

## Advisory Notice

Clearing House

TO: Clearing Member Firms  
Back Office Managers

FROM: Clearing House Department

DATE: March 9, 2004

ADVISORY #: 04-37

SUBJECT: **Important Currency Delivery Reminders**

The March 2004 currency delivery will occur the week of March 15, 2004. Following are several reminders regarding the currency deliveries.

### **A. JP MORGAN CHASE BANK ORDERS-TO-PAY**

The order-to-pay instructions for currencies sent to JP Morgan Chase has changed. **Only orders-to-pay should be sent to JP Morgan Chase using SWIFT BIC CHASUS33BDD.**

### **B. CME\$INDEX**

In June 2003 we began delivering the CME\$INDEX contract. This contract is different from traditional currencies. A firm long the contract delivers a basket of seven currencies and will receive US Dollars in return. A firm short the contract delivers US Dollars to the CME Delivery Account and a basket of the seven currencies will be received by the firm. In addition, the short will also be required to issue an Order-to-Pay or a wire transfer denominated in US Dollars delivered to Citibank, New York (CITIUS33DFU).

### **C. ORDERS-TO-PAY**

All Orders-To-Pay are to be sent to the US based agent for the contract.

### **D. NORWEGIAN KRONE INTERMEDIATE BANK**

The intermediate bank for Norwegian Krone payments are to be sent to Nordea Bank Norge ASA (NDEANOKK) for further credit JPMorgan/Chase, London (CHASGB2L); Account Number 024698005.

### **E. 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.

### **F. SOUTH AFRICAN RAND**

There is a dual order-to-pay requirement for the South African Rand. Clearing firms who will be delivering the South African Rand must submit an order-to-pay for the value of the Rand delivery by 1:00 PM (Central Time) on the day preceding the delivery day. The appropriate agent bank must receive the payment for the order-to-pay no later than 10:00 AM **local time** on the delivery day.

## **G. 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.

## **H. CURRENCY CROSS-RATES**

There is usually a dual order-to-pay requirement for firms involved in delivery of currency cross-rate products. Special rules apply to determine if order-to-pay issuance is necessary for firms netting payment obligations arising from cross-rate products. If the netted foreign cash payment obligation is associated with a cross-rate product on a pre-netted basis, an order-to-pay must be issued. The same reasoning is used in determining orders-to-pay for netted dollar payment obligations.

## **I. CURRENCY TIMELINE**

Following is the timeline for the March 2004 currency delivery:

- **Thursday, March 11, 2004** – Potential delivery positions are submitted via the Deliveries System on the CME Portal by 4:00 PM Chicago Time.
- **Monday, March 15, 2004** – Commitments are due for all contracts except Canadian Dollar by 11:00 AM Chicago Time.
- **Tuesday, March 16, 2004** – Commitments are due for 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, March 17, 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.

Detailed currency delivery instructions and bank account information is available at [www.cme.com/clr/settle/delivery](http://www.cme.com/clr/settle/delivery).

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