

Significant Remaining Differences in CME, CBOT, NYMEX and COMEX Rules (as of October 1, 2010)

Subject Area/Rule Number(s)	CME	CBOT	NYMEX and COMEX
<p>Membership categories and requirements (Rules 100, 106, 900)</p>	<p>While the names of many of the various member firm types have been harmonized across the four exchanges, differences remain with respect to qualifications and benefits. Notably, member firm and clearing member firm seat and share requirements remain unique to each exchange.</p> <p>There has been no harmonization of the various types of individual membership categories at each exchange. CME maintains four membership categories (CME, IMM, IOM and GEM), CBOT maintains five membership series (B-1 (Full), B-2 (Associate), B-3 (GIM), B-4 (IDEM) and B-5 (COM), NYMEX has a single membership category (NYMEX) and COMEX has two membership categories (COMEX and COMEX Options).</p>		
<p>Rule change procedures (Rule 230.j.)</p>	<p>Amendments to CME Rules require the approval of the Chairman of the Board, the Vice-Chairman of the Board and the Chief Executive Officer.</p>	<p>Amendments to the majority of CBOT Rules require that advance notice be provided to the CBOT Directors before they are forwarded to the Chairman of the Board, the Vice-Chairman of the Board and the Chief Executive Officer for approval. If the CBOT Directors determine that the new or amended rules would materially impair the business of the CBOT or the business opportunities of its members, the proposed changes would be forwarded to the CBOT Rule Change Committee for consideration.</p>	<p>Amendments to NYMEX and COMEX Rules require the approval of the Chairman of the Board, the Vice-Chairman of the Board and the Chief Executive Officer.</p>
<p>Headset usage on the trading floor (Rule 506)</p>	<p>CME maintains certain restrictions on headset use by members active in the S&P500 and NASDAQ-100 pit.</p> <p>CME allows all other members and non-member employees to wear headsets provided that all exchange recordkeeping and audit trail requirements are met.</p>	<p>CBOT, NYMEX and COMEX allow all members and non-member employees to wear headsets provided that all exchange recordkeeping and audit trail requirements are met.</p>	

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Broker associations (Rule 515)	CME restricts trading among broker association members active in certain contract months in pit-traded Eurodollar options and S&P 500 futures.	CBOT, NYMEX and COMEX do not restrict trading among broker association members in any products.	
All-or-None Trades (Rule 523)	CME and CBOT allow All-or-None trades in various CME and CBOT interest rate futures and options and in various CME FX futures and options.		NYMEX and COMEX do not permit AON trading.
Trading at Settlement Transactions (TAS) (Rule 524)	CME and CBOT do not permit TAS trading in any products.		NYMEX and COMEX allow TAS trades in various energy and metals products.
Block trading (Rule 526)	Each exchange permits block trading in various products. Differences remain with respect to the requirements for meeting the minimum thresholds for block spread trades across different product groups.		
Pre-execution communications (Rule 539)	CME allows pre-execution communications in all products trading electronically. Pre-execution communications remain prohibited in all pit-traded products.	CBOT allows pre-execution communications in options on Interest Rate products, Dow and Ethanol trading electronically. Pre-executions communications remain prohibited in all CBOT futures contracts and all CBOT agricultural options contracts trading electronically and in all pit-traded products.	NYMEX and COMEX allow pre-execution communications in all products trading electronically. Pre-execution communications remain prohibited in all pit-traded products.
Dual trading/Top step restrictions (CME Rules 541, 552 and 555)	CME restricts dual trading in certain liquid contract months in Eurodollar options and S&P 500 options. CME restricts trading by brokers who stand on the top-step of the S&P 500 futures pit.	CBOT, NYMEX and COMEX have no dual trading or top-step restrictions in any market.	

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<p>Delivery Rules (CME and CBOT Chapter 7, NYMEX and COMEX Chapters 7A and 7B and associated product chapters)</p>	<p>Product-specific delivery rules remain unique to each exchange. Delivery rules are located in CME and CBOT Chapter 7 and in NYMEX and COMEX Chapters 7A and 7B. Additional product-specific delivery rules are also located in the pertinent product chapter in the appropriate exchange's Rulebook.</p>		
<p>Freshening dates (Rule 807)</p>	<p>CBOT allows the practice of freshening dates whereby a party liquidates an existing position and subsequently re-establishes a position in the same deliverable product with the result that the new open position is at the back of the line for delivery purposes.</p> <p>CME requires all purchases and sales made on a single day during the delivery month in a physically delivered contract to be netted out as day trades, with only excess buys being considered new long positions.</p> <p>NYMEX and COMEX physically delivered contracts are not assigned based on the date of the position and therefore the practice of freshening dates is not applicable to these products.</p>		
<p>Fees (Rule 850)</p>	<p>Significant differences remain in the clearing and trading fees applicable to each exchange.</p>		