

12-246

To: Clearing Members Firms
Back Office Managers
Software Providers

From: CME Clearing

Subject: Harmonization of EFRPs in Clearing for CBOT Exchange Products Only

Date: June 13, 2012

Please be advised that effective Sunday, July 1, 2012, CME Clearing will remove the Exchange-For-Swap (EFS) identifier for all CBOT exchange futures executed in accordance with CME Rule 538 ("Exchange for Related Positions"). This change applies only to CBOT futures at this time. CME products were removed from EFS eligibility in October of 2010. CME Clearing will continue to support EFS transactions for NYMEX and COMEX products for the time being.

The EFS transaction type has been harmonized into, and falls under, the Exchange for Risk (EFR) transaction referenced in Rule 538. EFR transactions are privately negotiated transactions (PNT) and include the simultaneous exchange of an Exchange futures position for a corresponding OTC swap or other OTC instrument. In addition, CBOT exchange products will continue to be eligible for Exchange for Physical (EFP) and Exchange of Options for Options (EOO) privately negotiated transactions. Please refer to Market Regulation Advisory RA1006-5 for additional information.

In FIXML, an EFS transaction is represented as a TrdTyp="12". CME Clearing will reject any CBOT exchange privately negotiated futures message sent as an EFS beginning July 1, 2012. The trade will subsequently need to be resubmitted with a valid transaction type to CME Clearing.

If you have any questions or require further information please contact CME Clearing at 312-207-2525 or ccs@cmegroup.com or CME Market Regulation at (312) 930-3333.