

Advisory Notice

Clearing House

TO: Clearing Member Firms
Compliance Officers and Back Office Managers

FROM: Clearing House Department

DATE: November 29, 2004

ADVISORY #: 04-218

SUBJECT: **Reminder – MOS Eligible Transactions**

In response to recent inquiries regarding the types of transactions that are eligible for inter-exchange transfer to the Singapore Exchange (SGX) via the Mutual Offset System (MOS), please be reminded of the following:

1. Pursuant to interpretations and practice with respect to rules in Chapter 8A – Mutual Offset System, only **futures trades** are eligible for inter-exchange transfer to SGX via MOS.
2. Current futures products eligible for the MOS are Eurodollar, EuroYen, EuroYen LIBOR, and yen denominated Nikkei 225 contracts.
3. **Options** on the above-mentioned futures products **are not** eligible for inter-exchange transfer via MOS.
4. Customer authorization for inter-exchange transfer via MOS must be designated prior to, or at the time of, a trade's execution.
5. Once a trade clears and becomes an overnight position, it is no longer eligible for subsequent inter-exchange transfer via MOS.
6. **Futures positions resulting from exercise or assignment of an option are not eligible** for inter-exchange transfer via MOS.

Please review your current practices to ensure compliance with these requirements. If you have any questions, please call Stephen Staszak, Clearing House Department, at 312-930-3189.