



## Advisory Notice

Clearing House

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TO: All Firm Personnel  
Service Bureau Representatives  
Independent Software Vendors

FROM: Clearing House Department

ADVISORY #: NP 05-13

DATE: August 12, 2005

SUBJECT: New CME® Weather Strips and CME® Frost Days Futures and Options – **Effective Friday, September 23, 2005**

**On Friday, September 23, 2005**, CME will launch CME Weather Strips and Seasonal Weather Strips Futures and Options on Futures on U.S. and European weather cities. In addition, CME will launch CME Frost Days Index Futures and Options. Contract specifications for these new products are attached.

If you have any questions regarding this notice, please contact Laura Sutor at 312.648.5480, email [lsutor@cme.com](mailto:lsutor@cme.com), or Lisa Amato at 312.338.2654, email [lamato@cme.com](mailto:lamato@cme.com).  
Thank you.

## CME Seasonal Weather Strips Futures Options on Futures Contracts

Specification	U.S. Seasonal Strips	European Seasonal Strips		
<b>Contract Name:</b>	CME U.S. Seasonal Strip Heating Degree Day (HDD) Futures & Options on Futures; CME U.S. Seasonal Strip Cooling Degree Day (CDD) Futures & Options on Futures	CME European Seasonal Strip Heating Degree Day (HDD) Futures & Options on Futures; CME European Seasonal Strip Cumulative Average Temperature (CAT) Futures & Options on Futures		
<b>Description:</b>	Each CME U.S. Seasonal Strip Degree Days HDD and CDD Index is the accumulation of like Degree Days over a minimum of two, and a maximum of seven, consecutive calendar months.	Each CME European Seasonal Strip HDD and CAT Index is the accumulation of like Degree Days over a minimum of two, and a maximum of seven, consecutive calendar months.		
<b>Listing Date:</b>	Friday, September 23, 2005	Friday, September 23, 2005		
<b>Contract Size:</b>	\$20 times the respective CME U.S. Seasonal Strip Degree Days Index.	£20.00 times the respective CME European Seasonal Strip Degree Days Index.		
<b>Listing Cities/Weather Stations:</b>	Atlanta Hartsfield International Airport; Baltimore/Washington International Airport; Boston Logan International Airport; Chicago O'Hare International Airport; Cincinnati-Northern Kentucky (Covington) Airport; Dallas - Ft. Worth International Airport; Des Moines International Airport; Detroit Metro Airport; Houston Bush Intercontinental Airport; Kansas City International Airport; Las Vegas McCarran International Airport; Minneapolis - St. Paul International Airport; New York La Guardia Airport; Philadelphia International Airport; Portland International Airport; Sacramento Executive Airport; Salt Lake City International Airport; Tucson International Airport.	Amsterdam-Schiphol, Netherlands; Barcelona Prat De Llobregat Aeropuerto, Spain; Berlin-Tempelhof, Germany; Essen, Germany; London-Heathrow, United Kingdom; Madrid Barajas Aeropuerto, Spain; Paris-Orly, France; Rome Ciampino, Italy; Stockholm-Observatoriet, Sweden		
<b>Trading Venue:</b>	Futures are traded on CME® Globex®; Options are traded in the Open Outcry Market (Trading Pit)	Futures are traded on CME® Globex®; Options are traded in the Open Outcry Market (Trading Pit)		
<b>Trading Hours:</b>	<b>Futures:</b> CME Globex hours are from 5:00 p.m. - 3:15 p.m., next day Central Time Monday through Thursday; 5:00 p.m. - 3:15 p.m. Central Time Sunday & Holidays. <b>Options:</b> Trading Floor hours are Monday through Friday 8:30 a.m. to 3:15 p.m. Central Time.	<b>Futures:</b> CME Globex hours are from 5:00 p.m. - 3:15 p.m., next day Central Time Monday through Thursday; 5:00 p.m. - 3:15 p.m. Central Time Sunday & Holidays. <b>Options:</b> Trading Floor hours are Monday through Friday 8:30 a.m. to 3:15 p.m. Central Time.		
<b>Valid Contract Months:</b>	For a seasonal strip involving Cooling Degree Days, the first calendar month in the strip may be April or later, and the last calendar month in the strip may be October or earlier. For a seasonal strip involving Heating Degree Days, the first calendar month in the strip may be October or later, and the last calendar month in the strip may be April or earlier. The accumulation period of each strip begins with the first calendar day of the first month of the strip, and ends with the last calendar day of the last month of the strip.	For a Heating Degree Days Seasonal Strip, the first calendar month in the strip may be October or later, and the last calendar month in the strip may be April or earlier. For a Cumulative Average Temperature Seasonal Strip, the first calendar month in the strip may be April or later, and the last calendar month in the strip may be October or earlier. The accumulation period of each strip begins with the first calendar day of the first month of the strip, and ends with the last calendar day of the last month of the strip.		
<b>Commodity Codes/Ticker Symbols:</b>	Three-character commodity codes: First two characters will be the existing monthly code for the specific HDD/CDD City. The third character will be the month code representing the first contract month of the strip: For example, all Chicago HDD Seasonal Strip codes begin with "H2", then add "V" for a strip whose first contract month is October, "X" for November, "Z" for December, "F" for January, "G" for February, or "H" for March. A Chicago HDD October-April 2006 Seasonal Strip would be H2VJ6, where H2V is the 3-character product code and J6 is the contract month/year of expiration. See Sheet 2 for a matrix of all initial permutations.	Three-character commodity codes: First two characters will be the existing monthly code for the specific HDD/CAT City. The third character will be the 1-character month code representing the first contract month of the strip: For example, all London CAT Seasonal Strip codes begin with "G0" (Gee-zero), then add "J" for a strip whose first contract month is April, "K" for May, "M" for June, "N" for July, "Q" for August, or "U" for September. A London CAT April-October 2006 Seasonal Strip would be G0JV6, where G0J is the 3-character product code and V6 is the contract month/year of expiration. See Sheet 2 for a matrix of all initial permutations.		

## CME Seasonal Weather Strips Futures Options on Futures Contracts

Specification	U.S. Seasonal Strips	European Seasonal Strips		
<b>Option Exercise:</b>	European-style exercise: An option may be exercised by the buyer only on the termination of trading day. To exercise an option, the clearing member representing the buyer shall present an exercise notice to the Clearing House by 7:00 p.m. Central Time on the day of exercise. An option that is in-the-money and has not been liquidated prior to the termination of trading shall, in the absence of contrary instructions delivered to the Clearing House by 7:00 p.m. Central Time on the day of expiration by the Clearing member representing the option buyer, be exercised automatically.	European-style exercise: An option may be exercised by the buyer only on the termination of trading day. To exercise an option, the clearing member representing the buyer shall present an exercise notice to the Clearing House by 7:00 p.m. Central Time on the day of exercise. An option that is in-the-money and has not been liquidated prior to the termination of trading shall, in the absence of contrary instructions delivered to the Clearing House by 7:00 p.m. Central Time on the day of expiration by the Clearing member representing the option buyer, be exercised automatically.		
<b>Minimum Price Interval:</b>	1 Index Point = \$20.00	1 Index Point = £20.00		
<b>Value Per Tick:</b>	\$20.00 \$10.00	£20.00 £10.00		
<b>Cabinet Option Value:</b>				
<b>Exercise Price Intervals:</b>	Exercise prices shall be stated in terms of the respective CME U.S. Seasonal Strip Degree Days Index futures contract. Eligible exercise prices shall be at intervals of 1 CME Seasonal Strip Degree Days Index point (e.g., 4510, 4511, 4512, etc.). At the commencement of options trading in a contract month, the eligible put and call options are at intervals of 1 index point in a range of 1 to 7500 Index points for the CDD season and a range of 1 to 16,000 Index points for the HDD season upon demand evidenced in the options pit. New options may be listed for trading up to and including the termination of trading.	Exercise prices shall be stated in terms of the respective CME European Seasonal Strip Degree Days Index futures contract. Eligible exercise prices shall be at intervals of 1 CME European Seasonal Strip Degree Days Index point (e.g. 4510, 4511, 4512, etc.) At the commencement of options trading in a contract month, the eligible put and call options are at intervals of 1 index point in a range of 1 to 8500 Index Points for a seasonal Strip HDD and 1 to 6500 Index Points for a seasonal Strip CAT upon demand evidenced in the options pit. New options may be listed for trading up to and including the termination of trading.		
<b>Termination of Trading:</b>				
<b>Futures:</b>	Futures trading will terminate at 9:00 a.m. Central Time on the first Exchange business day that is at least two calendar days after the last calendar day of the last month of the defined strip.	Futures trading will terminate at 9:00 a.m. Central Time on the first Exchange business day that is at least two calendar days after the last calendar day of the last month of the defined strip.		
<b>Options:</b>	Options trading shall terminate on the same date and time as the underlying futures contract.	Options trading shall terminate on the same date and time as the underlying futures contract.		
<b>Final Settlement:</b>	The final settlement price will be based on the respective CME Seasonal Strip Degree Days Index reported by Earth Satellite Corporation for that city for that contract period, using the methodology in effect on that date, on the first Exchange business day that is at least two calendar days after the last calendar day of the last month of the defined strip.	The final settlement price will be based on the respective CME European Seasonal Strip Degree Days Index reported by Earth Satellite Corporation for that city for that contract period, using the methodology in effect on that date, on the first Exchange business day that is at least two calendar days after the last calendar day of the last month of the defined strip.		
<b>Delivery:</b>	By Cash Settlement.	By Cash Settlement.		
<b>Position Limits:</b>	A person shall not own or control more than 10,000 contracts net long or net short in all contract months combined.	A person shall not own or control more than 10,000 contracts net long or net short in all contract months combined.		
<b>Minimum Reportable Levels:</b>	25 contracts.	25 contracts.		
<b>CFTC Reportable Levels:</b>	Please contact Judy Sepsey or Maggie Sweet at 312.596.0609.	Please contact Judy Sepsey or Maggie Sweet at 312.596.0609.		
<b>Performance Bond Requirements:</b>	To be announced by the CME Clearing House.	To be announced by the CME Clearing House.		
<b>Clearing Fees:</b>	To be announced by the CME Audit Department.	To be announced by the CME Audit Department.		
<b>Price Conventions:</b>				
		<b>Trade Price</b>	<b>Exercise Price</b>	<b>Option Premium</b>
	<b>Actual Price/FIXML format</b>	4025.0	4027.0	2.0
	<b>TREX/TES Format</b>	0040250	4027	0000020
	<b>Legacy Trade Register File</b>	4025.0	4027.0	2.0
	<b>Cabinet Price</b>	N/A	4027	CAB or 9999999
	<b>Trade Register File</b>	40.250	4027	0.020
	<b>Settlement Price File</b>	040250	0004027	0000020
	<b>SPAN File</b>	040250	0004027	0000020
	<b>GLOBEX Price Entry</b>	040250	N/A	N/A
	<b>GLOBEX Cabinet Price</b>	N/A	N/A	N/A
	<b>APS File Format</b>	040250	0004027	0000020

# CME Seasonal Strip Weather Futures Options Commodity Codes and Ticker Symbols

Existing		New HDD Seasonal Strips							Existing	New CDD/CAT Seasonal Strips						
City	Monthly Code	Starting OCT	Starting NOV	Starting DEC	Starting JAN	Starting FEB	Starting MAR	Starting APR	Monthly Code	Starting APR	Starting MAY	Starting JUN	Starting JUL	Starting AUG	Starting SEP	Starting OCT
Atlanta	H1	H1V	H1X	H1Z	H1F	H1G	H1H	N/A	K1	K1J	K1K	K1M	K1N	K1Q	K1U	N/A
Chicago	H2	H2V	H2X	H2Z	H2F	H2G	H2H	N/A	K2	K2J	K2K	K2M	K2N	K2Q	K2U	N/A
Cincinnati	H3	H3V	H3X	H3Z	H3F	H3G	H3H	N/A	K3	K3J	K3K	K3M	K3N	K3Q	K3U	N/A
New York	H4	H4V	H4X	H4Z	H4F	H4G	H4H	N/A	K4	K4J	K4K	K4M	K4N	K4Q	K4U	N/A
Dallas	H5	H5V	H5X	H5Z	H5F	H5G	H5H	N/A	K5	K5J	K5K	K5M	K5N	K5Q	K5U	N/A
	Futures: CME Globex hours are from 5:00 p.m. - 3:15 p.m., next day Central	Futures: CME Globex hours are from 5:00 p.m. - 3:15 p.m., next day Central														
Philadelphia			H6X	H6Z	H6F	H6G	H6H	N/A	K6	K6J	K6K	K6M	K6N	K6Q	K6U	N/A
Portland			H7V	H7X	H7Z	H7F	H7G	N/A	K7	K7J	K7K	K7M	K7N	K7Q	K7U	N/A
Tucson			H8V	H8X	H8Z	H8F	H8G	N/A	K8	K8J	K8K	K8M	K8N	K8Q	K8U	N/A
Des Moines			H9V	H9X	H9Z	H9F	H9G	N/A	K9	K9J	K9K	K9M	K9N	K9Q	K9U	N/A
Las Vegas			H0V	H0X	H0Z	H0F	H0G	N/A	K0	K0J	K0K	K0M	K0N	K0Q	K0U	N/A
Boston			HWV	HWX	HWZ	HWF	HWG	N/A	KW	KWJ	KWK	KWM	KWN	KWQ	KWU	N/A
Houston			HRV	HRX	HRZ	HRF	HRG	N/A	KR	KRJ	KRK	KRM	KRN	KRQ	KRU	N/A
Kansas City			HXV	HXX	HXZ	HXF	HXG	N/A	KX	KXJ	KXK	KXM	KXN	KXQ	KXU	N/A
Minneapolis			HQV	HQX	HQZ	HQF	HQG	N/A	KQ	KQJ	KQK	KQM	KQN	KQQ	KQU	N/A
Sacramento	HS	HSV	HSX	HSZ	HSF	HSG	HSH	N/A	KS	KSJ	KSK	KSM	KSN	KSQ	KSU	N/A
Salt Lake City	HU	HUV	HUX	HUZ	HUF	HUG	HUH	N/A	KU	KUJ	KUK	KUM	KUN	KUQ	KUU	N/A
Detroit	HK	HKV	HKX	HKZ	HKF	HKG	HKH	N/A	KK	KKJ	KKK	KKM	KKN	KKQ	KKU	N/A
Baltimore	HV	HVV	HVX	HVZ	HVF	HVG	HVH	N/A	KV	KVJ	KVK	KVM	KVN	KVQ	KVU	N/A
London	D0	D0V	D0X	D0Z	D0F	D0G	D0H	N/A	G0	G0J	G0K	G0M	G0N	G0Q	G0U	N/A
Paris	D1	D1V	D1X	D1Z	D1F	D1G	D1H	N/A	G1	G1J	G1K	G1M	G1N	G1Q	G1U	N/A
Amsterdam	D2	D2V	D2X	D2Z	D2F	D2G	D2H	N/A	G2	G2J	G2K	G2M	G2N	G2Q	G2U	N/A
Berlin	D3	D3V	D3X	D3Z	D3F	D3G	D3H	N/A	G3	G3J	G3K	G3M	G3N	G3Q	G3U	N/A
Stockholm	D5	D5V	D5X	D5Z	D5F	D5G	D5H	N/A	G5	G5J	G5K	G5M	G5N	G5Q	G5U	N/A
Essen	D4	D4V	D4X	D4Z	D4F	D4G	D4H	N/A	G4	G4J	G4K	G4M	G4N	G4Q	G4U	N/A
Rome	D9	D9V	D9X	D9Z	D9F	D9G	D9H	N/A	G9	G9J	G9K	G9M	G9N	G9Q	G9U	N/A
Madrid	DQ	DQV	DQX	DQZ	DQF	DQG	DQH	N/A	GQ	GQJ	GQK	GQM	GQN	GQQ	GQU	N/A
Barcelona	D8	D8V	D8X	D8Z	D8F	D8G	D8H	N/A	G8	G8J	G8K	G8M	G8N	G8Q	G8U	N/A

## CME FROST DAYS MONTHLY SEASONAL INDEX FUTURES AND OPTIONS

<b>CME Frost Days Monthly &amp; Seasonal Index Futures and Options on Futures</b>			
Frost Days Monthly & Seasonal Index Futures and Options			
Each CME Frost Days Index is the accumulation of like Frost Days during a month within the period beginning the first Monday in November and ending the last Friday in March, excluding Saturdays, Sundays, December 25, December 26 and January 1.			
Friday, September 23, 2005			
€10,000 times the respective CME Frost Days Index.			
Amsterdam-Schiphol, Netherlands			
Futures are traded on CME® Globex®; Options are traded in the Open Outcry Market (Trading Pit)			
<b>Futures:</b> CME Globex hours are from 5:00 p.m. - 3:15 p.m., next day Central Time Monday through Thursday; 5:00 p.m. - 3:15 p.m. Central Time Sunday & Holidays. <b>Options:</b> Trading Floor hours are Monday through Friday 8:30 a.m. to 3:15 p.m. Central Time.			
November, December, January, February, March			
Frost Days Monthly: <b>FZ</b> ; Seasonals: <b>FZX</b>			
European-Style: An option may be exercised by the buyer only on the termination of trading day. To exercise an option, the clearing member representing the buyer shall present an exercise notice to the Clearing House by 7:00 p.m. Chicago time on the day of exercise. An option that is in the money and has not been liquidated prior to the termination of trading shall, in the absence of contrary instructions delivered to the Clearing House by 7:00 p.m. Chicago time on the day of expiration by the clearing member representing the option buyer, be exercised automatically.			
1 Index Point = € 10,000			
€ 10,000			
€ 5,000			
Exercise prices shall be stated in terms of the respective CME Frost Days Index futures contract. Eligible exercise prices shall be at intervals of 1 Index Point (e.g., 10, 11, 12, etc.)			

## CME FROST DAYS MONTHLY SEASONAL INDEX FUTURES AND OPTIONS

Futures: For the November, December, January and February contract months, futures trading shall terminate at 9:00 a.m. Central Time on the first Exchange business day that is at least two calendar days after the respective futures contract month. For the March contract month only, futures trading shall terminate at 9:00 a.m. on the first Exchange business day that is at least two calendar days after the last Friday in March.			
Options trading shall terminate on the same date and time as the underlying futures contract.			
All futures contracts remaining open at the termination of trading shall be settled using the respective CME Frost Days Index reported by Earth Satellite Corporation for that city for that contract period, using the methodology in effect on that date. For the November, December, January and February contract months, final settlement shall occur on the first Exchange business day that is at least two calendar days after the respective futures contract month. For the March contract month only, final settlement shall occur on the first Exchange business day that is at least two calendar days after the last Friday in March.			
By Cash Settlement.			
10,000 contracts net long or net short in all contract months combined.			
25 contracts			
Please contact Judy Sepsey or Maggie Sweet at 312.596.0609.			
To be announced by the CME Clearing House.			
To be announced by the CME Audit Department.			
<b>CME Frost Days Futures &amp; Options</b>	<b>Futures Price</b>	<b>Exercise Price</b>	<b>Option Premium</b>
<b>Actual Price/FIXML format</b>	15	2	17
<b>TREX/TES Format</b>	0000015	0000002	0017
<b>Legacy Trade Register File</b>	15	2	17
<b>Cabinet Price Format</b>	N/A	CAB or 9999999	0017
<b>Trade Register File</b>	0.150	.002	0017
<b>Settlement Price File</b>	0000015	0000002	0000017
<b>SPAN File</b>	0000015	0000002	0000017

## CME FROST DAYS MONTHLY SEASONAL INDEX FUTURES AND OPTIONS

<b>GLOBEX Price Entry</b>	15	N/A	N/A
<b>GLOBEX Cabinet Price</b>	N/A	N/A	N/A
<b>APS File Format</b>	0000015	0000002	0000017
<b>CME Seasonal Frost Days Futures &amp; Options</b>	<b>Futures Price</b>	<b>Exercise Price</b>	<b>Option Premium</b>
<b>Actual Price/FIXML format</b>	4025.0	2.0	4027.0
<b>TREX/TES Format</b>	0040250	0000020	4027
<b>Legacy Trade Register File</b>	4025.0	2.0	4027.0
<b>Cabinet Price Format</b>	N/A	CAB or 9999999	4027
<b>Trade Register File</b>	40.250	0.020	4027
<b>Settlement Price File</b>	040250	0000020	0004027
<b>SPAN File</b>	040250	0000020	0004027
<b>GLOBEX Price Entry</b>	040250	N/A	N/A
<b>GLOBEX Cabinet Price</b>	N/A	N/A	N/A
<b>APS File Format</b>	040250	0000020	0004027