

**Chicago Climate Futures Exchange, LLC
Sulfur Financial Instrument Futures Contract Specifications**

Contract Size	25 U.S EPA SO ₂ Emission Allowances
Quotation	US dollars
Minimum Tick Increment	\$0.10 per U.S. EPA SO ₂ Emission Allowance = \$2.50 per contract
Symbol	SFI
Trading Hours	7:00 a.m. – 3:00p.m. Central Time
Contract Listing Cycle	<ol style="list-style-type: none"> 1. Standard-cycle contract listings: <ol style="list-style-type: none"> a. Thirty-six consecutive monthly contracts; and b. Up to eight annual December contracts 2. CCFE may list any other calendar month contract off the standard-cycle listing schedule through the last annual December contract.
Products	<p>Within any listed contract, CCFE may offer one or more vintage-year specific products having different delivery specifications as follows:</p> <ol style="list-style-type: none"> 1. Front-Year Vintage 2. 1-Year Deferred Vintage 3. 2-Year Deferred Vintage 4. 3-Year Deferred Vintage 5. 4-Year Deferred Vintage 6. 5-Year Deferred Vintage 7. 6-Year Deferred Vintage 8. 7-Year Deferred Vintage 9. 8-Year Deferred Vintage 10. 9-Year Deferred Vintage 11. 10-Year Deferred Vintage 12. 11-Year Deferred Vintage 13. 12-Year Deferred Vintage 14. Additional Deferred Vintages as determined by CCFE
Deliverable Instruments	<p>U.S. Environmental Protection Agency (“EPA”) SO₂ Emission Allowances equal to the contract size.</p> <ol style="list-style-type: none"> 1. Contracts WITHOUT a specified vintage-year Applicable for March through December contract expirations, the SO₂ Emission Allowances acceptable for delivery are allowances having a vintage corresponding to the calendar year of the contract expiration and allowances having a vintage of any year prior to the calendar year of the contract expiration. Applicable for January and February contract expirations, the SO₂ Emission Allowances acceptable for delivery are allowances having a vintage of any year prior to the calendar year of the contract expiration. 2. Contracts WITH a specified vintage-year The SO₂ Emission Allowances acceptable for delivery are allowances having a vintage corresponding to the specified vintage and allowances having a vintage of any year prior to the specified vintage-year.
First Trading Day	The first trading day of a standard-cycle contract is the first business day following an expiration day of standard-cycle contract.

<p>Last Trading Day</p>	<p>With the exception of February contracts, the last day of trading of a contract is the last business day of the expiration month.</p> <p>The last trading day for February contracts will be the third to last business day of the month in order to coordinate with the EPA's March 1st annual SO₂ compliance deadline.</p>
<p>Delivery Process</p>	<p>Clearing participants and parties trading the market must have SO₂ allowance tracking accounts established with the EPA.</p> <p>Delivery is a three day process consisting of Position Day, Notice Day and Delivery Day. The three days occur over three consecutive business days.</p> <p><u>Position Day</u> The tenth trading day prior to a contract's expiration (expiration occurring after the close on the final trading day) is the first day that CCFE clearing members must report their long futures positions in the expiring contract. The long positions as of the close of business on the tenth trading prior to expiration, by trade date, must be reported to the CCFE Clearing Service Provider ("CCFE CSP") in the time frame and format required by the CCFE CSP.</p> <p>Starting on the First Position Day, CCFE clearing members (hereafter referred to as "seller") on behalf of their short futures position holders may submit delivery tender notices to CCFE CSP, in a format acceptable to CCFE CSP.</p> <p><u>Notice Day</u> Business day after the delivery tender notice has been submitted and the delivery assignment made by the CCFE CSP, the seller clearing member provides to the buyer clearing member(s) a description of the underlying EPA Emission Allowances to be delivered. The buyer clearing member(s) provides EPA Allowance Tracking System account information to the seller clearing member. Information exchange is to be completed by 4:00 p.m. Central Time.</p> <p>The seller clearing member must ensure the appropriate emission allowances are on deposit in its or its customer's EPA Allowance Tracking System account by the 5:00 p.m. Central Time.</p> <p><u>Delivery Day</u> CCFE CSP will issue payment instructions to the respective buyer clearing member for the full contract value based upon the Position Day's settlement price in a means and manner prescribed by CCFE CSP.</p> <p>By 3:00 p.m. Central Time, the seller clearing member must ensure that it or its customer has electronically submitted the allowance transfer instructions via the EPA's CAMD Business System.</p> <p><u>Payment</u> Effective October 2007, CCFE CSP will release the delivery proceeds to the seller clearing member upon receipt of the "CCFE Receipt of Delivery Confirmation" from the buying clearing member.</p>
<p>Price Limits</p>	<p>No daily price limits</p>
<p>Reportable Position Limits</p>	<p>25 contracts, equivalent to 625 U.S. EPA SO₂ Emission Allowances</p>
<p>Nearby Expiration Month Speculative Position Limits</p>	<p>8,000 contracts, equivalent to 200,000 U.S. EPA SO₂ Emission Allowances per each expiring product.</p>

Contract specifications and related rules are subject to revision. If CCFE determines that revisions to the contract specifications and related rules are warranted, reasonable efforts will be taken to provide appropriate advance notification of such revisions.

This document is a summary of the CCFE contract specification rules; see the CCFE Rulebook for complete contract specification rules.