

TO: Clearing Member Firms; Back Office Managers

FROM: CME Clearing

ADVISORY #: 24-074R

DATE: April 4, 2024

SUBJECT: **Exercise & Assignment (E/A) Processing and Deadline Changes for CME/CBT - DATE CHANGE**

Please be advised that, per CH Advisory [24-035](#), CME Clearing will change the Exercise & Assignment (E/A) Processing Times and Deadlines for CME/CBT Options. Option Assignment Processing for CME and CBT early Option Exercises will be moved to align with the times for Expiring Options. This change is now scheduled for Trade Date **Monday, April 22, 2024**.

Benefits

- Firms will be able to include all Option Assignment activity on customer statements top-day
- Traders could know true exposure hours earlier and trade accordingly
- Streamlined Portfolio Margining process, allowing Firms to include all Option Assignments in Optimization
- Allows Firms to include all option activity in their Customer Gross Margin file preventing excess margin charges due to breaks in position reporting

Firm Behavioral Changes

- Requires Firms to complete Post-Trade Allocations and Transfers, for all CME/CBT options by 5:30pm CT
- Requires Firms to report Final Positions (PCS) for all CME/CBT options by 5:45pm CT
- Portfolio Margin operational process changes may be required

The table below outlines the current and updated timeline (all times displayed in CT)

	Option Instruction Submission Deadline	Allocation Deadline	Assignment Times	E/A Report Times
Expiring NYMEX/COMEX Options	3:30pm CT	3:30pm CT	3:45pm CT	4:15pm CT
Early Exercise NYMEX/COMEX Options	3:30pm CT	5:45pm CT	6:15pm CT	6:45pm CT
Expiring CME/CBT Options	5:30pm CT	5:30pm CT	5:45pm CT	6:15pm CT
Early Exercise CME/CBT Options (Current)	5:30pm CT	7:00pm CT	8:30pm CT	9:00pm CT
Early Exercise CME/CBT Options (New)	5:30pm CT	5:30pm CT	5:45pm CT	6:15pm CT

Testing

These changes are currently available to test in the New Release (NR) environment.

For more information, please contact CME Clearing at ccs@cmegroup.com or via phone at Chicago (312) 207 2525 | London (44) 203 379 3198 | Singapore (65) 6593 5591