



CME CLEARING ADVISORY NOTICE

10-490

To: Clearing Members Firms
Back Office Managers
Software Providers

From: CME Clearing

Subject: Minimum Tick Increment Change for Nine NYMEX Option Products Beginning Trade Date December 13, 2010

Date: December 8, 2010

Please be advised that the minimum tick increment for nine NYMEX option products will be changed from 0.001 to 0.0001 after Friday night's processing cycle. With this change and starting trade date Monday, December 13, 2010 the new minimum tick increment will become effective. Your trading and/or bookkeeping software may need to be updated if you trade these products.

The minimum tick increment for the underlying futures will not change.

Below is a list of the clearing codes for the NYMEX products that will be affected.

| <u>PRODUCT</u> | <u>CODE</u> | <u>FROM</u> | <u>TO</u> |
|------------------------------------|-------------|-------------|-----------|
| PGE Citygate Option | CW | 0.001 | 0.0001 |
| Northern Rockies "Pipe" Option | ZR | 0.001 | 0.0001 |
| Transco Zone 6 "Pipe" Option | TZ | 0.001 | 0.0001 |
| Chicago City Gate "Pipe" Option | PY | 0.001 | 0.0001 |
| Houston Ship Channel "Pipe" Option | PK | 0.001 | 0.0001 |
| San Juan "Pipe" Option | PJ | 0.001 | 0.0001 |
| SOCAL "Pipe" Option | ZN | 0.001 | 0.0001 |
| Panhandle "Pipe" Option | PU | 0.001 | 0.0001 |
| Daily Natural Gas Option | KD | 0.001 | 0.0001 |

Please note: If you use the positional ("fixed-format") settlement price file or the SPAN ".pa2" file to update settlement prices in your systems, you may need to make adjustments for these contracts. The price will have one more level of precision (making it look 10 times larger) and the Settlement Price Decimal Price Locators in the SPAN file will change from 3 to 4.

Additionally, if you use the FIXML Settlement Price File, you will notice that while the price may go to a higher level of precision, the decimal will still be located in the same place currently displayed.

These changes are in effect now in the CME New Release Environment. Sample SPAN files are available at <ftp.cmegroup.com/pub/span/cme/nr>. If you would like a sample New Release settlement price file, please contact us.

If you have questions regarding this Advisory, please contact Clearing Customer Support (CCS) at 312-207-2525, or CCS@cmegroup.com