

## Advisory Notice

Clearing House

TO: Clearing Member Firms  
Chief Financial Officers  
Back Office Managers

FROM: Clearing House Department

DATE: August 17, 2005

ADVISORY #: 05-167

SUBJECT: Currency Deliveries Using CLS

Effective with the September 2005 currency delivery cycle, firms with a delivery obligation greater than \$50 million per currency pair are required to use CLS to facilitate delivery, per CME Rule 740.

Firms failing to comply with CME Rule 740 will be charged an assessment fee of \$10 per million for any CLS eligible currency pair exceeding the threshold. CLS supports all CME currency products with the exception of Mexican Peso, Polish Zloty (USD and Euro), Hungarian Forint (USD and Euro) and the Czech Koruna (USD and Euro).

In order to utilize CLS the firm or customer of a firm must have a relationship with a CLS Settlement Member. Clearing firms planning to start using CLS as a delivery method must notify the Clearing House Deliveries Unit before the first business day of the delivery month in order to be eligible to participate. In addition, first time users will be required to test prior to September 7<sup>th</sup>.

### **Important CLS Notes**

- When entering trades into CLS, firms should not invert the CME settlement price. Inverting the settlement price may cause the CLS trade to remain unmatched.
- If firms enter multiple line items into CLS then they should enter the same multiple commitments into the Clearing 21 Currency Delivery System.

Please contact CME Deliveries Unit at 312-930-3172 with any delivery related questions.