

Chapter 418

CME Snowfall Index Futures

41800. SCOPE OF CHAPTER

This chapter is limited in application to trading on CME Snowfall Index Futures. The procedures for trading, clearing and settlement, and any other matters not specifically covered herein shall be governed by the rules of the Exchange.

41801. COMMODITY SPECIFICATIONS

Daily snowfall is defined as the total snowfall recorded at a particular location between midnight and 11:59 P.M. as reported by MDA Information Systems, Inc.

Monthly snowfall is defined as the sum of daily snowfall values for a particular location for a calendar month. The accumulation period for each contract begins with the first calendar day of the contract month and ends with the last calendar day of the contract month.

The table below lists the cities and their corresponding weather stations:

Listing Cities and Corresponding Weather Stations

New York Central Park (WBAN 94728)
Boston Logan International Airport (WBAN 14739)
New York LaGuardia Airport (WBAN 14732)
Chicago O'Hare International Airport (WBAN 94846)
Minneapolis/St. Paul Airport (WBAN 14922)
Detroit Metro Airport (WBAN 94847)
Newark International Airport (WBAN 14734)
Baltimore-Washington International Airport (WBAN 93721)
Columbus Port-Columbus International Airport (WBAN 14821)
Colorado Springs Municipal Airport (WBAN 93037)

41802. FUTURES CALL

41802.A. Trading Schedule

Futures contracts shall be scheduled for trading and delivery during such hours in such months as may be determined by the Board of Directors.

41802.B. Size of Trading Unit

The size of the unit of trading shall be \$500 times the respective CME Snowfall Index.

41802.C. Price Increments

The minimum price fluctuation on the respective CME Snowfall Index futures shall be 0.1 (one-tenth) index point and have a value of \$50. Each index point is equal to 1 inch of snowfall.

41802.D. Position Limits

A person shall not own or control more than 10,000 contracts net long or net short in all contract months combined. For positions involving options on the respective CME Snowfall Index futures, this rule is superseded by the option speculative position limit rule.

41802.E. Accumulation of Positions

For the purposes of this rule, the positions of all accounts directly or indirectly owned or controlled by a person or persons, and the positions of all accounts of a person or persons acting pursuant to an expressed or implied agreement or understanding, and the positions of all accounts in which a person or persons have a proprietary or beneficial interest, shall be cumulated.

41802.F. Exemptions

The foregoing position limits shall not apply to bona fide hedge positions meeting the requirements of Regulation 1.3(z)(1) of the CFTC and the rules of the Exchange, and shall not apply to other positions exempted pursuant to Rule 559.

41802.G. Termination of Trading**FOR CONTRACTS THROUGH APRIL 2012:**

Futures trading shall terminate at 9:00 A.M. on the first Exchange business day that is at least two calendar days after the futures contract month.

FOR CONTRACTS BEGINNING NOVEMBER 2012:

Futures trading shall terminate at 9:00 A.M. on the second Exchange business day after the futures contract month.

41802.H. Contract Modification

Specifications shall be fixed as of the first day of trading of a contract, except that all contracts must conform to government regulations in force at the time of final settlement. If any U.S. governmental agency or body with jurisdiction over the trading of the contract or with jurisdiction respecting the trading or final settlement of the CME Snowfall Index futures 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 governmental orders.

41802.I [Reserved]**41803. SETTLEMENT PROCEDURES****41803.A. Final Settlement Price**

All futures contracts remaining open at the termination of trading shall be settled using the respective CME Snowfall Index reported by MDA Information Systems, Inc. for that city for that contract month, using the methodology in effect on that date, on the second Exchange business day after the futures contract month. For example, on January 4, 2006, the December 2005 futures contract on the Boston CME Snowfall Index would have been settled at 10.70.

41803.B. Final Settlement

Clearing members holding open positions in a CME Snowfall Index futures contract at the termination of trading in that contract shall make payment to or receive payment from the Clearing House in accordance with normal variation performance bond procedures based on a settlement price equal to the final settlement price.

41804. ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)

41805.-06. [RESERVED]

(End Chapter 418)

**INTERPRETATIONS AND SPECIAL NOTICES
RELATING TO CHAPTER 418****LIMITATION OF LIABILITY AND DISCLAIMER**

MDA Information Systems, Inc. (“MDA”, formerly “EarthSat”) grants the Exchange the rights to use various data (“Data”) in connection with the trading of futures contracts and options on futures contracts based upon such Data. MDA makes no warranty, express or implied, as to the results to be obtained by any person or any entity from the use of the Data in connection with the trading of futures contracts, options on futures contracts or any other use. MDA makes no express or implied warranties, and expressly disclaims all warranties of merchantability or fitness for a particular purpose or use with respect to the Data. Without limiting any of the foregoing, in no event shall MDA have any liability for any special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages.