



55 East 52nd Street
New York, NY 10055

BY ELECTRONIC TRANSMISSION

Submission No. 14-18

March 11, 2014

Ms. Melissa Jurgens
Secretary of the Commission
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

Re: Amendments to Rules 15.06, 15.07, 16.04 and 16.05
Submission Pursuant to Section 5c(c)(1) of the Act and Regulation 40.6(a)

Dear Ms. Jurgens:

Pursuant to Commodity Futures Trading Commission (“CFTC” or “Commission”) Regulation 40.6(a), ICE Futures U.S., Inc. (“Exchange”) hereby certifies amendments to Exchange Rules 15.06, 15.07, 16.04 and 16.05 concerning the mechanics for delivering foreign currency under Exchange contracts through CLS Bank. The amendments, which are attached as Exhibit A to this notice, will become effective with respect to the June 2014 delivery cycle, or such later date as the President may determine.

The FX contract specifications for most of the Exchange’s physical-delivery currency contracts require such deliveries to be made through CLS Bank, which operates the largest multicurrency cash settlement system for transactions in the global FX market. Settlements are made through banks which are “members” of CLS using a payment versus payment system that provides same day settlement in central bank funds for 17 major currencies.¹

ICE Clear US currently acts as a delivery counterparty to each clearing member with a long or short currency delivery position, taking delivery from the clearing member with a short delivery position in a particular currency, and making delivery of the same currency to the clearing member with a long delivery position in that currency. Because ICE Clear US is not a member of CLS Bank, it transacts through a member bank under a third party service model. However, the bank has expressed an intention to discontinue providing third party services to central counterparties (“CCPs”), such as ICE Clear US. Because direct membership in CLS Bank is not available to CCPs under the current CLS bylaws and membership requirements, ICE Clear US and the Exchange have revised the relevant Exchange rules to

¹ CLS Bank was formed in 2002 to address the mitigation of settlement risk. It is regulated by the Federal Reserve.

provide for the continued settlement by physical delivery through CLS without using an account of ICE Clear US.

Under the new procedures, ICUS will run an allocation to establish “matched pairs” of clearing members with delivery positions (as it currently does for other Exchange contracts) and the clearing members will be required to make and take physical delivery of currency directly with each other through CLS Bank, either as direct CLS members or through CLS members under the third party model. We believe that most of the clearing members involved in physical deliveries on the Exchange already are CLS members or have third party relationships with CLS members as a result of their broader FX trading activities. ICE Clear US has communicated these proposed rule changes to its clearing members to ensure sufficient time for appropriate arrangements to be made by them, if necessary.

In addition, the rules provide for alternative delivery procedures which may be entered into by clearing members that have been matched for delivery. Under the Rules, the clearing members may enter into mutually acceptable written agreements to physically deliver or financially settle the delivery obligations under conditions other than those stipulated in the Rules. Any such agreement must be reported to the Clearing Organization.

The Exchange certifies that the amendments are consistent with the CEA and the rules and regulations promulgated by the Commission thereunder. In particular, the amendments address the mechanics of physical delivery specified in the terms and conditions of the Exchange’s physical delivery currency contracts in accordance with core principle 2. The Exchange further certifies that, concurrent with this filing, a copy of this submission was posted on the Exchange’s website and may be accessed at (<https://www.theice.com/notices/RegulatoryFilings.shtml>). The Exchange is not aware of any substantive opposing views.

If you have any questions or need further information, please contact the undersigned at 212-748-4083 or Audrey.hirschfeld@theice.com.

Sincerely,

A handwritten signature in blue ink that reads "Audrey R. Hirschfeld". The signature is written in a cursive style with a large, looped initial "A".

Audrey R. Hirschfeld
SVP & General Counsel

cc: Division of Market Oversight
New York Regional Office

Exhibit A

Rule 15.06. Final Settlement Procedures

(a) Final Settlement Price

(i) The final Settlement Price of the expiring USDX Futures Contract shall be calculated using the formula in Rule 15.01 and, to the extent possible, the final Settlement Prices of Exchange Futures Contracts of the underlying component currencies that expire simultaneously with the USDX.

(ii) In the event that the expiring USDX Futures Contract ceases to trade on a different day or at a different time from Exchange Futures Contracts on any of the component currencies, the rate of each of the missing component currencies shall be determined by the Settlement Committee taking into account cash and futures prices of the underlying currency component and any other information that the Committee may deem appropriate.

(b) Final Settlement

(i) The Clearing Organization will match each Clearing Member having a long delivery Position (the Long Clearing Member) with one or more Clearing Members having a short delivery Position (the Short Clearing Member) in the expiring USDX Futures Contract. On the Delivery Day, the Long Clearing Member shall make delivery of the settlement currencies to the account of the Short Clearing Member, and the Short Clearing Member shall make delivery of U.S. Dollars to the account of the Long Clearing Member, both deliveries to be made via CLS Bank in accordance with such procedures as CLS shall institute and amend from time to time (“**CLS Procedures**”).

(ii) Determination of the U.S. Dollar and the Settlement Currency Amounts for Physical Delivery.

(A) The U.S. Dollar amount for physical delivery is determined by multiplying the final Settlement Price as determined in paragraph (a) of this Rule by one thousand dollars (\$1,000).

(B) The settlement currency amounts shall be determined by:

(1) Using the weight of each currency as specified in Rule 15.01, multiply the weight by the final U.S. Dollar amount determined in accordance with subparagraph (b)(ii)(A) of this Rule to obtain the U.S. Dollar amounts for each currency.

(2) If the price is in European terms, multiply the U.S. Dollar amount for each currency by the currency price used to compute the final Settlement Price calculated in paragraph (a) of this Rule.

(3) If the price is in American terms, divide the U.S. Dollar amount for each currency by the currency price used to compute the final Settlement Price calculated in paragraph (a) of this Rule.

Rule 15.07. Delivery Procedures

(a) Delivery Day

Delivery of the components of USDX Futures Contracts shall be made on the third (3rd) Wednesday of the contract month. If that day is not a Business Day or is a bank holiday in New York, NY, then the delivery day shall be the next day that is a Business Day; provided, however, that, if it is a bank holiday in the country of any component currency in the USDX, then, delivery of that currency and the U.S. Dollar amount attributable to that currency shall occur on the next Business Day that is not a bank holiday in New York, NY and the country of the component currency.

(b) Netting of Positions

(i) *Netting of Positions Within an Individual Contract*—A Clearing Member may net his delivery obligations to the extent that such Clearing Member (for itself or for Customers) is both long and short in USDX Futures Contracts and, if a Customer Account is involved, has a written request from the Customer to net the Customer's Account against other accounts and provided further, that the Clearing Member has a written agreement respecting delivery and receipt other than as set forth in the Rules. If the Clearing Member chooses to net, it shall indicate its net Position on the Delivery Netting Request form. The netting shall be performed in the following sequence: (A) within each account, (B) eligible Customer Account versus eligible Customer Account and (C) eligible Customer Account against Firm account. The netting of Positions by a Clearing Member shall relieve the Clearing Organization of any further obligations with respect to any USDX contract involved. Such Clearing Member shall indemnify the Exchange, the Clearing Organization against any liability, cost or expense that either may incur for any reason as a result of the Clearing Member's netting Positions.

(ii) *Netting Currency Positions Across Contracts*—A Clearing Member may net his delivery obligations to the extent that such Clearing Member (for it or for Customers) holds Positions that create offsetting currency payment obligations in USDX Futures Contracts and different currency pairs. If a Customer Account is involved, the Clearing Member must have a written request from the Customer to net the Customer's Account against other accounts and a written agreement respecting delivery and receipt other than as set forth in the Rules. If the Clearing Member chooses to net Positions, it shall indicate the net Position on its Delivery Netting Request Form. The netting shall be performed in the following sequence: (A) within each account, (B) eligible Customer Account versus eligible Customer Account and (C) eligible Customer Account against Firm account. The netting of Positions by a Clearing Member shall relieve the Clearing Organization of any further obligations with respect to any USDX and other currency futures contracts involved. Such Clearing Member shall indemnify the Exchange, the Clearing Organization against any liability, cost or expense that either may incur for any reason as a result of the Clearing Member's netting Positions.

(c) *Physical Delivery*

(i) All USDX Futures Contracts are required to be physically delivered through the Continuous Linked Settlement system (“CLS”). Each Clearing Member must either be a CLS Bank member or be able to use an approved CLS agent bank to make the required physical delivery. Notwithstanding the foregoing requirements, the delivery obligation may be satisfied in the manner specified in subparagraph (vi) of this paragraph (c).

(ii) All times stated in this Rule refer to New York Time, unless otherwise noted.

(iii) For each expiring USDX Futures Contract, a Clearing Member with a Position that remains open after the close of trading on the Last Trading Day shall submit to the Clearing Organization, on or before noon of the Last Trading Day, a statement, in the form prescribed by the Clearing Organization, detailing the Clearing Member's final delivery Position (“**Final Position Statement**”). If the Final Position Statement is received later than noon but by 3:30 pm on the Last Trading Day, the Clearing Member may be subject to Rule 15.08 (Delinquency in Performance). A Clearing Member which submits a Final Position Statement after 3:30 pm on the Last Trading Day or fails to submit a Final Position Statement shall be deemed to be in default and subject to Rule 15.08.

(iv) For each expiring USDX Futures Contract, a Clearing Member with a Position that remains open after the close of trading on the Last Trading Day shall submit to CLS, on or before 5:00 pm of the Last Trading Day, the relevant instructions to either take delivery of U.S. dollars and make delivery of the settlement currencies for long positions or make delivery of U.S. dollars and take delivery of the settlement currencies for short positions (“**CLS Submission**”). If the CLS Submission is received by CLS later than 5:00 pm on the Last Trading Day, the Clearing Member may be subject to Rule 15.08. A Clearing Member which submits a CLS Submission after 3:00 pm on the Business

Day preceding the Delivery Day or fails to submit a CLS Submission shall be deemed to be in default and subject to Rule 15.08.

(v) On the Delivery Day:

(A) the Long Clearing Member shall have its account credited with the amount of U.S. dollars sufficient to cover the number of long contracts for which delivery is being made and debited with the equivalent amount of settlement currencies in accordance with the CLS Procedures, and

(B) the Short Clearing Member shall have its account credited with the amount of settlement currencies sufficient to cover the number of short contracts for which delivery is being made and debited with the equivalent amount of U.S. dollars in accordance with the CLS Procedures, and

(C) each of the Long Clearing Member and the Short Clearing Member, respectively, shall advise the Clearing Organization in writing by noon of the Delivery Day, in the event that such Clearing Member is unable to complete the delivery obligations applicable to it under the Rules.

(vi) Notwithstanding paragraph (c)(i) of this Rule, the Long Clearing Member and the Short Clearing Member may enter into a mutually acceptable written agreement to physically deliver or financially settle the delivery obligation under conditions other than those stipulated in the Rules. Written notice of any such agreement shall be furnished by the Long Clearing Member and the Short Clearing Member to the Clearing Organization, whereupon such delivery shall be considered complete. The making of any such agreement shall relieve the Clearing Organization of any further obligations with respect to any Exchange Contract involved, and the Long Clearing Member and the Short Clearing Member shall indemnify the Exchange and the Clearing Organization against any liability, cost or expense either may incur for any reason as a result of the execution, delivery or performance of any such contract or such agreement, or any breach thereof or default thereunder.

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Rule 16.04. Delivery Procedures

(a) All deliveries must conform to government regulations in force at the time of delivery. If any national or international governmental agency or body issues an order, ruling, directive or law that conflicts with the requirements of these Rules, such order, ruling, directive or law shall be construed to take precedence and become part of these Rules and all open and new contracts shall be subject to such government orders.

(b) *Delivery Day*

Delivery of all outstanding Currency Futures Contracts shall be made on the third (3rd) Wednesday of the contract month. If that day is not a Business Day or is a bank holiday in either the country of the base currency or in the country of the quoted currency, then the delivery day shall be the next day which is a Business Day and is not a bank holiday in either the country of the base currency or in the country of the quoted currency.

(c) *Final Settlement*

(i) For the purposes of this Rule, the term “**CLS Delivered Currency Futures Contracts**” shall mean all Currency Futures Contracts which require physical delivery of base and quoted currencies, except for the euro-forint, euro-koruna, dollar-forint and dollar-koruna, and the term “**Non-CLS**”

Delivered Currency Futures Contracts” shall refer to Currency Futures Contracts which require physical delivery of the euro-forint, euro-koruna, dollar- forint, and dollar-koruna.

(ii) For CLS Delivered Currency Futures Contracts, the Clearing Organization will match each Clearing Member having a long delivery Position (the Long Clearing Member) with one or more Clearing Members having a short delivery Position (the Short Clearing Member) in the expiring CLS Delivered Currency Futures Contract. On the Delivery Day, the Long Clearing Member shall make delivery of the quoted currency to the account of the Short Clearing Member, and the Short Clearing Member shall make delivery of the base currency to the account of the Long Clearing Member, both deliveries to be made via CLS Bank in accordance with such procedures as CLS shall institute and amend from time to time (“**CLS Procedures**”).

(iii) For Non-CLS Delivered Currency Futures Contracts (euro-forint, euro-koruna, dollar-forint and dollar-koruna Currency Futures Contracts), the Clearing Organization will match each Long Clearing Member with one or more Short Clearing Members in the expiring Currency Futures Contract. The Exchange shall designate a delivery bank * into which the Short Clearing Member shall deposit the base currency into the account of the Clearing Organization and into which the Long Clearing Member shall deposit the quoted currency into the account of the Clearing Organization, as specified in paragraph (g) of this Rule. On the delivery day, the bank, upon instructions from the Clearing Organization, shall transfer the quoted currency funds previously deposited by the Long Clearing Member to the account of the Short Clearing Member; and upon instructions from the Clearing Organization, the delivery bank holding the base currency shall transfer the base currency to the Long Clearing Member's account.

(d) Netting of Positions

(i) A Clearing Member may net his delivery obligations to the extent that such Clearing Member (for itself or for Customers) is both long and short in individual Currency Futures Contracts, and, if a Customer Account is involved, has a written request from the Customer to net the Customer's Account against other accounts and provided further, that the Clearing Member has a written agreement respecting delivery and receipt other than as set forth in the Rules. If the Clearing Member chooses to net, it shall indicate the net Position on its delivery commitment form or Final Position Statement. The netting shall be performed in the following sequence: (A) within each account, (B) eligible Customer Account against eligible Customer Account and (C) eligible Customer Account against Firm account.

(ii) The netting of Positions by a Clearing Member shall relieve the Clearing Organization of any further obligations with respect to any Exchange contract involved and such Clearing Member shall indemnify the Exchange and the Clearing Organization against any liability, cost or expense either may incur for any reason as a result of the Clearing Member's netting of Positions.

(e) All times stated in this Rule refer to New York Time, unless noted otherwise.

(f) Delivery of CLS Delivered Currency Futures Contracts

(i) All CLS Delivered Currency Futures Contracts are required to be physically delivered through the Continuous Linked Settlement system (“CLS”). Each Clearing Member must either be a CLS Bank member or be able to use an approved CLS agent bank to make the required physical delivery. Notwithstanding the foregoing requirements, the delivery obligation may be satisfied in the manner specified in subparagraph (v) of this paragraph (f).

(ii) For each expiring CLS Delivered Currency Futures Contract, a Clearing Member with a Position that remains open after the close of trading on the Last Trading Day shall submit to the Clearing Organization, on or before noon of the Last Trading Day, a statement, in the form prescribed by the Clearing Organization, detailing the Clearing Member's final delivery Position ("**Final Position Statement**"). If the Final Position Statement is received later than noon but by 3:30 pm on the Last Trading Day, the Clearing Member may be subject to Rule 16.05. A Clearing Member which submits a Final Position Statement after 3:30 pm on the Last Trading Day or fails to submit a Final Position Statement shall be deemed to be in default and subject to Rule 16.05.

(iii) For each expiring CLS Delivered Currency Futures Contract, a Clearing Member with a Position that remains open after the close of trading on the Last Trading Day shall submit to CLS, on or before 5:00 pm of the Last Trading Day, the relevant instructions to either take delivery of the base currency from the Short Clearing Member and make delivery of the quoted currency to the Short Clearing Member for long Positions, or make delivery of the base currency to the Long Clearing Member and take delivery of the quoted currency from the Long Clearing Member for short Positions ("**CLS Submission**"). Notwithstanding the foregoing sentence, a Clearing Member with a Position that remains open after the close of trading on the Last Trading Day in the dollar-Canadian or small dollar-Canadian Currency Futures Contracts shall submit its CLS Submission to CLS on or before 3:00 pm of the Last Trading Day. If the CLS Submission is received by CLS later than 5:00 pm on the Last Trading Day, the Clearing Member may be subject to Rule 16.05. A Clearing Member which submits a CLS Submission after 3:00 pm on the Business Day preceding the Delivery Day or fails to submit a CLS Submission shall be deemed to be in default and subject to Rule 16.05.

(iv) On the Delivery Day:

(A) the Long Clearing Member shall have its account credited with the correct amount of the base currency and debited with the quoted currency equivalent in accordance with the CLS Procedures, and

(B) the Short Clearing Member shall have its account credited with the correct amount of the quoted currency and debited with the base currency equivalent in accordance with the CLS Procedures, and

(C) each of the Long Clearing Member and the Short Clearing Member, respectively, shall advise the Clearing Organization in writing by noon of the Delivery Day, in the event that such Clearing Member is unable to complete the delivery obligations applicable to it under the Rules.

(v) Notwithstanding paragraph (f)(i), the Long Clearing Member and the Short Clearing Member may enter into a mutually acceptable written agreement to physically deliver or financially settle the delivery obligation under conditions other than those stipulated in the Rules. Written notice of any such agreement shall be furnished by the Long Clearing Member and the Short Clearing Member to the Clearing Organization, whereupon such delivery shall be considered complete. The making of any such agreement shall relieve the Clearing Organization of any further obligations with respect to any Exchange Contract involved, and the Long Clearing Member and the Short Clearing Member shall indemnify the Exchange and the Clearing Organization against any liability, cost or expense either may incur for any reason as a result of the execution, delivery or performance of any such contract or such agreement, or any breach thereof or default thereunder.

(g) *Delivery of Non-CLS Delivered Currency Futures Contracts (Euro-Forint, Euro-Koruna, Dollar-Forint and Dollar-Koruna Currency Futures Contracts)*

(i) Holders of long euro-forint, euro-koruna, dollar-forint and dollar-koruna Currency Futures Contracts shall receive delivery of the base currency and shall pay the quoted currency equivalent.

It is the responsibility of the Clearing Member having a long delivery Position to transfer the correct total amount of quoted currency funds into the account of the Clearing Organization at the delivery bank designated by the Exchange and to provide complete information for the timely transfer of the base currency into the long Clearing Member's account as specified in the procedure below:

(A) In order for a Clearing Member with a long futures Position to accept delivery for himself or for Customers it represents, it shall, no later than noon on the Last Trading Day, present long Clearing Member's Delivery Commitments ("Delivery Commitments") to the Clearing Organization. The Clearing Member shall include the following in each Commitment:

- (1) the name of the Exchange specified delivery bank*;
- (2) the Clearing Organization's account number at the delivery bank in which it will deliver the quoted currency funds for each outstanding long Currency Futures Contract; and
- (3) the Clearing Member shall include on each Delivery Commitment presented to the Clearing Organization the name of a bank along with the account number at such bank, at which it will receive delivery of the unit of trading for each outstanding long contract.

If such Delivery Commitments are received later than noon but not later than 3:30 p.m. on the Last Trading Day, the Clearing Member may be subject to disciplinary action. A Clearing Member which submits a Delivery Commitment subsequent to 3:30 p.m. on the Last Trading Day or fails to submit a Delivery Commitment shall be deemed to be in default and subject to Rule 16.05.

(B) The following is the procedure for holders of long dollar-koruna and dollar-forint Currency Futures Contracts while taking delivery of such contracts:

By 10:00 a.m. local time in the country of the base currency on the Delivery Day specified in paragraph (b) above, the Clearing Member shall deposit the quoted currency in an amount sufficient to cover the number of contracts for which delivery is being made into the account of the Clearing Organization at the delivery bank. All payment advices from the remitting bank or from its correspondent must be received by the delivery bank no later than 10:00 a.m. local time on this day.

The amount of the quoted currency deposit shall equal the value of all the long outstanding Currency Futures Contracts based on the Settlement Price on the Last Trading Day. Deposit of the quoted currency shall be made as an international bank wire transfer of immediately available funds.

(C) The following is the procedure for holders of long euro-koruna and euro-forint Currency Futures Contracts while undertaking delivery of such contracts.

By 9:00 am New York Time on the base currency business day immediately preceding the Delivery Day, the long Clearing Member shall cause its bank to submit to the delivery bank a directive-to-pay by SWIFT message, tested telex, or other format acceptable to the delivery bank for the payment of the quoted currency sufficient to pay for the delivery of the outstanding base currency of the Currency Futures Contract or, in the alternative, by 10:00 Greenwich Mean Time on the Business Day immediately preceding the Delivery Day, deposit the amount of the quoted currency into the account of the Clearing Organization at the delivery bank. The directive-to-pay shall include the following:

- (1) Clearing Member's name;
- (2) the name and address of the bank which will transfer the quoted currency into the account of the Clearing Organization;
- (3) the name, number and location of the Clearing Organization account to which the quoted currency will be transferred;

* A list of Exchange Approved Delivery Banks may be accessed at the following link: []

(4) the amount of quoted currency to be transferred into the Clearing Organization's account;
and

(5) the Delivery Day which is specified in paragraph (b) above.

If a Clearing Member submits a quoted currency directive-to-pay, then by 10:00 am quoted currency local time on the Delivery Day specified in paragraph (b) above, the Clearing Member shall deposit the quoted currency in an amount sufficient to cover the number of Currency Futures Contracts for which delivery is being made into the account of the Clearing Organization at the delivery bank. All payment advices from the remitting bank or from its correspondent must be received by the delivery bank no later than 10:00 am quoted currency local time, whichever is applicable.

If a Clearing Member does not submit a quoted currency directive-to-pay, the Clearing Member shall deposit into the account of the Clearing Organization at the delivery bank designated by the Exchange an amount of the quoted currency that is sufficient to pay for the delivery of the base currency on all outstanding euro-forint and euro-koruna Currency Futures Contracts and that is for value on the Business Day immediately preceding Delivery Day. All payment advices from the remitting bank or its correspondent must be received by the delivery bank no later than 12:00 pm quoted currency time on the base currency business day immediately preceding Delivery Day.

The amount of the directive-to-pay or the amount of the quoted currency deposit shall equal the value of all of the outstanding long euro-forint and euro-koruna Currency Futures Contracts based on the Settlement Price on the Last Trading Day.

Deposit of the quoted currency shall be made as an international bank wire transfer of immediately available funds.

(D) For all euro-forint, euro-koruna, dollar-forint and dollar koruna Currency Futures Contracts, it is the responsibility of the owner of the long Position and the Clearing Member carrying such Position to be familiar, and in conformance, with all the regulations pertaining to the holding of non-resident bank accounts in the country of the bank in which delivery of the base currency will be accepted for each outstanding long Currency Futures Contract.

(ii) Holders of short euro-forint, euro-koruna, dollar-forint and dollar koruna Currency Futures Contracts shall make delivery of the base currency and shall receive payment in the appropriate quoted currency.

The short Clearing Member is responsible for assuring the timely delivery of the base currency into the appropriate Clearing Organization account at the Exchange approved delivery bank and to provide complete information for the timely transfer of appropriate quoted currency into the short Clearing Member's account as specified by the procedure below:

(A) A Clearing Member with a short futures Position in order to make delivery for itself or for a Customer it represents shall, no later than noon on the Last Trading Day, present to the Clearing Organization short Clearing Member's Delivery Commitments. The Clearing Member shall include in each Delivery Commitment:

(1) the name of the Exchange specified delivery bank *;

(2) the Clearing Organization's account number at the delivery bank in which it will deliver the base currency for each outstanding short Currency Futures Contract; and

(3) the name and address of the Exchange approved quoted currency transfer bank **) to which the appropriate quoted currency payment should be sent along with the name of the account and the account number to which the quoted currency payment should be credited.

* A list of Exchange Approved Delivery Banks may be accessed at the following link: [].

* A list of Exchange Approved Currency Transfer Banks may be accessed at the following link: [].

If such Delivery Commitment is received later than noon on the Last Trading Day, but not later than 3:30 p.m. on the same day, the Clearing Member may be subject to disciplinary action. A Clearing Member which submits a Delivery Commitment subsequent to 3:30 p.m. on the Last Trading Day or fails to submit a Delivery Commitment shall be deemed to be in default and subject to Rule 16.05.

(B) The following is the procedure for holders of short euro-koruna, euro-forint, dollar-koruna and dollar-forint Currency Futures Contracts while taking delivery of such contracts:

By 9:00 a.m. New York Time on the base currency business day immediately preceding Delivery Day, the Clearing Member shall cause its bank to send to the delivery bank specified by the Exchange a directive-to-pay by SWIFT message, telex or other format acceptable to the delivery bank or, in the alternative, by 10:00 a.m. base currency local time, deposit the amount of the base currency into the account of the Clearing Organization at the delivery bank. The directive-to-pay shall include the following:

- (1) Clearing Member's name,
- (2) the name and address of the bank which will transfer the base currency into the account of the Clearing Organization;
- (3) the name, number and location of the Clearing Organization account to which the base currency will be transferred;
- (4) the amount of the base currency to be delivered into the Clearing Organization's account, and
- (5) the Delivery Day which is specified in paragraph (b) above.

If a Clearing Member submits a base currency directive-to-pay, then by 10:00 a.m. local time on the Delivery Day specified in paragraph (b) above, the Clearing Member shall deposit the base currency in an amount sufficient to cover the number of contracts for which delivery is being made into the account of the Clearing Organization at the delivery bank. All payment advices from the remitting bank or its correspondent must be received by the delivery bank no later than 10:00 a.m. local time on this day.

If a Clearing Member does not submit a base currency directive-to-pay, the Clearing Member shall deposit into the account of the Clearing Organization at the delivery bank designated by the Exchange, an amount of the base currency that is sufficient to cover the number of contracts for which delivery is being made and that is for value on the Business Day immediately preceding Delivery Day. All payment advices from the remitting bank or its correspondent must be received by the delivery bank no later than 12:00 p.m. base currency local time on the Business Day immediately preceding Delivery Day.

The amount of the directive-to-pay or the amount of the base currency deposit shall equal the unit of trading for each outstanding short Currency Futures Contract. Deposit of the base currency shall be made in the form of an international bank wire transfer of immediately available funds.

(C) For all Currency Futures Contracts, it is the responsibility of the owner of the short Position and the Clearing Member carrying such Position to be familiar, and in conformance, with all the regulations pertaining to the holding of non-resident bank accounts in the country of the bank in which payment of the appropriate quoted currency will be accepted for each outstanding short Currency Futures Contract.

(iii) Notwithstanding any provision of this Rule to the contrary, the Long Clearing Member and the Short Clearing Member may enter into a mutually acceptable written agreement to physically deliver or financially settle the delivery obligation under conditions other than those stipulated in the Rules. A delivery so made shall be considered complete upon written notification of such agreement by the

Long Clearing Member and the Short Clearing Member to the Clearing Organization. The making of any such agreement shall relieve the Clearing Organization of any further obligations with respect to any Exchange Contract involved, and the Long Clearing Member and the Short Clearing Member shall indemnify the Exchange and the Clearing Organization against any liability, cost or expense either may incur for any reason as a result of the execution, delivery or performance of any such contract or such agreement, or any breach thereof or default thereunder.

(h) Costs of Delivery

The seller (short) shall bear the costs of transferring the base currency into the delivery bank specified by the Exchange and the costs of transferring the quoted currency out of the delivery bank. The buyer (long) shall bear the costs of transferring the base currency out of the delivery bank specified by the Exchange and the costs of transferring the quoted currency into the delivery bank. Such costs may include, but are not limited to, wire transfer charges, CLS charges, directives-to-pay charges, SWIFT message charges, interest charges and transaction fees.

Rule 16.05. Delinquency in Performance

(a) If a Clearing Member with a commitment to deposit currency funds pursuant to Rule 16.04 fails to deposit such funds by the deadline specified in Rule 16.04, then the Clearing Member shall be deemed in default, and the matter shall be acted upon pursuant to paragraph (c) of this Rule.

(b) If the information contained in either the Buyer's Delivery Commitment or the Seller's Delivery Commitment is so inaccurate that delivery cannot be accomplished in a timely manner, fines or damages may be assessed pursuant to paragraph (c) of this Rule.

(c) If a Clearing Member fails to perform all the acts required by this Chapter, or is deemed to be in default, or is unduly enriched, such Clearing Member shall be liable to the Clearing Organization and to the opposite Clearing Member for any loss sustained and may be subject to disciplinary action by the Exchange and/or the Clearing Organization.

Rule 16.06. Approval of Transfer Banks

Upon application, the Exchange shall approve transfer banks that must be able to do the following:

(a) handle accounts denominated in the base currency and/or the appropriate quoted currency;

(b) demonstrate an ability to handle transfers in the base currency and/or the appropriate quoted currency in a timely manner; and

(c) issue a directive-to-pay that is acceptable to the Delivery Bank.

If a bank that is approved no longer meets the above requirements of this Rule, the Exchange shall remove it from the approved list of transfer banks.

Rule 16.07. Approval of Delivery Banks

The Board shall approve a delivery bank which meets the requirements of paragraphs (a) and (b) of Rule 16.06; provided, however, that the Board may from time to time establish such additional requirements and preconditions for registration as a facility for the delivery or payment of currencies as it deems necessary.