Eris Exchange
The Future of Swaps

Exchange Advisory

TO:	Eris Exchange Market Participants
FROM:	Eris Exchange Control Center and Market Regulation Department
ADVISORY:	#14-01
DATE:	May 2, 2014
SUBJECT:	Notification of Eris Exchange Rule Self-Certification: Amendments to Rule 101 (Definitions), Rule 601 (Block Trades) and Rule 1101 (Eris Interest Rate Swap Futures Contract Specifications) and Clarifications Regarding Block Trade Requirements.

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 for Eris Standards by 30 minutes, until 5:00 pm ET.
II. The Exchange is amending Rule 101 and Rule 1101 to define and identify the Business Day, Regular Trading Hours ("RTH") and Other Trading Hours ("OTH") of the Exchange.
III. The Exchange is amending Rule 601 to clarify block trade reporting and clearing times.
IV. The Exchange is clarifying conditions for executing block trades and Exchange of Derivatives for Related Products ("EDRP").
V. The Exchange is making various other non-substantive revisions that have no effect on the economic characteristics of the products.
VI. The Exchange has filed a notification with the Commodity Futures Trading Commission to amend Exchange Rule 101, Rule 601 and Rule 1101. **These amendments will be effective on trade date May 19, 2014.**

The amended Rule 101, Rule 601 and Rule 1101 are attached in redline format (Attachment A), as well as in final form (Attachment B).

1. **Information on Block Trades and EDRP's**

Block trades on Eris Exchange are privately negotiated contracts that meet certain quantity thresholds which are permitted to be executed apart from the public auction market. All block trades are subject to the conditions set forth in Rule 601 and this Exchange Advisory. Exchange products in which block trading is permitted, and the relevant quantity thresholds, appear in the text of Rule 601 and Attachment A and B of this Exchange Advisory.

As stated in Rule 601, the price at which a block trade is executed must be fair and reasonable in light of (i) the size of the block trade, (ii) the prices and sizes of other transactions in the same contract at the relevant time, (iii) the prices and sizes of transactions in other relevant markets, including without limitation the underlying cash market or related futures markets, at the relevant time, and (iv) the circumstances of the markets or the Participants to the block trade.

EDRP's are privately negotiated and simultaneous exchanges of an Exchange futures position for a corresponding related position. All EDRP transactions are subject to the conditions set forth in Rule 602 and this Exchange Advisory.

2. Block Trade and EDRP Requirements for Trading, Reporting and Submission

Block trades may be executed at any time, including times during which the public auction market is closed (such as OTH), except that Eris Flexes may not be executed from 4:30 pm to 5:00 pm ET on Business Days.

All block trades must be price reported to Eris Exchange, either via submission to Eris BlockBox or by calling the Eris Control Center ("ECC") at 888-587-2699. One of the Persons (or the broker of one of the Persons) to the block trade is responsible for completing this action. Block trades in Eris Standards during RTH must be reported to the Exchange within 15 minutes of the transaction. Block trades in Eris Flexes during RTH must be reported to the Exchange within 15 minutes of the transaction, or by 4:35 pm ET (whichever comes first). When the ECC is closed, such as during OTH, the block trade must be reported in accordance with the chart on page 3 of this Exchange Advisory.

EDRP's may be executed at any time, including times in which the public auction market is closed (such as OTH), except that EDRP's in Eris Flexes may not be executed from 4:30 pm to 5:00 pm ET on Business Days. EDRP's must be submitted for clearing (by one party only) in accordance with the chart on page 3 of this Exchange Advisory.

BlockTrade/ EDRP Negotiation Times (1) *(All times ET)*		Standards / Flexes	Negotiation Permitted	RTH/OTH	Trade Date	Block Trade Reporting Hours (3)	Trade Submission for Clearing Deadline
Begin	**End**						
8:20 am	**4:30 pm**	Standards	✓	RTH	Same Calendar Date	8:20am - 4:45pm	By 5:15pm
		Flexes	✓			8:20am - 4:35pm	By 4:35pm
4:30 pm	**5:00 pm**	Standards	✓	RTH	Same Calendar Date	4:30pm - 5:15pm	By 5:15pm
		Flexes (2)	N/A				
5:00 pm	**11:59 pm**	Standards	✓	OTH	Next Business Date	7:45am - 8:15am on Next Business Date	By 5:15pm (Next Business Date)
		Flexes	✓				By 4:35pm (Next Business Date)
12:00 am	**7:45 am**	Standards	✓	OTH	Same Calendar Date	7:45am - 8:15am on Same Calendar Date	By 5:15pm (Same Business Date)
		Flexes	✓				By 4:35pm (Same Business Date)
7:45 am	**8:20 am**	Standards	✓	OTH	Same Calendar Date	7:45am - 8:35am (Trade Reporting deadline is later of 8:15am or 15 minutes after negotiation on Same Calendar date)	By 5:15pm (Same Business Date)
		Flexes	✓				By 4:35pm (Same Business Date)

Notes:
  (1) Pertains to all valid Business Days, all times ET
  (2) Eris Flexes may NOT be negotiated between 4:30 pm and 5:00 pm, except on weekends and holidays.
  (3) Block trades in Eris Standards during RTH must be reported to the Exchange within 15 minutes of the transaction. Block trades in Eris Flexes during RTH must be reported to the Exchange within 15 minutes of the transaction, or by 4:35 pm ET (whichever comes first).

ATTACHMENT A

Rule 101. DEFINITIONS

"Business Day" means, in a given commodity, any day on which ~~the Exchange~~ a settlement price is ~~open~~ determined.

"Other Trading Hours" or "OTH" means the times available for trading block trades and EDRP's when the public auction market is closed.

"Regular Trading Hours" or "RTH" means those hours designated for public auction trading of the relevant product as determined by the Exchange from time to time.

RULE 601. Block Trades

(a) The Exchange shall designate the products in which block trades shall be permitted and determine the minimum quantity thresholds for such transactions.

(b) The following shall govern block trades:

   (1)   A block trade must be for a quantity that is at or in excess of the applicable minimum threshold. Orders may not be aggregated in order to achieve the minimum transaction size, except by those entities described in Sections (10) and (11) below and as provided in Rule 601(b)(2).

   (2)   Multi-legged block trades may be executed as block trades, provided that the sum of the legs of the block trade meets the Minimum Block Size for the leg with the shortest Remaining Tenor as provided in Rule 601(c)(1).

   (3)   Each Person to a block trade must be an Eligible Contract Participant.

   (4)   A broker for a Person shall not execute any order by means of a block trade for a Person unless such Person has specified that the order be executed as a block trade.

   (5)   The price at which a block trade is executed must be fair and reasonable in light of (i) the size of the block trade, (ii) the prices and sizes of other transactions in the same contract at the relevant time, (iii) the prices and sizes of transactions in other relevant markets, including without limitation the underlying cash market or related futures markets, at the relevant time, and (iv) the circumstances of the markets or the Participants to the block trade.

   (6)   Block trades shall not set off conditional orders (e.g., Stop Orders and MIT Orders) or otherwise affect orders in the regular market.

   (7)   One of the Persons or the broker of one of the Persons to the block trade must ensure that each block trade is reported to the Exchange within the time limit set forth below; ~~(in subsection (c)(1).~~;
       a. Block trades in Eris Standards during RTH must be reported within 15 minutes of the transaction.
       b. Block trades in Eris Flexes during RTH must be reported to the Exchange within 15

minutes of the transaction, or by 4:35 pm ET (whichever comes first).

c. All block trades executed during OTH must be reported within the later of fifteen minutes after trade execution or five minutes prior to the next market open.

The Exchange shall promptly publish such information separately from the reports of transactions in the regular market.

(8)   Reporting Method and Information
   (i)   Block trades must be reported to the Exchange by calling the Eris Control Center, through entry into Eris BlockBox, or in accordance with another approved reporting method.
   (ii) The block trade report must include the information related to the block trade specified in the Exchange's approved reporting method, including: the identification of parties to the block trade; product details; trade quantity, price, and time; and, Clearing Firm.

(9)   Clearing Firms, Participants, Participant Firms, and Broker Firms involved in the execution of block trades must maintain a record of the transaction in accordance with Rules 401.

(10)   A commodity trading advisor ("CTA") registered or exempt from registration under the Act, including, without limitation, any investment advisor registered or exempt from registration under the Investment Advisors Act of 1940, or principal thereof, shall be the applicable entity for purposes of Sections (1), (3), (4) and (5), provided such advisors have total assets under management exceeding $25 million and the block trade is suitable for the customers of such advisors.

(11)   A foreign Person performing a similar role or function to a CTA or investment advisor as described in Section 10, or principal thereof, and subject as such to foreign regulation, shall be the applicable entity for purposes of Sections (1), (3), (4) and (5), provided such Persons have total assets under management exceeding $25 million and the block trade is suitable for the customers of such Persons.

(c) Products designated for Block Trades.

The following products are designated for block trades:

(1)   INTEREST RATE SWAP FUTURES CONTRACTS: For Interest Rate Swap Futures Contracts, the minimum block size ~~and reporting time~~ is based on Remaining Tenor, defined as the duration of time from the transaction date to the Cash Flow Alignment Date (defined in Rule 1101), of the Contract as follows:

Remaining Tenor	Minimum Block Size: Notional	~~Reporting Time~~
Less than 5 years	$50mm	~~15 minutes~~
5 years or more	$25mm	~~15 minutes~~

RULE 1101. Eris Interest Rate Swap Futures Contract Specifications

(a) Flex Contract Specifications

Trading Hours	Regular Trading Hours (RTH): • Monday – Friday; 8:20 am to 4:30 pm Eastern Time ~~Eris Exchange standard trading hours are currently 8:20 AM to 4:30 PM Eastern Time.~~
Floating Rate Index: Subsequent Periods	3 Month USD LIBOR announced by the ICE Benchmark Administration Limited (IBA). ~~3 Month USD LIBOR announced by the British Bankers' Association.~~
Daily Settlement Price (Futures-Style Price)	Eris Interest Rate Swap Futures are priced on a basis of 100, similar to market practice for bonds and other futures contracts. The settlement value for each Contract is defined as: S_t = $100 + A_t + B_t - C_t$ 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™). Eris Exchange and CME Clearing calculate Daily Settlement Price to 4 decimals of precision (e.g., 100.1234). 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 daycount convention. Eris PAI™ will start accruing on the first trade date. Eris Exchange calculates daily Eris PAI™ for all OTH trades using the overnight Fed Funds effective rate that was published on the previous Business Day.

Block Trades	Eris Interest Rate Swap Futures are eligible to be traded as privately negotiated, off-exchange Block Trades and reported to Eris Exchange. Block Trades may be executed at any time, including times in which the public auction market is closed, except that Block Trades in Eris Flexes may not be executed from 4:30 pm to 5:00 pm Eastern Time on Business Days. Block Trades must be executed and reported pursuant to Rule 601 in the Eris Exchange Rulebook. Current block trade thresholds are as follows and are subject to change: - For Contracts with a Remaining Tenor of less than 5 years from trade date, the minimum quantity threshold is 500 Contracts ($50M notional). - For Contracts with a Remaining Tenor of 5 years or more from trade date, the minimum quantity threshold is 250 Contracts ($25M notional). - A multiple leg Block Trade is permitted as long as the sum notional of the legs that are transacted simultaneously meets the minimum quantity threshold for the leg with the shortest Remaining Tenor. Eris Exchange will publicly report all Block Trades (instrument, price, quantity) immediately upon successful receipt of the trade details from the party reporting the trade.
Exchange of Derivatives for Related Positions	Eris Interest Rate Swap Futures are eligible to be traded as privately negotiated, off-exchange Exchange of Derivatives for Related Positions (EDRP's) and reported to Eris Exchange. EDRP's may be executed at any time, including times in which the public auction market is closed, except that EDRP's in Eris Flexes may not be executed from 4:30 pm to 5:00 pm Eastern Time on Business Days. EDRP's must be executed ~~and reported~~ pursuant to Rule 602 in the Eris Exchange Rulebook. There are no minimum quantity thresholds required for EDRP's. Eris Exchange does not report EDRP's publicly during the trading day; however, activity from EDRP's is reflected in the Exchange volume and open interest values published at the end of each trading day.

Ticker Symbol Convention	Product Family + Tenor + Maturity
	The first new trade for a given Maturity Date will be issued (by Eris Exchange systems) a ticker symbol comprised of Clearing Code 'Z(tenor category)0001', concatenated with the Period representing the Maturity Date in YYYYMMDD format.
	A contract's Tenor is defined as the difference between the contract's Effective Date and its Cash Flow Alignment Date.
	Tenor category are as follows: ZA = Tenors greater than zero and less than or equal to two years ZB = Tenors greater than two years and less than or equal to five years ZC = Tenors greater than five years and less than or equal to ten years ZD = Tenors greater than ten years
	The first Contract that trades with a particular maturity is assigned Product Family Z(A)0001. The next Contract that trades with the same maturity, but with a different start date or coupon, is assigned Product Family Z(A)0002.
	For example, assume that the trade is a 10-year swap future initiated with an Effective Date of ~~on~~ 2016-Dec-2010, Maturity Date ~~with settlement date~~ of 20-Dec-2020 and coupon of 0.710. Because the trade is the first to carry the Maturity Date 20-Dec-2020, the issued ticker symbol is ZC000120201220. The C denotes that this is in the 5+ to 10 years tenor category.

(b) Standard Contract Specifications

(1) <u>2 Year Standard Contract Specifications:</u>

Trading Hours	Regular Trading Hours (RTH): • Monday – Friday; 8:20 am to 5:00 pm Eastern Time ~~Eris Exchange standard trading hours are currently 8:20 AM to 4:30 PM Eastern Time.~~
Floating Rate Index	3 Month USD LIBOR announced by the ICE Benchmark Administration Limited (IBA). ~~3 Month USD LIBOR announced by the British Bankers' Association.~~
Daily Settlement Price (Futures-Style Price)	Eris Interest Rate Swap Futures are priced on a basis of 100, similar to market practice for bonds and other futures contracts. The settlement value for each Contract is defined as: S_t = 100 + A_t + B_t - C_t 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™). Eris Exchange and CME Clearing calculate Daily Settlement Price to 4 decimals of precision (e.g., 100.1234). 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 daycount convention. Eris PAI™ will start accruing on the first trade date. 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.

Block Trades	Eris Interest Rate Swap Futures are eligible to be traded as privately negotiated, off-exchange Block Trades and reported to Eris Exchange. Block Trades may be executed at any time, including times in which the public auction market is closed. Block Trades must be executed and reported pursuant to Rule 601 in the Eris Exchange Rulebook. Current block trade thresholds are as follows and are subject to change: • For Contracts with a Remaining Tenor of less than 5 years from trade date, the minimum quantity threshold is 500 Contracts ($50M notional). • For Contracts with a Remaining Tenor of 5 years or more from trade date, the minimum quantity threshold is 250 Contracts ($25M notional). • A multiple leg Block Trade is permitted as long as the sum notional of the legs that are transacted simultaneously meets the minimum quantity threshold for the leg with the shortest Remaining Tenor. Eris Exchange will publicly report all Block Trades (instrument, price, quantity) immediately upon successful receipt of the trade details from the party reporting the trade.
Exchange of Derivatives for Related Positions	Eris Interest Rate Swap Futures are eligible to be traded as privately negotiated, off-exchange Exchange of Derivatives for Related Positions (EDRP's) and reported to Eris Exchange. EDRP's may be executed at any time, including times in which the public auction market is closed. EDRP's must be executed ~~and reported~~ pursuant to Rule 602 in the Eris Exchange Rulebook. There are no minimum quantity thresholds required for EDRP's. Eris Exchange does not report EDRP's publicly during the trading day; however, activity from EDRP's is reflected in the Exchange volume and open interest values published at the end of each trading day.

(2) <u>5 Year Standard Contract Specifications:</u>

Trading Hours	Regular Trading Hours (RTH): • Monday – Friday; 8:20 am to 5:00 pm Eastern Time ~~Eris Exchange standard trading hours are currently 8:20 AM to 4:30 PM Eastern Time.~~
Floating Rate Index	3 Month USD LIBOR announced by the ICE Benchmark Administration Limited (IBA). ~~3 Month USD LIBOR announced by the British Bankers' Association.~~
Daily Settlement Price (Futures-Style Price)	Eris Interest Rate Swap Futures are priced on a basis of 100, similar to market practice for bonds and other futures contracts. The settlement value for each Contract is defined as: $S_t = 100 + A_t + B_t - C_t$ 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™). Eris Exchange and CME Clearing calculate Daily Settlement Price to 4 decimals of precision (e.g., 100.1234). 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 daycount convention. Eris PAI™ will start accruing on the first trade date. 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.

Block Trades	Eris Interest Rate Swap Futures are eligible to be traded as privately negotiated, off-exchange Block Trades and reported to Eris Exchange.
	Block Trades may be executed at any time, including times in which the public auction market is closed.
	Block Trades must be executed and reported pursuant to Rule 601 in the Eris Exchange Rulebook.
	Current block trade thresholds are as follows and are subject to change: • For Contracts with a Remaining Tenor of less than 5 years from trade date, the minimum quantity threshold is 500 Contracts ($50M notional). • For Contracts with a Remaining Tenor of 5 years or more from trade date, the minimum quantity threshold is 250 Contracts ($25M notional). • A multiple leg Block Trade is permitted as long as the sum notional of the legs that are transacted simultaneously meets the minimum quantity threshold for the leg with the shortest Remaining Tenor.
	Eris Exchange will publicly report all Block Trades (instrument, price, quantity) immediately upon successful receipt of the trade details from the party reporting the trade.
Exchange of Derivatives for Related Positions	Eris Interest Rate Swap Futures are eligible to be traded as privately negotiated, off-exchange Exchange of Derivatives for Related Positions (EDRP's) and reported to Eris Exchange.
	EDRP's may be executed at any time, including times in which the public auction market is closed.
	EDRP's must be executed ~~and reported~~ pursuant to Rule 602 in the Eris Exchange Rulebook.
	There are no minimum quantity thresholds required for EDRP's.
	Eris Exchange does not report EDRP's publicly during the trading day; however, activity from EDRP's is reflected in the Exchange volume and open interest values published at the end of each trading day.

(3) <u>7 Year Standard Contract Specifications:</u>

Trading Hours	Regular Trading Hours (RTH): • Monday – Friday; 8:20 am to 5:00 pm Eastern Time ~~Eris Exchange standard trading hours are currently 8:20 AM to 4:30 PM Eastern Time.~~
Floating Rate Index	3 Month USD LIBOR announced by the ICE Benchmark Administration Limited (IBA). ~~3 Month USD LIBOR announced by the British Bankers' Association.~~
Daily Settlement Price (Futures-Style Price)	Eris Interest Rate Swap Futures are priced on a basis of 100, similar to market practice for bonds and other futures contracts. The settlement value for each Contract is defined as: S_t = $100 + A_t + B_t - C_t$ 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™). Eris Exchange and CME Clearing calculate Daily Settlement Price to 4 decimals of precision (e.g., 100.1234). 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 daycount convention. Eris PAI™ will start accruing on the first trade date. 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.

Block Trades	Eris Interest Rate Swap Futures are eligible to be traded as privately negotiated, off-exchange Block Trades and reported to Eris Exchange. Block Trades may be executed at any time, including times in which the public auction market is closed. Block Trades must be executed and reported pursuant to Rule 601 in the Eris Exchange Rulebook. Current block trade thresholds are as follows and are subject to change: • For Contracts with a Remaining Tenor of less than 5 years from trade date, the minimum quantity threshold is 500 Contracts ($50M notional). • For Contracts with a Remaining Tenor of 5 years or more from trade date, the minimum quantity threshold is 250 Contracts ($25M notional). • A multiple leg Block Trade is permitted as long as the sum notional of the legs that are transacted simultaneously meets the minimum quantity threshold for the leg with the shortest Remaining Tenor. Eris Exchange will publicly report all Block Trades (instrument, price, quantity) immediately upon successful receipt of the trade details from the party reporting the trade.
Exchange of Derivatives for Related Positions	Eris Interest Rate Swap Futures are eligible to be traded as privately negotiated, off-exchange Exchange of Derivatives for Related Positions (EDRP's) and reported to Eris Exchange. EDRP's may be executed at any time, including times in which the public auction market is closed. EDRP's must be executed and reported pursuant to Rule 602 in the Eris Exchange Rulebook. There are no minimum quantity thresholds required for EDRP's. Eris Exchange does not report EDRP's publicly during the trading day; however, activity from EDRP's is reflected in the Exchange volume and open interest values published at the end of each trading day.

(4) <u>10 Year Standard Contract Specifications:</u>

Trading Hours	Regular Trading Hours (RTH): • Monday – Friday; 8:20 am to 5:00 pm Eastern Time <s>Eris Exchange standard trading hours are currently 8:20 AM to 4:30 PM Eastern Time.</s>
Floating Rate Index	3 Month USD LIBOR announced by the ICE Benchmark Administration Limited (IBA). <s>3 Month USD LIBOR announced by the British Bankers' Association.</s>
Daily Settlement Price (Futures-Style Price)	Eris Interest Rate Swap Futures are priced on a basis of 100, similar to market practice for bonds and other futures contracts. The settlement value for each Contract is defined as: S_t = $100 + A_t + B_t - C_t$ 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^{TM}). Eris Exchange and CME Clearing calculate Daily Settlement Price to 4 decimals of precision (e.g., 100.1234). 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 daycount convention. Eris PAI^{TM} will start accruing on the first trade date. 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.

Block Trades	Eris Interest Rate Swap Futures are eligible to be traded as privately negotiated, off-exchange Block Trades and reported to Eris Exchange. Block Trades may be executed at any time, including times in which the public auction market is closed. Block Trades must be executed and reported pursuant to Rule 601 in the Eris Exchange Rulebook. Current block trade thresholds are as follows and are subject to change: • For Contracts with a Remaining Tenor of less than 5 years from trade date, the minimum quantity threshold is 500 Contracts ($50M notional). • For Contracts with a Remaining Tenor of 5 years or more from trade date, the minimum quantity threshold is 250 Contracts ($25M notional). • A multiple leg Block Trade is permitted as long as the sum notional of the legs that are transacted simultaneously meets the minimum quantity threshold for the leg with the shortest Remaining Tenor. Eris Exchange will publicly report all Block Trades (instrument, price, quantity) immediately upon successful receipt of the trade details from the party reporting the trade.
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(5) <u>30 Year Standard Contract Specifications:</u>

Trading Hours	Regular Trading Hours (RTH): • Monday – Friday; 8:20 am to 5:00 pm Eastern Time ~~Eris Exchange standard trading hours are currently 8:20 AM to 4:30 PM Eastern Time.~~
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ATTACHMENT B

Rule 101. Definitions

"Business Day" means, in a given commodity, any day on which a settlement price is determined.

"Other Trading Hours" or "OTH" means the times available for trading block trades and EDRP's when the public auction market is closed.

"Regular Trading Hours" or "RTH" means those hours designated for public auction trading of the relevant product as determined by the Exchange from time to time.

RULE 601. Block Trades

(d) The Exchange shall designate the products in which block trades shall be permitted and determine the minimum quantity thresholds for such transactions.

(e) The following shall govern block trades:

    (1)   A block trade must be for a quantity that is at or in excess of the applicable minimum threshold. Orders may not be aggregated in order to achieve the minimum transaction size, except by those entities described in Sections (10) and (11) below and as provided in Rule 601(b)(2).

    (2)   Multi-legged block trades may be executed as block trades, provided that the sum of the legs of the block trade meets the Minimum Block Size for the leg with the shortest Remaining Tenor as provided in Rule 601(c)(1).

    (3)   Each Person to a block trade must be an Eligible Contract Participant.

    (4)   A broker for a Person shall not execute any order by means of a block trade for a Person unless such Person has specified that the order be executed as a block trade.

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    (6)   Block trades shall not set off conditional orders (e.g., Stop Orders and MIT Orders) or otherwise affect orders in the regular market.

    (7)   One of the Persons or the broker of one of the Persons to the block trade must ensure that each block trade is reported to the Exchange within the time limit set forth below:
        a. Block trades in Eris Standards during RTH must be reported within 15 minutes of the transaction.
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        c. All block trades executed during OTH must be reported within the later of fifteen minutes after trade execution or five minutes prior to the next market open.

The Exchange shall promptly publish such information separately from the reports of transactions in the regular market.

(8) Reporting Method and Information
   (i) Block trades must be reported to the Exchange by calling the Eris Control Center, through entry into Eris BlockBox, or in accordance with another approved reporting method.
   (ii) The block trade report must include the information related to the block trade specified in the Exchange's approved reporting method, including: the identification of parties to the block trade; product details; trade quantity, price, and time; and, Clearing Firm.

(9) Clearing Firms, Participants, Participant Firms, and Broker Firms involved in the execution of block trades must maintain a record of the transaction in accordance with Rules 401.

(10) A commodity trading advisor ("CTA") registered or exempt from registration under the Act, including, without limitation, any investment advisor registered or exempt from registration under the Investment Advisors Act of 1940, or principal thereof, shall be the applicable entity for purposes of Sections (1), (3), (4) and (5), provided such advisors have total assets under management exceeding $25 million and the block trade is suitable for the customers of such advisors.

(11) A foreign Person performing a similar role or function to a CTA or investment advisor as described in Section 10, or principal thereof, and subject as such to foreign regulation, shall be the applicable entity for purposes of Sections (1), (3), (4) and (5), provided such Persons have total assets under management exceeding $25 million and the block trade is suitable for the customers of such Persons.

(f) Products designated for Block Trades.

The following products are designated for block trades:

(1) INTEREST RATE SWAP FUTURES CONTRACTS: For Interest Rate Swap Futures Contracts, the minimum block size is based on Remaining Tenor, defined as the duration of time from the transaction date to the Cash Flow Alignment Date (defined in Rule 1101), of the Contract as follows:

Remaining Tenor	Minimum Block Size: Notional
Less than 5 years	$50mm
5 years or more	$25mm

RULE 1101.   Eris Interest Rate Swap Futures Contract Specifications

(c) Flex Contract Specifications

Trading Hours	Regular Trading Hours (RTH): • Monday – Friday; 8:20 am to 4:30 pm Eastern Time
Floating Rate Index: Subsequent Periods	3 Month USD LIBOR announced by the ICE Benchmark Administration Limited (IBA).
Daily Settlement Price (Futures-Style Price)	Eris Interest Rate Swap Futures are priced on a basis of 100, similar to market practice for bonds and other futures contracts. The settlement value for each Contract is defined as: S_t = $100 + A_t + B_t - C_t$ 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^{TM}). Eris Exchange and CME Clearing calculate Daily Settlement Price to 4 decimals of precision (e.g., 100.1234). 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 daycount convention. Eris PAI^{TM} will start accruing on the first trade date. 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.

Block Trades	Eris Interest Rate Swap Futures are eligible to be traded as privately negotiated, off-exchange Block Trades and reported to Eris Exchange.
	Block Trades may be executed at any time, including times in which the public auction market is closed, except that Block Trades in Eris Flexes may not be executed from 4:30 pm to 5:00 pm Eastern Time on Business Days.
	Current block trade thresholds are as follows and are subject to change: • For Contracts with a Remaining Tenor of less than 5 years from trade date, the minimum quantity threshold is 500 Contracts ($50M notional). • For Contracts with a Remaining Tenor of 5 years or more from trade date, the minimum quantity threshold is 250 Contracts ($25M notional). • A multiple leg Block Trade is permitted as long as the sum notional of the legs that are transacted simultaneously meets the minimum quantity threshold for the leg with the shortest Remaining Tenor.
	Eris Exchange will publicly report all Block Trades (instrument, price, quantity) immediately upon successful receipt of the trade details from the party reporting the trade.
Exchange of Derivatives for Related Positions	Eris Interest Rate Swap Futures are eligible to be traded as privately negotiated, off-exchange Exchange of Derivatives for Related Positions (EDRP's) and reported to Eris Exchange.
	EDRP's may be executed at any time, including times in which the public auction market is closed, except that EDRP's in Eris Flexes may not be executed from 4:30 pm to 5:00 pm Eastern Time on Business Days.
	EDRP's must be executed pursuant to Rule 602 in the Eris Exchange Rulebook.
	There are no minimum quantity thresholds required for EDRP's.
	Eris Exchange does not report EDRP's publicly during the trading day; however, activity from EDRP's is reflected in the Exchange volume and open interest values published at the end of each trading day.

Ticker Symbol Convention	Product Family + Tenor + Maturity
	The first new trade for a given Maturity Date will be issued (by Eris Exchange systems) a ticker symbol comprised of Clearing Code 'Z(tenor category)0001', concatenated with the Period representing the Maturity Date in YYYYMMDD format.
	A contract's Tenor is defined as the difference between the contract's Effective Date and its Cash Flow Alignment Date.
	Tenor category are as follows: ZA = Tenors greater than zero and less than or equal to two years ZB = Tenors greater than two years and less than or equal to five years ZC = Tenors greater than five years and less than or equal to ten years ZD = Tenors greater than ten years
	The first Contract that trades with a particular maturity is assigned Product Family Z(A)0001. The next Contract that trades with the same maturity, but with a different start date or coupon, is assigned Product Family Z(A)0002.
	For example, assume that the trade is a 10-year swap future initiated with an Effective Date of 20-Dec-2010, Maturity Date of 20-Dec-2020 and coupon of 0.710. Because the trade is the first to carry the Maturity Date 20-Dec-2020, the issued ticker symbol is ZC000120201220. The C denotes that this is in the 5+ to 10 years tenor category.

(d) Standard Contract Specifications

(1) 2 Year Standard Contract Specifications:

Trading Hours	Regular Trading Hours (RTH): • Monday – Friday; 8:20 am to 5:00 pm Eastern Time
Floating Rate Index	3 Month USD LIBOR announced by the ICE Benchmark Administration Limited (IBA).
Daily Settlement Price (Futures-Style Price)	Eris Interest Rate Swap Futures are priced on a basis of 100, similar to market practice for bonds and other futures contracts. The settlement value for each Contract is defined as: S_t = $100 + A_t + B_t - C_t$ 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^{TM}). Eris Exchange and CME Clearing calculate Daily Settlement Price to 4 decimals of precision (e.g., 100.1234). 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 daycount convention. Eris PAI^{TM} will start accruing on the first trade date. 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.

Block Trades	Eris Interest Rate Swap Futures are eligible to be traded as privately negotiated, off-exchange Block Trades and reported to Eris Exchange. Block Trades may be executed at any time, including times in which the public auction market is closed. Block Trades must be executed and reported pursuant to Rule 601 in the Eris Exchange Rulebook. Current block trade thresholds are as follows and are subject to change: • For Contracts with a Remaining Tenor of less than 5 years from trade date, the minimum quantity threshold is 500 Contracts ($50M notional). • For Contracts with a Remaining Tenor of 5 years or more from trade date, the minimum quantity threshold is 250 Contracts ($25M notional). • A multiple leg Block Trade is permitted as long as the sum notional of the legs that are transacted simultaneously meets the minimum quantity threshold for the leg with the shortest Remaining Tenor. Eris Exchange will publicly report all Block Trades (instrument, price, quantity) immediately upon successful receipt of the trade details from the party reporting the trade.
Exchange of Derivatives for Related Positions	Eris Interest Rate Swap Futures are eligible to be traded as privately negotiated, off-exchange Exchange of Derivatives for Related Positions (EDRP's) and reported to Eris Exchange. EDRP's may be executed at any time, including times in which the public auction market is closed. EDRP's must be executed pursuant to Rule 602 in the Eris Exchange Rulebook. There are no minimum quantity thresholds required for EDRP's. Eris Exchange does not report EDRP's publicly during the trading day; however, activity from EDRP's is reflected in the Exchange volume and open interest values published at the end of each trading day.

(2) 5 Year Standard Contract Specifications:

Trading Hours	Regular Trading Hours (RTH): • Monday – Friday; 8:20 am to 5:00 pm Eastern Time
Floating Rate Index	3 Month USD LIBOR announced by the ICE Benchmark Administration Limited (IBA).
Daily Settlement Price (Futures-Style Price)	Eris Interest Rate Swap Futures are priced on a basis of 100, similar to market practice for bonds and other futures contracts. The settlement value for each Contract is defined as: S_t = $100 + A_t + B_t - C_t$ 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™). Eris Exchange and CME Clearing calculate Daily Settlement Price to 4 decimals of precision (e.g., 100.1234). 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 daycount convention. Eris PAI™ will start accruing on the first trade date. 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.

Block Trades	Eris Interest Rate Swap Futures are eligible to be traded as privately negotiated, off-exchange Block Trades and reported to Eris Exchange. Block Trades may be executed at any time, including times in which the public auction market is closed. Block Trades must be executed and reported pursuant to Rule 601 in the Eris Exchange Rulebook. Current block trade thresholds are as follows and are subject to change: • For Contracts with a Remaining Tenor of less than 5 years from trade date, the minimum quantity threshold is 500 Contracts ($50M notional). • For Contracts with a Remaining Tenor of 5 years or more from trade date, the minimum quantity threshold is 250 Contracts ($25M notional). • A multiple leg Block Trade is permitted as long as the sum notional of the legs that are transacted simultaneously meets the minimum quantity threshold for the leg with the shortest Remaining Tenor. Eris Exchange will publicly report all Block Trades (instrument, price, quantity) immediately upon successful receipt of the trade details from the party reporting the trade.
Exchange of Derivatives for Related Positions	Eris Interest Rate Swap Futures are eligible to be traded as privately negotiated, off-exchange Exchange of Derivatives for Related Positions (EDRP's) and reported to Eris Exchange. EDRP's may be executed at any time, including times in which the public auction market is closed. EDRP's must be executed pursuant to Rule 602 in the Eris Exchange Rulebook. Eris Exchange does not report EDRP's publicly during the trading day; however, activity from EDRP's is reflected in the Exchange volume and open interest values published at the end of each trading day.

(3) <u>7 Year Standard Contract Specifications:</u>

Trading Hours	Regular Trading Hours (RTH): • Monday – Friday; 8:20 am to 5:00 pm Eastern Time
Floating Rate Index	3 Month USD LIBOR announced by the ICE Benchmark Administration Limited (IBA).
Daily Settlement Price (Futures-Style Price)	Eris Interest Rate Swap Futures are priced on a basis of 100, similar to market practice for bonds and other futures contracts. The settlement value for each Contract is defined as: S_t = $100 + A_t + B_t - C_t$ 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™). Eris Exchange and CME Clearing calculate Daily Settlement Price to 4 decimals of precision (e.g., 100.1234). 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 daycount convention. Eris PAI™ will start accruing on the first trade date. 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.

Block Trades	Eris Interest Rate Swap Futures are eligible to be traded as privately negotiated, off-exchange Block Trades and reported to Eris Exchange. Block Trades may be executed at any time, including times in which the public auction market is closed. Block Trades must be executed and reported pursuant to Rule 601 in the Eris Exchange Rulebook. Current block trade thresholds are as follows and are subject to change: - For Contracts with a Remaining Tenor of less than 5 years from trade date, the minimum quantity threshold is 500 Contracts ($50M notional). - For Contracts with a Remaining Tenor of 5 years or more from trade date, the minimum quantity threshold is 250 Contracts ($25M notional). - A multiple leg Block Trade is permitted as long as the sum notional of the legs that are transacted simultaneously meets the minimum quantity threshold for the leg with the shortest Remaining Tenor. Eris Exchange will publicly report all Block Trades (instrument, price, quantity) immediately upon successful receipt of the trade details from the party reporting the trade.
Exchange of Derivatives for Related Positions	Eris Interest Rate Swap Futures are eligible to be traded as privately negotiated, off-exchange Exchange of Derivatives for Related Positions (EDRP's) and reported to Eris Exchange. EDRP's may be executed at any time, including times in which the public auction market is closed. EDRP's must be executed and reported pursuant to Rule 602 in the Eris Exchange Rulebook. Eris Exchange does not report EDRP's publicly during the trading day; however, activity from EDRP's is reflected in the Exchange volume and open interest values published at the end of each trading day.

(4) <u>10 Year Standard Contract Specifications:</u>

Trading Hours	Regular Trading Hours (RTH): • Monday – Friday; 8:20 am to 5:00 pm Eastern Time
Floating Rate Index	3 Month USD LIBOR announced by the ICE Benchmark Administration Limited (IBA).
Daily Settlement Price (Futures-Style Price)	Eris Interest Rate Swap Futures are priced on a basis of 100, similar to market practice for bonds and other futures contracts. The settlement value for each Contract is defined as: S_t = $100 + A_t + B_t - C_t$ 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™). Eris Exchange and CME Clearing calculate Daily Settlement Price to 4 decimals of precision (e.g., 100.1234). 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 daycount convention. Eris PAI™ will start accruing on the first trade date. 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.

| Block Trades | Eris Interest Rate Swap Futures are eligible to be traded as privately negotiated, off-exchange Block Trades and reported to Eris Exchange.

Block Trades may be executed at any time, including times in which the public auction market is closed.

Block Trades must be executed and reported pursuant to Rule 601 in the Eris Exchange Rulebook.

Current block trade thresholds are as follows and are subject to change:
• For Contracts with a Remaining Tenor of less than 5 years from trade date, the minimum quantity threshold is 500 Contracts ($50M notional).
• For Contracts with a Remaining Tenor of 5 years or more from trade date, the minimum quantity threshold is 250 Contracts ($25M notional).
• A multiple leg Block Trade is permitted as long as the sum notional of the legs that are transacted simultaneously meets the minimum quantity threshold for the leg with the shortest Remaining Tenor.

Eris Exchange will publicly report all Block Trades (instrument, price, quantity) immediately upon successful receipt of the trade details from the party reporting the trade. |
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| **Exchange of Derivatives for Related Positions** | Eris Interest Rate Swap Futures are eligible to be traded as privately negotiated, off-exchange Exchange of Derivatives for Related Positions (EDRP's) and reported to Eris Exchange.

EDRP's may be executed at any time, including times in which the public auction market is closed.

EDRP's must be executed pursuant to Rule 602 in the Eris Exchange Rulebook.

Eris Exchange does not report EDRP's publicly during the trading day; however, activity from EDRP's is reflected in the Exchange volume and open interest values published at the end of each trading day. |

(5) <u>30 Year Standard Contract Specifications:</u>

Trading Hours	Regular Trading Hours (RTH): • Monday – Friday; 8:20 am to 5:00 pm Eastern Time
Floating Rate Index	3 Month USD LIBOR announced by the ICE Benchmark Administration Limited (IBA).
Daily Settlement Price (Futures-Style Price)	Eris Interest Rate Swap Futures are priced on a basis of 100, similar to market practice for bonds and other futures contracts. The settlement value for each Contract is defined as: S_t = $100 + A_t + B_t - C_t$ 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™). Eris Exchange and CME Clearing calculate Daily Settlement Price to 4 decimals of precision (e.g., 100.1234). 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 daycount convention. Eris PAI™ will start accruing on the first trade date. 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.

Block Trades	Eris Interest Rate Swap Futures are eligible to be traded as privately negotiated, off-exchange Block Trades and reported to Eris Exchange. Block Trades may be executed at any time, including times in which the public auction market is closed. Block Trades must be executed and reported pursuant to Rule 601 in the Eris Exchange Rulebook. Current block trade thresholds are as follows and are subject to change: • For Contracts with a Remaining Tenor of less than 5 years from trade date, the minimum quantity threshold is 500 Contracts ($50M notional). • For Contracts with a Remaining Tenor of 5 years or more from trade date, the minimum quantity threshold is 250 Contracts ($25M notional). • A multiple leg Block Trade is permitted as long as the sum notional of the legs that are transacted simultaneously meets the minimum quantity threshold for the leg with the shortest Remaining Tenor. Eris Exchange will publicly report all Block Trades (instrument, price, quantity) immediately upon successful receipt of the trade details from the party reporting the trade.
Exchange of Derivatives for Related Positions	Eris Interest Rate Swap Futures are eligible to be traded as privately negotiated, off-exchange Exchange of Derivatives for Related Positions (EDRP's) and reported to Eris Exchange. EDRP's may be executed at any time, including times in which the public auction market is closed. EDRP's must be executed pursuant to Rule 602 in the Eris Exchange Rulebook. Eris Exchange does not report EDRP's publicly during the trading day; however, activity from EDRP's is reflected in the Exchange volume and open interest values published at the end of each trading day.