

## Advisory Notice

Clearing House

TO: Clearing Member Firms  
FROM: Clearing House Department  
ADVISORY #: 07-178  
SUBJECT: Updated Currency Delivery Information  
DATE: July 27, 2007

On June 22, 2007, the CME Group approved an amendment to CME Rule 730 ("Delivery Through CLS Bank and/or the CME CLS Agent Bank") that changes the threshold requirement for using the CLS Bank for currency deliveries from \$50 million to \$25 million. Clearing members with delivery obligations greater than \$25 per million per currency pair will be required to use CLS to facilitate delivery, beginning with the September 2007 delivery cycle.

Firms failing to comply with CME Rule 730 will be charged an assessment fee of \$25 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 10, 2007.

### **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 the CME Group Deliveries Unit at 312-930-3172 with any delivery related questions.