

Advisory Notice

Clearing House

TO: Clearing Member Firms
Chief Financial Officers
Back Office Managers

FROM: Clearing House Department

ADVISORY #: 05-207

DATE: September 12, 2005

SUBJECT: **September 2005 Currency Delivery Reminders**

The September 2005 currency delivery cycle begins Monday, of September 19, 2005. Listed below are several reminders regarding the currency deliveries, detailed delivery instructions can be found at www.cme.com under <http://www.cme.com/clearing/clr/del/delivery/prodcurnny1252.html>

A. CONTINUOUS LINKED SETTLEMENT

CLS is mandatory starting with the June 2005 delivery cycle for all foreign currency deliveries exceeding \$50 million per currency pair. CLS is not mandatory if the foreign currency delivery can be expected to be less than \$50 million per currency deliveries.

Effective in September 2005, firms with a foreign currency delivery obligation in excess of \$50 million per currency pair failing to use CLS will be subject to an assessment fee of \$10/per million on the total delivery amount for any currency exceeding the threshold.

All CLS transactions must be entered into CME Deliveries system by 11:00 a.m. (CST) on the last day of trading. All transactions must also be entered into the firm's CLS system by 5:00 p.m. (CST). The deadline for CLS transactions including Canadian Dollars to match in the CLS system is 1:00 p.m. (CST), Tuesday, September 20, 2005. 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 20, 2005.

- When entering trades into CLS the firm should not invert the CME settlement price. Please do not use the "Triangulate" feature in CLS. Either of these may result in a currency amount that may cause the CLS trade to be unmatched.
- If a firm enters multiple line items into CLS then it should enter the same number of commitments into the C21 Currency Delivery System.

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B. NEW ZEALAND DOLLAR

New Zealand dollar payments must be made via the New Zealand Real Time Gross Settlement

System (RTGS). Citibank cannot confirm receipt of payment sent via any other payment system until the business day after settlement date. This may delay the corresponding US Dollar payment to your firm.

C. CURRENCY DELIVERY TIMELINE

Following is the timeline for the September 2005 currency delivery:

- **Thursday, September 15, 2005** - Potential delivery positions and order-to-pay bank information is submitted to the Clearing 21 Currency Delivery System by 4:00 p.m. Central time.
- **Monday, September 19, 2005** - Commitments are due for all contracts except Canadian Dollar by 11:00 a.m. (CST).
- **Tuesday, September 20, 2005** - Commitments are due for the Canadian Dollar by 10:00 a.m. (CST) Orders-to-pay are due to the agent banks by 1:00 p.m. (CST). For questions regarding Orders-to-pay please contact the Financial Unit at 312-207-2594.
- **Wednesday, September 21, 2005** – 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.

Currency	Agent Bank/Location	Agent Bank Time	Chicago Time
N. Z. Dollar	Citibank, Auckland	10:00 AM	5:00 PM *
Australian Dollar	B of A, Sydney	10:00 AM	7:00 PM *
Japanese Yen	DKB, Tokyo	10:00 AM	8:00 PM *
NOK,SEK	Chase, London	10:00 AM	3:00 AM
EUR,CZK, FR,PLN, ZAR	Citibank	10:00 AM	3:00 AM
Swiss Franc	B of A, Geneva	10:00 AM	3:00 AM
British Pound	Chase, London	10:00 AM	4:00 AM
Canadian Dollar	B of A, Toronto	10:00 AM	9:00 AM
US Dollar	Citibank, Buffalo	10:00 AM	9:00 AM
US Dollar	Chase, New York	10:00 AM	9:00 AM
Mexican Peso	B of A, Mexico City	10:00 AM	10:00 AM
US Dollar	B of A, Concord	10:00 AM	12:00 PM

* Denotes Chicago date of Tuesday, September 20, 2005