

Chapter 257 Brazilian Real/U.S. Dollar (BRL/USD) Futures

25700.

SCOPE OF CHAPTER

This chapter is limited in application to Brazilian real/U.S. dollar futures. In addition to this chapter, Brazilian real/U.S. dollar futures shall be subject to the general rules and regulations of the Exchange insofar as applicable.

For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.

25701.

TRADING SPECIFICATIONS

25701.A. Trading Schedule

Futures contracts shall be scheduled for trading and final settlement during such hours and in such months as may be determined by the Exchange.

25701.B. Trading Unit

The unit of trading shall be 100,000 Brazilian reais (plural of "real").

25701.C. Price Increments

For trades executed on CME Globex electronic trading platform, minimum price fluctuations shall be in multiples of \$.00005 per Brazilian real, equivalent to \$5.00 per contract. For transactions submitted through CME ClearPort, the minimum price fluctuation shall be \$.000005 per Brazilian real.

25701.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

25701.E. [Reserved]

25701.F. Special Price Fluctuation Limits

At the commencement of each trading day, the contract shall be subject to special price fluctuation limits as set forth in Rule 589 and in the Special Price Fluctuation Limits Table in the Interpretations & Special Notices Section of Chapter 5.

25701.G. Termination of Trading

Futures trading shall terminate on the last Business Day of the month, immediately preceding the contract month, on which the Central Bank of Brazil is scheduled to publish its final end-of-month (EOM) "Commercial exchange rate for Brazilian reais per U.S. dollar for cash delivery" (PTAX rate). If the foregoing date for termination is a holiday for the Exchange and GLOBEX®, futures trading shall terminate on the next preceding Business Day for either the Exchange or GLOBEX®.

25701.H. [Reserved]

25702.

SETTLEMENT PROCEDURES

25702.A. [Reserved]

25702.B. Cash Settlement

All Brazilian real/U.S. dollar futures contracts remaining open after the close of trading on the termination of trading day shall be liquidated by cash settlement at a price equal to the Final Settlement Price. The CME Brazilian real/U.S. dollar currency futures contract Final Settlement Price shall be equal to the reciprocal of the spot exchange rate for Brazilian real per U.S. dollar, defined as the average offered rate calculated by the Central Bank of Brazil on the last Business Day of the month for the Central Bank of Brazil immediately preceding the contract month, to 5 decimal places ("BRL PTAX" or "BRL09" rate). This rate is reported by the Banco Central do Brasil

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on its website at www.bcb.gov.br by approximately 1:15 p.m., São Paulo time. All open positions shall be cash settled to the reciprocal of this rate on the Business Day following the last Business Day of the month for the Central Bank of Brazil.

1. Procedures for a Price Source Disruption

In the event of a Price Source Disruption as defined by the 1998 FX and Currency Option Definitions the Clearing House shall defer cash settlement to a subsequent day.

2. Procedures for the Cessation of a Price Source Disruption

Upon the cessation of a Price Source Disruption after a deferral period commences, CME shall determine the Final Settlement Price using the reciprocal of such Rate rounded to 5 decimal places and the Brazilian real/U.S. dollar futures contract shall be settled on such day. If, however, 14 consecutive calendar days pass without the cessation of the Price Source Disruption, CME shall otherwise determine the Final Settlement Price.

3. Procedures after 14-Day Deferral Period

After the lapse of 14 consecutive calendar days without the cessation of the Price Source Disruption, CME Rule 812 shall apply to determine the Final Settlement Price.

25703. [RESERVED]

(End Chapter 257)