



Confidential Treatment Requested by the Small Exchange, Inc.

November 21, 2024

VIA ELECTRONIC PORTAL

Mr. Christopher J. Kirkpatrick
Secretary of the Commission
Commodity Futures Trading Commission
Three Lafayette Center
1155 21st Street NW
Washington, DC 20581

Re: SMFE 2024-011 - Weekly Notification of Rule Amendments - Delisting of all Small 10-Year US Treasury Yield Index Futures Contracts - Submission Pursuant to CFTC Regulation 40.6(d)

Dear Mr. Kirkpatrick:

Pursuant to Section 5c(c)1 of the Commodity Exchange Act, as amended (the "Act") and Commodity Futures Trading Commission ("Commission") Regulation 40.6(d), Small Exchange, Inc. (the "Exchange") submits notice to the Commission that, effective as of the close of business November 22, 2024, the Exchange will have delisted all Small 10-Year US Treasury Yield Index Futures Contracts. As of this date, the contracts being delisted will have no open interest and no new eligible contract dates will be listed going forward. Rulebook deletions are attached as Exhibit A, with an effective date of November 22, 2024.

The Exchange certifies that, as of the effective date of this filing, a copy of this submission will be posted on the Exchange's website and may be accessed at www.smallexchange.com. If you have any questions or need further information, please contact the undersigned at (312) 757-3673, or via email at nicolette.kmiecik@thesmallexchange.com.

Regards,

/s/

Nicolette Kmiecik
Chief Regulatory Officer | General Counsel
(312) 757-3673

Enclosed: Exhibit A

Exhibit A

(additions underlined; deletions ~~overstruck~~)

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Chapter 34: ~~Small 10-Year US Treasury Yield Index Futures Contracts~~ Reserved

34001. ~~Scope of Chapter~~

~~This chapter is limited in application to Small 10-Year US Treasury Yield Index Futures Contracts (“Contract” or “Contracts”). The provisions of these rules shall apply to all Contracts bought or sold on the Exchange for cash settlement based on the Floating Price, as defined herein. The procedures for trading, clearing and cash settlement of Contracts and any other matters not specifically covered herein, shall be governed by the Rules of the Exchange.~~

34002. ~~Contract Specifications~~

~~The Floating Price for each Contract is based on the Small 10-Year US Treasury Yield Index (“Index”), an average of the constant maturity on the run 10-year U.S. Treasury yield. The Index is expressed as the computed yield multiplied by 1,000.~~

34003. ~~Trading Specifications~~

~~The number of months open for trading at a given time shall be determined by the Exchange.~~

~~34003.A. Trading Schedule~~

~~The hours of trading for this Contract shall be determined by the Exchange.~~

~~34003.B. Trading Unit~~

~~The trading unit is equal to \$100 times the Index.~~

~~34003.C. Price Increments~~

~~Stated in decimals, to two decimal points in U.S. dollars and cents. Prices will be available during all trading hours. Tick sizes are 0.01 Index points equal to \$1.00 per Contract.~~

~~34003.D. Daily Price Limits~~

~~The Exchange uses intraday and daily price limits to ensure its markets work in an efficient and orderly manner during large, unexpected movements and increased volatility. The Exchange employs two intraday limits of 2.50 (250 ticks) and 5.00 (500 ticks) and a daily limit of 6.50 (650 ticks) all using the Contract’s previous day’s Daily Settlement, as described below:~~

- Once an intraday price limit is reached, the following actions take place over the next three (3) minutes:
 - The market enters a “paused” state for all Contracts that are based on the Index for one (1) minute, with no order matching or trades occurring. Only order cancellations are allowed. New and replace orders are rejected by the Trading System.
 - During the second minute, the market enters the “pre-open” state for all Contracts that are based on the Index, where no orders match and no Trades occur, but orders on opposite sides of the market may cross. Limit, Stop and Stop Limit order types are accepted with a time in force of Good Till Cancelled (“GTC”) or Day. Orders can also be canceled or replaced. Market, Fill or Kill (“FOK”) and Immediate or Cancel (“IOC”) orders are rejected by the Trading System.
 - In the third minute, the market enters a “pre-open no cancel” state for all Contracts that are based on the Index, where no orders match and no Trades occur, but orders on opposite sides of the market may cross. Limit, Stop and Stop Limit order types are accepted with a time in force of GTC or Day. Cancel and replace requests will not be accepted. Market, FOK and IOC orders are rejected by the Trading System.
 - At the end of the third minute, the market enters an “open” state for all Contracts that are based on the Index, with regular price-time priority matching in effect, and all supported orders are accepted. Upon reopening, the Exchange does not calculate or disseminate an opening print.
 - Once the market enters an “open” state after an intraday limit of 2.50 has been reached on the up (down) side, all Contracts that are based on the Index will be subject, for the remainder of the Business Day, only to an intraday limit of 5.00 and a daily limit of 6.50 on the up (down) side all using the Contract’s previous day’s Daily Settlement.
 - Once the market enters an “open” state after an intraday limit of 2.50 has been reached on the up (down) side, all Contracts that are based on the Index will be subject, for the remainder of the Business Day, only to a daily limit of 6.50 on the up (down) side all using the Contract’s previous day’s Daily Settlement.
- In the event that an intraday price limit is reached within three (3) minutes of the Exchange’s market close time, the Exchange shall not reopen all Contracts that are based on the Index. The Exchange will publish a Daily Settlement or a Final Settlement on the Contract’s day of expiration, as appropriate, using the process set forth in Exchange Rule 904 and the intraday price limit pause time as the Exchange’s market close time for the purposes of such process.
- The market cannot trade at prices 6.50 above or below the Contract’s previous day’s Daily Settlement. This is a pre-order validation that prevents the acceptance of

orders at such prices in such circumstances. Further, the Contract shall not trade or settle at a price below \$0.01.

34003.E. Position Limits, Exemptions, Accountability Levels and Reportable Levels

Position limits for the Contracts are 5,000 Contracts five (5) Business Days prior to expiration.

Position accountability levels for the Contracts are 10,000.

Reportable levels for the Contracts are 300.

Position limits, accountability levels, exemptions and reportable levels are set forth in Exchange Rule 521, "Position Limits, Accountability Levels and Reportable Levels". Refer to Exchange Rule 522 for requirements concerning position limits, accountability levels, and reportable levels.

34003.F. Termination of Trading

Trading shall cease on the last Business Day in the contract month, which is the third Friday of the month at 3:00:00PM CT. If that day falls on a holiday, the last trading day is the first business day preceding the third Friday.

~~34004. Settlement Procedures~~

~~Contracts will be cash settled.~~

34004.A. Daily Settlement of the Front Month

Daily Settlement of the Front Month shall follow the process as described in Rule 904, unless such day falls on a day which is a federal holiday and on which the bond markets are closed. In such a case, if a Trade occurs in the last sixty (60) seconds of the Contract's Trading Hours, the Daily Settlement for the front month will be calculated using the volume weighted average price ("VWAP") of such Trades, rounded to the nearest tradable tick, or \$0.01. If there are no Trades during this time, the Exchange will use the last Trade in the Contract for the Daily Settlement.

34004.B. Final Settlement Value

On the day of expiration, the Final Settlement of the Contract will be determined pursuant to the process set forth in Exchange Rule 904.

34004.C. Final Settlement

Clearing Members holding open positions in an expiring Contract at its termination of trading shall make payment to or receive payment from the Clearing House in accordance with normal variation margin procedures based on such expiring Contract's Final Settlement.

34004.D. Conflict with Exchange Rule 904

If there is any conflict between this Chapter and Exchange Rule 904, with respect to application of Exchange Rule 904 to the trading, clearing and cash settlement of Contracts, this Chapter shall govern.

34005. ~~Disclaimer~~

~~NEITHER THE SMALL EXCHANGE, INC. AND/OR ITS AFFILIATES GUARANTEES THE ACCURACY AND/OR COMPLETENESS OF THE INDEX OR ANY OF THE DATA INCLUDED THEREIN.~~

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**Exhibit A
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Chapter 34: Reserved