

Exchange Advisory

TO: Eris Exchange Market Participants

FROM: Eris Exchange Control Center and Market Regulation Department

ADVISORY: #14-06

DATE: December 8, 2014

SUBJECT: Extension of Regular Trading Hours

Background

This Exchange Advisory serves to notify Participants of Eris Exchange, LLC ("Eris Exchange" or "Exchange") that:

- I. The Exchange is extending Regular Trading Hours ("RTH") for Eris Standards and Eris Flexes by one hour and twenty minutes, opening at 7:00 am ET as of the effective date.
- II. The Exchange has filed a self-certification with the Commodity Futures Trading Commission to amend Exchange Rule 1101.
- III. **Subject to regulatory review, these changes will be effective on December 22, 2014.**

The reporting time requirements for block trades and EDRP's are reflected below, pursuant to Rules 601 and 602 which remain unchanged. The amended Rule 1101 is attached in redline and final form as Attachment A and B respectively.

New Trading Hours Summary

Products	RTH ¹	OTH	RTH Block Trade and EDRP Reporting	OTH Block Trade and EDRP Reporting	Submission for Clearing
Eris Standards	7:00am to 5:00pm	All other times	Within 15 minutes	6:45am – 6:55am or within 15 minutes of execution time, whichever is later	By 5:15pm (same Trade Date)
Eris Flexes	7:00am to 4:30pm	All other times, except for 4:30pm to 5:00pm on Business Days	Within 15 minutes or by 4:35pm, whichever is earlier	6:45am – 6:55am or within 15 minutes of execution time, whichever is later	By 4:35pm (same Trade Date)

¹ Pertains to all valid Business Days, all times in table are ET.

ATTACHMENT A

RULE 1101. Eris Interest Rate Swap Futures Contract Specifications

(a) Flex Contract Specifications:

Trading Hours	<p>Regular Trading Hours (RTH):</p> <ul style="list-style-type: none"> Monday – Friday; 8:208:27:00 am to 4:30 pm Eastern Time
Daily Settlement Price (Futures-Style Price)	<p>Eris Interest Rate Swap Futures are priced on a basis of 100, similar to market practice for bonds and other futures contracts.</p> <p>The settlement value for each Contract is defined as:</p> $S_t = 100 + A_t + B_t - C_t$ <p> S_t = settlement price at time t A_t = net present value of the future cash flows at time t, based on OIS discounting B_t = value of the historical fixed and floating amounts since contract inception C_t = Eris Price Alignment Interest (or Eris PAI™). </p> <p>Eris Exchange and CME Clearing calculate Daily Settlement Price to 4 decimals of precision (e.g., 100.1234).</p> <p>Eris PAI™ is a cumulative value calculated daily by applying the overnight Fed Funds effective rate to the contract's NPV, using an Actual/360 day-count convention. Eris PAI™ will start accruing on the first trade date.</p> <p>Eris Exchange calculates daily Eris PAI™ for all trades executed between 8:20am and 4:30pm ET during RTH using the overnight fed funds effective rate that was published on the morning of the trade date. For all other trades, daily Eris PAI™ is calculated using the overnight fed funds rate that was published on the morning of the previous trade date.</p> <p>Eris Exchange calculates daily Eris PAI™ for all OTH trades using the overnight Fed Funds effective rate that was published on the Business Day of the previous RTH.</p>

(b) Standard Contract Specifications

(1) 2 Year Standard Contract Specifications:

Trading Hours	Regular Trading Hours (RTH): Monday – Friday; 8:20 7:00 am to 5:00 pm Eastern Time
Daily Settlement Price (Futures-Style Price)	<p>Eris Interest Rate Swap Futures are priced on a basis of 100, similar to market practice for bonds and other futures contracts.</p> <p>The settlement value for each Contract is defined as:</p> $S_t = 100 + A_t + B_t - C_t$ <p> S_t = settlement price at time t A_t = net present value of the future cash flows at time t, based on OIS discounting B_t = value of the historical fixed and floating amounts since contract inception C_t = Eris Price Alignment Interest (or Eris PAI™). </p> <p>Eris Exchange and CME Clearing calculate Daily Settlement Price to 4 decimals of precision (e.g., 100.1234).</p> <p>Eris PAI™ is a cumulative value calculated daily by applying the overnight Fed Funds effective rate to the contract's NPV, using an Actual/360 day-count convention. Eris PAI™ will start accruing on the first listing date.</p> <p>Eris Exchange calculates daily Eris PAI™ for all OTH trades using the overnight Fed Funds effective rate that was published on the Business Day of the previous RTH.</p> <p>Eris Exchange calculates daily Eris PAI™ for all trades executed between 8:20am and 5:00pm ET during RTH using the overnight fed funds effective rate that was published on the morning of the trade date. For all other trades, daily Eris PAI™ is calculated using the overnight fed funds rate that was published on the morning of the previous trade date.</p>

(2) 5 Year Standard Contract Specifications:

Trading Hours	Regular Trading Hours (RTH): Monday – Friday; 8:20 7:00 am to 5:00 pm Eastern Time
Daily Settlement Price (Futures-Style Price)	<p>Eris Interest Rate Swap Futures are priced on a basis of 100, similar to market practice for bonds and other futures contracts.</p> <p>The settlement value for each Contract is defined as:</p> $S_t = 100 + A_t + B_t - C_t$ <p> S_t = settlement price at time t A_t = net present value of the future cash flows at time t, based on OIS discounting B_t = value of the historical fixed and floating amounts since contract inception C_t = Eris Price Alignment Interest (or Eris PAI™). </p> <p>Eris Exchange and CME Clearing calculate Daily Settlement Price to 4 decimals of precision (e.g., 100.1234).</p> <p>Eris PAI™ is a cumulative value calculated daily by applying the overnight Fed Funds effective rate to the contract's NPV, using an Actual/360 day-count convention. Eris PAI™ will start accruing on the first listing date.</p> <p>Eris Exchange calculates daily Eris PAI™ for all trades executed between 8:20am and 5:00pm ET during RTH using the overnight fed funds effective rate that was published on the morning of the trade date. For all other trades, daily Eris PAI™ is calculated using the overnight fed funds rate that was published on the morning of the previous trade date.</p> <p>Eris Exchange calculates daily Eris PAI™ for all OTH trades using the overnight Fed Funds effective rate that was published on the Business Day of the previous RTH.</p>

(3) 7 Year Standard Contract Specifications:

Trading Hours	Regular Trading Hours (RTH): Monday – Friday; 8:20 7:00 am to 5:00 pm Eastern Time
Daily Settlement Price (Futures-Style Price)	<p>Eris Interest Rate Swap Futures are priced on a basis of 100, similar to market practice for bonds and other futures contracts.</p> <p>The settlement value for each Contract is defined as:</p> $S_t = 100 + A_t + B_t - C_t$ <p> S_t = settlement price at time t A_t = net present value of the future cash flows at time t, based on OIS discounting B_t = value of the historical fixed and floating amounts since contract inception C_t = Eris Price Alignment Interest (or Eris PAI™). </p> <p>Eris Exchange and CME Clearing calculate Daily Settlement Price to 4 decimals of precision (e.g., 100.1234).</p> <p>Eris PAI™ is a cumulative value calculated daily by applying the overnight Fed Funds effective rate to the contract's NPV, using an Actual/360 day-count convention. Eris PAI™ will start accruing on the first listing date.</p> <p>Eris Exchange calculates daily Eris PAI™ for all trades executed between 8:20am and 5:00pm ET during RTH using the overnight fed funds effective rate that was published on the morning of the trade date. For all other trades, daily Eris PAI™ is calculated using the overnight fed funds rate that was published on the morning of the previous trade date.</p> <p>Eris Exchange calculates daily Eris PAI™ for all OTH trades using the overnight Fed Funds effective rate that was published on the Business Day of the previous RTH.</p>

(4) 10 Year Standard Contract Specifications:

Trading Hours	Regular Trading Hours (RTH): Monday – Friday; 8:20 7:00 am to 5:00 pm Eastern Time
Daily Settlement Price (Futures-Style Price)	<p>Eris Interest Rate Swap Futures are priced on a basis of 100, similar to market practice for bonds and other futures contracts.</p> <p>The settlement value for each Contract is defined as:</p> $S_t = 100 + A_t + B_t - C_t$ <p> S_t = settlement price at time t A_t = net present value of the future cash flows at time t, based on OIS discounting B_t = value of the historical fixed and floating amounts since contract inception C_t = Eris Price Alignment Interest (or Eris PAI™). </p> <p>Eris Exchange and CME Clearing calculate Daily Settlement Price to 4 decimals of precision (e.g., 100.1234).</p> <p>Eris PAI™ is a cumulative value calculated daily by applying the overnight Fed Funds effective rate to the contract's NPV, using an Actual/360 day-count convention. Eris PAI™ will start accruing on the first listing date.</p> <p>Eris Exchange calculates daily Eris PAI™ for all trades executed between 8:20am and 5:00pm ET during RTH using the overnight fed funds effective rate that was published on the morning of the trade date. For all other trades, daily Eris PAI™ is calculated using the overnight fed funds rate that was published on the morning of the previous trade date.</p> <p>Eris Exchange calculates daily Eris PAI™ for all OTH trades using the overnight Fed Funds effective rate that was published on the Business Day of the previous RTH.</p>

(5) 30 Year Standard Contract Specifications:

Trading Hours	Regular Trading Hours (RTH): Monday – Friday; 8:20 7:00 am to 5:00 pm Eastern Time
Daily Settlement Price (Futures-Style Price)	<p>Eris Interest Rate Swap Futures are priced on a basis of 100, similar to market practice for bonds and other futures contracts.</p> <p>The settlement value for each Contract is defined as:</p> $S_t = 100 + A_t + B_t - C_t$ <p> S_t = settlement price at time t A_t = net present value of the future cash flows at time t, based on OIS discounting B_t = value of the historical fixed and floating amounts since contract inception C_t = Eris Price Alignment Interest (or Eris PAI™). </p> <p>Eris Exchange and CME Clearing calculate Daily Settlement Price to 4 decimals of precision (e.g., 100.1234).</p> <p>Eris PAI™ is a cumulative value calculated daily by applying the overnight Fed Funds effective rate to the contract's NPV, using an Actual/360 day-count convention. Eris PAI™ will start accruing on the first listing date.</p> <p>Eris Exchange calculates daily Eris PAI™ for all trades executed between 8:20am and 5:00pm ET during RTH using the overnight fed funds effective rate that was published on the morning of the trade date. For all other trades, daily Eris PAI™ is calculated using the overnight fed funds rate that was published on the morning of the previous trade date.</p> <p>Eris Exchange calculates daily Eris PAI™ for all OTH trades using the overnight Fed Funds effective rate that was published on the Business Day of the previous RTH.</p>

ATTACHMENT B

RULE 1101. Eris Interest Rate Swap Futures Contract Specifications

(a) Flex Contract Specifications:

Trading Hours	Regular Trading Hours (RTH): <ul style="list-style-type: none"> Monday – Friday; 7:00 am to 4:30 pm Eastern Time
Daily Settlement Price (Futures-Style Price)	<p>Eris Interest Rate Swap Futures are priced on a basis of 100, similar to market practice for bonds and other futures contracts.</p> <p>The settlement value for each Contract is defined as:</p> $S_t = 100 + A_t + B_t - C_t$ <p> S_t = settlement price at time t A_t = net present value of the future cash flows at time t, based on OIS discounting B_t = value of the historical fixed and floating amounts since contract inception C_t = Eris Price Alignment Interest (or Eris PAI™). </p> <p>Eris Exchange and CME Clearing calculate Daily Settlement Price to 4 decimals of precision (e.g., 100.1234).</p> <p>Eris PAI™ is a cumulative value calculated daily by applying the overnight Fed Funds effective rate to the contract's NPV, using an Actual/360 day-count convention. Eris PAI™ will start accruing on the first trade date.</p> <p>Eris Exchange calculates daily Eris PAI™ for all trades executed between 8:20am and 4:30pm ET during RTH using the overnight fed funds effective rate that was published on the morning of the trade date. For all other trades, daily Eris PAI™ is calculated using the overnight fed funds rate that was published on the morning of the previous trade date.</p>

(b) Standard Contract Specifications

(1) 2 Year Standard Contract Specifications:

Trading Hours	Regular Trading Hours (RTH): Monday – Friday; 7:00 am to 5:00 pm Eastern Time
Daily Settlement Price (Futures-Style Price)	<p>Eris Interest Rate Swap Futures are priced on a basis of 100, similar to market practice for bonds and other futures contracts.</p> <p>The settlement value for each Contract is defined as:</p> $S_t = 100 + A_t + B_t - C_t$ <p> S_t = settlement price at time t A_t = net present value of the future cash flows at time t, based on OIS discounting B_t = value of the historical fixed and floating amounts since contract inception C_t = Eris Price Alignment Interest (or Eris PAI™). </p> <p>Eris Exchange and CME Clearing calculate Daily Settlement Price to 4 decimals of precision (e.g., 100.1234).</p> <p>Eris PAI™ is a cumulative value calculated daily by applying the overnight Fed Funds effective rate to the contract's NPV, using an Actual/360 day-count convention. Eris PAI™ will start accruing on the first listing date.</p> <p>Eris Exchange calculates daily Eris PAI™ for all trades executed between 8:20am and 5:00pm ET during RTH using the overnight fed funds effective rate that was published on the morning of the trade date. For all other trades, daily Eris PAI™ is calculated using the overnight fed funds rate that was published on the morning of the previous trade date.</p>

(2) 5 Year Standard Contract Specifications:

Trading Hours	Regular Trading Hours (RTH): Monday – Friday; 7:00 am to 5:00 pm Eastern Time
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