

# Advisory Notice

Clearing House

<b>Date:</b> February 16, 2007	<b>CME New Product Summary</b> for Clearing Firms, Bookkeeping Software Providers, ISVs
<b>Listing Date</b>	March 12, 2007
<b>Contract Name</b>	<b>CME® - Carvill Hurricane Index™ Futures and Options on Futures Contracts NP 07-04</b>
<b>Description</b>	Carvill, a leading independent reinsurance firm in property catastrophe, developed the Carvill Hurricane Index (CHI™), which combines maximum wind velocity and size of a storm just prior to landfall into a single mathematical formula. This index is used to calculate the settlement values of a hurricane within hours of landfall. The U.S. Atlantic and Gulf coasts are divided into 5 regions, upon which CME will list futures and options products. These regions are 1) <b>Gulf Coast</b> from Brownsville, TX to AL/FL Border; 2) <b>Florida</b> from the AL/FL Border to Fernandina Beach, FL; 3) <b>Southern Atlantic Coast</b> (Fernandina Beach, FL to NC/VA Border; 4) <b>Northern Atlantic Coast</b> , from the NC/VA Border to Eastport, ME; and 5) <b>Eastern US</b> , from Brownsville, TX to Eastport, ME. Each CHI event will be numbered, beginning with 1 for the first event of the season.
<b>Instrument Type</b>	Futures and options on futures
<b>Product Code(s)</b>	CME CHI Gulf Coast Futures & Options: HG1 – HG9, HG0 (1 <sup>st</sup> - 10 <sup>th</sup> event) CME CHI Florida Futures & Options: HF1 – HF9, HF0 (1 <sup>st</sup> - 10 <sup>th</sup> event) CME Southern Atlantic Coast Futures & Options: HS1 – HS9, HS0 (1 <sup>st</sup> - 10 <sup>th</sup> event) CME CHI Northern Atlantic Coast Futures & Options: HN1 – HN9, HN0 (1 <sup>st</sup> - 10 <sup>th</sup> event) CME Chi Eastern US Futures & Options: HX1 – HX9, HX0 (1 <sup>st</sup> - 10 <sup>th</sup> event)
<b>Ticker Symbol(s)</b>	CME CHI Gulf Coast Futures & Options: HG1 – HG9, HG0 CME CHI Florida Futures & Options: HF1 – HF9, HF0 CME Southern Atlantic Coast Futures & Options: HS1 – HS9, HS0 CME CHI Northern Atlantic Coast Futures & Options: HN1 – HN9, HN0 CME Chi Eastern US Futures & Options: HX1 – HX9, HX0 CME CHI Non-Tradable Cash Index: HXY
<b>Trading Venue</b>	CME Globex® for Futures; Open Outcry for Options
<b>Trading Hours</b>	5:00 p.m. Central Time to 3:15 p.m. the following day; 9:00 a.m. on the last trading day.
<b>Contract Size</b>	\$1,000 times the respective Carvill Hurricane Index (CHI)
<b>Valid Contracts</b>	Hurricane Index futures and options are settled only during the hurricane season, which is June 1 <sup>st</sup> through November 30 <sup>th</sup> , trading occurs throughout the year.
<b>Initial Contracts</b>	For each of the 5 regions describe above, Hurricane Index contracts will be listed initially for the first hurricane (e.g., HG1 Nov 2007 contract for Gulf Coast) to make landfall and second hurricane (e.g., HG2 Nov 2007 contract for Gulf Coast) to make landfall. Thereafter, new Hurricane Index futures and options contracts are created only in the case where an event (landfall in one of the designated regions) occurs. When a hurricane hits in a region (e.g., first hurricane to make landfall), the next eligible contract (e.g., third hurricane to make landfall) for that region will be listed for trading (e.g., HG3 Nov 2007 contract for Gulf Coast).
<b>Minimum Price Intervals</b>	0.10 CHI Index Point
<b>Value Per Tick</b>	0.10 CHI Index Point - \$100
<b>Exercise Style</b>	American Style: Options may be exercised on any day that the contract is traded, up to and including the last day of trading.

## Advisory Notice

Clearing House

<b>Exercise Price Intervals and Listings</b>	Options will be listed in 1 CHI Index point strike intervals, e.g., 10, 11, 12, etc. At the commencement of option trading in a contract month, the eligible put and call options are listed in a range of 1 to 30 index points. Additional options may be list upon demand.					
<b>Termination of Trading</b>	Each listed futures and options contract will have an <b>initial expiration</b> of 9:00 a.m. Central Time on the first Exchange business day that is at least two calendar days following the end of the hurricane season on November 30. When an actual hurricane makes landfall, the expiration will be revised to be 9:00 a.m. Central time on the first Exchange business day that is at least two calendar days following landfall of an individual hurricane at a specific location.					
<b>Final Settlement Price</b>	The final settlement price will be equal to the final value of the Carvill Hurricane Index (CHI) reported by Carvill for a specific event, multiplied by \$1,000.					
<b>Position Limits</b>	Position accountability for positions exceeding 10,000 contracts					
<b>Minimum Reportable Level</b>	25 contracts					
<b>Price Banding</b>	N/A					
<b>Delivery</b>	By cash settlement.					
<b>Price Conventions</b>	<b>Futures Trade Price</b>	<b>Options Strike Price</b>	<b>Options Premium</b>	<b>Information Contacts</b>		
<b>Actual Price</b>	23.40	21.00	11.70	<b>Cme.com Inquiries</b>	Customer Service	(800) 331-3332
<b>FEC</b>	23.40	2100	11.70	<b>General Information</b>	Products & Services	(312) 930-8213
<b>TREX</b>	23.40	2100	11.70		Clearing House	(312) 207-2525
<b>Unmatched Trade Notice</b>	23.40	2100	11.70	<b>Globex Information</b>	Globex Control Center	(312) 456-2391
<b>Trade Register Report</b>	23.40	21.00	11.70	<b>Performance Bond Information</b>	Risk Management Dept.	(312) 648-3888
<b>FIXML Trade Register File</b>	23.40	21.00	11.70	<b>Position Limits</b>	Market Regulation	(312) 648-3259
<b>Settlement Price File</b>	23.40	2100	11.70	<b>Clearing Fees</b>	Clearing Fee Hotline	(312) 648-5470
<b>SPAN File</b>	23.40	2100	11.70	<b>CFTC Reportable Levels</b>	Market Regulation	(312) 596-0609
<b>CME® Globex®</b>	23.40	2100	11.70			