

Significant Remaining Differences in CME, CBOT, NYMEX and COMEX Rules (as of April 13, 2015)

Subject Area/Rule Number(s)	CME	CBOT	NYMEX & COMEX
<p align="center">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 align="center">Headset usage on the trading floor (Rule 506)</p>	<p>CME maintains certain restrictions on headset use by members active in the S&P500.</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>	
<p align="center">Broker associations (Rule 515)</p>	<p>CME restricts trading among broker association members active in certain contract months in pit-traded Eurodollar options and S&P 500 futures.</p>	<p>CBOT, NYMEX and COMEX do not restrict trading among broker association members in any products. CBOT does not permit individuals not involved in order handling/execution to participate in the revenue stream from brokering.</p>	
<p align="center">All-or-None Trades (Rule 523)</p>	<p>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.</p>		<p>NYMEX and COMEX do not permit AON trading.</p>

<p>Trading at Settlement Transactions (TAS) (Rule 524)</p>	<p>CME and CBOT do not permit TAS trading in any products.</p>		<p>NYMEX and COMEX allow TAS trades in various energy and metals products.</p>
<p>Block trading (Rule 526)</p>	<p>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.</p>		
<p>Pre-execution communications (Rule 539)</p>	<p>CME allows pre-execution communications in all products traded on CME Globex.</p> <p>Futures: Globex Cross for futures requires that the order of the party who initiated the pre-execution communication be the first order entered into CME Globex. At least five (5) seconds must elapse after the entry of the first order before the opposing order can be entered.</p> <p>Options: A Globex Cross for options on futures requires the entry of an RFC order, which is an order that includes both the buy and sell orders arising from the pre-execution communication. Prior to the entry of the RFC, an RFQ must be entered into CME Globex for the relevant option or options strategy. In CME equity and interest rate options, the RFC order must be entered no less than 5 seconds and no more than 30 seconds after the entry of the RFQ. In all other options, the RFC order must be entered no less than 15 seconds and no more than 30 seconds after the entry of the RFQ.</p> <p>Pit: Pre-execution communications remain prohibited in all pit-traded products except for SP options orders executed</p>	<p>CBOT allows pre-execution communications in all interest rate, equity index, ethanol, commodity index and real estate index futures products traded on CME Globex. Pre-execution communications remain prohibited in all CBOT grain and oilseed futures products traded on CME Globex.</p> <p>Pre-execution communications are also permitted in CBOT grain and oilseed options on futures during the hours of 7:00:00 p.m. Central Time (“CT”) through 7:45:00 a.m. CT each business day. Pre-execution communications in CBOT grain and oilseed options on futures remain prohibited outside those hours.</p> <p>Allowable Futures: Globex Cross for futures requires that the order of the party who initiated the pre-execution communication be the first order entered into CME Globex. At least five (5) seconds must elapse after the entry of the first order before the opposing order can be entered.</p> <p>Allowable Options: Globex Cross for options on futures require the entry of an RFC order, which is an order that includes both the buy and</p>	<p>NYMEX and COMEX allow pre-execution communications in all products traded on CME Globex.</p> <p>Futures: A Globex Cross for futures requires that the order of the party who initiated the pre-execution communication be the first order entered into CME Globex. At least five (5) seconds must elapse after the entry of the first order before the opposing order can be entered. No RFQ is required.</p> <p>Options: Globex Cross for options on futures, including options spreads and combinations and options/futures spreads, requires the entry of an RFQ into CME Globex for the relevant option or option strategy. Subsequent to the entry of the RFQ, an RFC must be entered into CME Globex no less than 5 seconds and no more than 30 seconds after the entry of the RFQ.</p> <p>Agency Cross Futures and Options: For those NYMEX and COMEX products set forth in the attached list (http://www.cmegroup.com/trading/energy/agency-cross-eligible-products-for-energy-and-metals.html), a broker may enter an Agency Cross via CME Direct, which requires the entry of an RFQ followed by a waiting a period of five (5) seconds followed by the entry of a Cross Sequence, which is the entry of a day-limit order followed immediately by the entry of a day-fill-and-kill order. The order of the party initiating the pre-execution communication must be entered as the day-limit</p>

	<p>as Large Order Execution Transactions pursuant to the requirements of Rule 549.</p>	<p>sell orders arising from the pre-execution communication. Prior to the entry of the RFC, an RFQ must be entered into CME Globex for the relevant option or options strategy. In CME and CBOT equity and interest rate options, the RFC order must be entered no less than 5 seconds and no more than 30 seconds after the entry of the RFQ. In all other eligible options, the RFC order must be entered no less than 15 seconds and no more than 30 seconds after the entry of the RFQ.</p> <p>Pit: CBOT rules expressly prohibit pre-execution communications in connection with pit transactions executed on the trading floor.</p>	<p>order, which is accomplished by the broker selecting the non-initiating party as the 'Aggressor' on the order ticket. Failure to enter the buy and sell orders within 30 seconds after the entry of the RFQ will require a new Agency Cross to be initiated in order to proceed with the trade.</p> <p>Pit: NYMEX and COMEX rules expressly prohibit pre-execution communications in connection with pit transactions executed on the trading floor.</p>
<p>Dual trading/Top step restrictions (CME Rules 541, 552 and 555)</p>	<p>CME restricts dual trading in certain liquid contract months in Eurodollar options and S&P 500 options.</p> <p>CME restricts trading by brokers who stand on the top-step of the S&P 500 futures pit.</p>	<p>CBOT, NYMEX and COMEX have no dual trading or top-step restrictions in any market.</p>	
<p>Delivery Rules (Chapter 7 and associated product chapters)</p>	<p>Product-specific delivery rules remain unique to each exchange. Delivery rules are located in Chapter 7, with additional product-specific delivery rules also located in the pertinent product chapter in the appropriate exchange's Rulebook.</p>		
<p>Freshening dates (Rule 807)</p>	<p>CME and CBOT allow 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>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>		