

Advisory Notice

Clearing House

TO: Clearing Member Firms
Chief Financial Officers
Back Office Managers

FROM: Clearing House Department

DATE: August 31, 2004

ADVISORY #: 04 -147

SUBJECT: **September 2004 Currency Delivery Reminders**

The September 2004 currency delivery will occur the week of September 13, 2004. Following are several reminders regarding the currency deliveries. Detailed delivery instructions can be found at www.cme.com under the following links http://www.cme.com/files/s_delivery_instructions.pdf and <http://www.cme.com/cfr/settle/delivery/prodcurrny1252.html>.

A. BANK ONE – REMOVAL AS AGENT BANK

Beginning with the September currency delivery, Bank One will no longer be a valid agent bank for the currency delivery of the Japanese Yen, Mini Yen, Australian Dollar/New Zealand Dollar cross-rate, Euro/Yen cross-rate and the Japanese Yen component of the Dollar Index. The agent bank which should be used to facilitate the delivery of the aforementioned currencies is **Citibank**. All order-to-pays for these contracts should be sent to Citibank, New York by 1:00 p.m. (Central Time) on the business day prior to the day of delivery.

B. NEW EASTERN EUROPEAN CURRENCIES

Beginning with the September currency delivery cycle the following contracts have been added: Czech Koruna, Hungarian Forint, Polish Zloty, Euro FX/Czech Koruna cross –rate, Euro FX/Hungarian Forint cross-rate and Euro FX/Polish Zloty cross-rate contracts. The agent bank for the new currencies will be **Citibank**.

Clearing member firms who are long the Eastern European currency cross- rates will be obligated to issue an order-to pay denominated in Euro to Citibank, New York by 1:00 p.m. (Central Time) on the business day prior to the day of delivery.

C. 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 next business day after settlement date. This may delay the corresponding US Dollar payment to your firm.

D. SOUTH AFRICAN RAND

There is no longer a dual order-to-pay requirement for the South African Rand. Only clearing member firms long the South African Rand are required to submit a USD denominated order-to-pay for the value of the Rand delivery by 1:00 PM (Central Time) on the day preceding the delivery day. Citibank, New York must receive the payment for the order-to-pay no later than 10:00 AM **local time** on the delivery day.

E. MEXICAN PESO

Funding for Mexican Peso must be in place prior to the delivery. Peso payments are to be made via the Mexican Interbank payment system "SPEUA" ("Spay-wah"). In addition to understanding any special account or funding requirements that approved Mexican delivery banks may have, it is important to have a specific individual aware of and in a position to answer any questions regarding peso payments on the delivery day. Mexican Pesos are required to be delivered by 10:00 a.m. local time in the country of origin.

F. CONTINUOUS LINKED SETTLEMENT (CLS)

Clearing member firms participating in CLS should have all transactions entered CME Deliveries by 11:00 a.m., Monday, September 13th. All transactions must also be entered to CLS and in position to be matched in the CLS system by 5:00 p.m. Monday, September 13. The deadline for CLS transactions to match in the CLS system is 1:00 p.m., Tuesday, September 14th. 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 of the value of the delivery by 3:00 p.m. on Tuesday, September 14th.

As a reminder, firms whose deliveries are reasonably expected to exceed \$50,000,000 per currency futures contract must have a CLS relationship in place and ready to utilize for the June, 2005 currency delivery cycle.

G. CURRENCY DELIVERY TIMELINE

Following is the timeline for the September 2004 currency delivery:

- **Thursday, September 9, 2004** – 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 13, 2004** – Commitments are due for all contracts except Canadian Dollar by 11:00 AM Chicago Time.
- **Tuesday, September 14, 2004** – Commitments are due for the Canadian Dollar by 10:00 AM. Orders-to-pay are due to the agent banks by 1:00 PM. For questions regarding Orders-to-pay please contact the Financial Unit at 207-2594.
- **Wednesday, September 15, 2004** – Payments of U.S. Dollar and the 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 delivery process throughout Tuesday night and Wednesday. It is important to have an 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
New Zealand Dollar	Citibank, Auckland	10:00 AM	*5:00 PM
Australian Dollar	B of A, Sydney	10:00 AM	*7:00 PM
Japanese Yen	Citibank, Tokyo	10:00 AM	*8:00 PM
S. A. Rand	Citibank, Johannesburg	10:00 AM	3:00 AM
Euro Currency	Citibank, Frankfurt	10:00 AM	3:00 AM
Polish Zloty	Citibank, Warsaw	10:00 AM	3:00 AM
Hungarian Forint	Citibank, Budapest	10:00 AM	3:00 AM
Czech Koruna	Citibank, Prague	10:00 AM	3:00 AM
Swiss Franc	B of A, Geneva	10:00 AM	3:00 AM
British Pound, Swedish Krona & Norwegian Krone	Chase, London	10:00 AM	4:00 AM
Currency	Agent Bank/Location	Agent Bank Time	Chicago Time
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 14, 2004.

If there are any questions, please contact the Clearing House Operations Unit at (312) 930-3172.