

## SUBMISSION COVER SHEET

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

Registered Entity Identifier Code (optional): 22-100 (7 of 10)

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

Filing as a:  DCM  SEF  DCO  SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 04/07/2022 Filing Description: Initial Listing of Tuesday and Thursday Options on E-mini® Standard and Poor's 500 Stock Price Index Futures Contracts

### SPECIFY FILING TYPE

Please note only ONE choice allowed per Submission.

#### Organization Rules and Rule Amendments

- |                          |                                     |            |
|--------------------------|-------------------------------------|------------|
| <input type="checkbox"/> | Certification                       | § 40.6(a)  |
| <input type="checkbox"/> | Approval                            | § 40.5(a)  |
| <input type="checkbox"/> | Notification                        | § 40.6(d)  |
| <input type="checkbox"/> | Advance Notice of SIDCO Rule Change | § 40.10(a) |
| <input type="checkbox"/> | SIDCO Emergency Rule Change         | § 40.10(h) |

#### Rule Numbers:

##### New Product

Please note only ONE product per Submission.

- |                                     |                                       |            |
|-------------------------------------|---------------------------------------|------------|
| <input checked="" type="checkbox"/> | Certification                         | § 40.2(a)  |
| <input type="checkbox"/>            | Certification Security Futures        | § 41.23(a) |
| <input type="checkbox"/>            | Certification Swap Class              | § 40.2(d)  |
| <input type="checkbox"/>            | Approval                              | § 40.3(a)  |
| <input type="checkbox"/>            | Approval Security Futures             | § 41.23(b) |
| <input type="checkbox"/>            | Novel Derivative Product Notification | § 40.12(a) |
| <input type="checkbox"/>            | Swap Submission                       | § 39.5     |

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

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

Official Name(s) of Product(s) Affected: Options on E-mini® Standard and Poor's 500 Stock Price Index Futures

Rule Numbers: 358A



Christopher Bowen  
Managing Director and Chief Regulatory Counsel  
Legal Department

April 7, 2022

**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 40.2(a) Certification. Initial Listing of Tuesday and Thursday Options on E-mini® Standard and Poor's 500 Stock Price Index Futures Contracts. CME Submission No. 22-100 (7 of 10)**

Dear Mr. Kirkpatrick:

Chicago Mercantile Exchange Inc. (“CME” or “Exchange”) certifies to the Commodity Futures Trading Commission (“CFTC” or “Commission”) the initial listing of Tuesday and Thursday Options on E-mini® Standard and Poor's 500 Stock Price Index Futures (Week 1 through Week 5) contracts (as set out in the table below (the “Contracts”), for trading on the CME Globex electronic trading platform (“CME Globex”) and for submission for clearing via CME ClearPort effective on Sunday, April 24, 2022 for trade date Monday, April 25, 2022.

In a separate but related matter, via CME Submission No. 22-141 also dated April 7, 2022, CME is concurrently amending chapter 358A (“Options on E-mini® Standard and Poor's 500 Stock Price Index Futures”) as it relates to all options on E-mini Standard & Poor's 500 Stock Price Index Futures contracts with the exception of quarterly options to: (a) delete language in Tier 3 which references the previously delisted Standard and Poor's 500 Stock Price Index Futures contract (formerly, CME Rulebook Chapter 351) (see [CME Submission 21-344](#) dated August 6, 2021); and (b) add procedural language for the establishment of a Fixing Price when insufficient trading in the underlying future prevents the calculation of such Fixing Price prior to the final settlement of the underlying future. In other words, if a European-style option expires during market duress and its underlying future also expires before the return of a normal market, then the settlement price (the “SOQ”) for the future will be used as a proxy or replacement for the Fixing Price.

**Section 1 - Contract Specifications**

**Tuesday Weekly Options on E-mini® Standard and Poor's 500 Stock Price Index Futures – Week 1 through Week 5 (European-Style)**

**Thursday Weekly Options on E-mini® Standard and Poor's 500 Stock Price Index Futures – Week 1 through Week 5 (European-Style)**

Underlying Futures Contract/Commodity Code	Each option is exercisable into one E-mini Standard and Poor's 500 Stock Price Index Futures / ES
Trading Unit	\$50 x E-mini Standard and Poor's 500 Stock Price Index
Rulebook Chapter	358A

Trading and Clearing Hours	<b>CME Globex:</b> Pre-open: Sunday 5:00 p.m. - 6:00 p.m. Eastern Time/ET Monday – Thursday 5:45 p.m. - 6:00 p.m. ET Open: Sunday 6:00 p.m. – Friday 5:00 p.m. ET with a daily maintenance period from 5:00 p.m. - 6:00 p.m. ET <b>CME ClearPort:</b> Sunday 6:00 p.m. - Friday 6:45 p.m. ET with no reporting Monday - Thursday 6:45 p.m. – 7:00 p.m. ET
CME Globex and CME ClearPort Code	Tuesday Weekly Options on E-mini Standard and Poor's 500 Stock Price Index Futures: E1B, E2B, E3B, E4B, E5B Thursday Weekly Options on E-mini Standard and Poor's 500 Stock Price Index Futures: E1D, E2D, E3D, E4D, E5D
Listing Schedule	Tuesday weekly contracts listed for 1 week Thursday weekly contracts listed for 1 week
Termination of Trading	Trading of Tuesday Weekly Options terminates at 4:00 p.m. ET on Tuesday of the contract week Trading of Thursday Weekly Options terminates at 4:00 p.m. ET on Thursday of the contract week
Minimum Price Increment	Regular tick: 0.25 index points = \$12.50 for premium above 5.00 index points Reduced tick: 0.05 index points = \$2.50 for premium below 5.00 index points
Price Basis	Prices are quoted and traded in Index points
Block Minimum Threshold	250 contracts - subject to a 15-minute reporting window
Strike Price Listing Schedule	100 index point integer multiples: -50% to +30% of the prior day's settlement price on the underlying future contract, when listed 50 index point integer multiples: -40% to +20% of the prior day's settlement price on the underlying future contract (<366 DTE) 10 index point integer multiples: -25% to +10% of the prior day's settlement price on the underlying future contract (<186 DTE) 5 index point integer multiples: -15% to +5% of the prior day's settlement price on the underlying future contract (<35 DTE) Dynamic strike allowed on 5 point intervals
Exercise Procedure	European Style. Exercisable only on expiration day. Contrarian instructions are prohibited.
Settlement at Expiration	Option exercise results in a position in the underlying cash-settled futures contract. Options which are in-the-money on the last day of trading are automatically exercised. A 4:00 p.m. ET price fixing based on the weighted average traded price fixing (symbol ESF) of the E-mini Standard and Poor's 500 Stock Price Index futures in the last 30 seconds of trading on expiration day (3:59:30 p.m.-4:00:00 p.m. ET) will be used to determine which options are in-the-money.
Settlement Method	Deliverable
CME Globex Matching Algorithm	F: First In, First Out (FIFO)

## Section 2 - Index Administration and Governance

The S&P 500 index is administered, calculated, and published by S&P Dow Jones Indices LLC (“S&P DJI”), a part of S&P Global Inc. Created in 1957, it was the first US market-capitalization-weighted stock price index. Index constituents include approximately 500 leading US companies and capture approximately 80% coverage of US market capitalization.

The index is reconstituted annually and rebalanced after close of trading in US equity markets on the third Friday of every March Quarterly month. Each index constituent firm must meet the following criteria at the time of such rebalancing.<sup>1</sup>

<sup>1</sup> The following paragraphs on index methodology are adapted from S&P U.S. Indices Methodology, S&P Dow Jones Indices, January 2021, available via ‘Methodology’ at: <https://www.spglobal.com/spdji/en/index-family/equity/us-equity/us-market-cap/#overview>  
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Listing Universe	US company
Market Capitalization	At least \$13.1 bln
Tradable Supply	At least 10% of shares outstanding must be available for trading.
Financial Viability	Positive as-reported earnings, both for the most recent quarter and for the most recent four quarters in aggregate
Liquidity and Price	Highly tradable common stock, with active and deep markets.

As of January 27, 2022, the index comprises 505 constituent firms, with aggregate market capitalization of \$36.8 trillion. The following statistics describe the distribution of index constituents in terms of their individual market capitalizations (in \$ mln).<sup>2</sup>

Largest	2,709,024
Average	77,103
Median	31,301
Smallest	3,374

The largest single constituent signifies 7.05% of index weight. The largest 10 constituents represent 28.6% of index weight.

### Section 3 – Index Evaluation

The Commodity Exchange Act (“CEA” or the “Act”) requires that security futures products, defined to comprise single stock futures and futures on narrow-based security indexes, shall be subject to the joint jurisdiction of the CFTC and the Securities Exchange Commission (“SEC”). Futures products for which the underlying references are broad-based security indexes remain under the sole jurisdiction of the CFTC.

Section 1a(35) of the Act defines a narrow-based index to be an index

- (i) which has nine (9) or fewer component securities; or
- (ii) in which any component security comprises more than 30 percent of the index’s weighting; or
- (iii) in which the 5 highest weighted component securities in the aggregate represent more than 60 percent of the index’s weighting; or
- (iv) in which the lowest weighted component securities comprising, in the aggregate, 25 percent of the index’s weighting have an aggregate dollar value of average daily trading volume of less than \$50,000,000 (or in the case of an index with 15 or more component securities, less than \$30,000,000).

The S&P 500 Index fails to meet any of the criteria for consideration as a narrow-based index. The Exchange has determined, therefore, that S&P 500 Index Futures shall be listed for trading under the sole jurisdiction of the CFTC.

In respect of criterion (i), as of January 27, 2022, the number of Index components was 505 for the S&P 500 Index. The number of Index constituents exceeds the 9-security minimum threshold.

<sup>2</sup> All statistics referenced herein are drawn from the S&P 500® Factsheet as of February 28, 2022, S&P Dow Jones Indices, available at: <https://www.spglobal.com/spdji/en/indices/equity/sp-500/#overview>

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In respect of criteria (ii), (iii), and (iv), Exhibit 2 displays summary statistics of daily data for the interval July 26, 2021 through January 25, 2022.

### Exhibit 2 – CEA Section 1a(35) Narrow-Based Index Test for the Index

Quantiles of empirical distributions of daily measures of index characteristics, July 26, 2021 to January 25, 2022  
 (“SPX” = S&P 500 Index)

	Criterion (ii) Index weight of largest index component (pct)	Criterion (iii) Aggregate index weight of largest 5 index components (pct)	Criterion (iv) Trading volume of smallest index components aggregating to 25 pct of index weight (\$ billions / day)
	S&P 500	S&P 500	S&P 500
<i>Maximum</i>	7.05%	21.69%	\$94,009,383,010
<i>75 Pctl</i>	6.75%	20.94%	\$29,430,704,490
<i>Median</i>	6.29%	20.60%	\$24,244,583,989
<i>25 Pctl</i>	6.11%	20.29%	\$22,230,009,963
<i>Minimum</i>	5.99%	19.97%	\$15,615,234,111

Data Source: Bloomberg LLC

For criterion (ii), the share of Index weight occupied by the largest component stock, test results appear in the left-hand panel of Exhibit 2. The entire distribution of daily outcomes resides well below the 30 percent threshold that would signify a narrow-based index. At no point does the Index’s largest component stock even account for more than 7.1 percent of Index weight.

Similar results obtain for criterion (iii), shown in the middle panel of Exhibit 2. The distribution of aggregate weight of the Index’s largest five component stocks also lies well below the 60 percent threshold that would characterize a narrow-based index. In no instance do the largest five members of the Index account for more than 22 percent of Index weight.

Summary statistics for distributions of trading volume, shown in Exhibit 2’s right-hand panel, demonstrate that the Index is not narrow-based in the sense of criterion (iv). The test procedure is to rank the Index’s component stocks from smallest market capitalization to largest, then to identify Index components with smallest market capitalizations in sufficient number to account for 25 percent of Index weight. If the representative aggregate daily trading volume of such identified Index components were less than \$30 million, then the Index would be considered narrow-based.

For this Index, the typical pace of such trading volume consistently exceeds \$15 billion per day.

### Exhibit 3 – Daily Total Volume of Stocks in S&P 500 Index

Quantiles of Total Volume Traded in the S&P 500 Index December 27, 2021 to January 25, 2022.

Date	Open	High	Low	Close	Adj Close	Volume
12/27/2021	4,734	4,791	4,734	4,791	4,791	2,264,120,000
12/28/2021	4,795	4,807	4,780	4,786	4,786	2,217,050,000
12/29/2021	4,789	4,804	4,778	4,793	4,793	2,369,370,000
12/30/2021	4,794	4,809	4,775	4,779	4,779	2,390,990,000
12/31/2021	4,775	4,787	4,766	4,766	4,766	2,446,190,000
1/3/2022	4,778	4,797	4,758	4,797	4,797	2,775,190,000
1/4/2022	4,805	4,819	4,774	4,794	4,794	3,641,050,000
1/5/2022	4,788	4,798	4,699	4,701	4,701	3,733,540,000
1/6/2022	4,693	4,725	4,671	4,696	4,696	3,371,250,000
1/7/2022	4,698	4,708	4,663	4,677	4,677	3,279,870,000
1/10/2022	4,655	4,673	4,582	4,670	4,670	3,621,800,000

1/11/2022	4,669	4,714	4,638	4,713	4,713	3,421,600,000
1/12/2022	4,729	4,749	4,707	4,726	4,726	3,060,040,000
1/13/2022	4,734	4,744	4,650	4,659	4,659	3,539,830,000
1/14/2022	4,638	4,665	4,615	4,663	4,663	3,483,530,000
1/18/2022	4,632	4,632	4,569	4,577	4,577	3,324,960,000
1/19/2022	4,588	4,612	4,530	4,533	4,533	3,387,370,000
1/20/2022	4,547	4,602	4,478	4,483	4,483	3,473,060,000
1/21/2022	4,471	4,495	4,395	4,398	4,398	3,945,810,000
1/24/2022	4,356	4,417	4,223	4,410	4,410	5,172,540,000
1/25/2022	4,367	4,411	4,287	4,356	4,356	3,989,420,000
					ADV	3,316,129,545

Data Source: [finance.yahoo.com](http://finance.yahoo.com)

## Section 4 -- Compliance with Core Principles

The Exchange has reviewed the designated contracts market core principles (“Core Principles”) as set forth in the Act and has identified that the Contracts may bear upon the following Core Principles:

### **Core Principle 2 – Compliance with Rules**

Trading in the Contracts shall be subject to CME Rulebook Chapter 4, which includes prohibitions against fraudulent, noncompetitive, unfair, and abusive practices. Additionally, trading in this Contract shall be subject to the Exchange’s trade practice rules, the majority of which are contained in Chapter 5 and Chapter 8 of the CME Rulebook. Trading activity in this Contract shall be subject to monitoring and surveillance by CME Group’s Market Regulation Department, which has the authority to exercise its investigatory and enforcement power where potential rule violations are identified.

### **Core Principle 3 – Contracts Not Readily Subject to Manipulation**

The Contracts are not readily subject to manipulation due to the deep liquidity and robustness in the underlying cash and futures market, which provides diverse participation and sufficient spot transactions.

The underlying reference Index is judged to be sufficiently broad in definition and scope to deter attempted cornering, manipulation, crowding, or exertion of undue influence upon final settlements of expiring Contracts.

As of January 27, 2022, the Index had a market capitalization of \$36.8 trillion.

### **Core Principle 4 – Prevention of Market Disruption**

Trading in the Contracts shall be subject to CME Rulebook Chapter 4, which includes prohibitions on manipulation, price distortion, and disruption to the expiration and assignment process. As with any new product listed for trading on a CME Group designated contract market, trading activity in the Contract certified herein shall be subject to monitoring and surveillance by CME Group’s Market Regulation Department.

As with any new product that is listed on a CME Group designated contract market and that references a broad-based index of US equity share prices, moreover, trading in the Contracts shall be subject to price limits that are harmonized with the US equity market-wide limit-up-limit-down mechanism set forth in the “Plan to Address Extraordinary Market Volatility Submitted to the Securities and Exchange Commission Pursuant to Rule 608 of Regulation NMS under the Securities Exchange Act of 1934”<sup>3</sup> and implemented under, eg, New York Stock Exchange Rule 7.12 for Trading Halts Due to Extraordinary Volatility or under Nasdaq Stock Market Rule 4121 for Trading Halts Due to Extraordinary Volatility.

<sup>3</sup> Exhibit A, Securities Exchange Act Release No 67091, 31 May 2012 (77 FR 33498, 6 June 2012), as amended from time to time (U.S. Securities and Exchange Commission, SRO Rulemaking, National Market System Plans, File 4-631).

S&P indices are covered under Section 9, S&P Obligations, paragraph (a) in the License Agreement dated June 29, 2012 made by and between Standard & Poor's Financial Services LLC and the Chicago Mercantile Exchange, Inc.

S&P OBLIGATIONS. (a) Regulatory Approvals or Investigations. S&P shall reasonably assist CME in connection with the preparation of factual materials for presentation to the CFTC, or any other governmental entity, in connection with any application by CME for approval to trade any of the Indexed Contracts licensed hereunder, or any investigations or hearings regarding any such Indexed Contracts.

#### ***Core Principle 5 – Position Limits or Accountability***

The Contracts shall be subject to a Position Reporting Level of 25 contracts and to an All-Month Position Limit of 300,000 contracts. Accordingly, as of market close on January 27, 2021, a hypothetical 300,000-contract position would have signified notional Index exposure around \$64.98 bln (equal to (4,332.30 Index points) x (\$50 per Index point per contract) x (300,000 contracts)), representing less than 0.18% of Index market capitalization (\$36.8 trln).

#### ***Core Principle 7 – Availability of General Information***

The Exchange shall disseminate a Special Executive Report (“SER”) that sets forth information with regard to specifications, terms, and conditions of the Contracts. In addition to such SER, daily trading volume, open interest, and price information for the Contracts shall be published on the CME Group website.

#### ***Core Principle 8 – Daily Publication of Trading Information***

The Exchange shall publish trading volumes, open interest levels, and price information daily of the Contracts on the CME Group website and through quote vendors.

#### ***Core Principle 9 – Execution of Transactions***

The Contracts will be listed for trading on the CME Globex electronic trading platform and for submission of clearing via CME ClearPort. CME Globex provides for competitive and open execution of transactions and affords the benefits of reliability and global connectivity.

#### ***Core Principle 10 – Trade Information***

All requisite trade information shall be included in the audit trail and will suffice for the Market Regulation Department to monitor for market abuse.

#### ***Core Principle 11 – Financial Integrity of Transactions***

The Contracts shall be cleared by CME Clearing, which is registered with the Commission as a derivative clearing organization, and which is subject to all CFTC regulations related thereto.

#### ***Core Principle 12 – Protection of Markets and Market Participants***

Chapters 4 and 5 in the CME Rulebook set forth multiple strictures that preclude intermediaries from disadvantaging their customers. These Rules apply to trading in the Exchange's competitive trading venues and will apply to transactions in the Contracts.

#### ***Core Principle 13 – Disciplinary Procedures***

Chapter 4 of the CME Rulebook provide for the Exchange to discipline, suspend, or expel members or market participants who violate the rules of the Exchange. Trading in the Contracts shall be subject to these provisions. The Exchange's Market Regulation Department has the authority to exercise its powers of enforcement, in the event that rule violations in the Contract are identified.

#### ***Core Principle 14 – Dispute Resolution***

Disputes in respect of the Contracts shall be subject to the arbitration provisions set forth in Chapter 6 of both the CME Rulebook, which allow all nonmembers to submit to arbitration claims for financial loss resulting from transactions on the Exchange. Pursuant to these provisions, any member named as a

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respondent in any such claim submitted by a nonmember is required to participate in arbitration proceedings. Additionally, the Exchange requires members to resolve via arbitration all disputes concerning transactions on the Exchange.

The Exchange hereby certifies that the Contracts comply with the Act, including regulations under the Act. There were no substantive opposing views to this proposal.

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

Should you have any questions concerning the above, please contact the undersigned at (212) 299-2200 or via e-mail at [CMEGSubmissionInquiry@cmegroup.com](mailto:CMEGSubmissionInquiry@cmegroup.com).

Sincerely,

/s/ Christopher Bowen  
Managing Director and Chief Regulatory Counsel

Attachments: Appendix A Amendments to CME Rulebook Chapter 358A (blackline format)  
Appendix B Position Limit, Position Accountability, and Reportable Level Table in Chapter 5 of the CME Rulebook (attached under separate cover)  
Appendix C CME Rule 588.H. – (“Globex Non-Reviewable Trading Ranges”) Table  
Appendix D CME Rule 589. – Special Price Fluctuation Limits and Daily Price Limits Table  
Appendix E Exchange Fees



## **Appendix A**

### **CME Rulebook**

#### **Chapter 358A**

#### **Options on E-mini<sup>®</sup> Standard and Poor's 500 Stock Price Index Futures**

##### **358A00. SCOPE OF CHAPTER**

This chapter is limited in application to options on E-mini Standard and Poor's 500 Stock Price Index futures ("E-mini S&P 500 Index futures" or "futures"). In addition to this chapter, options on futures shall be subject to the general rules and regulations of the Exchange as applicable.

Unless otherwise specified, times referenced herein shall refer to and indicate Chicago time.

##### **358A00.A. Primary Listing Exchange**

For the purposes of this chapter a Primary Listing Exchange shall be as defined in the "Plan to Address Extraordinary Market Volatility Submitted to the Securities and Exchange Commission Pursuant to Rule 608 of Regulation NMS Under the Securities Exchange Act of 1934" approved 31 May 2012 by the U.S. Securities and Exchange Commission ("SEC"), as amended from time to time (SEC, SRO Rulemaking, National Market System Plans, File 4-631).

##### **358A00.B. Regulatory Halt**

For the purposes of this chapter a Regulatory Halt shall be as defined in the "Plan to Address Extraordinary Market Volatility Submitted to the Securities and Exchange Commission Pursuant to Rule 608 of Regulation NMS Under the Securities Exchange Act of 1934" approved 31 May 2012 by the SEC, as amended from time to time (SEC, SRO Rulemaking, National Market System Plans, File 4-631) and as implemented under New York Stock Exchange Rule 7.12 for Trading Halts Due to Extraordinary Volatility or under Nasdaq Stock Market Rule 4121 for Trading Halts Due to Extraordinary Volatility.

##### **358A01. OPTIONS CHARACTERISTICS**

##### **358A01.A. Contract Months, Trading Hours, and Trading Halts**

Options shall be listed for expiration on such dates and shall be scheduled for trading during such hours as may be determined by the Exchange, *provided that* there shall be no trading in options when trading is halted in the Primary Futures Contract Month for E-mini S&P 500 Index futures pursuant to Rule 35802.I.

In accordance with Rule 35802.I. the Exchange shall determine, in its sole discretion, the futures delivery month that represents such Primary Futures Contract.

##### **358A01.B. Trading Unit**

The trading unit shall be an option to buy in the case of a call, or to sell in the case of a put, one E-mini S&P 500 Index futures contract (Chapter 358).

##### **358A01.C. Minimum Fluctuations**

Option prices shall be quoted in Index points. Each Index point shall represent \$50.00 per option contract.

Subject to Rule 358A01.C.1., the minimum price fluctuation shall be 0.25 Index points (equal to \$12.50 per option contract), *provided that* trades at price levels equal to or less than 5.00 Index points may occur at price levels that are integer multiples of 0.05 Index points (equal to \$2.50 per option contract), and *provided that* trade may occur at a price level of 0.05 Index points irrespective of whether such trade results in the liquidation of positions for both parties to such trade.

##### **1. Option Spreads and Combinations**

Any option contract that trades as a component of a spread or combination shall be traded at a price that conforms to the applicable minimum price fluctuation as set forth in this Rule, *provided that* for any option spread or combination that trades at a net premium of 5.00 Index points or less, each option contract comprised within such spread or combination may trade in price increments of 0.05 Index points.

##### **358A01.D. Underlying Futures Contract**

##### **1. American Style Options in the March Quarterly Cycle ("Quarterly options")**

For any American style option for which the expiration month is in the March quarterly cycle (i.e., March, June, September, or December), the Underlying Futures Contract shall be for delivery in such option's expiration month.

Example: For a given year, futures for delivery in March shall be the Underlying Futures Contract for a March Quarterly option.

## **2. European Style Weekly Options**

For any European style Weekly option, the Underlying Futures Contract shall be for delivery on the third Friday of the March quarterly cycle month next following such option's expiration, subject to Rule 35803.A.

Examples: For a given year, futures for delivery in June shall be the Underlying Futures Contract for third (3rd) March, fourth (4th) March, first (1st) April, second (2nd) April, third (3rd) April, fourth (4th) April, first (1st) May, second (2nd) May, third (3rd) May, fourth (4th) May, first (1st) June, and second (2nd) June European style Weekly options. Futures for delivery in September shall be the Underlying Futures Contract for third (3rd) June and fourth (4th) June European style Weekly options.

The Exchange shall not list a European style Weekly option for trading in any instance where such option's expiration would occur on the last Business Day of a month.

## **3. European Style Monday Weekly Options**

For any European style Monday Weekly option, the Underlying Futures Contract shall be for delivery on the third Friday of the March quarterly cycle month next following such option's expiration, subject to Rule 35803.A.

The Exchange shall not list a European style Monday Weekly option for trading in any instance where such option's expiration would occur on the last Business Day of a month.

## **4. European Style Tuesday Weekly Options**

For any European style Tuesday Weekly option, the Underlying Futures Contract shall be for delivery on the third Friday of the March quarterly cycle month next following such option's expiration, subject to Rule 35803.A.

The Exchange shall not list a European style Tuesday Weekly option for trading in any instance where such option's expiration would occur on the last Business Day of a month.

## **5. European Style Wednesday Weekly Options**

For any European style Wednesday Weekly option, the Underlying Futures Contract shall be for delivery on the third Friday of the March quarterly cycle month next following such option's expiration, subject to Rule 35803.A.

The Exchange shall not list a European style Wednesday Weekly option for trading in any instance where such option's expiration would occur on the last Business Day of a month.

## **6. European Style Thursday Weekly Options**

For any European style Thursday Weekly option, the Underlying Futures Contract shall be for delivery on the third Friday of the March quarterly cycle month next following such option's expiration, subject to Rule 35803.A.

The Exchange shall not list a European style Thursday Weekly option for trading in any instance where such option's expiration would occur on the last Business Day of a month.

## **~~3. European Style Wednesday Weekly Options~~**

~~For any European style Wednesday Weekly option, the Underlying Futures Contract shall be for delivery on the third Friday of the March quarterly cycle month next following such option's expiration, subject to Rule 35803.A.~~

~~The Exchange shall not list a European style Wednesday Weekly option for trading in any instance where such option's expiration would occur on the last Business Day of a month.~~

## **~~4. European Style Monday Weekly Options~~**

~~For any European style Monday Weekly option, the Underlying Futures Contract shall be for delivery on the third Friday of the March quarterly cycle month next following such option's expiration, subject to Rule 35803.A.~~

~~The Exchange shall not list a European style Monday Weekly option for trading in any instance where such option's expiration would occur on the last Business Day of a month.~~

## **3.7. European Style End-of-Month Options**

For any European style End-of-Month option, the Underlying Futures Contract shall be for delivery on

the third Friday of the March quarterly cycle month next following such option's expiration, subject to Rule 35803.A.

Examples: For a given year, futures for delivery in March shall be the Underlying Futures Contract for a January European style End-of-Month option and for a February European style End-of-Month option. Futures for delivery in June shall be the Underlying Futures Contract for a March European style End-of-Month option.

#### **4.8. European Style Quarterly PM Options**

For any European Style Quarterly PM option, the Underlying Futures Contract shall be for delivery on the third Friday of the March quarterly cycle month next following such option's expiration, subject to Rule 35803.A.

Example: For a given year, futures for delivery in June shall be the Underlying Futures Contract for a March European Style Quarterly PM option.

### **358A01.E. Exercise Prices**

#### **1. Regularly-Listed Exercise Prices**

On any Business Day, and subject to Rule 358A01.A., the Exchange shall ensure that all Quarterly (Rule 358A01.D.1), European Style Weekly (Rule 358A01.D.2), ~~European Style Wednesday Weekly (Rule 358A01.D.3), European Style Monday Weekly (Rule 3588A01.D.4), and European Style End-of-Month (Rule 358A01.D.5)~~ European Style Monday Weekly (Rule 358A01.D.3), European Style Tuesday Weekly (Rule 358A01.D.4), European Style Wednesday Weekly (Rule 3588A01.D.5), European Style Thursday Weekly (Rule 358A01.D.6), and European Style End-of-Month (Rule 358A01.D.7) -put and call options that are exercisable into a given Underlying Futures Contract are listed for trading at all eligible exercise prices as follows:

##### 100 Point Exercise Prices

All exercise price levels that are integer multiples of 100 Index points (e.g., 2300, 2400, 2500) and that lie within a range from 50 percent below to 30 percent above the daily settlement price of such Underlying Futures Contract for the first preceding Business Day.

##### 50 Point Exercise Prices

All exercise price levels that are integer multiples of 50 Index points (e.g., 2400, 2450, 2500) and that lie within a range from 40 percent below to 20 percent above the daily settlement price of such Underlying Futures Contract for the first preceding Business Day.

##### 10 Point Exercise Prices

All exercise price levels that are integer multiples of 10 Index points (e.g., 2480, 2490, 2500) and that lie within a range from 25 percent below to 10 percent above the daily settlement price of such Underlying Futures Contract for the first preceding Business Day.

##### 5 Point Exercise Prices

All exercise price levels that are integer multiples of 5 Index points (e.g., 2490, 2495, 2500) and that lie within a range from 15 percent below to 5 percent above the daily settlement price of such Underlying Futures Contract for the first preceding Business Day.

New options may be listed for trading on any Business Day up to and including the termination of trading in such options.

#### **2. Dynamically-Listed Exercise Prices**

Upon demand and at the discretion of the Exchange, a Quarterly (Rule 358A01.D.1.), European Style Weekly (Rule 358A01.D.2.), ~~European Style Wednesday Weekly (Rule 358A01.D.3.), European Style Monday Weekly (Rule 358A01.D.4.), or European Style End-of-Month (Rule 358A01.D.5.)~~ European Style Monday Weekly (Rule 358A01.D.3.), European Style Tuesday Weekly (Rule 358A01.D.4.), Wednesday Weekly (Rule 358A01.D.5.), Thursday Weekly (Rule 358A01.D.6.), or European Style End-of-Month (Rule 358A01.D.7.) with an out-of-current-range exercise price may be listed for trading as a User-Defined Instrument, on an as-soon-as-possible basis, provided that the exercise price of such option shall be an integer multiple of 5 Index points.

The Exchange may modify the provisions governing the establishment of exercise prices as it deems appropriate.

#### **3. European Style Quarterly PM Options Exercise Prices**

On any Business Day, the Exchange shall ensure that all European Style Quarterly PM (Rule 358A01.D.68.) put and call options that are exercisable into a given Underlying Futures Contract are listed for trading with the following exercise prices: 100, 200, 1100, 2100, 2200, 3100, 4100, 4200, 5100, 6100, 7100 and 8100. At the discretion of the Exchange, additional exercise prices may be

listed with an integer multiple of 100 Index points.

The Exchange may modify the provisions governing the establishment of exercise prices as it deems appropriate.

#### **358A01.F. Position Limits, Exemptions, Position Accountability and Reportable Levels**

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

#### **358A01.G. Nature of Options**

Upon exercise of a put option by the buyer of such option, the seller of such option shall incur the obligation to assume a long position in one Underlying Futures Contract (Rule 358A01.D.) at such option's exercise price (Rule 358A01.E.). Upon exercise of a call option by the buyer of such option, the seller of such option shall incur the obligation to assume a short position in one Underlying Futures Contract at such option's exercise price.

##### **1. Quarterly Options**

The buyer of a Quarterly option (Rule 358A01.D.1.) may exercise such option at any time prior to its expiration.

##### **2. All Options Excluding Quarterly Options**

~~The buyer of a European style Weekly option (Rule 358A01.D.2.), or a European style Wednesday Weekly option (Rule 358A01.D.3.), or a European style Monday Weekly option (Rule 358A01.D.4.), or a European style End-of-Month option (Rule 358A01.D.5.) or a European Style Quarterly PM option (Rule 358A01.D.6.) may exercise such option only at its expiration. European Style Weekly (Rule 358A01.D.2.), European Style Monday Weekly (Rule 358A01.D.3.), European Style Tuesday Weekly (Rule 358A01.D.4.), Wednesday Weekly (Rule 358A01.D.5.), Thursday Weekly (Rule 358A01.D.6.), European Style End-of-Month (Rule 358A01.D.7.), or European Style Quarterly PM (Rule 3538A01.D.8.) options may be exercised only at expiration.~~

#### **358A01.H. [Reserved]**

#### **358A01.I. Termination of Trading**

##### **1. Quarterly Options**

Trading in any Quarterly option shall terminate on the same date and at the same time as the termination of trading in such option's Underlying Futures Contract (Rule 358A01.D.1.).

##### **2. European Style Weekly Options**

Trading in any European style Weekly option shall terminate at 3:00 p.m., or at noon in the case of an early scheduled close of the Primary Listing Exchange (Rule 358A00.A.), on the Friday designated by the Exchange as such option's expiration date. For a given calendar month:

Trading shall terminate in European style First Weekly options, and such options shall expire, on the first Friday of such month.

Trading shall terminate in European style Second Weekly options, and such options shall expire, on the second Friday of such month.

Trading shall terminate in European style Third Weekly options, and such options shall expire, on the third Friday of such month.

Trading shall terminate in European style Fourth Weekly options, and such options shall expire, on the fourth Friday of such month.

~~If such Friday is not a scheduled Business Day, then trading in expiring options shall be scheduled to terminate on the Business Day first preceding such Friday, provided that the Exchange shall not list European style Weekly options for trading in any such instance where the Business Day first preceding such Friday would be the last Business Day of the preceding calendar month (in accord with Rule 358A01.D.2.).~~

If the market in the Underlying Futures Contract for such option does not open on the day scheduled for termination of option trading and for option expiration, then trading in such option shall terminate, and such option shall expire, on the next day on which the market in such Underlying Futures Contract

is open for trading.

### ~~3. European Style Wednesday Weekly Options~~

~~Trading in any European style Wednesday Weekly option shall terminate at 3:00 p.m., or at noon in the case of an early scheduled close of the Primary Listing Exchange (Rule 358A00.A.), on the Wednesday designated by the Exchange as such option's expiration date. For a given calendar month:~~

~~Trading shall terminate in European style First Wednesday Weekly options, and such options shall expire, on the first Wednesday of such month.~~

~~Trading shall terminate in European style Second Wednesday Weekly options, and such options shall expire, on the second Wednesday of such month.~~

~~Trading shall terminate in European style Third Wednesday Weekly options, and such options shall expire, on the third Wednesday of such month.~~

~~Trading shall terminate in European style Fourth Wednesday Weekly options, and such options shall expire, on the fourth Wednesday of such month.~~

~~Trading shall terminate in European style Fifth Wednesday Weekly options, and such options shall expire, on the fifth Wednesday of such month.~~

~~If such Wednesday is not a scheduled Business Day, then trading in expiring options shall be scheduled to terminate on the Business Day first preceding such Wednesday, provided that the Exchange shall not list European style Wednesday Weekly options for trading in any such instance where the Business Day first preceding such Wednesday would be the last Business Day of the preceding calendar month (in accord with Rule 358A01.D.3.).~~

~~If the market in the Underlying Futures Contract for such option does not open on the day scheduled for termination of option trading and for option expiration, then trading in such option shall terminate, and such option shall expire, on the next day on which the market in such Underlying Futures Contract is open for trading.~~

### ~~4. European Style Monday Weekly Options~~

~~Trading in any European style Monday Weekly option shall terminate at 3:00 p.m., or at noon in the case of an early scheduled close of the Primary Listing Exchange (Rule 358A00.A.), on the Monday designated by the Exchange as such option's expiration date. For a given calendar month:~~

~~Trading shall terminate in European style First Monday Weekly options, and such options shall expire, on the first Monday of such month.~~

~~Trading shall terminate in European style Second Monday Weekly options, and such options shall expire, on the second Monday of such month.~~

~~Trading shall terminate in European style Third Monday Weekly options, and such options shall expire, on the third Monday of such month.~~

~~Trading shall terminate in European style Fourth Monday Weekly options, and such options shall expire, on the fourth Monday of such month.~~

~~Trading shall terminate in European style Fifth Monday Weekly options, and such options shall expire, on the fifth Monday of such month.~~

~~If such Monday is not a scheduled Business Day, then trading in expiring options shall be scheduled to terminate on the Business Day next following such Monday, provided that the Exchange shall not list European style Monday Weekly options for trading in any such instance where the Business Day next following such Monday would be the last Business Day of the calendar month (in accord with Rule 358A01.D.4.).~~

~~If the market in the Underlying Futures Contract for such option does not open on the day scheduled for termination of option trading and for option expiration, then trading in such option shall terminate, and such option shall expire, on the next day on which the market in such Underlying Futures Contract is open for trading.~~

### 3. European Style Monday Weekly Options

Trading in any European style Monday Weekly option shall terminate at 3:00 p.m., or at noon in the case of an early scheduled close of the Primary Listing Exchange (Rule 358A00.A.), on the Monday designated by the Exchange as such option's expiration date. For a given calendar month:

Trading shall terminate in European style First Monday Weekly options, and such options shall expire, on the first Monday of such month.

Trading shall terminate in European style Second Monday Weekly options, and such options shall expire, on the second Monday of such month.

Trading shall terminate in European style Third Monday Weekly options, and such options shall expire, on the third Monday of such month.

Trading shall terminate in European style Fourth Monday Weekly options, and such options shall expire, on the fourth Monday of such month.

Trading shall terminate in European style Fifth Monday Weekly options, and such options shall expire, on the fifth Monday of such month.

If the market in the Underlying Futures Contract for such option does not open on the day scheduled for termination of option trading and for option expiration, then trading in such option shall terminate, and such option shall expire, on the next day on which the market in such Underlying Futures Contract is open for trading.

#### **4. European Style Tuesday Weekly Options**

Trading in any European style Tuesday Weekly option shall terminate at 3:00 p.m., or at noon in the case of an early scheduled close of the Primary Listing Exchange (Rule 358A00.A.), on the Tuesday designated by the Exchange as such option's expiration date. For a given calendar month:

Trading shall terminate in European style First Tuesday Weekly options, and such options shall expire, on the first Tuesday of such month.

Trading shall terminate in European style Second Tuesday Weekly options, and such options shall expire, on the second Tuesday of such month.

Trading shall terminate in European style Third Tuesday Weekly options, and such options shall expire, on the third Tuesday of such month.

Trading shall terminate in European style Fourth Tuesday Weekly options, and such options shall expire, on the fourth Tuesday of such month.

Trading shall terminate in European style Fifth Tuesday Weekly options, and such options shall expire, on the fifth Tuesday of such month.

If the market in the Underlying Futures Contract for such option does not open on the day scheduled for termination of option trading and for option expiration, then trading in such option shall terminate, and such option shall expire, on the next day on which the market in such Underlying Futures Contract is open for trading.

#### **5. European Style Wednesday Weekly Options**

Trading in any European style Wednesday Weekly option shall terminate at 3:00 p.m., or at noon in the case of an early scheduled close of the Primary Listing Exchange (Rule 358A00.A.), on the Wednesday designated by the Exchange as such option's expiration date. For a given calendar month:

Trading shall terminate in European style First Wednesday Weekly options, and such options shall expire, on the first Wednesday of such month.

Trading shall terminate in European style Second Wednesday Weekly options, and such options shall expire, on the second Wednesday of such month.

Trading shall terminate in European style Third Wednesday Weekly options, and such options shall expire, on the third Wednesday of such month.

Trading shall terminate in European style Fourth Wednesday Weekly options, and such options shall expire, on the fourth Wednesday of such month.

Trading shall terminate in European style Fifth Wednesday Weekly options, and such options shall expire, on the fifth Wednesday of such month.

If the market in the Underlying Futures Contract for such option does not open on the day scheduled for termination of option trading and for option expiration, then trading in such option shall terminate, and such option shall expire, on the next day on which the market in such Underlying Futures Contract is open for trading.

#### **6. European Style Thursday Weekly Options**

Trading in any European style Thursday Weekly option shall terminate at 3:00 p.m., or at noon in the case of an early scheduled close of the Primary Listing Exchange (Rule 358A00.A.), on the Thursday designated by the Exchange as such option's expiration date. For a given calendar month:

Trading shall terminate in European style First Thursday Weekly options, and such options shall expire, on the first Thursday of such month.

Trading shall terminate in European style Second Thursday Weekly options, and such options shall expire, on the second Thursday of such month.

Trading shall terminate in European style Third Thursday Weekly options, and such options shall expire, on the third Thursday of such month.

Trading shall terminate in European style Fourth Thursday Weekly options, and such options shall



expire, on the fourth Thursday of such month.

Trading shall terminate in European style Fifth Thursday Weekly options, and such options shall expire, on the fifth Thursday of such month.

If the market in the Underlying Futures Contract for such option does not open on the day scheduled for termination of option trading and for option expiration, then trading in such option shall terminate, and such option shall expire, on the next day on which the market in such Underlying Futures Contract is open for trading.

#### **5.7. European Style End-Of-Month Options**

Trading in any European style End-of-Month option shall terminate at 3:00 p.m., or at noon in the case of an early scheduled close of the Primary Listing Exchange (Rule 358A00.A.), on the last Business Day of such option's expiration month.

If the market in the Underlying Futures Contract for such option does not open on the day scheduled for termination of option trading, then trading in such option shall terminate, and such option shall expire, on the next day on which the market in such Underlying Futures Contract is open for trading.

#### **6.8. European Style Quarterly PM Options**

Trading in any European Style Quarterly PM option shall terminate at 3:00 p.m., or at noon in the case of any early scheduled close of the Primary Listing Exchange (Rule 358A00.A.), on the day on which the final settlement price of the Futures Contract Month immediately preceding such option's Underlying Futures Contract is scheduled to be determined.

If the market in the Underlying Futures Contract for such option does not open on the day scheduled for termination of option trading, then trading in such option shall terminate, and such option shall expire, on the day on which the market in such Underlying Futures Contract is open for trading.

#### **7.9. Unscheduled Market Holiday**

Notwithstanding the aforementioned, if the Primary Listing Exchange (Rule 358A00.A.) is closed in observance of an unscheduled market holiday on a day previously scheduled as a Business Day, then trading in option contracts that had been scheduled to expire on such day shall terminate, and such option contracts shall expire, on the Business Day immediately preceding such unscheduled market holiday.

#### **358A01.J. [Reserved]**

### **358A02. EXERCISE AND ASSIGNMENT**

In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the exercise of options.

#### **358A02.A. Exercise**

##### **1. Quarterly Options**

Any Quarterly option (Rule 358A01.D.1.) may be exercised by the buyer on any Business Day prior to and including such option's Expiration Date. To exercise such option, the clearing member representing the option buyer shall present an exercise notice to the Clearing House by 5:30 p.m., or by such other time as the Exchange may designate, on the day of exercise.

Any unexercised option shall expire at 5:30 p.m. on the day scheduled for determination of the Final Settlement Price (Rule 35803.A.) of such option's Underlying Futures Contract. Any option that is in the money, and that has not been liquidated or exercised prior to its termination of trading, shall be exercised automatically upon expiration, in the absence of contrary instructions. Such contrary instructions must be delivered to the Clearing House, by the clearing member representing the buyer of such option, no later than 5:30 p.m., or at such other time on such option's Expiration Date as may be designated by the Exchange.

An expiring call option shall be in the money if the Final Settlement Price of such option's Underlying Futures Contract (Rule 358A01.D.) on such option's Expiration Date is strictly above such option's exercise price, and shall be out of the money if such settlement price is at or below such option's exercise price.

An expiring put option shall be in the money if the Final Settlement Price of such option's Underlying Futures Contract on such option's Expiration Date is strictly below such option's exercise price, and shall be out of the money if such Final Settlement Price is at or above such option's exercise price.

##### **2. All Options Excluding Quarterly Options**

~~Any European style Weekly option (Rule 358A01.D.2.), or European style Wednesday Weekly option~~

~~(Rule 358A01.D.3.), or European style Monday Weekly option (Rule 358A01.D.4.), or European style End-of-Month option (Rule 358A01.D.5.) or a European Style Quarterly PM option (Rule 358A01.D.6.) Any European Style Weekly (Rule 358A01.D.2.), European Style Monday Weekly (Rule 358A01.D.3.), European Style Tuesday Weekly (Rule 358A01.D.4.), Wednesday Weekly (Rule 358A01.D.5.), Thursday Weekly (Rule 358A01.D.6.), European Style End-of-Month (Rule 358A01.D.7.), or European Style Quarterly PM (Rule 3538A01.D.8.) option may be exercised only at, and not before, the expiration of such option. Following termination of trading in expiring options, any such option that is in the money shall be automatically exercised by the Clearing House, and any such option that is out of the money shall be abandoned by the Clearing House. For the avoidance of doubt, no such option that expires in the money may be abandoned, and no such option that expires out of the money may be exercised.~~

Whether an option expires in the money or out of the money shall be determined by the Exchange, in its sole discretion, by reference to the Fixing Price of such option's Underlying Futures Contract (Rule 358A01.D.). The Exchange, in its sole discretion, shall set such Fixing Price on the last day of trading in such option, as follows:

#### Tier 1

Such Fixing Price shall be based on the volume-weighted average price of transactions in such futures on the CME Globex electronic trading platform during the interval (i) between 2:59:30 p.m. and 3:00:00 p.m., or (ii) in the case of an early scheduled close of the Primary Listing Exchange, between 11:59:30 a.m. and noon, or (iii) in the event of an unscheduled early close of the Primary Listing Exchange, the final thirty (30) seconds of the Primary Listing Exchange trading day ("Reference Interval").

#### Tier 2

If no such transaction occurs during the Reference Interval, then such Fixing Price shall be based on the average of midpoints of bid/ask spreads for such futures quoted on CME Globex during the Reference Interval, provided that the Fixing Price calculation shall exclude the midpoint value for any such bid/ask spread that is wider than 0.50 Index points (equal to two (2) minimum price increments).

#### Tier 3

~~If such Fixing Price cannot be determined pursuant to Tier 1 or Tier 2, or if an unscheduled non-regulatory halt in CME Globex trading in such Underlying Futures Contract occurs between 2:58:00 p.m. and 3:00:00 p.m., then such Fixing Price shall be based on the average transaction price during such Reference Interval of the CME Standard and Poor's 500 Stock Price Index ("S&P 500") futures contract (Chapter 351) for the same delivery month as such option's Underlying Futures Contract (Rule 358A01.D.).~~

#### Tier 4

If such Fixing Price cannot be determined pursuant to Tier 1, ~~or Tier 2, or Tier 3,~~ then the Exchange, in its sole discretion, shall set such Fixing Price by alternative means which may include, but are not limited to, derivation by reference to the basis relationship between such futures contract's price and the Index, or application of Tier 1, ~~or Tier 2, or Tier 3,~~ calculations to successive time intervals of increasing length, in integer multiples of thirty (30) seconds, until suitable price data are obtained.

The resultant Fixing Price value shall be rounded to the nearest integer multiple of 0.01 Index points. Such Fixing Price, so rounded, shall be used to determine whether an option expires in the money or out of the money.

If, at the time such Fixing Price is scheduled to be calculated in respect of expiring options, the Primary Listing Exchange (Rule 358A00.A.) is subject to a Regulatory Halt (Rule 358A00.B.), and the Primary Futures Contract Month is limit offered at the maximum price limit permissible during such Regulatory Halt pursuant to Rule 35802.I., then (a) such option shall expire at 8:31 a.m. on the next following Business Day on which a Regulatory Halt is not in effect, and (b) the Fixing Price in respect of such option shall be calculated in accordance with the corresponding provisions of this Rule, on the basis of a reference interval beginning at 8:30:30 a.m. and concluding at 8:31:00 a.m. If, during any portion of the 30-second period from 8:30:30 a.m. – 8:31:00 a.m. CT, there is a Level 1 or Level 2 Regulatory Halt in effect, the Fixing Price shall be calculated using trades consummated during the 30-second period commencing with the lifting of such Regulatory Halt. If a subsequent Regulatory Halt is declared during this 30-second period, the calculation of the Fixing Price shall be based strictly on those trades consummated prior to such subsequent Regulatory Halt.

For the avoidance of doubt, in the event there is a Level 1 or Level 2 Regulatory Halt during the time period of 8:30:30 – 8:31:00 am CT, no trades during that time period (8:30:30 – 8:31:00 am CT) will be used in the calculation of the Fixing Price.

In the case that the underlying futures contract for a given European style option expires without any trading activity that would permit the calculation of the Fixing Price, then such Fixing Price will be equal



to the Final Settlement Price of such option's Underlying Futures Contract (Rule 358A01.D.) (For example, if there exists such a Regulatory Halt (Rule 358A00.B.) on the Thursday prior to the 3rd Friday in the March quarterly cycle, there may be no trading activity in the expiring futures upon which to predicate the Fixing Price).

An expiring call option shall be in the money if the corresponding Fixing Price is strictly above such option's exercise price, and shall be out of the money if the corresponding Fixing Price is at or below such option's exercise price.

An expiring put option shall be in the money if the corresponding Fixing Price is strictly below such option's exercise price, and shall be out of the money if the corresponding Fixing Price is at or above such option's exercise price.

#### **358A02.B. Assignment**

For a given option contract, an exercise notice accepted by the Clearing House in accordance with Rules 358A02.A. shall be assigned by the Clearing House through a process of random selection to clearing members carrying open short positions in such option contract. A clearing member to whom such exercise notice has been assigned shall be notified thereof as soon as practicable following such assignment.

The clearing member to whom such exercise notice has been assigned shall be assigned a short position in such option's Underlying Futures Contract (Rules 358A01.D.) if such option is a call, or a long position in such option's Underlying Futures Contract if such option is a put. The clearing member representing the option buyer making exercise shall be assigned a long position in such option's Underlying Futures Contract if such option is a call, or a short position in such option's Underlying Futures Contract if such option is a put.

All such futures positions shall be assigned at a price equal to the exercise price of such option contract, and shall be marked to market (in accordance with Rule 814) on the Business Day on which the Clearing House accepts such exercise notice.

**358A03. [RESERVED]**

#### **358A04. CORRECTIONS TO OPTION EXERCISES**

Corrections to option exercises may be accepted by the Clearing House after 7:00 p.m. and up to the beginning of final option expiration processing (in accord with Rules 358A02.A.), *provided that* such corrections are necessary due to: (1) a bona fide clerical error, (2) unreconciled Exchange option transaction(s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to 7:00 p.m. The decision as to whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.

**358A05.-29. [RESERVED]**

(End Chapter 358A)

#### **INTERPRETATIONS AND SPECIAL NOTICES RELATING TO CHAPTER 358A**

S&P Dow Jones Indices LLC directly or through one or more affiliates (collectively, "S&P") licenses the Exchange to use various S&P stock indices ("S&P Stock Indices") in connection with the trading of futures contracts and options on futures contracts based upon such indices. S&P shall have no liability for any damages, claims, losses or expenses caused by any errors or delays in calculating or disseminating the S&P Stock Indices.

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**Appendix B**

**CME Rulebook  
Chapter 5  
("Trading Qualifications and Practices")**

**Position Limit, Position Accountability, and Reportable Level Table**

(attached under separate cover)

**Appendix C**

**CME Rulebook  
Chapter 5**

**(“Trading Qualifications and Practices”)  
CME Rule 588.H. – (“Globex Non-Reviewable Trading Ranges”) Table**

(additions underscored)

	<b>Globex Symbol</b>	<b>Globex Non-Reviewable Ranges (NRR)</b>
<u>Tuesday Weekly Options on E-mini Standard and Poor's 500 Stock Price Index Futures - Week 1-5 (European-Style)</u>	<u>E1B-E5B</u>	<u>The greater of the following:</u> <ul style="list-style-type: none"><li><u>•Delta multiplied by the underlying futures non-reviewable range</u></li><li><u>•20% of premium up to ¼ of the underlying futures non-reviewable range</u></li><li><u>•2 ticks</u></li></ul>
<u>Thursday Weekly Options on E-mini Standard and Poor's 500 Stock Price Index Futures - Week 1-5 (European-Style)</u>	<u>E1D-E5D</u>	

**Appendix D**

**CME Rulebook**

**Chapter 5**

**(“Trading Qualifications and Practices”)**

**CME Rule 589. – Special Price Fluctuation Limits and Daily Price Limits Table**

(additions underscored)

Product	Rulebook Chapter	Commodity Code	Primary/Associated	Associated With	Daily Price Limit	Dynamically Calculated Variant
						(Excluding Regular Trading Hours)
<u>Tuesday Weekly Options on E-mini Standard and Poor's 500 Stock Price Index Futures - Week 1-5 (European-Style)</u>	<u>358A</u>	<u>E1B-E5B</u>	<u>Associated</u>	<u>ES</u>	<u>Daily Price Limit Table</u>	
<u>Thursday Weekly Options on E-mini Standard and Poor's 500 Stock Price Index Futures - Week 1-5 (European-Style)</u>	<u>358A</u>	<u>E1D-E5D</u>	<u>Associated</u>	<u>ES</u>	<u>Daily Price Limit Table</u>	

## Appendix E

### Exchange Fees

Membership Type	Venue/Transaction Type	Fee
Individual Members Clearing Members Rule 106.J Equity Member Firms & Rule 106.J Qualified Subsidiaries Rule 106.I Members & Rule 106.I Qualified Affiliates Rule 106.S Member Approved Funds	CME Globex	\$0.35
	EFP	\$1.84
	EFR	\$1.84
	Block	\$0.36
	Delivery	\$0.09
	Exe Asn Future From	\$0.14
Rule 106.D Lessees Rule 106.F Employees	CME Globex	\$0.47
	EFP	\$1.96
	EFR	\$1.96
	Block	\$0.48
	Delivery	\$0.21
	Exe Asn Future From	\$0.26
Rule 106.R Electronic Corporate Members (For other than CME Globex - Non-Member rates apply)	CME Globex	\$0.45
Rule 106.H and 106.N Firms Clearing Non-Equity Member Firms	CME Globex	\$0.45
	EFP	\$2.14
	EFR	\$2.14
	Block	\$0.46
	Delivery	\$0.39
	Exe Asn Future From	\$0.44
International Incentive Program (IIP) and International Volume Incentive Program (IVIP) Participants (For other than Globex - Non-Member rates apply)	CME Globex	\$0.50
Central Bank Incentive Program (CBIP) and Latin American Fund Manager Incentive Program (FMIP) Participants (For other than CME Globex - Non-Member rates apply)	CME Globex	\$0.50
Members Trading Outside of Division (For other than CME Globex During ETH - Non-Member rates apply)	CME Globex During ETH Only	\$0.54
Non-Members	CME Globex	\$0.55
	EFP	\$2.14
	EFR	\$2.14
	Block	\$0.60
	Delivery	\$0.39
	Exe Asn Future From	\$0.44

Processing Fees	Fee
106.D Lessee/106.H Brokerage	\$0.13
106.F Employee Brokerage	\$0.13
Floor / "New" Brokerage	\$0.04
Position Adjustment/Position Transfer	\$0.10
Give-Up Surcharge	\$0.05
Facilitation Fee	\$0.40