

Advisory Notice

Clearing House

10-421

TO: Clearing Member Firms
Back Office Managers
Delivery Personnel

FROM: CME Clearing

SUBJECT: **Daily EUA Futures**

DATE: October 5, 2010

Beginning on Sunday, October 31, 2010, for clearing date Monday, November 1, 2010, CME will be launching a new product: the Daily European Union Allowance (EUA) Futures contract. The Daily EUA Futures contract will be listed as a NYMEX product for trading on CME Globex and submission through CME ClearPort. The Daily EUA Futures contract will be one of the emissions products (or Green products).

The Daily EUA Futures contract will be available for testing in the New Release and Certification environments beginning Monday, October 4th.

Contract Specifications:

- Product Code: EUL
- Venues: CME Globex and CME ClearPort
- Contract Size: 1,000 European Union Allowances (EUAs)
- Minimum Tick: €0.01 per allowance (i.e. €10.00 per lot)
- Holiday Schedule: NY Banking Schedule
- Settlement: Physical (more details below)
- Series Listing: Two daily contracts will be listed at a time, with one contract for the current trade date and a second contract with final trade date on the next business day.
 - Trading Hours: Sunday-Friday: 5:00PM Chicago time – 5:00PM UK local time (11:00AM CT)*

Link to specs: <http://nymex.greenfutures.com/products/eul/index.html>

Eligible Contracts Example:

- Trade Date – 11/8/10
 - Eligible Contracts
 - EUL 20101108 until 5:00PM UK local time (11:00AM CT)* on 11/8
 - EUL 20101109 until 5:00PM UK local time (11:00AM CT)* on 11/9
- Trade Date – 11/9/10
 - Eligible Contracts
 - EUL 20101109 until 5:00PM UK local time (11:00AM CT)* on 11/9
 - EUL 201011010 until 5:00PM UK local time (11:00AM CT)* on 11/10

Delivery Processing:

- Deliveries Timeline Example for EUL 20101108:
 - Day 1 – Last Trade/Allocation Date: 11/8/10
 - Trading will cease at 5:00PM UK local time for EUL 20101108 (11:00AM CT)*
 - Allocation will begin at 10:00PM UK local time (4:00PM CT)*
 - Day 2 – Last Trade Date +1: 11/9/10
 - By 2:00PM UK local time (8:00AM CT)*, Long must submit contract value in EUR to CME Clearing
 - By 6:30PM UK local time (12:30PM CT)*, Short must transfer EUA to CME Clearing registry account
 - Day 3 – Delivery Date: 11/10/10
 - By 3:00PM UK local time (9:00AM CT)*, Long will receive EUA from CME Clearing registry account
 - By 3:00PM UK local time (9:00AM CT)*, Short will receive EUR from CME Clearing EUR account

*Please note: During the week of October 31 through November 7 due to the end of British Summer Time (BST), CT time will be one hour later than stated in the advisory.

Should you have any questions please contact the Delivery and Settlements area at 312.930.3172.