time shall be determined by the Exchange. Without limitation to the foregoing, the Exchange customarily shall list for trading futures contracts for delivery in at least each of the two nearest months in the March-June-September-December quarterly cycle.

For a given futures contract for a given delivery month, the Exchange shall determine the value of the Fixed Rate that shall standardize the Contract Grade for such futures contract (CBOT Rule 53101.A.12.). The Exchange also shall determine whether, and when, to list for trading any additional futures contract(s) for such delivery month that are standardized to Fixed Rate value(s) different to the Fixed Rate value of such futures contract.

53102.A. Trading Schedule

The hours of trading shall be determined by the Exchange. On the last day of trading in an expiring contract (CBOT Rule 53102.F.), the close of the expiring contract shall begin at 1:59 pm, and trading shall be permitted thereafter for a period not to exceed one minute.

53102.B. Trading Unit

The unit of trading shall be IRS Contracts that meet Contract Grade (CBOT Rule 53101.A.) having notional amount of one hundred thousand US dollars (\$100,000) or multiples thereof.

53102.C. 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 ($1/2$ of $1/32^{\text{nd}}$) 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 ($1/4$ of $1/32^{\text{nd}}$) of one point (equal to \$7.8125 per contract). Contracts shall not be made on any other price basis.

53102.D. Reserved

53102.E. Position Limits and Position Accountability

Position accountability (CBOT Rule 560.) shall apply to trading of 10-Year USD IRS futures.

53102.F. Termination of Trading

Trading in an expiring futures contract shall terminate no later than 2:00 pm (CBOT Rule 53102.A.) on the second London business day before the third Wednesday of the contract delivery month.

53103. DATE OF DELIVERY

Delivery on an expiring futures contract shall be made by a short IRS Clearing Member, and shall be taken by a long IRS Clearing Member, on the third Wednesday of the futures delivery month (CBOT Rule 53102.).

53103.A. IRS Effective Date

Such Date of Delivery shall be the Effective Date (CBOT Rule 53101.A.3.) of the IRS Contract that is delivered or accepted for delivery in fulfillment of such expiring futures contract.

53103.B. Acceptance Date and Clearing Effective Date

The first Clearing Business Day (CME Rule 90002.D.) preceding such Date of Delivery shall be the Acceptance Date (CME Rule 90002.B.) and the Clearing Effective Date (CME Rule 90002.E.) of the IRS Contract to be delivered or accepted for delivery in fulfillment of such expiring futures contract.

53104. DELIVERIES ON EXPIRING FUTURES CONTRACTS

53104.A. Requirements for Participation in Delivery

For an account carried by a clearing member to make or accept delivery on an expiring futures contract, the holder of such account is required (a) to be an Eligible Contract Participant, as that term is defined in Section 1a(18) of the Commodity Exchange Act (17 CFR 1.3(m)), and (b) to be either an IRS Clearing Member (CME Rule 90005.A.) or to be registered with CME by an IRS Clearing Member as an IRS Participant (CME Rule 8F009. and CME Rule 90005.B.).

53104.B. Obligations in Delivery

An IRS Clearing Member carrying an account that is required to make or accept delivery on an expiring futures contract shall guarantee and assume complete responsibility for the performance of all delivery requirements set forth in the Rules.

Upon termination of trading in an expiring futures contract (CBOT Rule 53102.F.), each such account that holds a long interest in such futures contract shall be required to accept delivery from the Clearing House of IRS Contracts that meet Contract Grade (CBOT Rule 53101.A.), and each such account that holds a short interest in such futures contract shall be required to make delivery to the Clearing House of IRS Contracts that meet Contract Grade.

Where an IRS Clearing Member carries accounts holding interest both long and short in such expiring futures contract, the IRS Clearing Member must guarantee acceptance of delivery by all such accounts holding long interest, and must guarantee that delivery is made by all such accounts holding short interest.

53104.C. Registration

Any IRS Contract that is delivered or accepted for delivery in fulfillment of an expiring futures contract must be identified with an account number which identifies the holder of such account making or accepting delivery of such IRS Contract, and which specifies whether such delivery is made or accepted by a proprietary account of an IRS Clearing Member or by a customer registered as an IRS Participant (CME Rule 8F009. and CME Rule 90005.B.).

53104.D. Reporting

In respect of the requirements set forth in CBOT Rule 53104.A., during the last five (5) business days of trading in an expiring futures contract, each clearing member that carries accounts holding long or short interest in such expiring futures contract shall:

1. ensure that the requirements set forth in CBOT Rule 53104.A. are met at all times.

2. report to the Clearing House on each business day an accurate inventory of such long and short interest, in such manner and at such times as the Clearing House may prescribe, *provided that* such inventory must include, for each account holding such long or short interest:
 - (a) the account number identifying the holder of such account (CBOT Rule 53104.C.);
 - (b) the identity of the IRS Clearing Member who will carry such account, and who shall guarantee and assume complete responsibility for performance of all delivery requirements, in the event such account is required to make or accept delivery; and
 - (c) confirmation that each such account meets these requirements.

53104.E. Clearing House Financial Safeguards

A futures contract made under these Rules shall be a Base Guaranty Fund Product subject to the Clearing House financial safeguards provided by the General Guaranty Fund (CME Rule 802.A.).

An IRS Contract that is delivered or accepted for delivery in fulfillment of a futures contract made under these Rules shall be an IRS Product subject to the Clearing House financial safeguards provided by the IRS Guaranty Fund (CME Rule 8G07.).

53105. (RESERVED)

53106. (RESERVED)

53107. PAYMENT

Where an Initial Payment Amount is required in fulfillment of delivery on an expiring futures contract (CBOT Rule 53101.B.), an IRS Clearing Member that is determined as an Initial Payment Payer shall pay to the Clearing House, and an IRS Clearing Member that is determined as the receiver of an Initial Payment Amount shall receive from the Clearing House, an amount equal to such Initial Payment Amount on the Date of Delivery (CBOT Rule 53103.) at such time as the Clearing House may designate.

If such Initial Payment Amount is equal to or greater than \$100,000,000, then the IRS Clearing Member that is determined as the Initial Payment Payer shall pay such Initial Payment Amount to the Clearing House no later than 6:00pm on the Acceptance Date of the IRS Contracts that are delivered, and accepted for delivery, in fulfillment of such expiring futures contract (CBOT Rule 53103.B. and CME Rule 90102.C.).

CBOT Rulebook Chapter 54
30-Year US Dollar Interest Rate Swap Futures

54100. SCOPE OF CHAPTER

This chapter is limited in application to trading of 30-Year US Dollar Interest Rate Swap (“USD IRS”) futures. The procedures for trading, clearing, delivery, and settlement, and any other matters not specifically covered herein, shall be governed by the general rules of the Exchange (“Rules”).

Capitalized terms in this Chapter that are not otherwise defined in this Chapter shall have the meanings given to such terms in the other Chapters of the Rules. Capitalized terms in this Chapter that are not otherwise defined in either this Chapter or the other Chapters of the Rules shall have the meanings set forth in the ISDA Definitions (Chicago Mercantile Exchange (“CME”) Rule 90002.N.).

All times referenced in this chapter are Chicago times and are subject to change by the Exchange.

54101. CONTRACT SPECIFICATIONS

54101.A. Contract Grade

The contract grade for delivery on expiring futures made under these Rules shall be an Interest Rate Swap Contract (“IRS Contract” per CME Rule 90002.J.) that is accepted for clearing by the Clearing House (CME Rulebook Chapters 8F, 8G, 900, and 901) and that is subject to the following Contract Elections (CME Rule 90002.F.):

1. Fixed Rate Payer: An account required to deliver on a short position in such expiring futures contract (CBOT Rules 54104.) shall be the Fixed Rate Payer to the Clearing House. Where such account is required to accept delivery on a long position in such expiring futures contract, the Clearing House shall be the Fixed Rate Payer to such account.
2. Floating Rate Payer: An account required to accept delivery on a long position in such expiring futures contract (CBOT Rules 54104.) shall be the Floating Rate Payer to the Clearing House. Where such account is required to deliver on a short position in such expiring futures contract, the Clearing House shall be the Floating Rate Payer to such account.
3. IRS Effective Date: Third (3rd) Wednesday of futures contract delivery month (CBOT Rules 54102. and 54103.A.).
4. Currency: US dollars (CME Rule 90102.B.).
5. Notional Amount: \$100,000.
6. Business Day(s): New York and London.
7. Business Day Convention: Modified Following.
8. Termination Date: Thirtieth (30th) anniversary of IRS Effective Date. (CBOT Rule 54101.A.3.).
9. Initial Payment Amount: See CBOT Rule 54101.B.
10. Initial Amount Payer: See CBOT Rule 54101.B.
11. Fixed Rate Payment Dates: Semiannually from IRS Effective Date (CBOT Rule 54101.A.3.) subject to CBOT Rules 54101.A.6. and 54101.A.7.
12. Fixed Rate: Futures contract fixed interest rate set by the Exchange at an integer multiple of 25 basis points (ie, one quarter of one percent) per annum when such futures contract is initially listed for trading (CBOT Rule 54102.).
13. Fixed Rate Day Count: 30/360.
14. Floating Rate Payment Dates: Quarterly from IRS Effective Date (CBOT Rule 54101.A.3.) subject to CBOT Rules 54101.A.6. and 54101.A.7.
15. Floating Rate Option: USD-LIBOR-BBA (CME Rule 90102.E.1.).

- | | | |
|-----|--------------------------|-------------------|
| 16. | Designated Maturity: | Three (3) months. |
| 17. | Floating Rate Day Count: | Actual/360. |
| 18. | Spread: | None. |
| 19. | Compounding: | None. |

54101.B. Physical Delivery

Each individual futures contract lot that is delivered shall be an IRS Contract (CME Rule 90002.J.) that meets Contract Grade (CBOT Rule 54101.A.).

For an IRS Clearing Member carrying an account that is required to make or accept delivery on an expiring futures contract, the IRS Initial Payment Amount (CBOT Rule 54101.A.9.) due upon delivery (CBOT Rule 54103.) of such IRS Contract, and the Initial Amount Payer (CBOT Rule 54101.A.10.), shall be determined as follows:

Define P as the Final Settlement Price (CBOT Rule 812.) of an expiring futures contract, as determined by the Exchange at such contract's Termination of Trading (CBOT Rule 54102.F.), where such Final Settlement Price is expressed in points and fractions of points, with par on the basis of 100 points (Rule 54102.C.).

1. If P is greater than 100 points, then the long IRS Clearing Member taking delivery shall pay to the Clearing House, and the short IRS Clearing Member making delivery shall receive from the Clearing House, an Initial Payment Amount equal to:

(\$1,000 per point) \times (P points minus 100 points) per contract.

2. Else, if P is less than or equal to 100 points, then the short IRS Clearing Member making delivery shall pay to the Clearing House, and the long IRS Clearing Member taking delivery shall receive from the Clearing House, an Initial Payment Amount equal to:

(\$1,000 per point) \times (100 points minus P points) per contract.

3. For each individual contract lot that is delivered, such Initial Payment Amount shall be rounded to the nearest cent, with half-cents rounded up to the nearest cent.

Example: For a hypothetical expiring futures contract, assume the final settlement price P is 100-23 (ie, 100 and $23/32^{\text{nds}}$ or 100.71875 points). On the third Wednesday of the contract Delivery Month the holder of a long futures position taking delivery (the Floating Rate Payer in the delivered IRS Contract) shall pay to the Clearing House an Initial Payment Amount of \$718.75 per contract, equal to (\$1,000 per point) \times (100.71875 points minus 100 points), or \$718.75 (CBOT Rule 54101.B.1.). Conversely, the holder of a short futures position making delivery (the Fixed Rate Payer in the delivered IRS Contract) shall receive from the Clearing House an Initial Payment Amount of \$718.75 per contract.

54102. TRADING SPECIFICATIONS

The number of contract delivery months open for trading at a given time shall be determined by the Exchange. Without limitation to the foregoing, the Exchange customarily shall list for trading futures contracts for delivery in at least each of the two nearest months in the March-June-September-December quarterly cycle.

For a given futures contract for a given delivery month, the Exchange shall determine the value of the Fixed Rate that shall standardize the Contract Grade for such futures contract (CBOT Rule 54101.A.12.). The Exchange also shall determine whether, and when, to list for trading any additional futures contract(s) for such delivery month that are standardized to Fixed Rate value(s) different to the Fixed Rate value of such futures contract.

54102.A. Trading Schedule

The hours of trading shall be determined by the Exchange. On the last day of trading in an expiring contract (CBOT Rule 54102.F.), the close of the expiring contract shall begin at 1:59 pm, and trading shall be permitted thereafter for a period not to exceed one minute.

54102.B. Trading Unit

The unit of trading shall be IRS Contracts that meet Contract Grade (CBOT Rule 54101.A.) having notional amount of one hundred thousand US dollars (\$100,000) or multiples thereof.

54102.C. 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 ($1/32^{\text{nd}}$) 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 ($1/4$ of $1/32^{\text{nd}}$) of one point (equal to \$7.8125 per contract). Contracts shall not be made on any other price basis.

54102.D. Reserved

54102.E. Position Limits and Position Accountability

Position accountability (CBOT Rule 560.) shall apply to trading of 30-Year USD IRS futures.

54102.F. Termination of Trading

Trading in an expiring futures contract shall terminate no later than 2:00 pm (CBOT Rule 54102.A.) on the second London business day before the third Wednesday of the contract delivery month.

54103. DATE OF DELIVERY

Delivery on an expiring futures contract shall be made by a short IRS Clearing Member, and shall be taken by a long IRS Clearing Member, on the third Wednesday of the futures delivery month (CBOT Rule 54102.).

54103.A. IRS Effective Date

Such Date of Delivery shall be the Effective Date (CBOT Rule 54101.A.3.) of the IRS Contract that is delivered or accepted for delivery in fulfillment of such expiring futures contract.

54103.B. Acceptance Date and Clearing Effective Date

The first Clearing Business Day (CME Rule 90002.D.) preceding such Date of Delivery shall be the Acceptance Date (CME Rule 90002.B.) and the Clearing Effective Date (CME Rule 90002.E.) of the IRS Contract to be delivered or accepted for delivery in fulfillment of such expiring futures contract.

54104. DELIVERIES ON EXPIRING FUTURES CONTRACTS

54104.A. Requirements for Participation in Delivery

For an account carried by a clearing member to make or accept delivery on an expiring futures contract, the holder of such account is required (a) to be an Eligible Contract Participant, as that term is defined in Section 1a(18) of the Commodity Exchange Act (17 CFR 1.3(m)), and (b) to be either an IRS Clearing Member (CME Rule 90005.A.) or to be registered with CME by an IRS Clearing Member as an IRS Participant (CME Rule 8F009. and CME Rule 90005.B.).

54104.B. Obligations in Delivery

An IRS Clearing Member carrying an account that is required to make or accept delivery on an expiring futures contract shall guarantee and assume complete responsibility for the performance of all delivery requirements set forth in the Rules.

Upon termination of trading in an expiring futures contract (CBOT Rule 54102.F.), each such account that holds a long interest in such futures contract shall be required to accept delivery from the Clearing House of IRS Contracts that meet Contract Grade (CBOT Rule 54101.A.), and each such account that holds a short interest in such futures contract shall be required to make delivery to the Clearing House of IRS Contracts that meet Contract Grade.

Where an IRS Clearing Member carries accounts holding interest both long and short in such expiring futures contract, the IRS Clearing Member must guarantee acceptance of delivery by all such accounts holding long interest, and must guarantee that delivery is made by all such accounts holding short interest.

54104.C. Registration

Any IRS Contract that is delivered or accepted for delivery in fulfillment of an expiring futures contract must be identified with an account number which identifies the holder of such account making or accepting delivery of such IRS Contract, and which specifies whether such delivery is made or accepted by a proprietary account of an IRS Clearing Member or by a customer registered as an IRS Participant (CME Rule 8F009. and CME Rule 90005.B.).

54104.D. Reporting

In respect of the requirements set forth in CBOT Rule 54104.A., during the last five (5) business days of trading in an expiring futures contract, each clearing member that carries accounts holding long or short interest in such expiring futures contract shall:

1. ensure that the requirements set forth in CBOT Rule 54104.A. are met at all times.
2. report to the Clearing House on each business day an accurate inventory of such long and short interest, in such manner and at such times as the Clearing House may prescribe, *provided that* such inventory must include, for each account holding such long or short interest:
 - (a) the account number identifying the holder of such account (CBOT Rule 54104.C.);
 - (b) the identity of the IRS Clearing Member who will carry such account, and who shall guarantee and assume complete responsibility for performance of all delivery requirements, in the event such account is required to make or accept delivery; and
 - (c) confirmation that each such account meets these requirements.

54104.E. Clearing House Financial Safeguards

A futures contract made under these Rules shall be a Base Guaranty Fund Product subject to the Clearing House financial safeguards provided by the General Guarantee Fund (CME Rule 802.A.).

An IRS Contract that is delivered or accepted for delivery in fulfillment of a futures contract made under these Rules shall be an IRS Product subject to the Clearing House financial safeguards provided by the IRS Guaranty Fund (CME Rule 8G07.).

54105. (RESERVED)

54106. (RESERVED)

54107. PAYMENT

Where an Initial Payment Amount is required in fulfillment of delivery on an expiring futures contract (CBOT Rule 54101.B.), an IRS Clearing Member that is determined as an Initial Payment Payer shall pay to the Clearing House, and an IRS Clearing Member that is determined as the receiver of an Initial Payment Amount shall receive from the Clearing House, an amount equal to such Initial Payment Amount on the Date of Delivery (CBOT Rule 54103.) at such time as the Clearing House may designate.

If such Initial Payment Amount is equal to or greater than \$100,000,000, then the IRS Clearing Member that is determined as the Initial Payment Payer shall pay such Initial Payment Amount to the Clearing House no later than 6:00pm on the Acceptance Date of the IRS Contracts that are delivered, and accepted for delivery, in fulfillment of such expiring futures contract (CBOT Rule 54103.B. and CME Rule 90102.C.)

Appendix B

Amendments to CBOT Rule 5.C. Position Limit and Reportable Level Table

(Additions are shown in **bold underline** font.)

CONTRACT NAME	Opts	SCALE-DOWN SPOT MONTH	SPOT ^(a) MONTH	SINGLE ^(b) MONTH	ALL ^(c) MONTHS COMBINED	POSITION ACCOUNTABILITY Futures/Options ^(d)	REPORTABLE FUTURES LEVEL	REPORTABLE OPTIONS LEVEL
...
<u>30-Year USD IRS</u>						<u>5,000 / NA</u>	<u>1</u>	
<u>10-Year USD IRS</u>						<u>5,000 / NA</u>	<u>1</u>	
<u>5-Year USD IRS</u>						<u>5,000 / NA</u>	<u>1</u>	
<u>2-Year USD IRS</u>						<u>5,000 / NA</u>	<u>1</u>	

Amendments to CBOT Rule 588.H. Globex Non-Reviewable Trading Ranges

(Additions are shown in **bold underline** font.)

Instrument	Non-Reviewable Range (NRR) in Globex Format	NRR including Unit of Measure	NRR Ticks
...
Interest Rate Swaps			
5, 7, 10, 30 Year Interest Rate Swap Futures	300	30/32 of 1 point	60
<u>30-Year US Dollar Interest Rate Swap Futures</u>	<u>30</u>	<u>30/32 of 1 point</u>	<u>30</u>
<u>10-Year US Dollar Interest Rate Swap Futures</u>	<u>300</u>	<u>30/32 of 1 point</u>	<u>60</u>
<u>5-Year US Dollar Interest Rate Swap Futures</u>	<u>150</u>	<u>15/32 of 1 point</u>	<u>30</u>
<u>2-Year US Dollar Interest Rate Swap Futures</u>	<u>150</u>	<u>15/32 of 1 point</u>	<u>60</u>
...

Appendix C

MARKET REGULATION ADVISORY NOTICE

Exchange	CME & CBOT
Subject	Block Trades
Rule References	Rule 526
Advisory Date	October 29, 2012
Advisory Number	CME & CBOT RA1204-3
Effective Date	November 7, 2012 and November 13, 2012

This Advisory Notice supersedes CME & CBOT Market Regulation Advisory Notice RA1203-3 from October 24, 2012. It is being issued to notify the marketplace that pending all relevant regulatory review periods, **effective on trade date November 13, 2012**, CBOT will launch its suite of US Dollar Interest Rate Swap (“USD IRS”) futures contracts, all of which will become block eligible. Each of these proposed new futures contracts will expire by physical delivery of a standardized Libor-reference interest rate swap (IRS), with term to maturity at delivery of 2, 5, 10, or 30 years, that is cleared and guaranteed by CME Clearing. Upon launch, block trading will be allowed in the new USD IRS futures products at the following minimum threshold contract levels:

2-Year USD IRS futures -	3,000 contracts
5-Year USD IRS futures -	1,500 contracts
10-Year USD IRS futures -	1,000 contracts
30-Year USD IRS futures -	500 contracts

Additionally, as previously communicated in CME & CBOT Market Regulation Advisory Notice RA1203-4, and pending all relevant regulatory review periods, the following changes will become **effective on trade date November 7, 2012**:

- 1) Revisions to CME and CBOT Rule 526 that clarify that unless otherwise agreed to by the principal counterparties to the block trade, the price reporting obligation is the responsibility of the seller, or, in the case of a brokered transaction, the broker handling the block trade (see Section 5b); and
- 2) Clarifications pertaining to prohibited disclosure and the use of non-public information related to block trades (see Section 10).

CME and CBOT products in which block trading is permitted appear in Section 12, and the text of CME and CBOT Rule 526 appears in Section 14 of this Advisory Notice.

1. Definition of Block Trades

Block trades are privately negotiated futures, options or combination transactions that meet certain quantity thresholds which are permitted to be executed apart from the public auction market. All block trades are subject to the conditions set forth in CME and CBOT Rule 526 and in this Advisory Notice. Additionally, BTIC block trades in Select Sector futures and DJUSRE futures are also subject to the requirements set forth in CME Rule 36906.A. (“BTIC Block Trade Requirements”) or CBOT Rule 30107.A. (“BTIC Block Trade Requirements”), as applicable. Additional information on BTIC block trades appears in Section 9 of this Advisory Notice.

2. Participation in Block Trades

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

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

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

3. Time and Prices of Block Trades

Block trades may be executed at any time, including times during which the public auction market is closed, except that BTIC block trades may not take place on the last day of trading in an expiring contract month.

Block trades must be transacted at prices that are “**fair and reasonable**” in light of (i) the size of the transaction, (ii) the prices and sizes of other transactions in the same contract at the relevant time, (iii) the prices and sizes of transactions in other relevant markets, including, without limitation, the underlying cash market or related futures markets, at the relevant time, and (iv) the circumstances of the markets or the parties to the block trade.

The Basis applied to a BTIC block trade must also be fair and reasonable taking into account financing rates, expected dividend income and the time remaining until the applicable futures contract expires pursuant to the requirements of CME Rule 36906 (“Basis Trade at Index Close (“BTIC”) Transactions”) or CBOT Rule 30207 (“Basis Trade at Index Close (“BTIC”) Transactions”), as applicable.

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

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

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

The block trade minimum quantity requirements for outright futures and options are set forth in the list of block trade eligible products in Section 12 of this Advisory Notice. Additional information with respect to spreads and combinations executed as blocks appears below:

a) Intra-Commodity Futures Spreads and Futures Combinations

- i) All Products Excluding U.S. Treasury, OTR Treasury Yield, 5-, 7-, 10- and 30-Year Interest Rate Swap and GSCI Futures

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

- ii) U.S. Treasury, OTR Treasury Yield and 5-, 7-, 10- and 30-Year Interest Rate Swap Futures

Intra-commodity calendar spread block trades are prohibited in CBOT U.S. Treasury futures, OTR Treasury Yield and 5-, 7-, 10- and 30-Year Interest Rate Swap futures. Parties may not execute contingent block trades in outright contracts to circumvent the prohibition on the execution of block trades in intra-commodity calendar spreads. Additionally, Tandem spreads (a trade combining calendar spreads in two different Treasury futures) may not be executed as block trades.

- iii) GSCI Futures

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

b) Inter-Commodity Futures Spreads

- i) Short Term Interest Rate Futures

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

- ii) U.S. Treasury, OTR Treasury Yield, 5-, 7-, 10- and 30-Year Interest Rate Swap and 10-Year Sovereign Yield Spread Futures

In U.S. Treasury, OTR Treasury Yield, 5-, 7-, 10- and 30-Year Interest Rate Swap and 10-Year Sovereign Yield Spread futures, inter-commodity futures spreads may be executed as block trades provided that ***each leg of the spread*** meets the minimum threshold requirement for the respective underlying products. For example, the minimum quantity thresholds for 10-Year Notes and U.S. Treasury Bonds during RTH are 5,000 and 3,000 contracts, respectively. Therefore, a block trade in the NOB spread (10-Year Note/Treasury Bond spread) can be executed only if the minimum quantity of the 10-Year Note leg of the spread is at least 5,000 contracts and the minimum quantity of the Treasury Bond leg of the spread is at least 3,000 contracts.

- iii) USD IRS Futures

Inter-commodity futures spreads or combinations composed only of USD IRS futures (e.g., 2-Year USD IRS v. 10-Year USD IRS) may be executed as block trades provided that the ***sum of the legs of the spread*** meets the ***larger*** of the threshold requirements for the underlying products. For example, the minimum block trade thresholds for 2-Year USD IRS futures and 10-Year USD IRS futures are 3,000 and 1,000 contracts, respectively. Thus, a spread between these two contracts may be executed as a block trade if the sum of the quantities of the legs is at least 3,000 contracts.

Inter-commodity futures spreads or combinations excluding those composed only of USD IRS futures (e.g., 10-Year Treasury Notes v. 10-Year USD IRS) may be executed as block trades provided that ***each leg of the spread*** meets the minimum threshold requirement for the respective underlying products. For example, the minimum block trade thresholds for 10-Year Treasury Note futures and 10-Year USD IRS futures during RTH are 5,000 contracts and 1,000 contracts, respectively. A spread between these two contracts can be executed as a block trade, therefore, only if the quantity of the 10-Year Treasury Note leg is at least 5,000 contracts and the quantity of the 10-Year USD IRS leg is at least 1,000 contracts.

- iv) All Other Products

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

c) Intra-Commodity Option Spreads and Combinations

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

d) Inter-Commodity Option Spreads and Combinations

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

e) Options/Futures Spreads

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

5. Block Trade Price Reporting Requirements

a) Time Requirements

With the exceptions noted below, all block trades must be price reported to the Exchange within **five minutes** of the transaction.

i) Block Trades during European or Asian hours (ETH or ATH) in Interest Rate Products **Excluding** USD IRS

Interest rate block trades executed during ETH or ATH must be price reported to the Exchange within **15 minutes** of the transaction. With the exception of USD IRS, interest rate block trades executed during RTH must be reported within five minutes.

ETH: 12:00 a.m. – 7:00 a.m. CT, Monday through Friday on regular business days
RTH: 7:00 a.m. – 4:00 p.m. CT, Monday through Friday on regular business days
ATH: 4:00 p.m. – 12:00 a.m. CT, Monday through Friday on regular business days and at all times on weekends

ii) Weather, Housing, and USD IRS Block Trades

Block trades in Weather, Housing and USD IRS contracts must be price reported to the Exchange within **15 minutes** of the transaction.

b) Reporting Obligation

Price reporting obligations are the responsibility of the seller, unless otherwise agreed to by the principal counterparties to the block trade; however, in the case of a brokered transaction, the price reporting obligation is the responsibility of the broker handling the block trade, unless otherwise agreed to by the principal counterparties to the block trade. For purposes of the foregoing, the term “seller” refers to the principal counterparty acting as the seller of the block trade.

The failure to submit timely, accurate and complete block trade reports may subject the party responsible for the reporting obligation to disciplinary action. Parties shall not be sanctioned for block reporting

infractions deemed to arise from factors beyond the reporting party's control (e.g. the block trade fails the CME ClearPort automated credit check.)

c) Reporting Methods

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

i) Globex Control Center ("GCC")

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

ii) CME ClearPort

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

iii) Weather Blocks on CME Clearing360 via Pivot Instant Markets

Block trades in Weather futures and options may be price reported electronically to CME Clearing360 via Pivot Instant Markets by eligible inter-dealer brokers. For additional information on price reporting block trades via Pivot Instant Markets, please contact Angie DiCarlo, Senior Director, Client Development & Sales, at 312.930.4515 or via email at Angie.DiCarlo@cmegroup.com.

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

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

d) Information Required When Reporting Block Trades

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

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

6. Block Trade Submission Requirements to CME Clearing

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

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

A block trade in a block-eligible option may be executed up to and including the day on which an option contract expires for purposes of offsetting an open option position. The offsetting block trade must be price reported to the GCC pursuant to the requirements of section 5 above, and the offset must be submitted to CME Clearing no later than the Position Change Submission ("PCS") deadline on the day on which the option contract expires. The current PCS deadline is 7:30 p.m. Central Time.

7. Block Trade Recordkeeping

Complete order records for block trades must be created and maintained pursuant to Rule 536 and CFTC Regulations. Additionally, the time of execution of the block trade must also be recorded for all block trades.

8. Dissemination of Block Trade Information

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

Block trade prices are published separately from transactions in the regular market.

Block trade volume is also identified in the daily volume reports published by the exchange.

9. BTIC Block Trades

A BTIC Transaction is a futures transaction that is priced with reference to the applicable cash index close price. BTIC Transactions in Select Sector futures and BTIC Transactions in DJUSRE futures may be executed as block trades pursuant to the requirements of Rule 526 ("Block Trades"), this Advisory Notice and the applicable provisions in the corresponding product chapter (CME Chapter 369 for Select Sector futures and CBOT Chapter 30 for DJUSRE futures).

The current minimum threshold of 50 contracts applicable to each product will also apply to BTIC block trades in the products. BTIC block trades will not be permitted on the last day of trading in an expiring contract month.

BTIC block trades may not be executed as a spread transaction pursuant to the requirements in Section 4 of this Advisory Notice. Parties wishing to effectuate a block spread transaction in either product will be required to negotiate the transaction as separate outright BTIC block trades, and each leg must meet the minimum threshold of 50 contracts.

The futures price assigned to a Select Sector futures BTIC block trade will be based on the current day's Select Sector cash index close price, or the current day's Select Sector cash index close price adjusted by any valid price increment (the "Basis") higher or lower than the Select Sector cash index close price. The Basis must be stated in full tick increments as set forth in CME Rule 36901 ("Commodity Specifications").

The futures price assigned to a DJUSRE futures BTIC block trade will be based on the current day's Dow Jones US Real Estate cash index close price, or the current day's Dow Jones US Real Estate cash index

close price adjusted by any valid price increment higher or lower than the Dow Jones US Real Estate cash index close price. The Basis must be stated in full tick increments as set forth in CBOT Rule 30102 (“Trading Specifications”).

Market participants that transact BTIC block trades should be aware that the only acceptable method for price reporting and submitting BTIC block trades to CME Clearing is through CME ClearPort, and the entry of the trade into CME ClearPort must occur within five minutes of the agreement of the parties to execute the trade in order to comply with the price reporting requirements of CME Rule 526.F. It is not permissible for market participants to price report BTIC block trades to the Global Command Center (“GCC”) and separately enter the block trades into Front-End Clearing (“FEC”) as is allowed for other block trades in CME and CBOT products. Market participants should also be aware that entry of block trades into CME ClearPort requires registration. Additional information on registration for CME ClearPort is available on the CME Group website.

BTIC block trades must be reported to the Exchange via CME ClearPort at least 10 minutes prior to the scheduled close of the underlying primary securities market to establish the BTIC futures price on the current trading day. A BTIC block trade that is not reported at least 10 minutes prior to the scheduled close of the underlying primary securities market will be priced based on the index close price for the next available trading day for the primary securities market.

The futures price of a BTIC block trade will be determined by the Exchange at 3:45 p.m. Central Time and the Exchange-determined price will be final at that time. In the event of an early scheduled close of the primary securities market, the futures price of a BTIC block trade will be determined by the Exchange 45 minutes after the early scheduled close time for the primary securities market, and the Exchange-determined price will be final at that time. **In the event of an equity market disruption in the primary securities market, all BTIC block trades will be cancelled for that trade date.**

10. Disclosure of Non-public Information Regarding Block Trades Prohibited

Parties involved in the solicitation or negotiation of a block trade may not disclose the details of those communications or any non-public information regarding a consummated block trade to third parties.

Further, no party solicited to participate in a block trade or otherwise involved in the negotiation of a block trade may trade on the basis of non-public information obtained through the solicitation or negotiation of the block trade prior to the public report of the block trade, except that the counterparties to a consummated block trade shall not be precluded from trading following the consummation of the block trade prior to the block trade being publicly reported.

A broker negotiating a block trade on behalf of a customer may disclose the identity of the customer to potential counterparties, including the counterparty with which the block trade is consummated, only with the permission of the customer.

11. Block Trades between Affiliated Parties

Block trades between the accounts of affiliated parties are permitted provided that 1) the block trade is executed at a fair and reasonable price; 2) each party has a legal and independent bona fide business purpose for engaging in the trade; and 3) each party’s decision to enter into the block trade is made by an independent decision-maker. In the absence of satisfying the requirements above, the transaction may constitute an illegal wash trade prohibited by Rule 534 (“Wash Trades Prohibited”).

12. CME & CBOT Block Trade-Eligible Products

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

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

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

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

CME Products	Futures	Options	Flex Options
Eurodollars (RTH)	4,000 contracts - or 1,000 contracts provided that a minimum of 1,000 contracts are transacted in yrs 6-10	10,000 contracts	Not Available
Eurodollars (ETH)	2,000 contracts – or 500 contracts provided that a minimum of 500 contracts are transacted in yrs 6-10	5,000 contracts	Not Available
Eurodollars (ATH)	1,000 contracts – or 250 contracts provided that a minimum of 250 contracts are transacted in yrs 6-10	2,500 contracts	Not Available
Eurodollar E-mini futures (RTH)	40,000 contracts	Not available	Not available
Eurodollar E-mini futures (ETH)	20,000 contracts	Not available	Not available
Eurodollar E-mini futures (ATH)	10,000 contracts	Not available	Not available
3-Month Overnight Index Swaps (OIS)(RTH)	2,000 contracts	Not available	Not available
3-Month Overnight Index Swaps (OIS)(ETH)	1,000 contracts	Not available	Not available
3-Month Overnight Index Swaps (OIS)(ATH)	500 contracts	Not available	Not available
3-Month OIS/Eurodollar spread (RTH)	4,000 contracts (all legs combined)	Not available	Not available
3-Month OIS/Eurodollar spread (ETH)	2,000 contracts (all legs combined)	Not available	Not available
3-Month OIS/Eurodollar spread (ATH)	1,000 contracts (all legs combined)	Not available	Not available
T-Bills (RTH)	100 contracts	Not available	Not available
T-Bills (ETH)	50 contracts	Not available	Not available
T-Bills (ATH)	25 contracts	Not available	Not available
Euroyen (RTH)	200 contracts	200 contracts	Not available
Euroyen (ETH)	100 contracts	100 contracts	Not available
Euroyen (ATH)	50 contracts	50 contracts	Not available
One-Month Eurodollar (RTH)	400 contracts	400 contracts	Not available
One-Month Eurodollar (ETH)	200 contracts	200 contracts	Not available
CME Products	Futures	Options	Flex Options
One-Month Eurodollar (ATH)	100 contracts	100 contracts	Not available
10-Year Sovereign Yield Spread	250 contracts	Not available	Not available
Three-Month Euribor	2,000 contracts (nearest 20 March quarterly cycle delivery months and non-March	Not available	Not available

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

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

CBOT Products	Futures	Options	Flex Options
2-Year Treasury Notes (RTH)	5,000 contracts**	2,000 contracts	Same as Non-Flex Options
2-Year Treasury Notes (ETH)	2,500 contracts**	1,000 contracts	Same as Non-Flex Options
2-Year Treasury Notes (ATH)	1,250 contracts**	500 contracts	Same as Non-Flex Options
3-Year Treasury Notes (RTH)	5,000 contracts**	Not available	Not available
3-Year Treasury Notes (ETH)	2,500 contracts**	Not available	Not available
3-Year Treasury Notes (ATH)	1,250 contracts**	Not available	Not available
5- and 10-Year Treasury Notes (RTH)	5,000 contracts**	7,500 contracts	Same as Non-Flex Options
5- and 10-Year Treasury Notes (ETH)	2,500 contracts**	3,750 contracts	Same as Non-Flex Options
5- and 10-Year Treasury Notes (ATH)	1,250 contracts**	1,875 contracts	Same as Non-Flex Options
U.S. Treasury Bonds (RTH)	3,000 contracts**	7,500 contracts	Same as Non-Flex Options
CBOT Products	Futures	Options	Flex Options
U.S. Treasury Bonds (ETH)	1,500 contracts**	3,750 contracts	Same as Non-Flex Options
U.S. Treasury Bonds (ATH)	750 contracts**	1,875 contracts	Same as Non-Flex Options
Long-Term (Ultra) Treasury Bonds (RTH)	2,000 contracts**	Not available	Not available
Long-Term (Ultra) Treasury Bonds (ETH)	1,500 contracts**	Not available	Not available
Long-Term (Ultra) Treasury Bonds (ATH)	750 contracts**	Not available	Not available
2-, 5- and 10-Year OTR Treasury Yield (RTH)	2,000 contracts**	Not available	Not available
2-, 5- and 10-Year OTR Treasury Yield (ETH)	1,000 contracts**	Not available	Not available
2-, 5- and 10-Year OTR Treasury Yield (ATH)	500 contracts**	Not available	Not available
30-Day Fed Funds (RTH)	2,000 contracts	1,500 contracts	Same as Non-Flex Options
30-Day Fed Funds (ETH)	1,000 contracts	750 contracts	Same as Non-Flex Options
30-Day Fed Funds (ATH)	500 contracts	375 contracts	Same as Non-Flex Options
5-, 7-, 10- and 30-Year Interest Rate Swaps (RTH)	2,000 contracts	500 contracts	Not available
5-, 7-, 10- and 30-Year Interest Rate Swaps (ETH)	1,000 contracts	500 contracts	Not available
5-, 7-, 10- and 30-Year Interest Rate Swaps (ATH)	500 contracts	500 contracts	Not available
2-Year USD IRS	3,000 contracts	Not available	Not available
5-Year USD IRS	1,500 contracts	Not available	Not available

10-Year USD IRS	1,000 contracts	Not available	Not available
30-Year USD IRS	500 contracts	Not available	Not available
Dow Jones-UBS Commodity Index Excess Return	300 contracts	Not available	Not available
Dow Jones U.S. Real Estate Index	50 contracts	Not available	Not available
Ethanol	10 contracts	10 contracts	Not available
Distillers' Dried Grain	10 contracts	Not available	Not available
Black Sea Wheat	10 contracts	Not available	Not available

** Block trading of intra-commodity Treasury, OTR Treasury Yield and 5-, 7-, 10- and 30-Year Interest Rate Swap futures calendar spreads is prohibited.

13. Contact Information

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

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

For media inquiries concerning this Advisory Notice, please contact CME Group Corporate Communications at 312.930.3434 or news@cmegroup.com.

14. Text of CME & CBOT Rule 526

Rule 526 BLOCK TRADES

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

- A. A block trade must be for a quantity that is at or in excess of the applicable minimum threshold. Orders may not be aggregated in order to achieve the minimum transaction size, except by those entities described in Sections I. and J.
- B. Each party to a block trade must be an Eligible Contract Participant as that term is defined in Section 1a(18) of the Commodity Exchange Act.
- C. A member shall not execute any order by means of a block trade for a customer unless such customer has specified that the order be executed as a block trade.
- D. The price at which a block trade is executed must be fair and reasonable in light of (i) the size of the block trade, (ii) the prices and sizes of other transactions in the same contract at the relevant time, (iii) the prices and sizes of transactions in other relevant markets, including without limitation the underlying cash market or related futures markets, at the relevant time, and (iv) the circumstances of the markets or the parties to the block trade.
- E. Block trades shall not set off conditional orders (e.g., Stop Orders and MIT Orders) or otherwise affect orders in the regular market.
- F. **CME** – Unless otherwise agreed to by the principal counterparties to the block trade, the seller, or, in the case of a brokered transaction, the broker handling the block trade, must ensure that each block trade is reported to the Exchange within five minutes of the time of execution; except that block trades in interest rate futures and options executed outside of Regular Trading Hours (7:00 a.m. – 4:00 p.m. Central Time, Monday – Friday on regular business days) and Housing and Weather futures and options must be reported within fifteen minutes of the time of execution. The report must include the contract, contract month, price, quantity of the transaction, the respective clearing members, the time of execution, and, for options, strike price, put or call and expiration month. The Exchange shall promptly publish such information separately from the reports of transactions in the regular market.

- F. **CBOT** - Unless otherwise agreed to by the principal counterparties to the block trade, the seller, or, in the case of a brokered transaction, the broker handling the block trade, must ensure that each block trade is reported to the Exchange within five minutes of the time of execution; except that block trades in interest rate futures and options executed outside of Regular Trading Hours (7:00 a.m. – 4:00 p.m. Central Time, Monday – Friday on regular business days) must be reported within fifteen minutes of the time of execution. The report must include the contract, contract month, price, quantity of the transaction, the respective clearing members, the time of execution, and, for options, strike price, put or call and expiration month. The Exchange shall promptly publish such information separately from the reports of transactions in the regular market.
- G. Block trades must be reported to the Clearing House in accordance with an approved reporting method.
- H. Clearing members and members involved in the execution of block trades must maintain a record of the transaction in accordance with Rule 536.
- I. A commodity trading advisor ("CTA") registered or exempt from registration under the Act, including, without limitation, any investment advisor registered or exempt from registration under the Investment Advisors Act of 1940, shall be the applicable entity for purposes of Sections A., B., C., and D., provided such advisors have total assets under management exceeding \$25 million and the block trade is suitable for the customers of such advisors.
- J. A foreign Person performing a similar role or function to a CTA or investment advisor as described in Section I, and subject as such to foreign regulation, shall be the applicable entity for purposes of Sections A., B., C., and D., provided such Persons have total assets under management exceeding \$25 million and the block trade is suitable for the customers of such Persons.