

Advisory Notice

Clearing House

TO: Clearing Member Firms; Back Office Software Providers

FROM: CME Clearing

ADVISORY #: 07-326

DATE: December 28, 2007

SUBJECT: Assignment Report Data File Available Late First Quarter 2008

In response to firms' requests to improve the option assignment process, CME Clearing is pleased to introduce a new file of FIXML Assignment Report messages that will be available to back-offices daily, immediately following exercise and assignment processing for CME and CBT options (currently run at 5:30 p.m. for CBT Flex options, and averaging between 8:30 – 9:00 p.m. for the balance of options). This file can be read by firm bookkeeping systems and act as a trigger to automatically invoke internal customer account assignment processing. In addition to automation, an added benefit is that customers can be informed of assignments and resulting market exposure on a timelier basis.

The file will be named the Assignment Report file. This is the first in a series of options and futures delivery improvements planned based on firms' requests. Exercise/Assignment reports will continue to be produced as they are now.

This Advisory is being sent now, so that firms can be ready when this file is made available daily, starting late first quarter, 2008. Technical specifications for this new file and assignment message format are summarized below.

The File

Data files will be delivered to the firms' standard "Outgoing" FTP directories, in the same fashion that Trade Register files are delivered today. That is, a single unzipped file with a static file name, a zipped file with a static file name, and a zipped file named with a date will be created for each exchange processing day. A mid-day process will delete the statically named files, leaving only the dated, zipped file for archive purposes. This method allows firms to poll their "Outgoing" directory, looking for top-day files, without fear of pulling the prior day's data file. We will also zip and archive the assignment data for a number of days (usually 5 days plus the T-1 day file). The main exception between the Trade Register file delivery and naming process and the Assignment Report file process, other than time of availability, will be that the assignment reports will always be combined into a single file; separate CME, CBT, and combined CME & CBT files will not be provided. Naming conventions will be published prior to the live date. Note that a file will be produced for each firm for each day, regardless of whether there are any assignments for a given firm on a given day or not.

As is standard with the Trade Register file, the data will be made up of a standard XML header, followed by the FIXML assignment report data, encapsulated in <FIXML> and <Batch> elements.

The Messages

Assignment Report messages are straight-forward and easily read and processed. Each FIXML Assignment Report (AsgnRpt) message contains the equivalent of information currently found in the OPTION EXERCISE/ASSIGNMENT NOTICE report (CPM650), with the exceptions of opposite firm information, and the fact that the assignment amount is an aggregate for the contract. Since the purpose of the assignment report message is to allow for random assignment firm-side based on a single assignment quantity per firm, contract, and origin, opposite firm information and breakdowns are not provided.

Assignment Report messages will not exhibit the CFI Code attribute to designate product type (Future/Option/Combo, etc.), or Put/Call values. Instead, Security Type (SecTyp) will be used to designate the product type, and the newly adopted FIXML PutOrCall attribute will be used to designate the option right code ("0" = Put, "1" = Call). For full enumerations of the FIXML attributes, refer to the CME Clearing FIXML API Specification located at <http://www.cme.com/clearing/cm/stan/index.html>. A sample Assignment Report message is shown below, and a sample Assignment Report file can be found at <ftp://ftp.cme.com/pub/span/data/cme/test/SampleAssignmentReportFile.xml>

For any questions, issues or concerns, or to get sample messages *based on your firm's actual data*, please contact CME Clearing Services at (312) 207-2525 or via email at ccs@cmegroup.com

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<?xml version="1.0" encoding="UTF-8"?>
<FIXML>
  <Batch>
    <AsgnRpt
      RptID="365438746376589356"      → Unique Message Id for each Assignment Report
      BizDt="2007-12-26"              → Clearing Business date
      Ccy="USD"                       → Trade Currency
      UndSetPx="95.625"               → Underlying Settlement Price or Special Settlement Price
      AsgnMeth="R"                    → Assignment Method (Random or Pro rata)
      SetSesID="EOD">                → Business Cycle
      <Pty ID="CME" R="21" ></Pty>    → Clearing Org
      <Pty ID="CME" R="22" ></Pty>    → Firm Exchange
      <Pty ID="200" R="4" ></Pty>     → Clearing Member Firm
      <Pty ID="200" R="38" >          → Position Account
        <Sub ID="1" Typ="26"/>       → Position Account Origin
      </Pty>
      <Instrmt
        ID="ED"                      → Clearing Product Code
        SecTyp="OOF"                 → Product Type (Option on a Future)
        MMY="200803"                 → Option Period Code
        Exch="CME"                   → Option Product Exchange
        StrkPx="93.50"               → Option Strike
        PutOrCall="1"                → Put or Call (Call)
        MatDt="2008-03-17"/>        → Maturity Date
      <Undly
        ID="ED"                      → Underlying Clearing Product Code
        Typ="FUT"                    → Underlying Product Type (Future)
        MMY="200803"                 → Underlying Period Code
        Mult="2500"                  → Underlying Product Multiplier
        Exch="CME" />                → Underlying Exchange
      <Qty Short="123" Typ="AS" />    → Assigned Quantity
      <Amt Amt="5312.50" Typ="SETL" /> → Settlement Amount due to assignment
    </AsgnRpt>
    <AsgnRpt .....>
    <AsgnRpt .....>
  </Batch>
</FIXML>

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