

## DEFINITIONS

### ACT OR CEA

The term "Act" or "CEA" shall mean the Commodity Exchange Act, as amended from time to time.

### BLOCK TRADE

A privately negotiated futures or option on futures transaction that is executed apart from the public auction market and that is permitted in designated contracts subject to specified conditions. These trades are governed by Rule 526 ("Block Trades").

### BOARD

The Board of Directors of the Exchange or any other body acting in lieu of and with the authority of the Board.

### BROAD-BASED INDEX FUTURE

A futures contract based upon an index that is not considered narrow-based as defined in Section 1a(25) of the Commodity Exchange Act.

### BROKERAGE

The fee paid to an agent to facilitate the execution of orders.

### BUSINESS DAY

In a given commodity, any day on which a settlement price is determined.

### BY-LAWS

The By-Laws of the Exchange, unless otherwise specified.

### CASH COMMODITY

The actual physical commodity or financial instrument as distinguished from the futures contract that is based on the physical commodity or financial instrument. Also referred to as "spot commodity."

### CBOT

The Board of Trade of the City of Chicago, Inc.

### CERTIFICATE OF INCORPORATION

The Certificate of Incorporation of the Exchange, unless otherwise specified.

### CFTC OR COMMISSION

The U.S. Commodity Futures Trading Commission.

### CHAIRMAN

The Chairman of the Board of Directors, or one acting in lieu of and with the authority of the Chairman of the Board.

### CHIEF EXECUTIVE OFFICER OR CEO

The Chief Executive Officer of the Exchange or one duly authorized to act in lieu of and with the authority of the Chief Executive Officer.

### CLASS A SHARE

A share of Class A Common Stock of CME Group Inc. Class A Shares shall confer no trading rights.

**CLEARED OTC DERIVATIVES CUSTOMER SEQUESTERED ACCOUNT**

An account in which Funds of Cleared OTC Derivatives positions Customers (or investments thereof) (and the money, securities and/or other property margining, guaranteeing or securing such positions) of Cleared OTC Derivatives Customers are held; *Provided, however,* That, for purposes of CME Rules, the term Cleared OTC Derivatives Customer Sequestered Account shall not include an account in which positions in cleared OTC derivatives (or the money, securities and/or other property margining, guaranteeing or securing such derivatives) are, pursuant to a CFTC order, commingled with positions and funds held in segregated accounts maintained in accordance with Section 4d of the CEA.

**CLEARED OTC DERIVATIVES CUSTOMERS**

Customers of a futures commission merchant with positions in cleared OTC derivatives, as that term is defined in CFTC Regulation 190.01(o); *Provided however,* That a customer is only a Cleared OTC Derivatives Customer with respect to its positions in cleared OTC derivatives, as that term is defined in CFTC Regulation 190.01(o); *Provided, further,* That, for purposes of CME Rules, the term Cleared OTC Derivatives Customers shall not include customers whose only cleared OTC derivatives positions (and whose money, securities and/or other property margining, guaranteeing or securing such derivatives) are, pursuant to a CFTC order, commingled with positions and funds held in segregated accounts maintained in accordance with Section 4d of the CEA

**CLEARING HOUSE**

The CME Clearing House, also referred to as CME Clearing, a division of CME.

**CLEARING MEMBER**

A firm meeting the requirements of, and approved for, clearing membership at the Exchange. The term "clearing member" as used in the Rules shall include all clearing member categories set forth in Rule 900, unless otherwise specified.

**CLOSING RANGE**

The high and low prices, inclusive of bids and offers, recorded during the time period designated by the Exchange as the close of pit trading in a particular contract.

**CME**

Chicago Mercantile Exchange Inc.

**CME GROUP INC.**

CME Group or CME Group Inc. is a holding company and the parent of CME, CBOT and NYMEX.

**COMBINATION ORDER/SPREAD ORDER**

A combination of buy and/or sell orders for the same account, except as provided by Rule 527, at the market, at a fixed differential or by some other appropriate pricing convention. Also referred to as a spread order.

**COMMODITY**

Any product approved and designated by the Board for trading or clearing pursuant to the rules of the Exchange.

**CONTRACT**

Depending on the context in which it is used, a term of reference describing either a unit of trading in a particular futures, options or cleared product or a product approved and designated by the Board for trading or clearing pursuant to the rules of the Exchange.

**DELIVERY MONTH**

Unless otherwise specified in the rules, the designated period of time during which delivery intents may be tendered or deliveries may be completed.

**DISCIPLINARY OFFENSE**

Any offense as set forth in Rule 300.E.

**ELECTRONIC DEVICE**

Any type of voice or data communications interface, including but not limited to a computer, headset, trading device, microphone, telephone or camera.

**EMERGENCY**

Any occurrence or circumstance which, in the opinion of the Exchange, requires immediate action and threatens or may threaten fair and orderly trading, clearing, delivery or liquidation of any contracts on the Exchange. Occurrences and circumstances which the Exchange may deem emergencies are set forth in the Rules.

**EXCHANGE**

New York Mercantile Exchange, Inc., including its wholly owned subsidiary Commodity Exchange Inc.

**EXCHANGE OF OPTIONS FOR OPTIONS (EOO) TRADE**

A privately negotiated and simultaneous exchange of an Exchange option position for a corresponding OTC option position or other OTC instrument with similar characteristics. An EOO is one type of an authorized Exchange for Related Position (EFRP) trade governed by Rule 538.

**EXCHANGE FOR PHYSICAL (EFP) TRADE**

A privately negotiated and simultaneous exchange of an Exchange futures position for a corresponding cash position. An EFP is one type of an authorized Exchange for Related Position (EFRP) trade governed by Rule 538.

**EXCHANGE FOR RISK (EFR) TRADE**

A privately negotiated and simultaneous exchange of an Exchange futures position for a corresponding OTC swap or other OTC instrument. An EFR is one type of an authorized Exchange for Related Position (EFRP) trade governed by Rule 538.

**EXCHANGE OFFICIAL**

An employee or member designated by the Exchange to perform or execute certain acts.

**EXERCISE PRICE**

The terms "exercise price", "strike price" and "striking price" shall be synonymous and mean the price at which the futures contract underlying the options contract will be assigned upon exercise of the option. For options contracts which are exercised into multiple futures contracts, the exercise price represents the spread price differential between the futures contracts.

**EXPIRATION DATE**

The term "expiration date" shall mean the last day on which an options contract may be exercised.

**FIRM**

The term "firm" shall mean a corporation, partnership, association, sole proprietorship or other eligible entity.

**FLOOR**

Except as otherwise provided by the Exchange, the term "Floor" shall mean any trading floor on which Exchange contracts are listed for open outcry trading.

**FLOOR BROKER**

An individual who executes orders on the Floor of the exchange for any other person and who is registered as a floor broker under the CEA.

**FLOOR TRADER**

An exchange member who trades for his own account on the Floor of the Exchange and who is registered as a floor trader under the CEA.

**FOLLOWING DAY (OR OTHER SIMILAR EXPRESSION)**

The following, or subsequent, business day.

**FORCE MAJEURE**

Any circumstance (including but not limited to an act of God, strike, lockout, blockage, embargo, governmental action or terrorist activity) which is beyond the control of the buyer or seller and precludes either party from making or taking delivery of product or precludes the Exchange from determining a final settlement as provided for in Exchange Rules.

**FUNDS OF CLEARED OTC DERIVATIVES CUSTOMERS**

The money, securities, and/or other property received by a futures commission merchant from, for, or on behalf of Cleared OTC Derivatives Customers, to margin, guarantee, or secure their cleared OTC derivatives and all money accruing to such customers as a result of such contracts, and, in the case of cleared OTC derivatives options, to be used as a premium for the purchase of such option by the customer or as a premium payable to the customer or to guarantee or secure the performance of such option by the customer or representing accruals for such options to the customer (including the market value of such options purchased by the customer and for which the customer has paid full value).

**FUTURES COMMISSION MERCHANT OR FCM**

An individual or organization which solicits or accepts orders to buy or sell futures or options on futures contracts and accepts money or other assets from customer in connection with such orders. An FCM must be registered with the CFTC.

**FUTURES CONTRACT**

A legally binding agreement to buy or sell a commodity or financial instrument at a later date pursuant to the Rules of the Exchange. Futures contracts are normally standardized according to the quality, quantity, delivery period and location for each commodity, with price as the only variable.

**GLOBAL<sup>®</sup>**

Globex refers to CME Globex, an electronic trading platform.

**GLOBAL<sup>®</sup> TERMINAL OPERATOR**

Globex terminal operator refers to 1) any person who physically enters orders into Globex or 2) any automated trading system which enters orders into Globex, either directly or through an automated order routing system or independent software vendor. All Globex terminal operators must be identified to the Exchange in accordance with the provisions of Rule 576 (Identification of Globex Terminal Operators).

**GLOBAL<sup>®</sup> TRADING HOURS**

Those hours designated by the Board of Directors for trading particular contracts on Globex.

**GUARANTY FUND DEPOSIT**

The amount required to be deposited with the Clearing House by the clearing member as a guaranty of its obligations to the Clearing House.

**HOLIDAY**

Any day declared to be a holiday by these rules or by a resolution of the Board on which the Exchange is closed. When any such holiday falls on Sunday, the following Monday shall be considered such holiday. When any such

holiday falls on Saturday, the immediately preceding Friday shall be considered such holiday.

**INITIAL PERFORMANCE BOND**

Generally, a factored amount over the maintenance performance bond requirement calculated by the SPAN<sup>®</sup> performance bond system.

**INTRODUCING BROKER OR IB**

A firm or individual that solicits and accepts orders to buy or sell futures or options on futures contracts from customers but does not accept money or other assets from such customers. An IB must be registered with the CFTC.

**INVESTIGATIVE AND HEARING COMMITTEES**

The investigative and hearing committees of the Exchange are the Business Conduct Committee, the Clearing House Risk Committee, the Floor Conduct Committee, the Probable Cause Committee, Hearing Panels of the Board of Directors and such other committees created for this purpose by the Board.

**MAINTENANCE PERFORMANCE BOND**

The minimum amount of performance bond equity required to be maintained in an account. The maintenance performance bond requirement is the actual risk performance bond calculated by the SPAN<sup>®</sup> performance bond system.

**MEMBER**

Unless otherwise specified in the rules, an individual owning or holding a membership in the Exchange.

**MEMBER FIRM**

An entity to which membership privileges on the Exchange have been conferred.

**NARROW-BASED INDEX FUTURE**

Refers to a futures contract based upon a Security Index that is considered narrow-based as defined in Section 1a(25) of the Commodity Exchange Act.

**NATIONAL FUTURES ASSOCIATION OR NFA**

The National Futures Association. NFA is an independent self-regulatory organization for the U.S. futures industry with no ties to any specific marketplace.

**NON-MEMBER**

Unless otherwise specified in the rules, any Person who is not a Member of the Exchange.

**NON-MEMBER FIRM**

An entity to which membership privileges on the Exchange have not been conferred.

**NOTICE**

Except as otherwise specifically provided, a notice in writing emailed to or personally served upon the person to be notified, left at his usual place of business during business hours or mailed by U.S. First Class Mail, Certified Mail, Registered Mail or by overnight delivery to his last known place of business or residence.

**OMNIBUS ACCOUNT**

An account of one Futures Commission Merchant (FCM), the originating FCM, which resides on the books of another FCM (the carrying FCM), in which the transactions of two or more persons are combined and carried in the name of

the originating FCM rather than in the name of the individual customers.

## ORDER TYPES

(Note that not all order types are eligible for execution in a trading pit on Globex and through open outcry. Additionally, order types eligible for both venues may have different meanings depending on whether the order is to be executed in a trading pit via open outcry or through Globex.)

### Open Outcry Order Types

#### **ALL-OR-NONE (AON) ORDER**

Where allowed pursuant to Rule 523, an order to be executed in designated contracts in a trading pit via open outcry only for its entire quantity at a single price, with a size at or above a predetermined threshold.

#### **DISREGARD TAPE (DRT) or NOT-HELD ORDER**

Absent any restrictions, a "DRT" (Not-Held Order) means any order giving a person complete discretion over price and time in execution of the order, including discretion to execute all, some, or none of the order. A member or clearing member shall not accept an order containing the phrase "with a tick, you are held" (or similar such language). It is understood that a floor broker may trade for his own account while holding such an order without violating Rule 530 ("Priority of Customers' Orders") provided the customer has previously consented in writing and evidence of such general consent is indicated on the order with the "WP" (with permission) designation.

#### **ENTER OPEN STOP (EOS) ORDER**

An instruction to the clearing firm to enter a stop order after execution of a previous order has been achieved.

#### **FILL OR KILL (FOK) ORDER**

A designation, added to an order, instructing the broker to fill the order immediately in its entirety or not all. If the order is not filled immediately in its entirety, it is cancelled.

#### **LIMIT ORDER**

An order with instructions to be executed at a specific price ("limit price") or better.

#### **MARKET (MKT) ORDER**

An order with instructions to be executed upon receipt by a floor broker at the best available price.

#### **MARKET IF TOUCHED (MIT) ORDER**

A sell (buy) order placed above (below) the market which becomes a market order when the designated price is touched.

#### **MARKET ON CLOSE (MOC) ORDER**

An order to be executed only in the closing range.

#### **ONE-CANCELS-OTHER (OCO) ORDER**

A combination of two orders, in which the execution of either one automatically cancels the other.

#### **OPEN ORDER (GOOD-TILL-CANCELLED)**

An order which remains in force until cancelled. Without such designation, all unfilled orders are cancelled at the end of the Regular Trading Hours Session.

#### **OPENING ONLY ORDER**

An order that is to be executed during the time period designated by the Exchange as the Regular Trading Hours session opening range time period. Any remaining unfilled quantity not executed during the time period designated as the opening range will be deemed cancelled.

#### **STOP ORDER**

An order which becomes a market order when the price designated on the order (the "Stop Price") is elected as described below.

A "Buy Stop" order is placed above the market, and is elected only when the market trades at or above, or is bid at or above, the Stop Price. A "Sell Stop" order is placed below the market, and is elected only when the market trades at or below, or is offered at or below, the Stop Price.

#### **STOP-CLOSE ONLY ORDER**

A stop order which is in effect only during the closing range. It becomes a market order if, during the closing range, the market: (1) in the case of a Buy Stop-Close Only order, trades at or above, or is bid at or above the Stop Price; or (2) in the case of a Sell Stop-Close Only order, trades at or below, or is offered at or below

the Stop Price.

#### **STOP LIMIT ORDER**

A stop order which becomes executable at its limit price or better, when and if the market: (1) in the case of a Buy Stop Limit order, trades at or above, or is bid at or above the Stop Price; or (2) in the case of a Sell Stop Limit order, trades at or below, or is offered at or below the Stop Price.

#### Globex Order Types

The availability of specific Globex Order Types is dependent on the product, and not all Order Types are available for all products. Supported Order Types by Product are set forth in the Globex Reference Guide (<http://www.cmegroup.com/globex/files/GlobexRefGd.pdf>)

#### **COMBINATION ORDER**

A combination of buy and/or sell orders for the same account or accounts with the same ownership, except as provided by Rule 527, at a fixed differential or by some other appropriate pricing convention.

#### **HIDDEN QUANTITY ORDER**

An order which displays only a portion of the order to the marketplace. When the displayed quantity has been filled, another portion of the order will then be displayed to the marketplace.

#### **LIMIT ORDER**

An order to be executed at a specific price ("limit price") or better.

#### **MARKET WITH PROTECTION ORDER**

An order to execute as much of order as possible at the best current offer price (for buy orders) or bid price (for sell orders) within a range of prices predefined by the Exchange (the protected range). Any quantity which cannot be filled within the protected range will remain in the order book as a limit order at the limit of the protected range.

#### **MINIMUM QUANTITY ORDER**

An order which is executed only if a certain minimum quantity of that order can be immediately matched. Any unfilled balance will remain in the book as a limit order at the specified price.

#### **STOP LIMIT ORDER**

An order which becomes eligible for execution at its limit price or better when the market trades at or above the stop price in the case of a buy stop limit order or at or below the stop price in the case of a sell stop limit order.

#### **STOP WITH PROTECTION ORDER**

An order which becomes eligible for execution when the designated price (the stop price) is traded on Globex. Such orders are filled only within a range of prices predefined by the Exchange (the protected range). When the stop price is triggered, the order enters the order book as a limit order with the limit price equal to the trigger price plus or minus the predefined protected range. Any quantity which cannot be filled within the protected range will remain in the order book as a limit order at the limit price.

#### Globex Order Duration Qualifiers

An order eligible to be entered into Globex that does not contain a duration qualifier will be cancelled if not filled during the Trading Day in which it was received or, if it was received between Trading Days, during the next Trading Day. An order may specify one of the following duration qualifiers:

#### **DAY**

An order that will be canceled if not filled by the conclusion of the Globex trade date for which it was entered.

#### **FILL AND KILL**

An order immediately filled in whole or in part at the specified price, with any remaining quantity canceled.

#### **GOOD 'TILL CANCELED (GTC)**

An order which will remain in force until executed, cancelled or the contract expires.

#### **GOOD 'TILL DATE (GTD)**

An order which will remain in force through a specified trade date unless executed or canceled, or until the contract expires.

#### **PANEL**

A subcommittee selected in accordance with committee procedure to adjudicate or make a particular determination. A decision of a panel shall be deemed a decision of the committee.

**PANELIST**

An individual appointed to an Exchange committee who is entitled to participate in a decision on any matter under consideration by the committee or panel thereof.

**PARTNER CLEARINGHOUSE**

The term "Partner Clearinghouse" means a derivatives clearing organization or a clearinghouse which has agreed to act in concert with the Exchange to facilitate clearance of Security Futures Products as defined herein. A Partner Clearinghouse shall be considered a Clearing Member for purposes of the Rules except to the extent otherwise provided in an agreement between the Exchange and the Partner Clearinghouse.

**PARTICIPATING EXCHANGE**

An exchange or clearing house that has entered into a business relationship with the Exchange for clearing, order routing or any other business purpose.

**PERFORMANCE BOND**

The minimum amount of funds that must be deposited as a performance bond by 1) an account holder with his FCM, 2) a non-clearing FCM with a clearing member or 3) a clearing member with the Clearing House.

**PERFORMANCE BOND EQUITY**

An account's net liquidating equity plus the collateral value of acceptable performance bond deposits.

**PERSON**

It shall include the singular or plural, and individuals, associations, partnerships, corporations and trusts.

**PRESIDENT**

The president of the Exchange, or one duly authorized to act in lieu of and with the authority of the President.

**PRESIDENT OF THE CLEARING HOUSE**

The President of the Clearing House, or one duly authorized to act in lieu of and with the authority of the President of the Clearing House.

**REGULAR TRADING HOURS (RTH)**

Those hours designated for open outcry trading of the relevant product as determined from time to time.

**REQUEST FOR QUOTE**

An electronic message disseminated on Globex for the purpose of soliciting bids or offers for specific contract(s) or combinations of contracts.

**RULES**

The Certificate of Incorporation, By-Laws, rules, interpretations, orders, resolutions, advisories, notices, manuals and similar directives of the Exchange, and all amendments thereto. The trading and clearing of all Exchange futures, options on futures, cleared-only and spot contracts shall be subject to the rules.

**SECURITY FUTURES PRODUCTS**

A contract based on securities products as such term is defined by 1a(32) of the Commodity Exchange Act. Security Futures Products ("SFPs") include futures contracts based upon a single security (or "stock futures"); futures contracts based upon a narrow-based security index; and, options on any security futures as those terms are defined in Sections 1a(25) and 1a(31) of the Commodity Exchange Act.

**SETTLEMENT PRICE**

The official daily closing price of futures and options on futures contracts, as determined in accordance with Rule 813, used by the Clearing House for marking all open positions at the close of the daily settlement cycle.

**SETTLEMENT VARIATION**

The change in dollar amount calculated by the Clearing House for clearing members figured to the daily settlement price on the basis of their positions.

**SPOT**

The actual physical commodity as distinguished from the futures contract that is based on the physical commodity. Also referred to as "cash commodity."

**TRADE**

The term "trade" shall mean any purchase or sale of any commodity futures or options contract made on the Exchange.

**TRADING DAY**

A trading day shall mean the hours of trading as determined by the board for each contract starting with the opening of trading and ending with the close of trading for such contract.

**TRADING SESSION**

A trading session will mean either the pit trading session (the hours designated for open outcry trading for a product) and/or the Globex session (the hours on a particular trading day when a product can be traded on Globex).

*(End Definitions)*