

Exhibit 5B

Rules

CHAPTER I – DEFINITIONS

RULE 101 – Definitions

Unless the context otherwise requires, for all purposes of these rules, the terms herein shall have the meanings given them in Article I of the By-Laws of the Corporation or as set forth below:

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CHAPTER VI – MARGINS

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RULE 601 – Margin Requirements

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(c) Margin Requirement Calculation -- Accounts Other Than Customers' Accounts and Firm Non-Lien Accounts.

(1) Minimum Expected Liquidating Value. The margin requirement for an account other than a customers' account, firm non-lien account or segregated futures account shall be the amount of margin assets, expressed in U.S. dollars, that must be held in the account such that the minimum expected liquidating value of the account after excluding positions covered by deposits in lieu of margin (the "minimum expected liquidating value"), measured at such confidence level as may be selected by the Corporation from time to time, will be not less than zero. To determine the minimum expected liquidating value of the account, the Corporation will revalue the assets and liabilities in the account under a large number of projected price scenarios created by large-scale Monte Carlo simulations that preserve both univariate and multivariate historical attributes of all included simulated input variables. Such revaluations may include an allowance for costs the Corporation might incur in liquidating all or portions of the account as a result of bid-ask spreads, illiquidity, or other factors. The Corporation will use pricing models to predict the impact of changes in values of underlying interests on positions in cleared contracts and, where applicable as indicated below, margin assets.

(2) Valuation of Margin Assets. In calculating the minimum expected liquidating value of an account, the Corporation may either value margin assets as provided in Rule 604C or may include margin assets consisting of securities in the Monte Carlo simulations on the same basis as cleared contracts and underlying interests, thus recognizing any historical correlations among the values of margin assets, underlying assets and cleared contracts. The margin requirement will always be stated as a fixed amount of cash that would be required in the account to produce a minimum expected liquidating value of zero. However, if margin assets are deposited in the form of securities and are included in the Monte Carlo

simulations on the same basis as underlying interests, the quantity of such assets required to satisfy the margin requirement will depend upon the identity of the securities deposited and the identity of the other positions and margin assets in the account.

(3) *Procyclicality Controls*. The Corporation’s methodology for calculating margin requirements incorporates measures designed to ensure that margin requirements are not lower than those that would be calculated using volatility estimated over a historical look-back period of at least 10 years.

(4) *Authority to Fix Margin Requirements*. Notwithstanding any other provision of this Rule 601, the Corporation may fix the margin requirement for any account or any class of cleared contracts at such amount as it deems necessary or appropriate under the circumstances to protect the respective interests of Clearing Members, the Corporation, and the public.

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. . . Interpretations and Policies:

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.06 The Corporation from time to time may designate those margin assets in the form of stock, as “stock” is defined in Rule 604A(b)(2), which, if deposited in respect of any account of a Clearing Member, will be included in the Monte Carlo simulations when calculating the minimum expected liquidating value of such account, as described in Rule 601(c)(2). Margin assets deposited in any other form shall continue to be valued as provided in Rule 604C.

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RULE 604A – Form of Margin Assets

(a) *Cash*. To satisfy margin requirements, Clearing Members may deposit U.S. dollars in accordance with procedures acceptable to the Corporation. [1]

(b) *Securities*.

(1) *Government Securities*. To satisfy margin requirements, Clearing Members may deposit Government securities that are free from any limitation as to negotiability. [2]

(2) *Stocks*. [3] To satisfy margin requirements, Clearing Members may deposit stocks that meet the requirements of items (A) through (D), below. The term “stock”, as used in Rules 604A through 604C,

[1] The second sentence to current Rule 604(a) is relocated to proposed Rule 604B with changes marked thereto.]

[2] The second sentence to current Rule 604(b)(1) is relocated to proposed Rule 604B with changes marked thereto. The third sentence to current Rule 604(b)(1) is deleted as unnecessary in light of proposed Rule 604B(b)(1). The fourth sentence of current Rule 604(b)(1) is relocated to proposed Rule 604B(f)(1) with changes marked thereto.]

[3] Current Rule 604(b)(4) (Equity Issues) is relocated here with changes as marked.]

includes, but is not limited to, fund shares and index-linked securities, each as defined in Article I of the By-Laws.[⁴]

(A) A stock must be a “covered security” within the meaning of Section 18(b)(1) of the Securities Act of 1933.

(B) A stock that is neither an underlying security nor a fund share that has as its reference index an index that underlies any cleared contract must have a market value of at least \$3 per share, as determined by the Corporation. The Corporation may waive this requirement at its discretion upon a determination that other factors, including trading volume, the number of shareholders, the number of outstanding shares, and current bid/ask spreads warrant such result.

(C) Fund shares and index-linked securities must be of a class approved by the Corporation for deposit as margin.[⁵]

(D) A Clearing Member may not deposit a stock that is suspended from trading by the market that listed or qualified the stock for trading because of volatility, lack of liquidity or similar characteristics. If the issue is listed or traded on more than one market and the markets do not take the same action, the Corporation will use its discretion to determine which market’s actions will be definitive for purposes of this Rule. [⁶]

[⁷][⁸]

(3) *Disapproved Securities.*

(A) *Disapproval for All Clearing Members.* The Corporation may, in its discretion, disapprove a security as margin collateral that meets the criteria listed in Rule 604A(b) with respect to all accounts of all Clearing Members, and therefore not grant margin credit, based on such factors as (i) trading volume, (ii) number of outstanding shareholders, (iii) number of outstanding shares, (iv) volatility and liquidity, and (v) any other factors the Corporation determines are relevant.[⁹]

(B) *Disapproval for a Particular Clearing Member.*

(i) *Concentration Risk Limits.* The Corporation may, in its discretion, determine that a stock meeting the criteria of Rule 604A(b)(2) is disapproved as margin collateral with respect to some or all of the shares of such stock held by a particular Clearing Member based on the number of shares of a

[⁴ The second sentence of proposed Rule 604A(b)(2) replaces the first sentence of current Rule 604(b)(4)(iii) with changes as marked.]

[⁵ The second sentence of current Rule 604(b)(4)(iii) is relocated here with changes as marked.]

[⁶ The penultimate sentence of current Rule 604(b)(4)(ii) is deleted as redundant of proposed Rule 604B(b), which relocates the third sentence of current Rule 604(d). The final sentence of current Rule 604(b)(4)(i) is relocated to Rule 604C with changes marked thereto.]

[⁷ Current Rule 604(b)(4)(ii) is relocated to Rule 604B with changes marked thereto.]

[⁸ The first sentence of current Rule 604(b)(4)(iii) is relocated to the prefatory paragraph to proposed Rule 604A(b)(2) with changes as marked. The second sentence of current Rule 604(b)(4)(iii) is relocated to proposed Rule 604A(b)(2)(A)(iii) with changes as marked.]

[⁹ I&P .15 to current Rule 604 is relocated here with changes as marked.]

particular stock held by a Clearing Member in any account or the number of shares of a particular stock held in aggregate across all of a Clearing Member's accounts.[¹⁰]

(ii) *Wrong-Way Risk Limits*. The Corporation may, in its discretion, determine to disapprove as margin collateral with respect to a particular Clearing Member any stock issued by such Clearing Member or an affiliate of such Clearing Member. For purposes of this Rule, "affiliate" means any entity that controls, is controlled by, or is under common control with a Clearing Member, with direct or indirect ownership of 10% or more of the equity of the subject entity constituting control.[¹¹]

(C) *Disapproved Securities Hedging Cleared Contracts*. The Corporation may, in its discretion, determine that some or all of the shares of a security that the Corporation has otherwise disapproved pursuant to this Rule are nevertheless acceptable as margin collateral with respect to particular Clearing Members to the extent to which such security serves as a hedge with respect to cleared contracts held in the same account.[¹²]

(4) *Money Market Fund Shares*. To satisfy margin requirements, a Clearing Members may deposit shares in a money market fund ("MMF Shares") subject to the requirements of items (A) through (F) below.

(A) *Acceptable Funds*. Clearing Members may deposit MMF Shares if such money market fund (the "Fund"):

(i) is registered as an investment company under the Investment Company Act of 1940 and is in compliance with SEC Rule 2a-7 thereunder;

(ii) holds only "First Tier Securities" as that term is defined in Rule 2a-7;

(iii) performs a net asset value computation at least once each business day and makes such computation available to the Corporation no later than 9:00 AM the following business day;

(iv) represents to, and agrees with, the Corporation that the Fund is and will remain in compliance with subitems (i) through (iii) above;

(v) agrees to notify the Corporation immediately of any noncompliance with such subparagraphs; and

(vi) waives any right it may otherwise have to postpone the payment of redemption proceeds and the right to redeem shares in kind and agrees to redeem MMF Shares in cash not later than the business day following a redemption request by the Corporation except when such redemptions cannot be effected because of unscheduled closings of the Federal Reserve Banks or the New York Stock Exchange.

(B) *Notices by the Fund; Business Day*.

[¹⁰ The first sentence of I&P .16 to current Rule 604 is relocated here with changes as marked.]

[¹¹ The second and third sentence of I&P .16 to current Rule 604 are relocated here with changes as marked.]

[¹² The final sentence of I&P .16 to current Rule 604 is relocated here with changes as marked.]

(i) A Fund must give any notice required under Rule 604A(b)(4) by telephone to an officer of the Corporation and promptly confirm in writing no later than 3:00 p.m. Central Time on the following business day.

(ii) Notwithstanding the definition in Article I of the By-Laws, the term “business day” may be defined for purposes of Rule 604A(b)(4) by agreement between a Fund and the Corporation.

(C) *Security Interest*. Prior to depositing MMF Shares, the Clearing Member must enter into an agreement with the Corporation and the Fund and/or its transfer agent, or make other arrangements acceptable to the Corporation to perfect the Corporation’s security interest in the MMF Shares through “control,” as that term is defined in Articles 8 and 9 of the Uniform Commercial Code as in effect in the state of Illinois.

(D) *Wrong-Way Risk Limits*. Notwithstanding that a Fund meets the qualifications set out in Rule 604A(b)(3)(A), a Clearing Member may not deposit MMF Shares in such Fund if the Fund or its sponsor controls, is controlled by, or under common control with the Clearing Member. For purposes of this subparagraph (D), an entity controls, is controlled by, or is under common control with a Clearing Member if the entity has an equity interest of 20% or more of the subject entity constituting control. The Corporation may wave this Rule 604A(b)(2)(D) if the Fund can demonstrate that an acceptable arrangement has been made for the control of underlying portfolio investments and the processing of Corporation redemption requests by a third party.

(E) *Concentration Risk Limits*. No more than 5% of the total number of outstanding shares of any one Fund will be accepted for deposit from a Clearing Member. In determining whether a Clearing Member’s deposit of a Fund’s shares exceeds this limit, the Corporation will aggregate the Clearing Member’s deposit of such Fund’s shares across all of the Clearing Member’s accounts. [13]

(F) A Clearing Member that deposits MMF Shares in respect of a segregated futures account is representing to the Corporation that the Fund meets the requirements of CFTC Regulation 1.25.

(5) *Other Securities*. The Corporation may accept securities deposited by a Clearing Member that do not at the time of deposit satisfy the requirements of Rule 604A. Such securities, if accepted, and securities that cease to meet the requirements of Rule 604A will be subject to the lien and other rights of the Corporation as provided under the Rules and By-Laws, but will be valued at zero for margin purposes unless and until such securities, as the result of subsequent market movements, or otherwise, meet such requirements.[14]

[15]

[13] The last two sentences of current Rule 604(b)(3)(iv) are relocated to Rule 604B, with changes marked thereto.]

[14] I&P .13 to current Rule 604 is relocated here with changes as marked.]

[15] Current Rule 604(b)(5) is relocated to Rule 604B with changes marked thereto.]

RULE 604B – Holding and Investing Margin Assets

(a) *Clearing Member Funds.* Subject to the rights of the Corporation with respect to margin under the By-Laws and Rules, funds and securities deposited as margin (“margin assets”) under Rule 604A remain the property of the respective Clearing Members for whose accounts such funds and securities are held.^[16]

(b) *Margin Deposits.*

(1) *Manner of Deposit.*

(A) A Clearing Member must deposit all margin assets with respect to a designated account of the Clearing Member in an account of the Corporation in an approved depository in the name of the Corporation or by such other method as the Corporation may from time to time approve.^[17]

(B) *No Liens.* All assets that a Clearing Member pledges to the Corporation for whatever purpose must be free of any lien or other encumbrance senior to that of the Corporation.^[18]

(C) *Time of Deposit.* Securities are deemed to be deposited with the Corporation at the time the Corporation receives written confirmation of such deposit from the depository or receives confirmation satisfactory to it that the securities have been pledged to the Corporation through an EDP Pledge System.^[19]

(2) *Approved Depositories.*

(A) The Corporation will hold margin funds, other than margin funds excluded by Rule 604B(b)(2)(B), in an account or accounts, designated as Clearing Member margin accounts, to the credit of the Corporation with such banks, trust companies or other depositories as the Board of Directors may approve.^[20]

(B) Rule 604B(b)(2)(A) does not apply to:

- (i) cash margin assets invested by the Corporation pursuant to Rule 604B(g);
- (ii) funds credited by the Corporation to a Liquidating Settlement Account pursuant to Chapter XI;
- (iii) non-customer margin assets maintained in an account at a Federal Reserve Bank pursuant to Rule 604B(c)(2).

(C) The Board of Directors may approve a securities depository under irrevocable arrangements that:

^[16] The first sentence of Rule 604(d) is relocated here with changes as marked.]

^[17] The penultimate sentence of current Rule 604(b)(4)(i) is relocated here with changes as marked, including to incorporate language from current Rule 604(b)(1).]

^[18] I&P .07 to Rule 604 is relocated here with changes as marked.]

^[19] The penultimate sentence of current Rule 604(b)(4)(ii) is relocated here with changes as marked.]

^[20] The third sentence of current Rule 604(d) is relocated here with changes as marked. The substance of the parenthetical identifying the funds to which the Rule does not apply is relocated to proposed Rule 604B(b)(2)(B).]

(i) permit the securities to be promptly sold by or on the order of the Corporation for the account of the Clearing Member without notice and;

(ii) require the Clearing Member to pay all fees and expenses incident to the ownership or sale of the securities or the arrangement with the depository.^[21]

(D) The Corporation will not accept the deposit of securities from an approved depository if such depository, a parent, or an affiliate has an equity interest in the amount of 20% or more of the depositing Clearing Member's total capital.^[22]

(c) *Commingled Funds.*

(1) The Corporation will not commingle margin assets with the Corporation's own funds or use margin assets as working capital.^[23]

(2) Notwithstanding Rule 604B(c)(1), the Corporation may commingle non-customer margin funds with cash Clearing Fund contributions and deposit such funds to the credit of the Corporation in an account at a Federal Reserve Bank that is not designated as a Clearing Member margin account.^[24]

(3) The Corporation may commingle funds and securities held as margin for the account of any Clearing Member with funds and securities held as margin for other Clearing Members.^[25]

(d) *Margin Securities Held in Non-Firm Accounts.*^[26]

(1) *Securities Customers.* A Clearing Member may not deposit securities held for the account of a securities customer in any account other than the customers' account or the customers' lien account.

(2) *Market Makers.* A Clearing Member may not deposit securities held for the account of any Market Maker in any account other than such Market-Maker's account in which such Market Maker is a participant.

(3) *Fully Paid Security; Excess Margin Security.* A Clearing Member may not deposit a security carried for the account of any securities customer that is either a "fully paid security" or an "excess margin security" within the meaning of SEC Rule 15c3-3 in any account except to the extent permitted pursuant to any interpretive guidance or no-action relief of the SEC or a self-regulatory organization (as defined in Section 3(a) of the Securities Exchange Act of 1934, as amended).

(4) *Futures Customers.* A Clearing Member may not deposit securities held for the account of a futures customer in any account other than a segregated futures account or segregated futures professional account.

^[21] The first sentence of current Rule 604(b)(4)(ii) is relocated here with changes as marked.]

^[22] I&P .11 to current Rule 604 is relocated here with changes as marked.]

^[23] The penultimate sentence of current Rule 604(d) is relocated here with changes as marked.]

^[24] I&P .18 to Rule 604 is relocated here with changes as marked.]

^[25] The final sentence of current Rule 604(d) is relocated here with changes as marked.]

^[26] Rule 604(b)(5) is relocated here with changes as marked.]

(e) *Segregated Futures Accounts*. The Corporation will hold margin assets deposited in respect of a segregated futures account in accordance with Section 4d of the Commodity Exchange Act and regulations thereunder.^[27]

(f) *Interest, Dividends or Gains Received on Securities*.

(1) *Government Securities*. All interest or gain received or accrued on Government securities deposited as margin collateral, prior to any sale or negotiation, will belong to the depositing Clearing Member, and the Corporation will credit any interest on, or proceeds from the maturity of, such Government securities received by the Corporation to the account of the Clearing Member in respect of which the deposit was made.^[28]

(2) *Stock*. All dividends or gain received or accrued on stocks, prior to any sale or negotiation, will belong to the depositing Clearing Member.^[29]

(g) *Investment of Margin Cash*.

(1) The Corporation may from time to time invest margin cash deposits, partially or in whole, for its account in Government securities. Any interest or gain received or accrued on the investment of such funds will belong to the Corporation.^[30]

(2) If the Corporation invests funds held by the Corporation as margin under Rule 604B(g)(1), the Corporation will maintain records clearly identifying such securities as held in trust for Clearing Members.^[31]

(3) If the Corporation invests cash deposited as margin in a segregated futures account or segregated futures professional account, such cash will be invested in accordance with the requirements of CFTC Regulations 1.25, 1.26, and 1.27 and such other rules as may be adopted by the CFTC to govern the investment of such funds.^[32]

RULE 604C – Valuation of Margin Assets

(a) *Stocks*. The Corporation may elect to value any or all margin assets in the form of securities, other than Government securities, pursuant to Rule 601 using the same multivariate analysis applied to underlying interests rather than assigning any fixed dollar value to such margin assets.^[33]

(b) *Government Securities*. The Corporation will determine the current market value of Government securities at such intervals as the Corporation may from time to time prescribe, but not less often than daily, on the basis of the quoted price supplied by a source designated by the Corporation. In determining the U.S. dollar amount of margin credit to be given to any Government security, the Corporation will generally apply a schedule of “haircuts” that the Corporation may specify from time to time upon prior

^[27] The second sentence of Rule 604(d) is relocated here with changes as marked.]

^[28] The final sentence Rule 604(b)(1) is relocated here with changes as marked.]

^[29] The final sentence Rule 604(b)(4)(ii) is relocated here with changes as marked.]

^[30] The second sentence Rule 604(a) is relocated here with changes as marked.]

^[31] The last sentence Rule 604(d) is relocated here with changes as marked.]

^[32] I&P .12 to current Rule 604 is relocated here with changes as marked.]

^[33] Current Rule 604(g) is relocated here with changes as marked.]

notice to Clearing Members. The Corporation may, in its discretion, use greater haircuts or, in unusual or unforeseen circumstances, assign no value or partial value to Government securities to the extent it deems appropriate for its protection or the protection of Clearing Members or the general public, in each case with prior notice to Clearing Members.^[34]

(c) *MMF Shares*. The Corporation will value MMF Shares deposited by a Clearing Member on a daily basis at 98% of current market value or such lower value as the Risk Committee may prescribe from time to time. If a Fund fails to meet any qualification set forth in subparagraph (i) of this subparagraph (b)(3), the Corporation may prescribe on a daily basis a lesser valuation for such Fund's shares.^[35]

(d) *Assets Denominated in a Foreign Currency*. In determining the U.S. dollar amount of the margin credit to be given to any asset denominated in a foreign currency, the Corporation may use such exchange rates and apply such "haircuts" as it deems appropriate for its protection.^[36]

(e) *Deposits in Lieu of Margin*. Stocks deposited pursuant to Rule 610 will have no value as margin for the purposes of this Rule 604C.^[37]

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RULE 610 – Deposits in Lieu of Margin

(a) In lieu of depositing margin in respect of certain options carried in a short position for the account of a customer (including any Market Maker that is not a proprietary Market Maker), a Clearing Member or an approved custodian may deposit eligible collateral in respect of certain option contracts included in a short position, in each case as specified herein, and further described in Rules 610A, 610B and 610C, as applicable. Each such deposit shall be referred to as a "deposit in lieu of margin." The types of deposits in lieu of margin permitted by the Corporation are "specific deposits" and "escrow deposits." Specific deposits may be either "member specific deposits," which are provided for in Rule 610A, or "third-party specific deposits," which are provided for in Rule 610B. Escrow deposits are provided for in Rule 610C. All deposits in lieu of margin are also subject to this Rule 610. Specific deposits are limited to physically-settled stock call option contracts, and only the underlying securities may be deposited in respect of such options. Escrow deposits may be made in respect of stock, flexibly structured options on fund shares that are cash settled, and index put options and index call options. Escrow deposits in respect of stock and index puts shall consist of cash or U.S. Government securities, or any combination thereof, and escrow deposits in respect of index calls shall consist of cash, U.S. Government securities or any securities that would be eligible for deposit as margin under Rule 604A(b)(1).

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CHAPTER VII – CROSS-MARGINING WITH PARTICIPATING CCOS

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^[34] Current Rule 604(e) is relocated here with changes as marked.]

^[35] The last two sentences of current Rule 604(b)(3)(iv) are relocated here with changes as marked.]

^[36] Current Rule 604(f) is relocated here with changes as marked.]

^[37] The final sentence of current Rule 604(b)(4)(i) is relocated here with changes as marked.]

RULE 705 – Forms of Margin

Margin deposited in respect of sets of X-M accounts may be deposited in the form of cash, United States Treasury securities, shares in money market funds (“MMF Shares”), stock meeting the requirements of Rule 604A(b)(2) or a combination of the foregoing. Cash may from time to time be partially or wholly invested in Government securities, and any interest or gain received or accrued on such investments shall belong to the Corporation or the Participating CCO(s) as may be mutually agreed between or among the Corporation and the Participating CCO(s). United States Treasury securities, GSE debt securities and MMF Shares shall meet the requirements of the Corporation as set forth in the Rules and the Participating CCO(s) as set forth in its (their) rules, and shall be valued at the lowest value that would be given to them under the Rules or the rules of the Participating CCO(s). Letters of credit shall be in a form mutually acceptable to the Corporation and the Participating CCO(s) and shall be issued by a bank approved by them for that purpose. Notwithstanding the foregoing, a particular form of margin may be deposited in respect of X-M accounts in a particular cross-margining program, only if mutually acceptable to the Corporation and each Participating CCO, and shall be valued in accordance with the Participating CCO Agreement executed by the Corporation and the Participating CCO(s).

CHAPTER X – CLEARING FUND CONTRIBUTIONS

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RULE 1002 – Clearing Fund Contributions

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. . . Interpretations and Policies:

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.04 Notwithstanding the requirement in the first sentence of Rule 1002(c), cash Clearing Fund contributions deposited in an account of the Corporation at a Federal Reserve Bank may be commingled with non-customer margin assets as provided in Rule 604B(c)(2).

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RULE 1006 – Purpose and Use of Clearing Fund

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(c) Bank, Clearing Organization or Investment Counterparty Failures. (i) If any bank, securities or commodities clearing organization, or investment counterparty shall fail to perform any obligation to the Corporation when due because of its bankruptcy, insolvency, receivership, suspension of operations, or any similar event, and the Corporation shall sustain a loss (whether directly or as a trustee, custodian, or secured party) by reason thereof that is not recoverable out of the Clearing Fund pursuant to paragraph (b), the Corporation may, in its discretion, reimburse itself for such loss out of the Clearing Fund pursuant to this paragraph (c), and the amount of any such reimbursement shall be charged proportionately against all Clearing Members’ required contributions to the Clearing Fund as calculated at the time. Failure of an investment counterparty under this paragraph shall be limited to a failure with respect to cash invested under Rule 604B(g) or Rule 1002(c).

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(f) *Borrowings.* (1) *Conditions.* The Corporation may take possession of cash or securities deposited by Clearing Members as contributions to the Clearing Fund and securities in which the Corporation has invested Clearing Fund cash contributions if:

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(C) the Corporation reasonably believes it necessary to borrow to meet its liquidity needs for daily settlement as a result of the failure of any bank, securities or commodities clearing organization, or investment counterparty to perform any obligation to the Corporation when due. Failure of an investment counterparty under this paragraph shall be limited to a failure with respect to cash invested under Rule 604B(g) or Rule 1002(c).

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CHAPTER XI – SUSPENSION OF A CLEARING MEMBER

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RULE 1104 – Creation of Liquidating Settlement Account

(a) Upon the suspension of a Clearing Member, the Corporation shall promptly liquidate, in the most orderly manner practicable, including, but not limited to, a private auction, all margins deposited with the Corporation by such Clearing Member in all accounts (excluding securities held in a specific deposit or escrow deposit) and all of such Clearing Member's contributions to the Clearing Fund; provided, however, that cash derived from margin deposited in respect of segregated futures accounts (including any segregated futures professional account) shall not be commingled with any other cash, and may be applied only to the obligations of such segregated futures accounts. These and all other funds of the suspended Clearing Member subject to the control of the Corporation, except proceeds of segregated long positions, funds disposed of pursuant to Rules 1105 through 1107, and funds held in or payable to a segregated futures account, shall be placed by the Corporation in a special account, to be known as the Liquidating Settlement Account, in the name of the suspended Clearing Member, for the purposes hereinafter specified. Funds held in or payable to segregated futures accounts, and only such funds, shall be placed by the Corporation in a separate special account, to be known as the Segregated Liquidating Settlement Account, in the name of the suspended Clearing Member, for the purposes herein specified. In the event the sum of (i) the proceeds from the closing out of positions and securities in a restricted lien account over which the Corporation has a restricted lien as provided in Article VI, Section 3 of the By-Laws, (ii) the proceeds from the closing out of exercised option contracts, matured futures and expired BOUNDS in such restricted lien account, and (iii) the proceeds from the liquidation of securities held as margin in such restricted lien account should exceed the amount withdrawn by the Corporation from the Liquidating Settlement Account pursuant to Rules 1105 through 1107 and Rules 2210 and 2210A in respect of transactions or positions in such restricted lien account, the excess shall be remitted by the Corporation to the suspended Clearing Member or its representative for distribution to the persons entitled thereto in accordance with applicable law. In the event the sum of (i) any variation payments received from closing out long or short positions in futures in segregated futures accounts, and (ii) the proceeds from the closing out of matured futures and long futures options and commodity options positions in segregated futures accounts should exceed the amount withdrawn by the Corporation from the Segregated Liquidating Settlement Account pursuant to Rules 1105 through 1107 in respect of transactions or positions in all segregated futures accounts, the excess shall be remitted by the Corporation to the suspended Clearing Member or its representative for distribution to the persons entitled thereto in accordance with applicable law. Notwithstanding the foregoing provisions of this rule, margin and all other funds of a suspended Clearing Member in respect of sets of X-M accounts (other

than such Clearing Member's contributions to the Clearing Fund) shall be subject to Rule 707 and the applicable Participating CCO Agreement and not to this Rule.

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(d) After all of a suspended Clearing Member's obligations to the Corporation have been satisfied and the Corporation has made or provided for the remittances described in Rule 1104(a) in respect of the Clearing Member, if the Clearing Member is a Common Member and a positive balance remains in the Liquidating Settlement Account of the Clearing Member, the Corporation may pay any or all of such balance to one or more Cross-Guaranty Parties in accordance with the provisions of their respective Limited Cross-Guaranty Agreements.

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CHAPTER XV – BINARY OPTIONS; RANGE OPTIONS

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RULE 1506 – Deposits in Lieu of Margin Prohibited

The Corporation will not accept deposits in lieu of margin with respect to range options or binary options on any underlying interest, and none of Rules 610, 610A, 610B, 610C nor 613 shall apply to binary options or range options.

[Rule 1506 replaces Rules 610, 610A, 610B, 610C and 613.]

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CHAPTER XVII – YIELD-BASED TREASURY OPTIONS

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RULE 1701 – Deposit of Underlying Treasury Securities Prohibited

Rules 610A and 610B shall not apply to yield-based Treasury options.

[Rule 1701 replaces Rules 610, 610A and 610B.]

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CHAPTER XXIII – CASH-SETTLED FOREIGN CURRENCY OPTIONS

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RULE 2301 – Deposits in Lieu of Margin Prohibited

Rules 610, 610A and 610B shall not apply to cash-settled foreign currency options.

[Rule 2301 replaces Rules 610, 610A and 610B.]