

**SUBMISSION COVER SHEET**

**IMPORTANT:** Check box if Confidential Treatment is requested

**Registered Entity Identifier Code (optional):** 16-186

**Organization:** Chicago Mercantile Exchange Inc. ("CME")

**Filing as a:**     **DCM**         **SEF**         **DCO**         **SDR**

**Please note - only ONE choice allowed.**

**Filing Date (mm/dd/yy):** 05/26/16    **Filing Description:** Amendments to Daily Settlement Procedures for Fifteen (15) CME Equity Contracts

**SPECIFY FILING TYPE**

**Please note only ONE choice allowed per Submission.**

**Organization Rules and Rule Amendments**

- Certification § 40.6(a)
- Approval § 40.5(a)
- Notification § 40.6(d)
- Advance Notice of SIDCO Rule Change § 40.10(a)
- SIDCO Emergency Rule Change § 40.10(h)

**Rule Numbers:** See filing.

**New Product**

**Please note only ONE product per Submission.**

- Certification § 40.2(a)
- Certification Security Futures § 41.23(a)
- Certification Swap Class § 40.2(d)
- Approval § 40.3(a)
- Approval Security Futures § 41.23(b)
- Novel Derivative Product Notification § 40.12(a)
- Swap Submission § 39.5

**Product Terms and Conditions (product related Rules and Rule Amendments)**

- Certification § 40.6(a)
- Certification Made Available to Trade Determination § 40.6(a)
- Certification Security Futures § 41.24(a)
- Delisting (No Open Interest) § 40.6(a)
- Approval § 40.5(a)
- Approval Made Available to Trade Determination § 40.5(a)
- Approval Security Futures § 41.24(c)
- Approval Amendments to enumerated agricultural products § 40.4(a), § 40.5(a)
- "Non-Material Agricultural Rule Change" § 40.4(b)(5)
- Notification § 40.6(d)

**Official Name(s) of Product(s) Affected:**

**Rule Numbers:**

May 26, 2016

**VIA ELECTRONIC PORTAL**

Mr. Christopher J. Kirkpatrick  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, N.W.  
Washington, DC 20581

**RE: CFTC Regulation 40.6(a) Certification. Notification Regarding Amendments to Daily Settlement Procedures for Fifteen (15) CME Equity Contracts.  
CME Submission No. 16-186**

Dear Mr. Kirkpatrick:

Chicago Mercantile Exchange Inc. (“CME” or “Exchange”) hereby notifies the Commodity Futures Trading Commission (“CFTC” or “Commission”) that it is self-certifying amendments the settlement procedures for fifteen (15) CME Equity futures contracts (the “Contracts”) as noted in the table below, effective on Sunday, June 19, 2016 for trade date Monday, June 20, 2016.

The amendments are intended to harmonize the settlement period in the Contracts with the respective close of the related underlying cash markets. The Exchange determined that there is a decline in the liquidity of the Contracts following the cash close of the underlying related equity products. Therefore, the Exchange will amend the settlement period of the Contracts to align the timing with the cash close of the underlying related equity products to capture the most meaningful price discovery volume. Also at this time, the Exchange will implement other amendments which simply harmonize language and process of the Contracts’ settlement procedure documents with other CME Equity futures contracts’ settlement procedure documents.

Additionally, the Exchange is also implementing amendments to the E-mini Russell 1000 Index Futures contract settlement procedure document to harmonize the format and language with the Exchange’s two (2) other E-mini Russell 1000 futures contracts’ settlement procedure documents as well as other CME Equity futures settlement procedure documents. No other changes are being made to the E-mini Russell 1000 Index futures contract settlement procedure document.

Contract Title	Clearing Code	CME Globex Code	Group Code	PRS Code	Current Settle Calc Time	Settle Calc Time as of 6/20/16
E-mini FTSE Developed Europe Index Futures	DVE	DVE	DV	DVE	15:14:30-15:15:00 CT	16:29:30-16:30:00 GMT
E-mini FTSE Emerging Index Futures	EI	EI	EA	EI	15:14:30-15:15:00 CT	14:59:30-15:00:00 CT
E-mini FTSE 100 Index Futures	FT1	FT1	FZ	FT1	15:14:30-15:15:00 CT	14:59:30-15:00:00 CT
E-mini FTSE China 50 Index Futures	FT5	FT5	C5	FT5	15:14:30-15:15:00 CT	14:59:30-15:00:00 CT
E-mini USD Denominated FTSE 100 Index Futures	FTU	FTU	FZ	FTU	15:14:30-15:15:00 CT	14:59:30-15:00:00 CT
USD Denominated Ibovespa Index Futures	IBV	IBV	IB	IBV	15:14:30-15:15:00 CT	14:59:30-15:00:00 CT

E-mini Standard & Poor's MidCap 400 Stock Price Index Futures	ME	EMD	ME	ME	15:14:30-15:15:00 CT	14:59:30-15:00:00 CT
S&P 500 Annual Dividend Index Futures	SDA	SDA	SD	SDA	15:14:30-15:15:00 CT	14:59:30-15:00:00 CT
S&P 500 Quarterly Dividend Index Futures	SDI	SDI	SD	SDI	15:14:30-15:15:00 CT	14:59:30-15:00:00 CT
S&P MLP Total Return Index Futures	SLP	SLP	MP	SLP	15:14:30-15:15:00 CT	14:59:30-15:00:00 CT
E-mini S&P SmallCap 600 Index Futures	SMC	SMC	SC	SMC	15:14:30-15:15:00 CT	14:59:30-15:00:00 CT
E-mini Nifty 50 Index Futures	II	MNF	FN	II	15:14:30-15:15:00 CT	14:59:30-15:00:00 CT
E-mini Russell 1000 Index Futures	RS1	RS1	RL	RS1	15:14:30-15:15:00 CT	No change
E-mini Russell 1000 Growth Futures	RSG	RSG	RG	RSG	15:14:30-15:15:00 CT	14:59:30-15:00:00 CT
E-mini Russell 1000 Value Futures	RSV	RSV	RV	RSV	15:14:30-15:15:00 CT	14:59:30-15:00:00 CT

The Exchange reviewed the designated contract market core principles ("Core Principles") as set forth in the Commodity Exchange Act ("CEA" or "Act") and identified that the amendments may have some bearing on the following Core Principles:

Compliance with Rules: The amendments to the settlement timeframes reflect the most meaningful volume during the settlement period by aligning with the underlying cash close.

Availability of General Information: As required by this Core Principle, the Exchange will publicly issuing a Special Executive Report ("SER") to ensure that market participants have updated guidance and information attendant to the daily settlement procedures. The SER will also be available on the CME Group website.

Daily Publication of Trading Information: The daily settlement prices will continue to be made public in accordance with this Core Principle.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.6(a), the Exchange hereby certifies that the amendments to daily settlement procedures for the Contracts comply with the Act and regulations thereunder. There were no substantive opposing views to this proposal.

The Exchange certifies that this submission has been concurrently posted on the Exchange's website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

If you require any additional information, please e-mail [CMEGSubmissionInquiry@cmegroup.com](mailto:CMEGSubmissionInquiry@cmegroup.com) or contact the undersigned at 212.299.2200.

Sincerely,

/s/Christopher Bowen  
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit A – Amendments to Fifteen (15) CME Settlement Procedure Documents (blackline format)

## **Exhibit A**

# E-mini FTSE Developed Europe Index Futures Daily Settlement Procedure

## **Normal Daily Settlement Procedure**

Daily settlements of the E-mini FTSE Developed Europe Index Futures (DVE) are determined by CME Group staff based on trading and market activity on CME Globex.

### **Lead ~~month~~ Month**

The lead month is the anchor leg for settlements and is the contract expected to be the most active.

**Tier 1:** If the lead month contract trades on Globex between ~~15:14:30 and 15:15:00~~ 14:16:29:30 to 14:16:30:00 London ~~Central~~ Time (~~CGMT~~), the settlement period, then the lead month settles to the volume-weighted average price (VWAP) of the trade(s) during this period.

**Tier 2:** ~~If no trades in the lead month occur on Globex between 14:52:30 and 15:00:00 CT~~ London Time, then the contract month settles to the midpoint of the Low Bid/High Ask of the closing range between 14:52:30 and 15:00:00 CGMT 16:29:30 and 16:30:00 London Time, the settlement period. If no trades in the lead month occur on Globex between 14:59:30 and 15:00:00 ~~15:14:30 and 15:15:00 CT, but there is a market of no more than two ticks wide, then the contract should settle to the TWAP of the midpoints of the bids and asks.~~

**Tier 3:** ~~If a two sided market is not available on Globex during the closing period, then the net change of the cash index will be applied to the prior day settlement.~~

~~**Tier 3:** If a two sided market of no more than two ticks is not available on Globex during the closing period, then the net change of the index will be applied to the prior day settlement.~~

### **~~First Back~~ Second Month**

When the lead month is the expiry month, then the second month is defined as the calendar month immediately following the lead month. When the lead month is not the expiry month, then the second month is defined as the first expiring non-lead month.

**Tier 1:** If the lead month-second month spread trades on Globex between ~~14:25:30 and 14:5:30:00~~ 15:14:30 and 15:15:00 CGMT ~~16:29:30 and 16:30:00 London Time~~, then the spread VWAP is calculated, rounded to the spread's nearest tradable tick and then applied to the lead month settle to derive the second month settle.

**Tier 2:** If there are no spread trades on Globex between ~~14:52:30 and 15:00:00~~ 15:14:30 and 15:15:00 CGMT ~~16:29:30 and 16:30:00 London Time~~, then the last spread trade price is applied to the lead month settle to derive the second month settle.

If the last spread trade is outside of the spread's current bid and ask, then the bid or ask price

that is closer to the last spread trade is applied to the lead month settle to derive the second month settle.

**Tier 3:** If there is no spread market information available, then the prior-day spread relationship is used.

In each of these cases, after the spread differential is applied, the result is rounded to the outright's nearest tradable tick to derive the second month settle.

~~In the absence of a trade during the settlement period the spread will settle to the prior day settlement validated against the low bid/high ask of the spread~~

### **Back monthsMonths**

~~To derive settlements for all remaining months, the preceding contract month's net change is applied to the next contract month's prior-day settlement, provided that this value does not violate the low bid or high ask between 14:52:30 and 15:00:00 CGMT16:29:30 and 16:30:00 London Time for the respective outrights.~~

~~To derive settlements for all remaining months, the second chronological month's net change from its prior-day settlement is applied to the back month contracts' prior-day settlements, provided that this value does not violate the low bid or high ask between 14:59:30 and 15:00:0015:14:30 and 15:15:00 CT for the respective outrights.~~

If you have any questions, please call the CME Global Command Center at 800.438.8616, in Europe at 44.800.898.013, or in Asia at 65.6532.5010.

**Note:** In the event the aforementioned calculations cannot be made or if CME Group staff, in its sole discretion, determines that anomalous activity produces results that are not representative of the fair value of the contract, staff may determine an alternative settlement price.

# E-mini FTSE 100 Index Futures, E-mini USD Denominated FTSE 100 Index Futures, E-mini FTSE China 50 Index Futures, FTSE Emerging Index Futures Daily Settlement Procedure

## Normal Daily Settlement Procedure

Daily settlements of the E-mini FTSE 100 Index Futures (FT1), E-mini USD Denominated FTSE 100 Index Futures (FTU), E-mini FTSE China 50 Index Futures (FT5), ~~FTSE Developed Europe Index Futures (DVE)~~ and the FTSE Emerging Index Futures (EI) are determined by CME Group staff based on trading and market activity on CME Globex.

## Lead ~~month~~ Month

The lead month is the anchor leg for settlements and is the contract expected to be the most active.

**Tier 1:** If the lead month contract trades on Globex between ~~15:14:30 and 15:15:00~~ 14:59:30 and 15:00:00 Central Time (CT), the settlement period, then the lead month settles to the volume-weighted average price (VWAP) of the trade(s) during this period.

**Tier 2:** If no trades in the lead month occur on Globex between 14:59:30 and 15:00:00 CT, then the contract month settles to the midpoint of the Low Bid/High Ask of the closing range between 14:59:30 and 15:00:00 CT, the settlement period. ~~If no trades in the lead month occur on Globex between 14:59:30 and 15:00:00~~ 15:14:30 and 15:15:00 CT, but there is a market of no more than two ticks wide, then the contract should settle to the TWAP of the midpoints of the bids and asks.

**Tier 3:** If a two sided market is not available on Globex during the closing period, then the net change of the cash index will be applied to the prior day settlement.

~~**Tier 3:** If a two sided market of no more than two ticks is not available on Globex during the closing period, then the net change of the index will be applied to the prior day settlement.~~

## ~~First Back~~ Second Month

When the lead month is the expiry month, then the second month is defined as the calendar month immediately following the lead month. When the lead month is not the expiry month, then the second month is defined as the first expiring non-lead month.

**Tier 1:** If the lead month-second month spread trades on Globex between 14:59:30 and 15:00:00 ~~15:14:30 and 15:15:00~~ CT, then the spread VWAP is calculated, rounded to the spread's nearest tradable tick and then applied to the lead month settle to derive the second month settle.

**Tier 2:** If there are no spread trades on Globex between 14:59:30 and 15:00:00 ~~15:14:30 and 15:15:00~~ CT, then the last spread trade price is applied to the lead month settle to derive the second month settle.

If the last spread trade is outside of the spread's current bid and ask, then the bid or ask price that is closer to the last spread trade is applied to the lead month settle to derive the second month settle.

**Tier 3:** If there is no spread market information available, then the prior-day spread relationship is used.

In each of these cases, after the spread differential is applied, the result is rounded to the outright's nearest tradable tick to derive the second month settle.

~~In the absence of a trade during the settlement period the spread will settle to the prior day settlement validated against the low bid/high ask of the spread~~

### **Back months**Months

To derive settlements for all remaining months, the preceding contract month's net change is applied to the next contract month's prior-day settlement, provided that this value does not violate the low bid or high ask between 14:59:30 and 15:00:00 CT for the respective outrights.

~~To derive settlements for all remaining months, the second chronological month's net change from its prior-day settlement is applied to the back month contracts' prior-day settlements, provided that this value does not violate the low bid or high ask between 14:59:30 and 15:00:00 15:14:30 and 15:15:00 CT for the respective outrights.~~

If you have any questions, please call the CME Global Command Center at 800.438.8616, in Europe at 44.800.898.013, or in Asia at 65.6532.5010.

**Note:** In the event the aforementioned calculations cannot be made or if CME Group staff, in its sole discretion, determines that anomalous activity produces results that are not representative of the fair value of the contract, staff may determine an alternative settlement price.

# USD Denominated Ibovespa Index Futures Daily Settlement Procedure

## Normal Daily Settlement Procedure

Daily settlement of USD-Denominated Ibovespa Futures (IBV) is determined by CME Group staff based on trading activity on CME Globex.

### Lead Month

The lead month is the anchor leg for settlements and is the contract expected to be the most active.

**Tier 1:** If the lead month contract trades on Globex between ~~15:14:30 and 15:15:00~~14:59:30 and 15:00:00 Central Time (CT), the settlement period, then the lead month settles to the volume-weighted average price (VWAP) of the trade(s) during this period.

**Tier 2:** If no trades in the lead month occur on Globex between 14:59:30 and 15:00:00 CT, then the contract month settles to the midpoint of the Low Bid/High Ask of the closing range between 14:59:30 and 15:00:00 CT, the settlement period.

~~**Tier 2:** If no trades in the lead month occur on Globex between 14:59:30 and 15:00:0015:14:30 and 15:15:00 CT, then the last trade (or prior settle in the absence of a last trade price) is used to determine whether to settle to the low bid or the high ask.~~

~~If the low bid is higher than the last trade/prior settlement price, then the lead month settles to the bid. If the high ask is lower than the last trade/prior settle, then the lead month settles to the ask. The lead month settles to the last trade/prior settle if it is equal to or between the low bid and the high ask.~~

**Tier 3:** If a two sided market is not available on Globex during the closing period, then the net change of the cash index will be applied to the prior day settlement.

### Second Month

When the lead month is the expiry month, then the second month is defined as the calendar month immediately following the lead month. When the lead month is not the expiry month, then the second month is defined as the first expiring non-lead month.

**Tier 1:** If the lead month-second month spread trades on Globex between 14:59:30 and 15:00:00~~15:14:30 and 15:15:00~~ CT, then the spread VWAP is calculated, rounded to the spread's nearest tradable tick and then applied to the lead month settle to derive the second month settle.

**Tier 2:** If there are no spread trades on Globex between 14:59:30 and 15:00:00~~15:14:30 and 15:15:00~~ CT, then the last spread trade price is applied to the lead month settle to derive the second month



settle.

If the last spread trade is outside of the spread's low bid and high ask, then the bid or ask price that is closer to the last spread trade is applied to the lead month settle to derive the second month settle.

**Tier 3:** If there is no spread market information available, then the prior-day spread relationship is used.

In each of these cases, after the spread differential is applied, the result is rounded to the outright's nearest tradable tick to derive the second month settle.

## Back Months

To derive settlements for all remaining months, the preceding contract month's net change is applied to the next contract month's prior-day settlement, provided that this value does not violate the low bid or high ask between 14:59:30 and 15:00:00 CT for the respective outrights.

~~For any back month contract that requires a settlement, outright and spread market information will be taken into consideration in deriving a daily settlement price. In the absence of any market activity, the lead month net change is applied to the back month contract's prior-day settlement to derive a daily settlement price.~~

**Note:** In the event the aforementioned calculations cannot be made or if CME Group staff, in its sole discretion, determines that anomalous activity produces results that are not representative of the fair value of the contract, staff may determine an alternative settlement price.

# E-mini Standard & Poor's MidCap 400 Stock Price Index Futures Daily Settlement Procedure

## Normal Daily Settlement Procedure

Daily settlement of E-mini S&P MidCap 400 futures (EMD) is determined by CME Group staff based on trading activity on CME Globex.

### Lead ~~month~~ Month

The lead month is the anchor leg for settlements and is the contract expected to be the most active.

**Tier 1:** If the lead month contract trades on Globex between ~~15:14:30 and 15:15:00~~ 14:59:30 and 15:00:00 Central Time (CT), the settlement period, then the lead month settles to the volume-weighted average price (VWAP) of the trade(s) during this period.

**Tier 2:** If no trades in the lead month occur on Globex between 15:14:30 and 15:15:00 14:59:30 and 15:00:00 CT, then the ~~lead~~ contract month settles to the midpoint of the Low Bid/High Ask of the closing range between 14:59:30 and 15:00:00 ~~15:14:30 and 15:15:00~~ CT, the settlement period.

**Tier 3:** If a two sided market is not available on Globex during the closing period, then the net change of the cash index will be applied to the prior day settlement.

### Second ~~month~~ Month

When the lead month is the expiry month, then the second month is defined as the calendar month immediately following the lead month. When the lead month is not the expiry month, then the second month is defined as the first expiring non-lead month.

**Tier 1:** If the lead month-second month spread trades on Globex between 14:59:30 and 15:00:00 ~~15:14:30 and 15:15:00~~ CT, then the spread VWAP is calculated, rounded to the spread's nearest tradable tick and then applied to the lead month settle to derive the second month settle.

**Tier 2:** If there are no spread trades on Globex between 14:59:30 and 15:00:00 ~~15:14:30 and 15:15:00~~ CT, then the last spread trade price is applied to the lead month settle to derive the second month settle.

If the last spread trade is outside of the spread's Low Bid/High Ask, then the bid or ask price that is closer to the last spread trade is applied to the lead month settle to derive the second month settle.

**Tier 3:** If there is no spread market information available, then the prior-day spread relationship is used.

In each of these cases, after the spread differential is applied, the result is rounded to the outright's nearest tradable tick to derive the second month settle.

### Back ~~months~~ Months

To derive settlements for all remaining months, the preceding contract month's net change is applied to the next contract month's prior-day settlement, provided that this value does not violate the low bid or high ask between 14:59:30 and 15:00:00 CT for the respective outrights.

~~For any back month contract that requires a settlement, outright and spread market information will be taken into consideration in deriving a daily settlement price. In the absence of any market activity, the lead month net change is applied to the back month contract's prior-day settlement to derive a daily settlement price.~~

**Note:** In the event the aforementioned calculations cannot be made or if CME Group staff, in its sole discretion, determines that anomalous activity produces results that are not representative of the fair value of the contract, staff may determine an alternative settlement price.

# S&P 500 Annual Dividend Index Futures, S&P 500 Quarterly Dividend Index Futures, and S&P MLP Total Return Index Futures Daily Settlement Procedure

## **Normal Daily Settlement Procedure**

Daily settlement of S&P 500 Annual Dividend Index Futures (SDA), the S&P 500 Quarterly Dividend Index Futures (SDI) and the S&P MLP Total Return Index Futures (SLP) is determined by CME Group staff based on trading activity on CME Globex.

### **Lead ~~month~~ Month**

The lead month is the anchor leg for settlements and is the contract expected to be the most active.

**Tier 1:** If the lead month contract trades on Globex between ~~15:14:30 and 15:15:00~~ 14:59:30 and 15:00:00 Central Time (CT), the settlement period, then the lead month settles to the volume-weighted average price (VWAP) of the trade(s) during this period.

**Tier 2:** If no trades in the lead month occur on Globex between ~~14:59:30 and 15:00:00~~ 14:59:30 and 15:00:00 ~~15:14:30 and 15:15:00~~ CT, then the —contract month settles to the midpoint of the Low Bid/High Ask of the closing range between 14:59:30 and 15:00:00 ~~15:14:30 and 15:15:00~~ CT, the settlement period.

**Tier 3:** If a two sided market is not available on Globex during the closing period, then the net change of the index will be applied to the prior day settlement.

### **Second ~~month~~ Month**

When the lead month is the expiry month, then the second month is defined as the calendar month immediately following the lead month. When the lead month is not the expiry month, then the second month is defined as the first expiring non-lead month.

**Tier 1:** If the lead month-second month spread trades on Globex between ~~14:59:30 and 15:00:00~~ 14:59:30 and 15:00:00 ~~15:14:30 and 15:15:00~~ CT, then the spread VWAP is calculated, rounded to the spread's nearest tradable tick and then applied to the lead month settle to derive the second month settle.

**Tier 2:** If there are no spread trades on Globex between ~~14:59:30 and 15:00:00~~ 14:59:30 and 15:00:00 ~~15:14:30 and 15:15:00~~ CT, then the last spread trade price is applied to the lead month settle to derive the second month settle.

If the last spread trade is outside of the spread's Low Bid/High Ask, then the bid or ask price that is closer to the last spread trade is applied to the lead month settle to derive the second month settle.

**Tier 3:** If there is no spread market information available, then the prior-day spread relationship is used.

In each of these cases, after the spread differential is applied, the result is rounded to the outright's nearest tradable tick to derive the second month settle.

### **Back ~~months~~Months**

To derive settlements for all remaining months, the preceding contract month's net change is applied to the next contract month's prior-day settlement, provided that this value does not violate the low bid or high ask between 14:59:30 and 15:00:00 CT for the respective outrights.

~~For any back month contract that requires a settlement, outright and spread market information will be taken into consideration in deriving a daily settlement price. In the absence of any market activity, the lead month net change is applied to the back month contract's prior-day settlement to derive a daily settlement price.~~

**Note:** In the event the aforementioned calculations cannot be made or if CME Group staff, in its sole discretion, determines that anomalous activity produces results that are not representative of the fair value of the contract, staff may determine an alternative settlement price.

# E-mini S&P SmallCap 600 Index Futures Daily Settlement Procedure

## Normal Daily Settlement Procedure

Daily settlement of E-mini S&P SmallCap 600 futures (SMC) is determined by CME Group staff based on trading activity on CME Globex.

### Lead ~~month~~ Month

The lead month is the anchor leg for settlements and is the contract expected to be the most active.

**Tier 1:** If the lead month contract trades on Globex between ~~15:14:30 and 15:15:00~~ 14:59:30 and 15:00:00 Central Time (CT), the settlement period, then the lead month settles to the volume-weighted average price (VWAP) of the trade(s) during this period.

**Tier 2:** If no trades in the lead month occur on Globex between ~~14:59:30 and 15:00:00~~ 14:59:30 and 15:00:00 CT, ~~contract month settles to the midpoint of the Low Bid/High Ask of the closing range between 14:59:30 and 15:00:00 CT, the settlement period. then the last trade (or prior settle in the absence of a last trade price) is used to determine whether to settle to the current bid or the current ask.~~

**Tier 3:** If a two sided market is not available on Globex during the closing period, then the net change of the cash index will be applied to the prior day settlement.

~~Tier 2: If the current bid is higher than the last trade/prior settlement price, then the lead month settles to the bid. If the current ask is lower than the last trade/prior settle, then the lead month settles to the ask. The lead month settles to the last trade/prior settle if it is equal to or between the current bid and the current ask.~~

### Second ~~month~~ Month

When the lead month is the expiry month, then the second month is defined as the calendar month immediately following the lead month. When the lead month is not the expiry month, then the second month is defined as the first expiring non-lead month.

**Tier 1:** If the lead month-second month spread trades on Globex between ~~14:59:30 and 15:00:00~~ 14:59:30 and 15:00:00 CT, then the spread VWAP is calculated, rounded to the spread's nearest tradable tick and then applied to the lead month settle to derive the second month settle.

**Tier 2:** If there are no spread trades on Globex between ~~14:59:30 and 15:00:00~~ 14:59:30 and 15:00:00 CT, then the last spread trade price is applied to the lead month settle to derive the second month settle.

If the last spread trade is outside of the spread's current bid and ask, then the bid or ask price that is closer to the last spread trade is applied to the lead month settle to derive the second month settle.

**Tier 3:** If there is no spread market information available, then the prior-day spread relationship is used.

In each of these cases, after the spread differential is applied, the result is rounded to the outright's nearest tradable tick to derive the second month settle.

### **Back ~~months~~Months**

To derive settlements for all remaining months, the preceding contract month's net change is applied to the next contract month's prior-day settlement, provided that this value does not violate the low bid or high ask between 14:59:30 and 15:00:00 CT for the respective outrights.

~~For any back month contract that requires a settlement, outright and spread market information will be taken into consideration in deriving a daily settlement price. In the absence of any market activity, the lead month net change is applied to the back month contract's prior-day settlement to derive a daily settlement price.~~

**Note:** In the event the aforementioned calculations cannot be made or if CME Group staff, in its sole discretion, determines that anomalous activity produces results that are not representative of the fair value of the contract, staff may determine an alternative settlement price.

# E-mini Nifty 50 Index Futures Daily Settlement Procedure

## Normal Daily Settlement Procedure

Daily settlements of E-mini Nifty 50 Index Futures (MNF) are determined by CME Group staff based on trading activity on CME Globex.

### Lead Month

The lead month is the anchor leg for settlements and is the contract expected to be the most active.

**Tier 1:** If the lead month contract trades on Globex between ~~15:14:30 and 15:15:00~~ 14:59:30 and 15:00:00 Central Time (CT), then the lead month settles to the volume-weighted average price (VWAP) of the trade(s) during this period.

**Tier 2:** If no trades in the lead month occur on Globex between 14:59:30 and 15:00:00 ~~15:14:30 and 15:15:00~~ CT, then the last trade (or prior settle in the absence of a last trade price) is used to determine whether to settle to the current bid or the current ask.

If the current bid is higher than the last trade/prior settlement price, then the lead month settles to the bid. If the current ask is lower than the last trade/prior settle, then the lead month settles to the ask. The lead month settles to the last trade/prior settle if it is equal to or between the current bid and the current ask.

### Second Month

When the lead month is the expiry month, then the second month is defined as the calendar month immediately following the lead month. When the lead month is not the expiry month, then the second month is defined as the first expiring non-lead month.

**Tier 1:** If the lead month-second month spread trades on Globex between 14:59:30 and 15:00:00 ~~15:14:30 and 15:15:00~~ CT, then the spread VWAP is calculated, rounded to the spread's nearest tradable tick and then applied to the lead month settle to derive the second month settle.

**Tier 2:** If there are no spread trades on Globex between 14:59:30 and 15:00:00 ~~15:14:30 and 15:15:00~~ CT, then the last spread trade price is applied to the lead month settle to derive the second month settle.

If the last spread trade is outside of the spread's current bid and ask, then the bid or ask price that is closer to the last spread trade is applied to the lead month settle to derive the second month settle.

**Tier 3:** If there is no spread market information available, then the prior-day spread relationship is used.

In each of these cases, after the spread differential is applied, the result is rounded to the outright's nearest tradable tick to derive the second month settle.

### Back Months



For any back month contract that requires a settlement, outright and spread market information will be taken into consideration in deriving a daily settlement price. In the absence of any market activity, the lead month net change is applied to the back month contract's prior-day settlement to derive a daily settlement price.

If you have any questions, please call the CME Global Command Center at 800.438.8616, in Europe at 44.800.898.013, or in Asia at 65.6532.5010.

**Note:** In the event the aforementioned calculations cannot be made or if CME Group staff, in its sole discretion, determines that anomalous activity produces results that are not representative of the fair value of the contract, staff may determine an alternative settlement price.

# E-mini Russell 1000 Index Futures Daily Settlement Procedure

## Normal Daily Settlement Procedure

Daily settlements of the E-mini Russell 1000 (RS1) ~~Russell Growth (RSG) and Russell Value (RSV)~~ futures are determined by CME Group staff based on trading and market activity on CME Globex.

### Lead ~~month~~ Month

The lead month is the anchor leg for settlements and is the contract expected to be the most active.

**Tier 1:** If the lead month contract trades on Globex between 15:14:30 and 15:15:00 Central Time (CT), the settlement period, then the lead month settles to the volume-weighted average price (VWAP) of the trade(s) during this period.

**Tier 2:** If no trades in the lead month occur on Globex between 15:14:30 and 15:15:00 CT, then the contract month settles to the midpoint of the Low Bid/High Ask of the closing range between 15:14:30 and 15:15:00 CT, the settlement period.

**Tier 3:** If a two sided market is not available on Globex during the closing period, then the net change of the cash index will be applied to the prior day settlement.

### ~~First Back~~ Second Month

When the lead month is the expiry month, then the second month is defined as the calendar month immediately following the lead month. When the lead month is not the expiry month, then the second month is defined as the first expiring non-lead month.

**Tier 1:** If the lead month-second month spread trades on Globex between 15:14:30 and 15:15:00 CT, then the spread VWAP is calculated, rounded to the spread's nearest tradable tick and then applied to the lead month settle to derive the second month settle.

**Tier 2:** If there are no spread trades on Globex between 15:14:30 and 15:15:00 CT, then the last spread trade price is applied to the lead month settle to derive the second month settle.

If the last spread trade is outside of the spread's Low Bid/High Ask, then the bid or ask price that is closer to the last spread trade is applied to the lead month settle to derive the second month settle.

**Tier 3:** If there is no spread market information available, then the prior-day spread relationship is used.

In each of these cases, after the spread differential is applied, the result is rounded to the outright's nearest tradable tick to derive the second month settle.

### Back ~~months~~ Months

To derive settlements for all remaining months, ~~the second chronological~~ the preceding contract month's net change ~~from its prior-day settlement~~ is applied to the next contract month's prior-day settlements, provided that this value does not violate the low bid or high ask between 15:14:30 and 15:15:00 CT for the respective outrights.

If you have any questions, please call the CME Global Command Center at 800.438.8616, in Europe at 44.800.898.013, or in Asia at 65.6532.5010.

**Note:** In the event the aforementioned calculations cannot be made or if CME Group staff, in its sole discretion, determines that anomalous activity produces results that are not representative of the fair value of the contract, staff may determine an alternative settlement price.

# E-mini Russell 1000 Growth Futures Daily Settlement Procedure

## Normal Daily Settlement Procedure

Daily settlements of the E-mini Russell 1000 (RS1), Russell Growth (RSG) ~~and Russell Value (RSV)~~ futures are determined by CME Group staff based on trading and market activity on CME Globex.

### Lead ~~month~~ Month

The lead month is the anchor leg for settlements and is the contract expected to be the most active.

**Tier 1:** If the lead month contract trades on Globex between ~~15:14:30 and 15:15:00~~ 14:59:30 and 15:00:00 Central Time (CT), the settlement period, then the lead month settles to the volume-weighted average price (VWAP) of the trade(s) during this period.

**Tier 2:** ~~If no trades in the lead month occur on Globex between 14:59:30 and 15:00:00~~ 15:14:30 and 15:15:00 CT, then the ~~—~~ contract month settles to the midpoint of the Low Bid/High Ask of the closing range between ~~14:59:30 and 15:00:00~~ 15:14:30 and 15:15:00 CT, the settlement period.

**Tier 3:** If a two sided market is not available on Globex during the closing period, then the net change of the cash index will be applied to the prior day settlement.

### ~~First Back~~ Second Month

When the lead month is the expiry month, then the second month is defined as the calendar month immediately following the lead month. When the lead month is not the expiry month, then the second month is defined as the first expiring non-lead month.

**Tier 1:** If the lead month-second month spread trades on Globex between 14:59:30 and 15:00:00 ~~15:14:30 and 15:15:00~~ CT, then the spread VWAP is calculated, rounded to the spread's nearest tradable tick and then applied to the lead month settle to derive the second month settle.

**Tier 2:** If there are no spread trades on Globex between 14:59:30 and 15:00:00 ~~15:14:30 and 15:15:00~~ CT, then the last spread trade price is applied to the lead month settle to derive the second month settle.

If the last spread trade is outside of the spread's Low Bid/High Ask, then the bid or ask price that is closer to the last spread trade is applied to the lead month settle to derive the second month settle.

**Tier 3:** ~~In the absence of a trade during the settlement period the spread will settle to the prior day settlement validated against the low bid/high ask of the spread~~ If there is no spread market information available, then the prior-day spread relationship is used.

In each of these cases, after the spread differential is applied, the result is rounded to the outright's nearest tradable tick to derive the second month settle.

## Back ~~months~~Months

To derive settlements for all remaining months, ~~the second chronological~~ the preceding contract month's net change ~~from its prior day settlement~~ is applied to the next contract month's prior-day settlements, provided that this value does not violate the low bid or high ask between 14:59:30 and 15:00:00 ~~15:14:30 and 15:15:00~~ CT for the respective outrights.

If you have any questions, please call the CME Global Command Center at 800.438.8616, in Europe at 44.800.898.013, or in Asia at 65.6532.5010.

**Note:** In the event the aforementioned calculations cannot be made or if CME Group staff, in its sole discretion, determines that anomalous activity produces results that are not representative of the fair value of the contract, staff may determine an alternative settlement price.

# E-mini Russell 1000 Value Futures Daily Settlement Procedure

## Normal Daily Settlement Procedure

Daily settlements of the E-mini Russell 1000 (RS1), Russell Growth (RSG) and Russell Value (RSV) futures are determined by CME Group staff based on trading and market activity on CME Globex.

### Lead ~~month~~ Month

The lead month is the anchor leg for settlements and is the contract expected to be the most active.

**Tier 1:** If the lead month contract trades on Globex between ~~15:14:30 and 15:15:00~~ 14:59:30 and 15:00:00 Central Time (CT), the settlement period, then the lead month settles to the volume-weighted average price (VWAP) of the trade(s) during this period.

**Tier 2:** If no trades in the lead month occur on Globex between ~~14:59:30 and 15:00:00~~ 14:59:30 and 15:00:00 CT, then the ~~contract~~ contract month settles to the midpoint of the Low Bid/High Ask of the closing range between ~~14:59:30 and 15:00:00~~ 14:59:30 and 15:00:00 CT, the settlement period.

**Tier 3:** If a two sided market is not available on Globex during the closing period, then the net change of the cash index will be applied to the prior day settlement.

### ~~First Back~~ Second ~~Month~~

When the lead month is the expiry month, then the second month is defined as the calendar month immediately following the lead month. When the lead month is not the expiry month, then the second month is defined as the first expiring non-lead month.

**Tier 1:** If the lead month-second month spread trades on Globex between ~~14:59:30 and 15:00:00~~ 14:59:30 and 15:00:00 CT, then the spread VWAP is calculated, rounded to the spread's nearest tradable tick and then applied to the lead month settle to derive the second month settle.

**Tier 2:** If there are no spread trades on Globex between ~~14:59:30 and 15:00:00~~ 14:59:30 and 15:00:00 CT, then the last spread trade price is applied to the lead month settle to derive the second month settle.

If the last spread trade is outside of the spread's Low Bid/High Ask, then the bid or ask price that is closer to the last spread trade is applied to the lead month settle to derive the second month settle.

**Tier 3:** If there is no spread market information available, then the prior-day spread relationship is used.

In each of these cases, after the spread differential is applied, the result is rounded to the outright's nearest tradable tick to derive the second month settle.

~~Tier 4: In the absence of a trade during the settlement period the spread will settle to the prior day settlement validated against the low bid/high ask of the spread~~

### Back ~~months~~ Months

To derive settlements for all remaining months, ~~the second chronological~~ the preceding contract month's net change ~~from its prior-day settlement~~ is applied to the next contract month's prior-day settlements, provided that this value does not violate the low bid or high ask between 14:59:30 and 15:00:00 ~~15:14:30 and 15:15:00~~ CT for the respective outrights.

If you have any questions, please call the CME Global Command Center at 800.438.8616, in Europe at 44.800.898.013, or in Asia at 65.6532.5010.

**Note:** In the event the aforementioned calculations cannot be made or if CME Group staff, in its sole discretion, determines that anomalous activity produces results that are not representative of the fair value of the contract, staff may determine an alternative settlement price.