

Advisory Notice

Clearing House

10-30

TO: Clearing Member Firms
Back Office Managers

FROM: CME Clearing

SUBJECT: **Revised: CME and CBOT Transition to New Positions**

DATE: February 26, 2010

In 2010 CME Clearing will transition the processing CME and CBOT exchange position data to the Positions System which is currently used for NYMEX, COMEX and DME. In order to minimize the impact to clearing firms, we will be doing the conversion in three stages.

Phase 1

In this phase we will move the data for CME and CBOT trades and positions into the FIMXL Trade Register format that is currently used for NYMEX, COMEX and DME. Testing in our Production Parallel environment will begin on **March 19, 2010**. Firms won't have to do any input for the test as we will be using data from Production.

Production parallel testing will be available on **April 16, 2010**. During that time firms will be able to verify that they can produce identical point balance results using the new files and existing files. CME Clearing will also be doing nightly comparisons of the files to ensure that relevant data in the files are identical.

Currently firms receive FIXML Trade Registers with the file name starting with "PosRpt." This will be changed to the new naming and file format of "FIMXL." For exact naming conventions for you your firm please contact CME Clearing Services.

CME Clearing is currently testing the files and has found only minor differences. Listed below are the notable differences between the files. For a full list of differences please contact CME Clearing Services.

- The new register will only contain decimalized prices. On the Trade Capture message FrDecLastPx will be removed. On the PosRpt message FrDecPriSetPx and FrDecSetPx will be removed.
- The new register has a separate attribute for trade identification named TrdID. The RptID attribute in the new register will be used for message identification. In the existing register for CME and CBOT the trade ID is located in the RptID attribute.
- The new register contains a security type (SecTyp) and a put/call indicator (PutCall) which will allow firms to deprecate the use of the CFI code attribute.
- Cash residual (CRES) values will be made separate from the premium (PREM) and trade variation (TVAR) values. This will occur during phase 2 of the conversion.

Once a firm has verified that they can use the new register the existing PosRpt register will be shut off for that firm. The goal of the first phase is to have all firms converted to using the new files by the beginning of **June 2010**. Once firms are using the new files for reconciliation they will continue to use the same files over the next two phases of conversion.

Phase 2

The next phase of the conversion effort will involve moving clearing the CBOT products to the new Positions System. The target for this conversion is in the late second quarter 2010, **tentatively July 23, 2010**.

Since firms will have already converted their interface with CME Clearing, the major change will be for firm staff to use the new Positions user interface for inquiries, exercise requests, PCS changes, position adjustments and reports.

Phase 3

The final phase of the conversions will be moving CME clearing to the new system which is planned for **early fourth quarter 2010**.

We will send you updated information on the exact dates of system conversion in subsequent advisories. For further information please contact CME Clearing at 312-207-2525 or CCS@CMEGroup.com.