



## Advisory Notice

Clearing House

20 South Wacker Drive  
Chicago, IL 60606-7499  
www.cme.com

312/930.3170 *tel*  
312/930.3187 *fax*

07-88

TO: Clearing Member Firms  
Back Office Managers  
Bookkeeping Service & System Providers

FROM: Clearing House Department

SUBJECT: **REMINDER: Testing Availability for Transfer Enhancements and CME Two Sided FLEX Entry Started Tuesday, April 5, 2007**

DATE: April 9, 2007

In anticipation of two major enhancements scheduled to be deployed in the Front-End Clearing System (FEC), we want to extend an opportunity for firms to test in our Clearing Certification Environment. The first enhancement scheduled for Monday, April 16, 2007, will allow firms to search for transfers in We Show/They Show across all trade dates and enter transfers with a residual money amount. The second is to move FLEX option processing for CME products from the 3270-based application to the two-sided trade entry process in FEC starting Friday, May 4, 2007.

See notice link for more details. <http://www.cme.com/files/Chadv07-81.pdf>

In preparation, firms are invited to test Thursday, April 5 through Friday, April 13, 2007.

Below are test processes, schedule of the test dates and trade entry times and script location.

### **Basic Test Process:**

#### **1: Testing Transfers across Trade dates:**

Firms may submit transfer trades with various trade dates in FEC and view them across all trade dates in the We Show/They show screen.

#### **2: Testing Transfers with residuals:**

Firms may submit transfer trades with a residual dollar amount. Unlike normal transfers, transfers with residual will use an allocate and claim match model. Upon entry, the allocating firm can enter either a positive or negative dollar amount opposing firm can claim.

#### **3: Testing CME Two Sided FLEX system:**

Using the script, firms may enter the 2 buy and sell sides of flex trades against themselves to create a match. Flex trades need to be entered in FEC. As a reminder, any trade not matched by the 7:00 p.m. Final Reconciliation will be deleted from the system.

**Scope of Test:** There will be 4 cycles of firm testing:

**Thursday, April 5, 2007: Cycle 1** -Trade date April 5, 2007, will begin at 10:00 a.m. and end at 2:00 p.m.

**Monday, April 9, 2007: Cycle 2** -Trade date April 09, 2007 will begin at 10:00 a.m. end at 2:00 p.m.

**Wednesday, April 11, 2007: Cycle 3** -Trade date April 11, 2007 will begin at 10:00 a.m. and end at 2:00 p.m.

**Friday, April 13, 2007: Cycle 4** -Trade date April 13, 2007, will begin at 10:00 a.m. and end at 2:00 p.m.

**Test Script:**

A test script will be available for CME Two Sided Flex testing and will be published at:

<ftp://ftp.cme.com/pub/span/data/cme/test/scripts/>

Please reference the chart below to assist with entering CME FLEX trades.

Product	Flex Clearing Code	True Decimal Strike Price	FEC Strike Price
SP	XP	1535.0	153500
ND	XH	2800.0	280000
NK	XN	9500.0	950000
RL	XU	1100.0	110000

**Reports and Data Files:**

Clearing will produce trade register reports for these test cycles. For FIXML files, firms need to request that files be generated and sent to them.

**Contact Numbers:**

Questions or concerns can be directed to CME Clearing House at 312.207.2525 or email at [ccs@cme.com](mailto:ccs@cme.com)

Thank you