

Advisory Notice

Clearing House

TO: Clearing Member Firms
Attn: Chief Financial Officers
Back Office Managers
Delivery Personnel

FROM: Clearing House Department

ADVISORY #: 07-208

DATE: September 5, 2007

SUBJECT: **September 2007 Currency Delivery Reminders**

The September 2007 currency delivery cycle begins Thursday, September 13, 2007. Listed below are several reminders regarding the currency deliveries, detailed delivery instructions can be found at [www.cme.com](http://www.cme.com/clearing/clr/del/delivery/prodcurnny1252.html) under <http://www.cme.com/clearing/clr/del/delivery/prodcurnny1252.html>.

A. ISRAELI SHEKEL DELIVERIES

In June 2006 the Israeli Shekel became eligible for currency delivery. The agent bank for the Shekel is Citibank in Tel Aviv. The SWIFT BIC to send funds is CITIILIT. Please contact the Clearing House if you require the delivery instructions for the Israeli Shekel.

To deliver the Israeli Shekel a dual Orders-To-Pay will be required for the longs and shorts. The long will need to issue an Orders-to-Pay denominated in USD and the short will need to issue an Orders –to- Pay denominated in Shekel to Citibank using SWIFT BIC CITIUS33DFU by 1:00 p.m. (Chicago Time) on the business day prior to the day of delivery.

B. CONTINUOUS LINKED SETTLEMENT

CLS is mandatory starting with the June 2005 delivery cycle for all foreign currency deliveries exceeding \$25 million per currency pair. CLS is not mandatory if the foreign currency delivery is less than \$25 million per currency deliveries.

Effective in September 2007, firms with a foreign currency delivery obligation in excess of \$25 million per currency pair failing to use CLS will be subject to an assessment fee of \$25 per million for any currency exceeding the threshold.

All CLS transactions must be entered into CME Deliveries system by 11:00 a.m. (Chicago Time) on the last day of trading. ***The CME counterparty BIC for futures deliveries is XCMEUS4C.*** All transactions must be entered into the firm's CLS system by 5:00 p.m. (Chicago Time) on Monday, September 17, 2007. **The deadline for CLS transactions including Canadian Dollars to match in the CLS system is 1:00 p.m. (Chicago Time), Tuesday, September 18, 2007.**

A clearing member firm failing to match a transaction by the deadline will be required to submit an order-to-pay in the appropriate amount for the value of the delivery by 3:00 p.m. (CST) on Tuesday, September 18, 2007.

***SPECIAL CLS NOTES**

- When entering trades into CLS the firm should not invert the CME settlement price. Either of these may result in a currency amounts that may cause the CLS trade to be unmatched.
- If a firm enters multiple transactions into CLS then a firm should enter the same number of commitments into the C21 Currency Delivery System.
- Changes to any currency transactions must be made in both the firm's CLS system and CME's Currency Deliveries system. A firm failing to indicate the change in both systems will result in an unmatched transaction.
- Currency amounts **must** be equal in the CLS system and the currency delivery system. If the amounts are not equal the transaction will not match.
- The CME Counterparty BIC for **currency futures deliveries is XCMEUS4C.**

C. ORDERS-TO-PAYS FOR CITIBANK

Firms who are sending Orders-To-Pays to Citibank should send their Orders-To-Pay using SWIFT BIC CITIUS33DFU. If a firm is unable to send the order to pay to CITIUS33DFU and must send it to CITIUS33 please indicate in reference field 20 of the message CME-IMM before the transaction number. This will aid in locating the message to satisfy a firm's currency delivery requirement.

D. CURRENCY DELIVERY TIMELINE

Following is the timeline for the March 2007 currency delivery:

- **Thursday, September 13, 2007** - Potential delivery positions and order-to-pay bank information is submitted to the Clearing 21 Currency Delivery System by 4:00 p.m. Chicago Time.
- **Monday, September 17, 2007** - Commitments are due for all contracts except Canadian Dollar by 11:00 a.m. (Chicago Time).
- **Tuesday, September 18, 2007** - Commitments are due for the Canadian Dollar by 10:00 a.m. (Chicago Time) Orders-to-pay are due to the agent banks by 1:00 p.m. (Chicago Time). For questions regarding Orders-to-pay please contact the Financial Unit at 312-207-2594.
- **Wednesday, September 19, 2007** – Payments of U.S. Dollar and Foreign Currencies are due to the corresponding agent banks by 10:00 AM **local time** to the specific agent bank. The following table converts Chicago time to the applicable foreign country. Deliveries Staff will be in contact with the agent banks during the entire delivery process. It is important to have a qualified individual aware of and in a position to answer any questions at any time during delivery.

If there are any questions, please contact Deliveries at (312) 930-3172.