

## Advisory Notice

Clearing House

TO: Clearing Member Firms  
Back Office Personnel

FROM: Clearing House Department

ADVISORY #: 05-56

SUBJECT: **Error in Formatting of Variable Cabinet Option Trade Prices To Be Corrected**

This advisory concerns TREX messages sent by the CME clearing system to clearing member firms, for trades in CBOT option products at variable cabinet prices. Such prices are indicated by a **V** in byte 158, the Cabinet Indicator field, on the main block of the TREX message.

The correct formatting of the price for such variable cabinet prices, is as the exact monetary value, with two implied decimal places. For example, a variable cabinet price of \$8 will be provided in the right-most seven bytes of the Trade Price field, as **0000800**.

There is one case, however, where the CME clearing system has been incorrectly formatting these prices when creating TREX messages to be sent to firms: on the "match confirmation" records sent to firms when a trade matches in the clearing system. On these records, the price has been incorrectly formatted with an extra implied zero – for example, **0008000**. This error has been present since the launch of the Common Clearing Link in late 2003.

**We will correct this format error beginning Friday, April 1st.** Beginning on that day, variable cabinet trades prices for "match confirm" TREX messages created when a CBOT option trade matches in the clearing system, will correctly have the price formatted with two implied decimals, consistent with how the price is formatted on all other message types.

Please note that the change affects **only** the TREX message created when an option trade at a variable cabinet price matches in the CME clearing system. Formatting of variable cabinet prices in all other TREX message types will not be affected.

We believe that this correction should be transparent to clearing firm bookkeeping systems. If you have questions, or for more information, please contact the CME Clearing House at 312-207-2525. Thank you.