MARKET REGULATION ADVISORY NOTICE

Exchange	**NYMEX & COMEX**
Subject	**Trading at Settlement (“TAS”), Trading at Marker (“TAM”) and Matched Order (“MO”) Transactions**
Rule References	**Rule 524**
Advisory Date	**November 1, 2013**
Advisory Number	**NYMEX & COMEX RA1323-4**
Effective Date	**November 18, 2013**

This Advisory Notice supersedes NYMEX & COMEX Market Regulation Advisory Notice RA1317-4 from August 23, 2013. It is being issued to notify the marketplace that pending all relevant regulatory review periods, NYMEX will permit futures transactions in the fourth contract month in Light Sweet Crude Oil (“CL”), NY Harbor ULSD (“HO”), Henry Hub Natural Gas (“NG”) and RBOB Gasoline (“RB”) to be priced at the daily settlement price pursuant to Rule 524 (“Trading at Settlement (“TAS”), Trading at Marker (“TAM”) and Matched Order (“MO”) Transactions”) beginning on Sunday, November 17, 2013, for trade date Monday, November 18, 2013. TAS pricing in the fourth contract month of CL, HO, NG and RB futures will be available for transactions executed in the trading pit, on CME Globex or as TAS block trades.

Additionally, the following intra-commodity calendar spreads in CL, HO, NG and RB futures will be available for TAS pricing with respect to transactions executed in the trading pit, on CME Globex or as TAS block trades:

- nearby month/second month
- nearby month/third month
- nearby month/fourth month
- second month/third month
- second month/fourth month
- third month/fourth month

Lastly, also effective on trade date Monday, November 18, 2013, NYMEX will discontinue allowing the pricing of the 7th contract month of CL futures via TAS.

Important information on regulatory considerations for market participants engaging in TAS, TAM or MO transactions appears in Section 2, a list of products and contract months eligible to be executed as TAS and TAM transactions appears in Sections 7 and 8, and the text of Rule 524 appears in Section 9 of this Advisory Notice.

1. General Information on TAS, TAM and MO Transactions

TAS transactions may be executed at the current day’s settlement price or at any valid price increment ten ticks higher or lower than the settlement price, and, depending on the particular product, may be executed in the pit, on CME Globex or as a block trade.

TAM trading is analogous to existing Trading at Settlement (“TAS”) trading wherein parties are permitted to trade at a differential to a not-yet-known price. TAM trading uses a marker price, whereas TAS trading uses the Exchange-determined settlement price for the applicable contract month. As with TAS trading, parties are able to enter TAM orders at the TAM price or at a differential between one and ten ticks higher or lower than the TAM price. TAM transactions may be executed on CME Globex or as a block trade.

MO transactions in pit-traded Copper futures are transactions which are priced at that day's settlement price for the contract.

2. Regulatory Considerations

All market participants are reminded that any trading activity that is intended to disrupt orderly trading or to manipulate or attempt to manipulate a settlement or marker price to benefit a TAS, TAM or MO position, including a TAS or TAM block position, will subject the member and/or the market participant to disciplinary action for any of a number of rule violations, including, but not limited to:

- price manipulation or attempted price manipulation
- wash trading
- conduct detrimental to the interest or welfare of the Exchange or conduct which tends to impair the dignity or good name of the Exchange
- engaging in conduct inconsistent with just and equitable principles of trade

Investigation of suspected manipulative or disruptive activity related to TAS, TAM or MO, or activity in the related underlying markets will include the Market Regulation Department's ("Department") review of positions and trading activity in NYMEX markets and any related markets to determine if such activity was disruptive, collusive, and/or caused or attempted to cause aberrant price movement during these periods. Pursuant to Rule 432.L.3, market participants are reminded that it is an offense to fail to produce any books or records requested by authorized Exchange staff within 10 days after such request is made or such shorter period of time as determined by the Exchange in exigent circumstances. The Department always has the authority to request books and records as well as other relevant information regarding the nature of a participant's trading and positions in Exchange products and in any related markets as part of its regulatory program.

3. Entry of TAS and TAM Orders on CME Globex

Rule 524 permits the initiation of TAS and TAM orders into CME Globex only subsequent to the beginning of each group's pre-open state and during the time period the applicable contracts are available for TAS or TAM trading on CME Globex. The initiation of any TAS or TAM order on CME Globex outside of these time periods is strictly prohibited.

Any market participant who initiates the entry of a TAS or TAM order prior to receipt of the security status message indicating that market has transitioned to the pre-open will be subject to disciplinary action by a panel of the Business Conduct Committee, notwithstanding that the order may have been rejected by the CME Globex system. Sanctions for noncompliance may include a fine, disgorgement of any profits realized as a result of any orders accepted by CME Globex which were initiated prior to receipt of the security status message and/or a suspension of access to the market. Market participants must ensure that they have appropriate protocols in place to ensure that TAS and TAM orders are not initiated prior to receipt of the security status message.

4. TAS and TAM Calendar Spreads

The following intra-commodity calendar spreads in CL, HO, NG and RB futures may be executed on CME Globex, on the trading floor or as block trades and priced at TAS:

- nearby month/second month
- nearby month/third month
- nearby month/fourth month (effective November 18, 2013)

- second month/third month
- second month/fourth month (effective November 18, 2013)
- third month/fourth month (effective November 18, 2013)

For the London Marker, intra-commodity calendar spreads in the nearby month/second month spread, the second month/third month spread and the nearby/third month spread in Light Sweet Crude Oil, Brent Crude Oil Last Day Financial, NY Harbor ULSD and RBOB Gasoline futures may be executed on CME Globex and priced at TAM.

For the Singapore Marker, intra-commodity calendar spreads in the nearby month/second month spread, the second month/third month spread and the nearby/third month spread in Light Sweet Crude Oil and Brent Crude Oil Last Day Financial futures may be executed on CME Globex and priced at TAM.
The pricing of the legs of a TAS or TAM calendar spread will be calculated as follows:

- The nearby leg of the spread will always be priced at the settlement or marker price, as applicable, for that contract month.

- The far leg of the spread will be priced at the settlement or marker price, as applicable, for that contract **minus** the allowable TAS or TAM price increment traded (negative 10 through positive 10), except in circumstances where the traded TAS or TAM price is the actual settlement or marker price of the contract.

  Example 1:

  A December 2013/January 2014 Light Sweet Crude Oil calendar spread trades at TAS -1 (minus 1). Assume the December contract settles at 98.68 and the January contract settles at 98.86.

  The December leg will be priced at the December settlement price of 98.68. The January leg will be priced at 98.87, which is the January settlement price of 98.86 minus the TAS price increment of -1 (98.86 minus -.01 = 98.87).

  Example 2:

  A November 2013/January 2014 NY Harbor ULSD calendar spread trades at TAM +/- 0. Assume the November marker price is 2.9644 and the January marker price is 2.9676.

  The November leg will priced at the November marker price of 2.9644. The January leg will priced at 2.9676, which is the January marker price.

  Example 3:

  A November 2013/December 2013 Henry Hub Natural Gas calendar spread trades at TAS +3. Assume the November contract settles at 3.569 and the December contract settles at 3.661.

  The November leg will be priced at the November settlement price of 3.569. The December leg will be priced at 3.658, which is the December settlement price of 3.661 minus the TAS price increment of +3 (3.661 minus +.003 = 3.658).

5. TAS on Gold, Silver and Copper Futures

TAS transactions are allowed in the active contract month in Gold and Silver futures trading on CME Globex, in the pit or as block trades, and in the first active contract month in Copper futures trading on

CME Globex. **TAS transactions are not allowed to be executed in the Copper futures pit and Copper futures may not be executed as a TAS block trade.**

In Gold futures, TAS trades are permitted in the following active contract months: February, April, June, August, and December. Accordingly:

When the February contract becomes spot, the April contract becomes the TAS-eligible month;
When the April contract becomes spot, the June contract becomes the TAS-eligible month;
When the June contract becomes spot, the August contract becomes the TAS-eligible month;
When the August contract becomes spot, the December contract becomes the TAS-eligible month; and
When the December contract becomes spot, the February contract becomes the TAS-eligible month.

In Silver and Copper futures, TAS trades are permitted in the following active contract months: March, May, July, September and December. Accordingly:

When the March contract becomes spot, the May contract becomes the TAS-eligible month;
When the May contract becomes spot, the July contract becomes the TAS-eligible month;
When the July contract becomes spot, the September contract becomes the TAS-eligible month;
When the September contract becomes spot, the December contract becomes the TAS-eligible month; and
When the December contract becomes spot, the March contract becomes the TAS-eligible month.

6. MO Transactions in Pit-Traded Copper Futures

MO transactions in Copper futures are open outcry trades competitively executed in the Copper futures pit where the trade is priced at that day's settlement price for the contract. MO transactions in Copper futures are eligible to be executed in the spot month and the next six consecutive contract months. Additionally, with the exception of the post close session, members may execute an MO order at any time the Copper futures pit is open for trading, provided that the order is placed as an MO order. Regular trading hours for open outcry trading in the Copper futures pit are from 8:10 a.m. until 1:00 p.m. Eastern Time ("ET").

Instructions to execute the order as an MO must be denoted on the order and members must identify an order executed as an MO on their trading record.

An order entered as an MO will be executed by the floor broker as a Market on Close order if the order is not previously executed as an MO or specifically designated to be executed only as an MO. An instruction to execute an order only as an MO must be communicated at the time the order is placed.

7. TAS-Eligible Products and Contract Months

Pit-Traded Contracts

Light Sweet Crude Oil (CL)
spot (except on the last trading day), 2nd, 3rd and 4th months

Brent Crude Oil Last Day Financial (BZ)
spot (except on the last trading day), 2nd and 3rd months

NY Harbor ULSD (HO)
spot (except on the last trading day), 2nd, 3rd and 4th months

Pit-Traded Contracts - continued

Henry Hub Natural Gas (NG)
spot (except on the last trading day), 2nd, 3rd and 4th months

Henry Hub Natural Gas Last Day Financial (NN)
spot (except on the last trading day), 2nd and 3rd months

Henry Hub Natural Gas Look-Alike Last Day Financial (HH)
spot (except on the last trading day), 2nd and 3rd months

RBOB Gasoline (RB)
spot (except on the last trading day), 2nd, 3rd and 4th months

European Gasoil (100mt) Bullet (7F)
spot (except on the last trading day), 2nd and 3rd months

COMEX Gold (GC)
February, April, June, August and December contract months (first active month only)

COMEX Silver (SI)
March, May, July, September and December contract months (first active month only)

CME Globex Contracts

For compliance and enforcement purposes, the start of a TAS pre-open period is defined by receipt of the security status message indicating that the group has transitioned to the pre-open state and the end of a TAS trading session is defined by receipt of the security status message indicating that group is closed.

TAS orders may not be entered into CME Globex from the end of a TAS trading session until receipt of the security status message indicating that the group has transitioned to the pre-open state.

Commodity Code on CME Globex	Product Name and Contract Months	Cleared Product
CLT	**Light Sweet Crude Oil** spot (except on the last trading day), 2nd, 3rd and 4th months	CL
BZT	**Brent Crude Oil Last Day Financial** spot (except on the last trading day) 2nd and 3rd months	BZ
BBT	**Brent Crude Oil Penultimate Financial** Spot, 2nd and 3rd months	BB
HOT	**NY Harbor ULSD** spot (except on the last trading day), 2nd, 3rd and 4th months	HO
NGT	**Henry Hub Natural Gas** spot (except on the last trading day), 2nd, 3rd and 4th months	NG
NNT	**Henry Hub Natural Gas Last Day Financial** spot (except on the last trading day), 2nd and 3rd months	NN

Commodity Code on CME Globex	Product Name and Contract Months	Cleared Product
HHT	**Henry Hub Natural Gas Look-Alike Last Day Financial** spot (except on the last trading day), 2nd and 3rd months	HH
RBT	**RBOB Gasoline** spot (except on the last trading day), 2nd, 3rd and 4th months	RB
7FT	**European Gasoil (100mt) Bullet** spot (except on the last trading day), 2nd and 3rd months	7F
KTT	**NYMEX Coffee** spot (except on the last trading day)	KT
CJT	**NYMEX Cocoa** spot (except on the last trading day)	CJ
TTT	**NYMEX Cotton** Spot (except on the last trading day)	TT
YOT	**NYMEX No. 11 Sugar** spot (except on the last trading day)	YO
RET	**REBCO** spot (except on the last trading day), 2nd and 3rd months	RE
GCT	**COMEX Gold** February, April, June, August and December contract months (first active month only)	GC
SIT	**COMEX Silver** March, May, July, September and December contract months (first active month only)	SI
HGT	**COMEX Copper** March, May, July, September and December contract months (first active month only)	HG

7. TAM-Eligible Products and Contract Months on CME Globex

For compliance and enforcement purposes, the start of a TAM pre-open period is defined by receipt of the security status message indicating that the group has transitioned to the pre-open state and the end of a TAM trading session is defined by receipt of the security status message indicating that group is closed.

TAM orders may not be entered into CME Globex from the end of a TAM trading session until receipt of the security status message indicating that the group has transitioned to the pre-open state.

Commodity Code on CME Globex	Product Name and Contract Months	Cleared Product
	London Markers	
CLL	**Light Sweet Crude Oil** spot, 2nd and 3rd months	CL
BZL	**Brent Crude Oil Last Day Financial** spot, 2nd and 3rd months	BZ
HOL	**NY Harbor ULSD** spot, 2nd and 3rd months	HO
RBL	**RBOB Gasoline** spot, 2nd and 3rd months	RB
	Singapore Markers	
CLS	**Light Sweet Crude Oil** spot, 2nd and 3rd months	CL
BZS	**Brent Crude Oil Last Day Financial** spot, 2nd and 3rd months	BZ

Questions regarding this Advisory Notice may be directed to the following individuals in Market Regulation:

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For media inquiries concerning this Advisory Notice, please contact CME Group Corporate Communications at 312.930.3434 or news@cmegroup.com.

9. Text of Rule 524

Trading at Settlement ("TAS"), Trading at Marker ("TAM") and Matched Order ("MO") Transactions

The Exchange shall determine the commodities, contract months and time periods during which TAS, TAM and MO transactions shall be permitted.

524.A. Trading at Settlement ("TAS") Transactions

The following shall govern TAS transactions:

1. TAS transactions executed in the pit must be made open and competitively pursuant to the requirements of Rule 521 during the hours designated for pit trading in the particular contract and must be identified as such on the member's trading records.
2. TAS orders may be entered on Globex at any time the applicable contracts are available for TAS trading on Globex and during each TAS contract's prescribed pre-open time period. The initiation of any TAS order on Globex outside these time periods is prohibited.
3. TAS-eligible commodities and contract months may be executed as block trades pursuant to the

requirements of Rule 526 except that TAS block trades may not be executed on the last day of trading in an expiring contract.

4. TAS transactions may be executed at the current day's settlement price or at any valid price increment ten ticks higher or lower than the settlement price.

524.B. Trading at Marker ("TAM") Transactions

The following shall govern TAM transactions:

1. TAM orders may be entered on Globex at any time the applicable contracts are available for TAM trading on Globex and during each TAM contract's prescribed pre-open time period. The initiation of any TAM order on Globex outside these time periods is prohibited.
2. TAM-eligible commodities and contract months may be executed as block trades pursuant to the requirements of Rule 526.
3. TAM transactions may be executed at the current day's applicable marker price or at any valid price increment ten ticks higher or lower than the applicable marker price.

524.C. Matched Order ("MO") Transactions

MO transactions are open outcry trades competitively executed pursuant to Rule 521 where the price of the trade is that day's settlement price for the contract.

The following shall govern MO transactions:

1. Members may execute an MO at any time during pit trading hours except during the post close session. Members may execute an order as an MO provided the order is placed as an MO and such instructions are denoted on the order. An order entered as an MO will be executed during the closing period as a Market on Close order if not previously executed as an MO or specifically designated to be executed only as an MO. An order specifically designated for execution only as an MO must be designated as such at the time the order is placed.
2. Members must identify an order executed as an MO on their trading record.