

Advisory Notice

Clearing House

To: All Clearing Member Firms
Service Bureaus

From: CME Clearing House

Date: December 10, 2004

Advisory #: 04-239

Subject: **CME Average Price System Seminar: December 20, 2004**

On **December 20th, 2004 from 10 a.m. to 12 noon**, the CME Clearing House will host a seminar to preview the new Average Price System. The seminar will be held in Committee Room X on the 8th Floor of the South Tower at 20 S. Wacker.

As firms should be aware, the CME Clearing House is working hard to provide clearing firms with a completely revamped Average Pricing System. The new revamped Average Price System provides the following benefits:

- No limitations on the types of transactions which can be grouped together for averaging
- A complete FIXML-based API by which firms can automate all aspects of APS processing
- Real-time message-based feeds, using FIXML, of completed APS transfer transactions to be loaded to bookkeeping systems. Elimination of the period batch "APS routing files."
- Handling of APS transactions in GAINS, exactly like ordinary giveups
- The ability to transfer a trade with money attached.

We are working to deploy the new system around the end of the first quarter of 2005. The key date for firms and service providers to focus on, however, is **February 1, 2005**. That is when we expect to be ready to begin testing the FIXML messaging with firms.

To use the new application, firms do not need to support all aspects of the FIXML-based API. In fact, there is only one FIXML message type which firms **must** support, namely, the final confirmation messages which allow firms to load the accepted allocation and offset transactions to their bookkeeping systems. These messages are the replacement for the "APS routing files" of the old application.

We know how important the new APS application is to clearing firms, and we strongly urge firms and service providers to begin programming today, if they have not already, on the ability to load the FIXML confirm messages for the completed offsets and allocations.

During the seminar we will overview the functionality of the new system in detail and discuss your readiness to handle the new FIXML-based API.

If you plan to attend and do not have security access to 20 S. Wacker please contact Mark Cox at 312.648.8699 or at mcox@cme.com.

For service bureau or firm staff unable to attend you can teleconference to the seminar:

Domestic: 800.747.5150
Intl: 303.248.1290
Passcode: 4664423

Complete and fully annotated examples of all of the FIXML message types – both for regular giveups and for average pricing – are available at

<http://www.cme.com/files/APSAllocationFIX4.pdf>.

The key message types replacing the old APS routing files are provided in sections **2.6** and **2.10**.

For diagrams of the allocation processing message flow in FIXML, please see:

<http://www.cme.com/files/APSAllocationFlowV2.pdf>.

For the main CME Clearing House web page for FIXML, please see:

<http://www.cme.com/clearing/cm/stan/fixml6615.html>.

If you have any questions please contact Mark Cox at 312.648.8699