

## WEATHER PRODUCTS

# Snowfall Futures and Options

Introducing even more ways for traders to prepare for winter.

### Overview

Since 2006, Snowfall futures and options on futures have enabled market participants like energy and tourism companies as well as state and local governments to more effectively manage their exposure to snowfall by providing a means to transfer their inherent risk. In 2009, we expanded our Snowfall product suite to include Snowfall Index Binary options and four new locations for all Snowfall contracts. Together, these CME contract offerings will deliver increased flexibility and unprecedented access to risk control and profit opportunity in our ever-changing global marketplace.

#### Snowfall Index Futures

Cash-settled and traded on the CME Globex electronic platform, these contracts give the holder price certainty by representing the obligation to buy or sell a specified number of shares of the Snowfall Index on a specified date.

#### Snowfall Index Options on Futures

European-style options traded via open outcry, these contracts give the holder added flexibility by representing the option to buy (in the case of a call) or to sell (in the case of a put) one Snowfall Index future on a specified date and at a specified price.

#### Snowfall Index Binary Options

American style options traded via open outcry, these contracts provide enhanced risk management to businesses and other operations if snowfall is more or less than anticipated by providing the options holder with a fixed dollar payout upon exercise. If the option expires without being exercised, the holder's losses are limited to the amount paid for the option.

#### Seasonal Strip Snowfall Futures

Cash-settled and traded on the CME Globex electronic platform, these contracts give the holder price certainty by representing the obligation to buy or sell a specified number of shares of the Seasonal Strip Snowfall Index on a specified date.

#### Seasonal Strip Snowfall Options on Futures

European-style options traded via open outcry, these contracts give the holder added flexibility by representing the option to buy (in the case of a call) or to sell (in the case of a put) one respective Seasonal Strip Snowfall futures on a specified date and at a specified price.

#### Seasonal Strip Snowfall Binary Options

American-style options traded via open outcry, these contracts provide enhanced risk management to businesses and other operations if snowfall is more or less than anticipated during the period indicated on the strip by providing the options holder with a fixed dollar payout upon exercise. If the option expires without being exercised, the holder's losses are limited to the amount paid for the option.

#### CME offers snowfall contracts on the following locations:

- New York Central Park
- New York LaGuardia Airport
- Chicago O'Hare International Airport
- Minneapolis/St. Paul Airport
- Detroit Metro Airport
- Boston Logan International Airport

#### Benefits

- Possible reduced risk
- Centralized clearing and counterparty credit guaranteed by CME Clearing
- Increased opportunity to focus on core businesses
- Stabilized cash flow and earnings
- Opportunity to profit from uncertainty of weather

# SNOWFALL INDEX

FUTURES	
Contract Size	\$500 times the respective Snowfall Index
Product Description	Snowfall (inches) for U.S. cities
Pricing Unit	Dollars per index point
Tick Size (minimum fluctuation)	0.1 index point (= \$50 per contract)
Daily Price Limits	N/A
Trading Hours (All times listed are Central Time)	CME Globex (Electronic Platform): Sun 5:00 p.m. – Fri 3:15 p.m. with daily trading halts 3:15 p.m. – 5:00 p.m.
Last Trade Date and Time	First business day that is at least two calendar days after the end of the last calendar month in the strip, 9:00 a.m.
Contract Months	Nov, Dec, Jan, Feb, Mar, Apr
Settlement Procedure	Cash settlement – See CME Rule 41803
Position Limits	All months combined: 10,000 contracts; See CME Rule 41802.D.
Ticker Symbols	Boston = SB; NY Central Park = SX; NY LaGuardia = FG; Chicago = SW; Minneapolis = BV; Detroit = EK
CME Rulebook Chapter	418
OPTIONS	
Underlying Contract Size	One Snowfall Index futures contract
Pricing Unit	Dollars per index point
Tick Size (minimum fluctuation)	Full Tick = 0.1 Index Point (= \$50 per contract)
Daily Price Limits	N/A
Trading Hours (All times listed are Central Time)	Open Outcry (Trading Floor): Mon – Fri: 8:30 a.m. – 3:15 p.m.
Last Trade Date and Time	First business day that is at least two calendar days after the end of the last calendar month, 9:00 a.m.
Contract Months	Nov, Dec, Jan, Feb, Mar, Apr
Strike Price Intervals	0.1 index point in a range of 0 to 50 index points; See CME Rule 418A01.E.
Exercise Procedure	European Style – See CME Rule 418A02
Position Limits	All months combined: 10,000 futures-equivalent contracts; See CME Rule 418A01.F.
Ticker Symbols	Boston = SB; NY Central Park = SX; NY LaGuardia = FG; Chicago = SW; Minneapolis = BV; Detroit = EK
Rulebook Chapter	418A
BINARY OPTIONS	
Underlying Contract Size	One Snowfall Index futures contract
Pricing Unit	\$10,000
Tick Size (minimum fluctuation)	Full Tick = 0.01 Index Point (= \$100 per contract); Quoted in points, in a range between 0 and 100 points
Daily Price Limits	N/A
Trading Hours (All times listed are Central Time)	Open Outcry (Trading Floor): Mon – Fri: 8:30 a.m. – 3:15 p.m.
Last Trade Date and Time	First business day that is at least two calendar days after the end of the last calendar month, 9:00 a.m.
Contract Months	N/A
Strike Price Intervals	0.1 index point in a range of 0 to 50 index points; See CME Rule 418B02.E.
Exercise Procedure	American Style – See CME Rule 418B03
Position Limits	All months combined: 10,000 futures-equivalent contracts; See CME Rule 418B02.F.
Ticker Symbols	Boston = BN; NY Central Park = YN; NY LaGuardia = NN; Chicago = CL; Minneapolis = FE; Detroit = DX
Rulebook Chapter	418B

# SEASONAL STRIP SNOWFALL INDEX

FUTURES	
Contract Size	\$500 times the respective Seasonal Strip Snowfall Index
Product Description	Snowfall (inches) for U.S. cities
Pricing Unit	Dollars per index point
Tick Size (minimum fluctuation)	0.1 index point (= \$50 per contract)
Daily Price Limits	N/A
Trading Hours (All times listed are Central Time)	CME Globex (Electronic Platform): Sun 5:00 p.m. – Fri 3:15 p.m. with daily trading halts 3:15 p.m. – 5:00 p.m.
Last Trade Date and Time	First business day that is at least two calendar days after the end of the last calendar month in the strip, 9:00 a.m.
Contract Months	Minimum of two, and maximum of six, consecutive calendar months, Nov-Apr
Settlement Procedure	Cash settlement – See CME Rule 40203
Position Limits	All months combined: 10,000 contracts. See CME Rule 40202.D.
Ticker Symbols	Boston = SB; NY Central Park = SX; NY LaGuardia = FG; Chicago = SW; Minneapolis = BV; Detroit = EK
CME Rulebook Chapter	402
OPTIONS	
Underlying Contract Size	One Seasonal Strip Snowfall Index futures contract
Pricing Unit	Dollars per index point
Tick Size (minimum fluctuation)	Full Tick = 0.1 Index Point (= \$50 per contract)
Daily Price Limits	N/A
Trading Hours (All times listed are Central Time)	Open Outcry (Trading Floor): Mon – Fri: 8:30 a.m. – 3:15 p.m.
Last Trade Date and Time	First business day that is at least two calendar days after the end of the last calendar month in the strip, 9:00 a.m.
Contract Months	Minimum of two, and maximum of six, consecutive calendar months, Nov-Apr
Strike Price Intervals	0.1 index point in a range of 0 to 200 index points; See CME Rule 402A01.E.
Exercise Procedure	European Style – See CME Rule 402A02
Position Limits	All months combined: 10,000 futures-equivalent contracts; See CME Rule 402A01.F.
Ticker Symbols	Boston = SB; NY Central Park = SX; NY LaGuardia = FG; Chicago = SW; Minneapolis = BV; Detroit = EK
Rulebook Chapter	402A
BINARY OPTIONS	
Underlying Contract Size	One Seasonal Strip Snowfall futures contract
Pricing Unit	\$10,000
Tick Size (minimum fluctuation)	Full Tick = 0.01 Index Point (= \$100 per contract); Quoted in points, in a range between 0 and 100 points
Daily Price Limits	N/A
Trading Hours (All times listed are Central Time)	Open Outcry (Trading Floor): Mon – Fri: 8:30 a.m. – 3:15 p.m.
Last Trade Date and Time	First business day that is at least two calendar days after the end of the last calendar month in the strip, 9:00 a.m.
Contract Months	N/A
Strike Price Intervals	0.1 index point in a range of 0 to 200 index points; See CME Rule 402B02.E.
Exercise Procedure	American Style – See CME Rule 402B03
Position Limits	All months combined: 10,000 futures-equivalent contracts; See CME Rule 402B02.F.
Ticker Symbols	Boston = BN; NY Central Park = YN; NY LaGuardia = NN; Chicago = CL; Minneapolis = FE; Detroit = DX
Rulebook Chapter	402B



For more information on Snowfall products, visit [www.cmegroup.com/snowfall](http://www.cmegroup.com/snowfall).

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Futures trading is not suitable for all investors, and involves the risk of loss. Futures are a leveraged investment, and because only a percentage of a contract's value is required to trade, it is possible to lose more than the amount of money deposited for a futures position. Therefore, traders should only use funds that they can afford to lose without affecting their lifestyles. And only a portion of those funds should be devoted to any one trade because they cannot expect to profit on every trade. All references to options refer to options on futures.

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