

Advisory Notice

Clearing House

TO: All Clearing Member Firms
FROM: Clearing House Department
ADVISORY #: 05-225
DATE: September 27, 2005
SUBJECT: **New "Customer Non-Segregated" Origin**

Firms using Clearing 21's Settlement, Asset Management and Banking applications will notice a new value, **CNSEG** in the "Seg" dropdown field where you specify the segregation type of the desired account.

This new value stands for **Customer Non-Segregated**, and will be used initially only for CME Auction Markets. These products are not standard futures and options, and are not subject to customer segregation requirements. Accordingly, settlement variation and premium payments, performance bond collateral deposits and/or call/release amounts resulting from customer transactions in Auction Markets products, must be kept **strictly separate** from those for products to which customer segregation requirements **do** apply. In the future, CME may launch additional products which are not subject to customer segregation requirements.

The **CSEG** value in the drop-down still stands for **Customer Segregated** and the **NSEG** still stands for **Non-Segregated**, that is, house or proprietary trading.

Note that this new origin does **not** apply to trades or positions. For these, there are only the two existing **customer** or **house** origins. The customer-non-segregated origin only applies to aggregate variation and premium flows, and to performance bond collateral amounts.

For additional information about CME Auction Markets, please see Clearing Advisory 05-223, "CME Auction Markets to launch Thursday, September 29, 2005", at <http://www.cme.com/clearing/clr/clradv/15667.html>.