

NYBOT on ICE: Side-by-side Electronic Trading FAQ's

1. Why is NYBOT now allowing electronic trading access to its Agricultural Futures contracts?

NYBOT believes that offering electronic trading in our core Agricultural futures products alongside traditional open outcry access will allow both existing and new users of our markets the ability to choose how best to take advantage of the broad and deep liquidity these contracts have provided for many years. This will also allow NYBOT's global member and customer base maximum flexibility in how they access our markets as well as leverage the technology capabilities at ICE, with whom we have a merger agreement.

2. What contracts will be available for electronic trading?

On Friday, February 2, 2007 the following six futures contracts will be available for electronic trading:

- Sugar No. 11
- Sugar No. 14
- Cotton No. 2
- Coffee "C"
- Cocoa
- Frozen Concentrated Orange Juice ("FCOJ")

Other NYBOT products, including currency pairs as well as stock, currency and commodity index contracts, will be added in the near future.

3. Are the electronically traded contract terms different from the existing, floor-traded contracts?

No, the contracts that are to be listed for electronic trading are the same contracts already trading in the open outcry sessions today. Traders will be able to initiate a position electronically and liquidate it via an open outcry trade, or vice versa. In other words, the electronic and open outcry contracts are fully fungible. Listing these contracts electronically simply offers market users two ways to access the same contract.

4. What are the key contract terms?

For both open outcry and electronic trading access, key terms are as follows:

Contract	Size	Contract Months
Sugar No. 11	112,000 lbs.	Mar, May, Jul, Oct
Sugar No. 14	112,000 lbs.	Jan, Mar, May, Jul, Sep, Nov
Cotton No. 2	50,000 lbs	Mar, May, Jul, Oct, Dec
Coffee "C"	37,500 lbs.	Mar, May, Jul, Sep, Dec
Cocoa	10 metric tons	Mar, May, Jul, Sep, Dec
FCOJ	15,000 lbs. solids	Jan, Mar, May, Jul, Sep, Nov

<http://www.nybot.com/marketInfo/contractSpecs/indexContractSpecGroup.asp>

5. What are the trading hours for the contracts?

Side-by-side trading of the NYBOT's benchmark agricultural commodities on ICE's electronic trading platform will commence on February 2, 2007, from 7:00 a.m. ET through 3:15 p.m. ET. These initial trading hours will be extended to 22 hours each trading day following the introductory phase of electronic trading in NYBOT's markets.

Open outcry trading hours for these contracts will remain unchanged (all times are Eastern Standard Time):

Sugar No. 11 – 9:00 am to 12:00 noon
Sugar No. 14 – 8:50 am to 11:58 am
Cotton No. 2 – 10:30 am to 2:15 pm
Coffee "C" – 9:15 am to 12:30 pm
Cocoa – 8:00 am to 11:50 am
FC OJ – 10:00 am to 1:30 pm

6. What about margins, speculative position limits, first/last notice and delivery days, and daily trading limits for the electronically traded contracts?

There is only one set of margins, speculative position limits, and notice and delivery days for each futures contract, regardless of whether the positions are traded in the electronic or open outcry system. (Current margins for each contract can be found on the NYBOT website at www.nybot.com/marketInfo/marginRequirements/outright.asp. The speculative position limit levels for each contract can be on the NYBOT site at www.nybot.com/marketInfo/positionLimits/indexPositionLimits.htm.)

Of the six Agricultural futures contracts being listed for electronic trading, only two have daily trading limits: Cotton and FCOJ. The contracts will be subject to the same daily trading limit provisions in both the electronic and open outcry trading systems.

7. What electronic trading system will be used to trade these contracts?

Each of these futures contracts will be trading on ICE's electronic trading platform, which provides direct access to trade execution and real-time price discovery.

This will allow NYBOT's futures contracts to be accessible through multiple exchange interfaces and connectivity options including WebICE, which is accessible via the Internet, or through dedicated lines and ISVs from anywhere in the world.

Additional information on the ICE platform, including issues of Connectivity, ISVs and Security, can be found at www.theice.com/technologies.jhtml.

8. What type of PC or laptop should I have to run WebICE?

In order to run WebICE we recommend a PC or desktop with the following specifications:

- Operating System** - Microsoft Windows XP Professional
- Connectivity** - Internet or private line connectivity
- Web Browser** - Microsoft Internet Explorer 6.0 (or better)
- Java Virtual Machine** – JVM 1.5
- CPU** - A single CPU of 3 GHz (or better) or a Dual Core PC with 2 GHz (or better)
- Memory** - 1.5 Gigabytes (or better) of total memory

- **Video Memory** - 256 Megabytes (or better) of video memory

For more information on WebICE please see:

<https://www.theice.com/faqs.jhtml#webice>

https://www.theice.com/publicdocs/technology/WebICE_System_Specifications_Guide.pdf

9. How can I take advantage of the ability to trade these contracts electronically?

If you are currently trading futures contracts through a Futures Commission Merchant, you should contact your broker to discuss how they will allow you to take advantage of electronic trading access to these NYBOT products.

If you are not currently trading futures contracts, you may contact any Futures Commission Merchant to discuss opening an account and gaining electronic access to these contracts. A list of NYBOT clearing member firms can be found on the NYBOT website at

<http://209.208.183.6/generalInformation/aboutNYCC/clearingMembers.htm>.

10. Will training be offered?

NYBOT has established a facility for training and will announce a schedule to commence Monday afternoon, January 8. ICE has available on its website a suite of Webinars about the use of the ICE platform. These are accessible at <https://www.theice.com/webinars.jhtml>. Please stay tuned for more information.

11. How will trade price information be handled for these contracts?

Currently real-time and delayed price information for all NYBOT open outcry traded products is available from a variety of sources, including data vendors and NYBOTLIVE, the Exchange's own market data vendor, using the commodity code for each futures contract and the appropriate month/year code. For information about NYBOTLIVE please visit www.nybotlive.com; for a list of NYBOT data vendors, go to www.nybot.com/marketReports/realTimeVendors/indexRealTimeVendors.htm.

Electronically-traded prices for each of these NYBOT products will be disseminated separately from open outcry-traded prices for these contracts through the use of a separate commodity code and the same month/year codes. For example, open outcry prices for the March 2007 Sugar No. 11 futures contract can be found in NYBOTLIVE using the commodity code "SB" and the month/year code "H7"; electronic trading prices for the same contract will be found in NYBOTLIVE using the commodity code "VSB" and the month/year code "H7".

At the end of each trading day, daily open-hi-lo-close and settlement price information will be available for electronic trading and for open outcry trading of each listed contract month.

12. What about settlement prices?

There will be one daily settlement price established for each futures contract month each trading day. Open positions will be marked-to-market each day using this settlement price, regardless of whether the position was initiated via electronic or open outcry trading. The daily settlement price will be determined at the close of the contract's open outcry trading session.

13. What are the trading fees for these contracts?

Exchange and clearing fees for electronic trading of these NYBOT contracts will be identical to fees charged for open outcry trading of these products.

<http://www.nybot.com/marketInfo/exchangeAndClearingFees/indexFees.htm>

14. What about spreads and options on these contracts?

Calendar spreads for each futures contract can be executed electronically. Electronic trading of options on these futures contracts will be added at a later date.

15. Will electronic access to these contracts be available on the NYBOT trading floor?

Absolutely – floor traders and brokers will be key providers of liquidity to the electronic trading system. Trading floor access to the electronic trading system will also allow floor brokers to execute trades in the electronic system on behalf of their customers.