

**SUBMISSION COVER SHEET**

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

Registered Entity Identifier Code (optional): 22-219 (6 of 6)

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

Filing as a:  DCM  SEF  DCO  SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 07/19/22 Filing Description: Initial Listing of Six (6) E-mini Sector Index Futures 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:**

**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

Official Product Name: See filing.

**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:

July 19, 2022

**VIA ELECTRONIC PORTAL**

Mr. Christopher J. Kirkpatrick  
Office of the Secretariat  
Commodity Futures Trading Commission  
3 Lafayette Center  
1155 21<sup>st</sup> Street NW  
Washington, DC 20581

**Re: CFTC Regulation 40.2(a) Certification. Initial Listing of Six (6) E-mini Sector Index Futures Contracts.  
CME Submission No. 22-219 (6 of 6)**

Dear Mr. Kirkpatrick:

Chicago Mercantile Exchange Inc. (“CME” or “Exchange”) certifies to the Commodity Futures Trading Commission (“CFTC” or “Commission”) the initial listing of six (6) E-mini sector index futures contracts listed 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, August 7, 2022 for trade date Monday, August 8, 2022.

**Section 1 – Contract Specifications**

Contract Title	E-mini S&P Regional Banks Select Industry Futures	E-mini S&P Insurance Select Industry Futures	E-mini S&P Biotechnology Select Industry Futures	E-mini S&P Oil & Gas Exploration & Production Select Industry Futures	E-mini S&P Retail Select Industry Futures	E-mini PHLX Semiconductor Sector Futures
Contract Size	\$50 * S&P Regional Banks Select Industry Index	\$25 * S&P Insurance Select Industry Index	\$10 * S&P Biotechnology Select Industry Index	\$25 * S&P Oil & Gas Exploration & Production Select Industry Index	\$10 * S&P Retail Select Industry Index	\$25 * PHLX Semiconductor Sector Index
Minimum Price Increment / Financial Equivalent	CME Globex: 0.25 / \$12.50 CME ClearPort: 0.01 / \$0.50	CME Globex: 0.50 / \$12.50 CME ClearPort: 0.01 / \$0.25	CME Globex: 1.00 / \$10.00 CME ClearPort: 0.01 / \$0.10	CME Globex: 0.50 / \$12.50 CME ClearPort: 0.01 / \$0.25	CME Globex: 1.00 / \$10.00 CME ClearPort: 0.01 / \$0.10	CME Globex: 0.50 / \$12.50 CME ClearPort: 0.01 / \$0.25
Min Daily Settle Tick	0.25	0.50	1.00	0.50	1.00	0.50
Rulebook Chapter	369	369	369	369	369	380
CME Globex and CME ClearPort Code	SXB	SXI	SXT	SXO	SXR	SOX
BTIC Code	RKT	IST	BOT	SWT	RET	SOT

Trading and Clearing Hours	CME Globex: 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 CME ClearPort: 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
Price Quotation	U.S. dollars and cents per index point
Final Settle Tick	0.01
Listing Schedule	Quarterly contracts (Mar, Jun, Sep, Dec) listed for 5 consecutive quarters
Initial Listings	Sep 2022, Dec 2022, Mar 2023, Jun 2023, Sep 2023
Termination of Trading	Trading terminates at 9:30 a.m. ET on the 3rd Friday of the contract month. BTIC trading terminates at 4:00 p.m. ET on the Thursday prior to the 3rd Friday of contract month.
Settlement Procedure	Financial
Block Minimum Threshold	50 contracts – subject to a 15-minute reporting window
Derived Block Eligible	Yes
CME Globex Matching Algorithm	F-FIFO 100%

## Section 2 – Index Definition

### Section 2.1- S&P Select Industry Indices

The S&P Select Industry Indices are administered, calculated, and published by S&P Dow Jones Indices LLC (“S&P DJI”), a part of S&P Global Inc. The S&P Select Industry Indices measure the performance of stocks comprising specific Global Industry Classification Standard (GICS®) sub-industries or groups of sub-industries. Membership is based on a company’s GICS classification, as well as liquidity and market capitalization requirements. The indices are equal or capped market capitalization weighted, as defined in Constituent Weightings within the Methodology.

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>

Be a member of the S&P Total Market Index (TMI).

Be classified as a primary sub-industry stock.

Meet a float-adjusted market capitalization (FMC) and float-adjusted liquidity ratio (FALR) requirement.

Contain at least 22 stocks in the index.

### Section 2.2- PHLX Semiconductor Sector Index

The PHLX Semiconductor Sector Index<sup>SM</sup> (SOX) is a modified market capitalization-weighted index composed of companies primarily involved in the design, distribution, manufacture, and sale of

<sup>1</sup> The following paragraphs on index methodology are adapted from S&P U.S. Indices Methodology, S&P Dow Jones Indices, March 2022, available via ‘Methodology’ at: <https://www.spglobal.com/spdji/en/indices/equity/sp-banks-select-industry-index/#overview>  
300 Vesey Street New York, NY 10282 T 212 299 2200 F 212 301 4645 [christopher.bowen@cmegroup.com](mailto:christopher.bowen@cmegroup.com) [cmegroup.com](http://cmegroup.com)

semiconductors. The Index is designed to measure the performance of the 30 largest US-listed semiconductor companies.

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>2</sup>

Listing Universe	US company
Market Capitalization	At least \$100 mln
Tradable Supply	At least 1.5 mln shares in each of the six calendar months up to and including the month containing the reference date must be available for trading
Seasoning Eligibility	Security must have been traded for at least three full months on a recognized market

### Section 3 – Block Trading Standards

Standards for block trading in the Contracts shall be comparable to established standards applicable to other equity-related futures products listed for trading on the Exchange. The minimum size threshold for a block trade in the Contracts shall be 50 contracts, consistent with the standards applicable to the majority of E-mini equity index futures products in which the Exchange now permits block trades. The Contracts will also be derived block eligible with a minimum size threshold of 50 contracts, matching that of standard blocks.

### Section 4 – Compliance with Core Principles

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

Trading in the Contracts certified herein shall be subject to CME Rulebook Chapter 4, which includes prohibitions against fraudulent, noncompetitive, unfair, and abusive practices. Additionally, trading in this Contracts 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 the Contracts 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.

For the Contracts certified herein, the underlying reference Indices are 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 April 29, 2022, the S&P Regional Banks Select Industry Index had a market capitalization of \$682 billion, the S&P Insurance Select Industry Index had a market capitalization of \$948 billion, the S&P Biotechnology Select Industry Index had a market capitalization of \$1.0 trillion, the S&P Oil & Gas Exploration & Production Select Industry Index had a market capitalization of \$1.4 trillion, and the S&P Retail Select Industry Index had a market capitalization of \$2.8 trillion. As of May 16, 2022, the PHLX Semiconductor Sector Index had a market capitalization of \$2.64 trillion.

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<sup>2</sup> The following paragraphs on index methodology are adapted from PHLX Semiconductor Sector Index™ SOX Methodology, Nasdaq Inc., 2021, available via ‘Methodology’ at: <https://indexes.nasdaqomx.com/index/Overview/SOX>  
300 Vesey Street New York, NY 10282 T 212 299 2200 F 212 301 4645 [christopher.bowen@cmegroup.com](mailto:christopher.bowen@cmegroup.com) [cmegroup.com](http://cmegroup.com)

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

Trading in the Contracts certified herein 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 Contracts 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.

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.

Nasdaq indices are covered by Section 11 – Regulatory Cooperation of the Amended and Restated Agreement for Nasdaq Index-Based Contracts entered into by Nasdaq, Inc. and Chicago Mercantile Exchange, Inc on September 12, 2018. For your guide on the below, Section 16 is the confidentiality clause, which does not influence the meaning of Section 11.

Section 11. Regulatory Cooperation. Nasdaq agrees to provide reasonable information, which information shall be deemed Confidential Information of Nasdaq whether or not marked as such, to CME's Market Regulation Department as necessary to enable CME and its Affiliates to satisfy their regulatory obligations and reasonably consider implementation of any actions reasonably proposed by CME which are designed to ensure compliance with such regulatory obligations. In addition, Nasdaq agrees to provide CME, upon reasonable request from time to time, with the information underlying the Indexes which is necessary for CME to comply with CME's regulatory obligations. Notwithstanding anything else in this Agreement, if and to the extent that CME reasonably determines that any information or data underlying the Indexes must be submitted by or for CME to a governmental or regulatory agency, or any joint supervisory or regulatory oversight group of which CME or its Affiliate is a signatory or member (or a member or signatory thereof), CME shall have the right to so share the information or data underlying the Indexes subject to the requirements detailed in Section 16.

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

##### S&P Regional Banks Select Industry Index

The Contract shall be subject to a Position Reporting Level of 25 contracts and to an All-Month Position Limit of 25,000 contracts. Accordingly, as of market close on April 29, 2022, a hypothetical 25,000-lot Contract position would have signified notional Index exposure around \$2.43 bln (equal to (1,943.44 Index points) x (\$50 per Index point per contract) x (25,000 contracts)), representing less than 0.36% of Index market capitalization (\$682 bln).

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<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 Insurance Select Industry Index

The Contract shall be subject to a Position Reporting Level of 25 contracts and to an All-Month Position Limit of 25,000 contracts. Accordingly, as of market close on April 29, 2022, a hypothetical 25,000-lot Contract position would have signified notional Index exposure around \$2.23 bln (equal to (3,568.88 Index points) x (\$25 per Index point per contract) x (25,000 contracts)), representing less than 0.24% of Index market capitalization (\$948 bln).

#### S&P Biotechnology Select Industry Index

The Contract shall be subject to a Position Reporting Level of 25 contracts and to an All-Month Position Limit of 25,000 contracts. Accordingly, as of market close on April 29, 2022, a hypothetical 25,000-lot Contract position would have signified notional Index exposure around \$1.43 bln (equal to (5,738.77 Index points) x (\$10 per Index point per contract) x (25,000 contracts)), representing less than 0.15% of Index market capitalization (\$1.0 trln).

#### S&P Oil & Gas Exploration & Production Select Industry Index

The Contract shall be subject to a Position Reporting Level of 25 contracts and to an All-Month Position Limit of 25,000 contracts. Accordingly, as of market close on April 29, 2022, a hypothetical 25,000-lot Contract position would have signified notional Index exposure around \$3.16 bln (equal to (5,060.38 Index points) x (\$25 per Index point per contract) x (25,000 contracts)), representing less than 0.23% of Index market capitalization (\$1.4 trln).

#### S&P Retail Select Industry Index

The Contract shall be subject to a Position Reporting Level of 25 contracts and to an All-Month Position Limit of 25,000 contracts. Accordingly, as of market close on April 29, 2022, a hypothetical 25,000-lot Contract position would have signified notional Index exposure around \$1.84 bln (equal to (7,363.18 Index points) x (\$10 per Index point per contract) x (25,000 contracts)), representing less than 0.07% of Index market capitalization (\$2.8 trln).

#### PHLX Semiconductor Sector Index

The Contract shall be subject to a Position Reporting Level of 25 contracts and to an All-Month Position Limit of 25,000 contracts. Accordingly, as of market close on May 16, 2022, a hypothetical 25,000-lot Contract position would have signified notional Index exposure around \$1.82 bln (equal to (2,919.85 Index points) x (\$25 per Index point per contract) x (25,000 contracts)), representing less than 0.69% of Index market capitalization (\$2.64 trln).

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

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

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

The Exchange shall publish contract trading volumes, open interest levels, and price information daily on its website and through quote vendors.

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

The Contracts shall be listed for trading on CME Globex, which provides for efficient, competitive, and open execution of transactions. Additionally, CME Globex affords the benefits of reliability and global connectivity. The applicable CME Globex non-reviewable trading ranges shall be as set forth in Appendix D. The Contracts will also be available for submission of clearing via CME ClearPort.

### **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 derivatives clearing organization, and which is subject to all CFTC regulations related thereto.

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

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

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

CME Rulebook Chapter 4 provides 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 Contracts are identified.

Appendix A provides amendments to CME Rulebook Chapter 369 to add the new E-mini Select Industry Futures contracts. The title of Chapter 369 is being amended to encompass all E-mini select stock index futures contracts. Appendix B provides new CME Rulebook Chapter 380. Appendix C provides the related Exchange transaction fees. Appendix E and Appendix F provide amendments to the Globex Non-Reviewable Ranges Table and the Special Price Fluctuation Limits and Daily Price Limits Table respectively.

Pursuant to Section 5c(c) of the Act and Regulation 40.2(a), the Exchange certifies that the Contracts comply with the Act, including all 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-fillings.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 - CME Rulebook Chapter 369 (blackline format)  
Appendix B - CME Rulebook Chapter 380 (new)  
Appendix C - Exchange Fees  
Appendix D - Position Limit, Position Accountability, and Reportable Level Table,  
CME Rulebook Chapter 5 (attached under separate cover)  
Appendix E - CME Rule 588.H. – (“Globex Non-Reviewable Trading Ranges”) Table  
Appendix F - CME Rule 589. – Special Price Fluctuation Limits and Daily Price Limits  
Table

**Appendix A**  
**CME Rulebook**

(additions underscoring; deletions ~~struck through~~)

**Chapter 369**  
**E-mini Standard and Poor's Select ~~Sector~~<sup>TM</sup> Stock Index Futures**

**36900. SCOPE OF CHAPTER**

This chapter is limited in application to E-mini S&P Select Sector Stock Index futures and E-mini S&P Select Industry Index futures ("futures"). In addition to this chapter, ~~E-mini S&P Select Sector Stock Index~~the futures shall be subject to the general rules and regulations of the Exchange as applicable.

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

**36900.A. Market Decline**

For the purposes of this chapter a Market Decline shall be as defined in New York Stock Exchange Rule 7.12 for Trading Halts Due to Extraordinary Volatility or in Nasdaq Stock Market Rule 4121 for Trading Halts Due to Extraordinary Volatility.

**36900.B. 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).

**36900.C. 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.

**36901. CONTRACT SPECIFICATIONS**

Each ~~E-mini S&P Select Sector Stock Index~~ futures contract's trading unit and minimum price increment shall be as specified in the table below.

	<b>E-mini S&amp;P Select Sector Stock Index Futures <u>and E-mini S&amp;P Select Industry Index Futures</u> Contract Title</b>	<b>Trading Unit</b> (US dollars per Index point per Contract)	<b>CME Globex Minimum Price Increment or Tick Size</b> (Fraction of Index point (and US dollars per Contract))	<b>CME ClearPort Minimum Price Increment or Tick Size</b> (Fraction of Index point (and US dollars per Contract))
1	E-mini Consumer Discretionary Select Sector Futures	100.00	0.10 (10.00)	0.01 (1.00)
2	E-mini Consumer Staples Select Sector Futures	100.00	0.10 (10.00)	0.01 (1.00)
3	E-mini Energy Select Sector Futures	100.00	0.10 (10.00)	0.01 (1.00)
4	E-mini Financial Select Sector Futures	250.00	0.05 (12.50)	0.01 (2.50)
5	E-mini Health Care Select Sector Futures	100.00	0.10 (10.00)	0.01 (1.00)
6	E-mini Industrial Select Sector Futures	100.00	0.10 (10.00)	0.01 (1.00)
7	E-mini Materials Select Sector Futures	100.00	0.10 (10.00)	0.01 (1.00)
8	E-mini Technology Select Sector Futures	100.00	0.10 (10.00)	0.01 (1.00)
9	E-mini Utilities Select Sector Futures	100.00	0.10 (10.00)	0.01 (1.00)
10	E-mini Real Estate Select Sector Futures	250.00	0.05 (12.50)	0.01 (2.50)



11	E-mini Communication Services Select Sector Futures	250.00	0.05 (12.50)	0.01 (2.50)
12	<del>E-mini S&amp;P Regional Banks Select Industry Futures</del>	<del>50.00</del>	<del>0.25 (12.50)</del>	<del>0.01 (0.50)</del>
13	<del>E-mini S&amp;P Insurance Select Industry Futures</del>	<del>25.00</del>	<del>0.50 (12.50)</del>	<del>0.01 (0.25)</del>
14	<del>E-mini S&amp;P Biotechnology Select Industry Futures</del>	<del>10.00</del>	<del>1.00 (10.00)</del>	<del>0.01 (0.10)</del>
15	<del>E-mini S&amp;P Oil &amp; Gas Exploration &amp; Production Select Industry Futures</del>	<del>25.00</del>	<del>0.50 (12.50)</del>	<del>0.01 (0.25)</del>
16	<del>E-mini S&amp;P Retail Select Industry Futures</del>	<del>10.00</del>	<del>1.00 (10.00)</del>	<del>0.01 (0.10)</del>

## 36902. TRADING SPECIFICATIONS

### 36902.A. Trading Schedule

Futures contracts shall be scheduled for trading during such hours and for delivery in such months as may be determined by the Exchange.

### 36902.B. Trading Unit

The unit of trading for the respective ~~E-mini S&P Select Sector Stock Index~~ futures contracts shall be as designated in Rule 36901.

### 36902.C. Price Increments

Bids and offers shall be quoted in terms of the respective ~~E-mini S&P Select Sector Stock Index~~ futures contract. The minimum fluctuation of the futures contract shall be as designated in Rule 36901.

### 36902.D. 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.

### 36902.E. [Reserved]

### 36902.F. [Reserved]

### 36902.G. Termination of Trading

Trading in expiring futures shall terminate at the regularly scheduled start of trading on the New York Stock Exchange on the Business Day scheduled for determination of the Final Settlement Price (Rule 36903.A.) for such futures.

### 36902.H. [Reserved]

### 36902.I. Price Limits and Trading Halts

Futures trading shall be subject to Price Limits as set forth in this Rule. For the purpose of this Rule the Exchange shall determine, in its sole discretion, the futures delivery month that represents the Primary Futures Contract Month and when such Primary Futures Contract Month is limit bid or limit offered.

#### 1. Daily Determination of Price Limits

For a given Business Day, Price Limits applicable to a futures contract for a given delivery month shall be calculated on the basis of the corresponding Reference Price (Rule 36902.I.1.a.) and the corresponding Offsets (Rule 36902.I.1.b.), as follows:

7% Price Limits = Reference Price minus 7% Offset, and Reference Price plus 7% Offset

13% Price Limit = Reference Price minus 13% Offset

20% Price Limit = Reference Price minus 20% Offset

#### 1.a. Reference Prices for Price Limits

For a given Business Day, for futures for a given delivery month, the Exchange shall set a contract Reference Price on the first preceding Business Day, as follows:

##### Tier 1

Such Reference 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 Reference 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 Reference Price calculation shall exclude the midpoint value for any such bid/ask spread that is wider than ~~0.20 Index points (equal to two (2) times the CME Globex Minimum Price Increments) as designated in Rule 36901 (two (2) minimum price increments or 0.10 Index points for E-mini Financial Select Sector Stock Index futures and E-mini Real Estate Select Sector Stock Index futures contracts).~~

## Tier 3

If such Reference Price cannot be determined pursuant to Tier 1 or Tier 2, then the Exchange, in its sole discretion, shall set such Reference 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 and Tier 2 calculations to successive time intervals of increasing length, in integer multiples of thirty (30) seconds, until suitable price data are obtained.

The resultant Reference Price value shall be rounded down to the nearest integer multiple of ~~0.10 Index points (0.05 without remainder for the E-mini Financial Select Sector Stock Index Futures and E-mini Real Estate Select Sector Stock Index futures contracts)~~ the CME Globex Minimum Price Increment as designated in Rule 36901. Such Reference Price, so rounded, shall be used for determination of the corresponding Price Limits.

For newly listed futures for a given delivery month, the Exchange shall set, in its sole discretion, a Reference Price value for the purpose of determining Price Limits for the first day of trading in such futures.

### 1.b. Offsets for Price Limits

For a given Business Day, the Exchange shall determine Offsets on the basis of the Index value ("I") at the close of trading on the Primary Listing Exchange (Rule 36900.B.) on the first preceding Business Day, as follows:

7% Offset = 7% of I (0.07 x I)

13% Offset = 13% of I (0.13 x I)

20% Offset = 20% of I (0.20 x I)

Each resultant Offset value shall be rounded down to the nearest integer multiple of ~~0.10 Index points (0.05 without remainder for the E-mini Financial Select Sector Stock Index Futures and E-mini Real Estate Select Sector Stock Index futures contracts)~~ the CME Globex Minimum Price Increment as designated in Rule 36901. Each such Offset, so rounded, shall be used in determination of the corresponding Price Limits.

### 2. Application of Price Limits from Start of Trading Day to 8:30 a.m.

From the start of any Trading Day until 8:30 a.m., there shall be no trading in futures for a given delivery month at any price that is either strictly lower than or strictly higher than the range defined by the 7% Price Limits (Rule 36902.I.1.) applicable to such futures on such Trading Day.

Without limitation to the foregoing, the start of any Trading Day generally shall coincide with the start of the CME Globex trading session at 5:00 p.m. on the evening first preceding such Trading Day.

During this period of time, the contract shall also be subject to dynamic price fluctuation limits as set forth in Rule 589.D. and in the Special Price Fluctuation Limits and Daily Price Limits Table in the Interpretations & Special Notices Section of Chapter 5.

### 3. Application of Price Limits and Trading Halts from 8:30 a.m. to 2:25 p.m.

Except as provided in Rules 36902.I.3.a. and 36802.I.3.b., from 8:30 a.m. until and including 2:25 p.m., or from 8:30 a.m. until and including 11:25 a.m. in the case of an early scheduled close of the Primary Listing Exchange, futures for a given delivery month shall trade subject to the corresponding Price Limits (Rule 36902.I.1.), as follows:

There shall be no futures trading at any price strictly lower than the corresponding 7% Price Limit, unless the Primary Futures Contract Month becomes limit offered at its 7% Price Limit.

At such time as the Primary Futures Contract Month becomes limit offered at its 7% Price Limit, the Exchange shall initiate a 2-minute observation interval. At the conclusion of such observation interval:

If the Primary Futures Contract Month is not limit offered at its 7% Price Limit, futures trading shall continue subject to the corresponding 13% Price Limit.

If the Primary Futures Contract Month remains limit offered at its 7% Price Limit, futures trading shall halt for two (2) minutes, and shall then resume subject to the corresponding 13% Price Limit.

At such time as the Primary Futures Contract Month becomes limit offered at its 13% Price Limit, the Exchange shall initiate a 2-minute observation interval. At the conclusion of such observation interval:

If the Primary Futures Contract Month is not limit offered at its 13% Price Limit, futures trading shall continue subject to the corresponding 20% Price Limit.

If the Primary Futures Contract Month remains limit offered at its 13% Price Limit, futures trading shall halt for two (2) minutes, and shall then resume subject to the corresponding 20% Price Limit.

There shall be no futures trading at any price strictly lower than the corresponding 20% Price Limit.

### **3.a. Regulatory Halts**

At such time as the Primary Listing Exchange may declare a Regulatory Halt (Rule 36900.C.) in response to a Level 1 (7%) Market Decline in the S&P 500 Index, futures trading shall halt. When trading resumes on the Primary Listing Exchange, futures trading shall resume subject to the corresponding 13% Price Limit.

At such time as the Primary Listing Exchange may declare a Regulatory Halt in response to a Level 2 (13%) Market Decline in the S&P 500 Index, futures trading shall halt. When trading resumes on the Primary Listing Exchange, futures trading shall resume subject to the corresponding 20% Price Limit.

At such time as the Primary Listing Exchange may declare a Regulatory Halt in response to a Level 3 (20%) Market Decline in the S&P 500 Index, futures trading shall halt for the remainder of the trading session.

### **3.b. Unscheduled Non-Regulatory Halts**

If an unscheduled trading halt that is not also a Regulatory Halt occurs on one or more Primary Listing Exchanges between 8:30 a.m. and 2:25 p.m., or between 8:30 a.m. and 11:25 a.m. in the case of an early scheduled close of the Primary Listing Exchange(s), then futures trading shall be subject to such trading halts or such price limits as the Exchange, in its sole discretion, may determine to be appropriate.

### **4. Application of Price Limits from 2:25 p.m. to 3:00 p.m.**

From 2:25 p.m. to 3:00 p.m., or from 11:25 a.m. to noon in the case of an early scheduled close on the Primary Listing Exchange, trading in futures for a given delivery month shall be subject only to the corresponding 20% Price Limit (Rule 36902.I.1.).

At such time as the Primary Listing Exchange may declare a Regulatory Halt in response to a Level 3 (20%) Market Decline in the S&P 500 Index, futures trading shall halt for the remainder of the trading session.

### **5. Application of Price Limits from 3:00 p.m. to Close of Trading Day**

From the close of trading on the Primary Listing Exchange at 3:00 p.m., or at noon in the case of an early scheduled close on the Primary Listing Exchange, until the close of the current Trading Day, trading in futures for a given delivery month shall be subject to an upper Price Limit equal to the corresponding Reference Price determined on the current Business Day (Rule 36902.I.1.a.) plus the 7% Offset determined on the current Business Day (Rule 36902.I.1.b.).

Trading in such futures also shall be subject to a lower Price Limit set as the corresponding Reference Price determined on the current Business Day minus the 7% Offset determined on the current Business Day, provided that such lower Price Limit shall be no lower than the 20% Price Limit (Rule 36902.I.1.) applicable to the current Trading Day.

During this period of time, the contract shall also be subject to dynamic price fluctuation limits as set forth in Rule 589.D. and in the Special Price Fluctuation Limits and Daily Price Limits Table in the Interpretations & Special Notices Section of Chapter 5.

Without limitation to the foregoing, the close of the current Trading Day generally shall coincide with the close of the CME Globex trading session on such Trading Day.

## **36903. SETTLEMENT PROCEDURES**

Delivery shall be by cash settlement.

### **36903.A. Final Settlement Price**

For a futures contract for a given delivery month, the Final Settlement Price shall be a special opening quotation of the Index. Such special opening quotation shall be determined on the third Friday of such delivery month and shall be based on opening prices of the component stocks of the Index.

If the Index is not scheduled to be published on the third Friday of the contract delivery month, then such Final Settlement Price shall be scheduled for determination on the first preceding Business Day on which the Index is scheduled to be published.

If the Primary Listing Exchange does not open on the day scheduled for determination of such Final

Settlement Price, then the Final Settlement Price shall be a special opening quotation of the Index on the next following day on which the Primary Listing Exchange is open for trading.

If a component stock of the Index does not trade on the day scheduled for determination of such Final Settlement Price, and the Primary Listing Exchange is open for trading, then for the purpose of calculating such Final Settlement Price the price of such stock shall be its closing price on the first preceding Primary Listing Exchange trading day, provided that the Exchange, in its sole discretion, may instruct that the price of such stock shall be the Primary Listing Exchange's Official Opening Price of such stock on the next following Primary Listing Exchange trading day.

**36903.B. Final Settlement**

Clearing members holding open positions in an expiring futures contract at its termination of trading (Rule 36902.G.) 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 Price (Rule 36903.A.).

**36904. [RESERVED]**

**36905. [RESERVED]**

**36906. BASIS TRADE AT INDEX CLOSE ("BTIC") TRANSACTIONS**

All BTIC transactions must be executed in accordance with the requirements of Rule 524.B.

**36906.A. BTIC Block Trade Requirements**

BTIC block trades must be executed in accordance with the requirements of Rule 526.

For a BTIC or BTIC block trade executed on a given Trading Day on or before the scheduled close of the Primary Listing Exchange, the corresponding futures price shall be made by reference to the Index closing value for the current Trading Day.

For a BTIC or BTIC block trade executed on a given Trading Day after the scheduled close of the Primary Listing Exchange, the corresponding futures price shall be made by reference to the Index closing value for the next Trading Day.

**39606.B. BTIC Price Assignment Procedures**

The price assignment procedures for BTIC transactions shall follow Rule 524.B.3.

**36906.C. BTIC Minimum Price Increments**

The valid basis or price increment applied to the Index closing value to establish the BTIC futures price must be stated in ~~CME Globex Minimum Price full tick increments of 0.10 index points for all E-mini S&P Select Sector Stock Index futures except for the E-mini S&P Financial Select Sector Stock Index futures, E-mini Real Estate Select Sector Stock Index futures, and E-mini Communication Services Select Sector Index futures where the basis or price increment applied to the index close to establish the BTIC futures price must be stated in a full tick increments of 0.05 index points~~ as designated in Rule 36901.

On any Business Day, BTIC transactions in a futures contract are made on the basis of that day's closing value of the corresponding ~~S&P Select Sector Stock Index value~~. Such Index closing value is reported to two decimal places of precision. Accordingly, any futures contract position bought or sold through a BTIC transaction shall be cleared in minimum price increment of 0.01 Index points.

**36906.D. Market Disruption Events**

In the event of a market disruption in the Primary Listing Exchange, all pending and executed BTIC transactions in the corresponding futures contract shall be cancelled by the Exchange. Such disruption shall be declared by the Exchange in its sole discretion, and may include, without limitation, an unscheduled early close of the Primary Listing Exchange or a NYSE Rule 7.12 trading halt declared in response to a Level 3 (20%) decline in the S&P 500 Index that necessitates an early close of the Primary Listing Exchange.

(End Chapter 369)

**INTERPRETATIONS & SPECIAL NOTICES RELATING TO CHAPTER 394**

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.

S&P Dow Jones Indices LLC and its affiliates (collectively, "S&P") do not guarantee the accuracy and/or completeness of the S&P Stock Indices or any data included therein. S&P makes no warranty, express or implied, as to the results to be obtained by any person or any entity from the use of the S&P Stock Indices or any data included therein in connection with the trading of futures contracts, options on futures contracts or any other use. S&P makes no express or implied warranties, and expressly disclaims all warranties of merchantability or fitness for a particular purpose or use with respect to the S&P Stock Indices or any data included therein. Without limiting any of the foregoing, in no event shall S&P have any liability for any special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages.

## **Appendix B**

### **CME Rulebook (new)**

#### **Chapter 380 E-mini PHLX Semiconductor Sector Index<sup>SM</sup> Futures**

##### **38000. SCOPE OF CHAPTER**

This chapter is limited in application to E-mini PHLX Semiconductor Sector Index<sup>SM</sup> futures (“futures”). In addition to this chapter, E-mini PHLX Semiconductor Sector Index futures shall be subject to the general rules and regulations of the Exchange as applicable.

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

##### **38000.A. Market Decline**

For the purposes of this chapter a Market Decline shall be as defined in New York Stock Exchange Rule 7.12 for Trading Halts Due to Extraordinary Volatility or in Nasdaq Stock Market Rule 4121 for Trading Halts Due to Extraordinary Volatility.

##### **38000.B. 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).

##### **38000.C. 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.

##### **38001. CONTRACT SPECIFICATIONS**

Each futures contract shall be valued at \$25.00 times the PHLX Semiconductor Sector Index (“Index”). The Index is a modified market capitalization-weighted index of prices of approximately 30 companies primarily involved in the design, distribution, manufacture, and sale of semiconductors.

##### **38002. TRADING SPECIFICATIONS**

##### **38002.A. Trading Schedule**

Futures contracts shall be scheduled for trading during such hours and for delivery in such months as may be determined by the Exchange.

##### **38002.B. Trading Unit**

The unit of trading for the respective E-mini PHLX Semiconductor Index futures contract shall be as designated in Rule 38001.

##### **38002.C. Price Increments**

Bids and offers shall be quoted in Index points. The minimum price increment shall be 0.50 Index points, equal to \$12.50 per contract, for trades executed on CME Globex electronic trading platform, except for intermonth spreads executed pursuant to Rule 542.A., for which the minimum price increment shall be 0.10 Index points, equal to \$2.50 per intermonth spread. For transactions submitted for clearing via CME ClearPort, the minimum price increment shall be 0.01 Index points, equal to \$0.25 per contract.

##### **38002.D. 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.

**38002.E. [Reserved]**

**38002.F. [Reserved]**

**38002.G. Termination of Trading**

Trading in expiring futures shall terminate at the regularly scheduled start of trading on the New York Stock Exchange on the Business Day scheduled for determination of the Final Settlement Price (Rule 38003.A.) for such futures.

**38002.H. [Reserved]**

**38002.I. Price Limits and Trading Halts**

Futures trading shall be subject to Price Limits as set forth in this Rule. For the purpose of this Rule the Exchange shall determine, in its sole discretion, the futures delivery month that represents the Primary Futures Contract Month and when such Primary Futures Contract Month is limit bid or limit offered.

**1. Daily Determination of Price Limits**

For a given Business Day, Price Limits applicable to a futures contract for a given delivery month shall be calculated on the basis of the corresponding Reference Price (Rule 38002.I.1.a.) and the corresponding Offsets (Rule 38002.I.1.b.), as follows:

7% Price Limits = Reference Price minus 7% Offset, and Reference Price plus 7% Offset

13% Price Limit = Reference Price minus 13% Offset

20% Price Limit = Reference Price minus 20% Offset

**1.a. Reference Prices for Price Limits**

For a given Business Day, for futures for a given delivery month, the Exchange shall set a contract Reference Price on the first preceding Business Day, as follows:

**Tier 1**

Such Reference 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 Reference 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 Reference Price calculation shall exclude the midpoint value for any such bid/ask spread that is wider than 1.00 Index points (equal to two (2) minimum price increments).

**Tier 3**

If such Reference Price cannot be determined pursuant to Tier 1 or Tier 2, then the Exchange, in its sole discretion, shall set such Reference 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 and Tier 2 calculations to successive time intervals of increasing length, in integer multiples of thirty (30) seconds, until suitable price data are obtained.

The resultant Reference Price value shall be rounded down to the nearest integer multiple of 1.00 Index points. Such Reference Price, so rounded, shall be used for determination of the corresponding Price Limits.

For newly listed futures for a given delivery month, the Exchange shall set, in its sole discretion, a Reference Price value for the purpose of determining Price Limits for the first day of trading in such futures.

**1.b. Offsets for Price Limits**

For a given Business Day, the Exchange shall determine Offsets on the basis of the Index value ("I") at the close of trading on the Primary Listing Exchange (Rule 38000.B.) on the first preceding Business Day, as follows:

7% Offset = 7% of I (0.07 x I)

13% Offset = 13% of I (0.13 x I)

20% Offset = 20% of I (0.20 x I)

Each resultant Offset value shall be rounded down to the nearest integer multiple of 1.00 Index points. Each such Offset, so rounded, shall be used in determination of the corresponding Price Limits.

## **2. Application of Price Limits from Start of Trading Day to 8:30 a.m.**

From the start of any Trading Day until 8:30 a.m., there shall be no trading in futures for a given delivery month at any price that is either strictly lower than or strictly higher than the range defined by the 7% Price Limits (Rule 38002.I.1.) applicable to such futures on such Trading Day.

Without limitation to the foregoing, the start of any Trading Day generally shall coincide with the start of the CME Globex trading session at 5:00 p.m. on the evening first preceding such Trading Day.

During this period of time, the contract shall also be subject to dynamic price fluctuation limits as set forth in Rule 589.D. and in the Special Price Fluctuation Limits and Daily Price Limits Table in the Interpretations & Special Notices Section of Chapter 5.

## **3. Application of Price Limits and Trading Halts from 8:30 a.m. to 2:25 p.m.**

Except as provided in Rules 38002.I.3.a. and 38002.I.3.b., from 8:30 a.m. until and including 2:25 p.m., or from 8:30 a.m. until and including 11:25 a.m. in the case of an early scheduled close of the Primary Listing Exchange, futures for a given delivery month shall trade subject to the corresponding Price Limits (Rule 38002.I.1.), as follows:

There shall be no futures trading at any price strictly lower than the corresponding 7% Price Limit, unless the Primary Futures Contract Month becomes limit offered at its 7% Price Limit.

At such time as the Primary Futures Contract Month becomes limit offered at its 7% Price Limit, the Exchange shall initiate a 2-minute observation interval. At the conclusion of such observation interval:

If the Primary Futures Contract Month is not limit offered at its 7% Price Limit, futures trading shall continue subject to the corresponding 13% Price Limit.

If the Primary Futures Contract Month remains limit offered at its 7% Price Limit, futures trading shall halt for two (2) minutes, and shall then resume subject to the corresponding 13% Price Limit.

At such time as the Primary Futures Contract Month becomes limit offered at its 13% Price Limit, the Exchange shall initiate a 2-minute observation interval. At the conclusion of such observation interval:

If the Primary Futures Contract Month is not limit offered at its 13% Price Limit, futures trading shall continue subject to the corresponding 20% Price Limit.

If the Primary Futures Contract Month remains limit offered at its 13% Price Limit, futures trading shall halt for two (2) minutes, and shall then resume subject to the corresponding 20% Price Limit.

There shall be no futures trading at any price strictly lower than the corresponding 20% Price Limit.

### **3.a. Regulatory Halts**

At such time as the Primary Listing Exchange may declare a Regulatory Halt (Rule 38000.C.) in response to a Level 1 (7%) Market Decline in the S&P 500 Index, futures trading shall halt. When trading resumes on the Primary Listing Exchange, futures trading shall resume subject to the corresponding 13% Price Limit.

At such time as the Primary Listing Exchange may declare a Regulatory Halt in response to a Level 2 (13%) Market Decline in the S&P 500 Index, futures trading shall halt. When trading resumes on the Primary Listing Exchange, futures trading shall resume subject to the corresponding 20% Price Limit.

At such time as the Primary Listing Exchange may declare a Regulatory Halt in response to a Level 3 (20%) Market Decline in the S&P 500 Index, futures trading shall halt for the remainder of the trading session.

### **3.b. Unscheduled Non-Regulatory Halts**

If an unscheduled trading halt that is not also a Regulatory Halt occurs on one or more Primary Listing Exchanges between 8:30 a.m. and 2:25 p.m., or between 8:30 a.m. and 11:25 a.m. in the case of an early scheduled close of the Primary Listing Exchange(s), then futures trading shall be subject to such trading halts or such price limits as the Exchange, in its sole discretion, may determine to be appropriate.

## **4. Application of Price Limits from 2:25 p.m. to 3:00 p.m.**

From 2:25 p.m. to 3:00 p.m., or from 11:25 a.m. to noon in the case of an early scheduled close on the Primary Listing Exchange, trading in futures for a given delivery month shall be subject only to the corresponding 20% Price Limit (Rule 38002.I.1.).



At such time as the Primary Listing Exchange may declare a Regulatory Halt in response to a Level 3 (20%) Market Decline in the S&P 500 Index, futures trading shall halt for the remainder of the trading session.

#### **5. Application of Price Limits from 3:00 p.m. to Close of Trading Day**

From the close of trading on the Primary Listing Exchange at 3:00 p.m., or at noon in the case of an early scheduled close on the Primary Listing Exchange, until the close of the current Trading Day, trading in futures for a given delivery month shall be subject to an upper Price Limit equal to the corresponding Reference Price determined on the current Business Day (Rule 38002.I.1.a.) plus the 7% Offset determined on the current Business Day (Rule 38002.I.1.b.).

Trading in such futures also shall be subject to a lower Price Limit set as the corresponding Reference Price determined on the current Business Day minus the 7% Offset determined on the current Business Day, provided that such lower Price Limit shall be no lower than the 20% Price Limit (Rule 38002.I.1.) applicable to the current Trading Day.

During this period of time, the contract shall also be subject to dynamic price fluctuation limits as set forth in Rule 589.D. and in the Special Price Fluctuation Limits and Daily Price Limits Table in the Interpretations & Special Notices Section of Chapter 5.

Without limitation to the foregoing, the close of the current Trading Day generally shall coincide with the close of the CME Globex trading session on such Trading Day.

### **38003. SETTLEMENT PROCEDURES**

Delivery shall be by cash settlement.

#### **38003.A. Final Settlement Price**

For a futures contract for a given delivery month, the Final Settlement Price shall be a special opening quotation of the Index. Such special opening quotation shall be determined on the third Friday of such delivery month and shall be based on opening prices of the component stocks of the Index.

If the Index is not scheduled to be published on the third Friday of the contract delivery month, then such Final Settlement Price shall be scheduled for determination on the first preceding Business Day on which the Index is scheduled to be published.

If the Primary Listing Exchange does not open on the day scheduled for determination of such Final Settlement Price, then the Final Settlement Price shall be a special opening quotation of the Index on the next following day on which the Primary Listing Exchange is open for trading.

If a component stock of the Index does not trade on the day scheduled for determination of such Final Settlement Price, and the Primary Listing Exchange is open for trading, then for the purpose of calculating such Final Settlement Price the price of such stock shall be its closing price on the first preceding Primary Listing Exchange trading day, provided that the Exchange, in its sole discretion, may instruct that the price of such stock shall be the Primary Listing Exchange's Official Opening Price of such stock on the next following Primary Listing Exchange trading day.

#### **38003.B. Final Settlement**

Clearing members holding open positions in an expiring futures contract at its termination of trading (Rule 38002.G.) 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 Price (Rule 38003.A.).

### **38004. [RESERVED]**

### **38005. [RESERVED]**

### **38006. BASIS TRADE AT INDEX CLOSE ("BTIC") TRANSACTIONS**

All BTIC transactions must be executed in accordance with the requirements of Rule 524.B.

#### **38006.A. BTIC Block Trade Requirements**

BTIC block trades must be executed in accordance with the requirements of Rule 526.

For a BTIC or BTIC block trade executed on a given Trading Day on or before the scheduled close of the Primary Listing Exchange, the corresponding futures price shall be made by reference to the Index closing value for the current Trading Day.

For a BTIC or BTIC block trade executed on a given Trading Day after the scheduled close of the Primary Listing Exchange, the corresponding futures price shall be made by reference to the Index closing value for the next Trading Day.

#### **38006.B. BTIC Price Assignment Procedures**

The price assignment procedures for BTIC transactions shall follow Rule 524.B.3.

**38006.C. BTIC Minimum Price Increments**

The valid basis or price increment applied to the Index closing value to establish the BTIC futures price must be an integer multiple of the contract minimum price increment of 0.50 Index points.

**38006.D. Market Disruption Events**

In the event of a market disruption in the Primary Listing Exchange, all pending and executed BTIC transactions in the corresponding futures contract shall be cancelled by the Exchange. Such disruption shall be declared by the Exchange in its sole discretion, and may include, without limitation, an unscheduled early close of the Primary Listing Exchange or a NYSE Rule 7.12 trading halt declared in response to a Level 3 (20%) decline in the S&P 500 Index that necessitates an early close of the Primary Listing Exchange.

(End Chapter 380)

**INTERPRETATIONS & SPECIAL NOTICES RELATING TO CHAPTER 380**

E-mini PHLX Semiconductor Sector futures (Products) are not sponsored, endorsed, sold or promoted by the Nasdaq Stock Market, Inc. (including its affiliates) (Nasdaq, with its affiliates, are referred to as the Corporations). The Corporations have not passed on the legality or suitability of, or the accuracy or adequacy of descriptions and disclosures relating to, the Products. The Corporations make no representation or warranty, express or implied, to the holder of any position in the Products or any member of the public regarding the advisability of investing in financial instruments generally or in the Products particularly, or the ability of the PHLX Semiconductor Sector Index ("SOX Index") to track general stock market performance. The Corporations' only relationship to Chicago Mercantile Exchange Inc. (Licensee) is in the licensing of certain trademarks, service marks, and trade names of the Corporations and the use of the SOX Index, which is determined, composed and calculated by Nasdaq without regard to Licensee or the Products. Nasdaq has no obligation to take the needs of the Licensee or the holder of any position in the Products into consideration in determining, composing or calculating the SOX Index. The Corporations are not responsible for and have not participated in the determination or calculation of the equation by which the Products are to be converted into cash, in the case of E-mini PHLX Semiconductor Sector Futures. The Corporations have no liability in connection with the administration, marketing or trading of the Products.

THE CORPORATIONS DO NOT GUARANTEE THE ACCURACY AND/OR UNINTERRUPTED CALCULATION OF THE SOX INDEX OR ANY DATA INCLUDED THEREIN. THE CORPORATIONS MAKE NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM THE USE OF THE SOX INDEX, ANY OPENING, INTRA-DAY, OR CLOSING VALUE THEREOF, OR ANY DATA INCLUDED THEREIN, OR RELATING THERETO, IN CONNECTION WITH THE TRADING OF E-MINI PHLX SEMICONDUCTOR SECTOR FUTURES OR FOR ANY OTHER PURPOSE. THE CORPORATIONS MAKE NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE SOX INDEX, ANY OPENING, INTRA-DAY, OR CLOSING VALUE THEREOF, OR ANY DATA INCLUDED THEREIN OR RELATED THERETO, OR ANY E-MINI PHLX SEMICONDUCTOR SECTOR FUTURES CONTRACT. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL THE CORPORATIONS HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

## Appendix C

### 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	\$0.37
	EFP EFR Block BTIC	\$1.84
	Delivery	\$0.09
Rule 106.D Lessees Rule 106.F Employees	CME Globex	\$0.49
	EFP EFR Block BTIC	\$1.96
	Delivery	\$0.21
Rule 106.R Electronic Corporate Members (For other than CME Globex - Non-Member rates apply)	CME Globex	\$0.52
	CME Globex - BTIC	\$2.14
Rule 106.H and 106.N Firms	CME Globex	\$0.62
	EFP EFR Block BTIC	\$2.14
	Delivery	\$0.39
International Incentive Program (IIP) Participants International Volume Incentive Program (IVIP) Participants (For other than CME Globex - Non-Member rates apply)	CME Globex	\$0.65
	CME Globex – BTIC	\$2.15
Central Bank Incentive Program (CBIP) Participants Latin American Fund Manager Incentive Program (FMIP) Participants (For other than CME Globex - Non-Member rates apply)	CME Globex – Outrights	\$1.02
	CME Globex – Spreads	\$0.90
	CME Globex – BTIC	\$2.15
CBOE Members (For S&P products only; for all other products - Non-Member rates apply)	CME Globex – Outrights	\$1.23
	CME Globex – Spreads	\$0.85
	EFP EFR Block BTIC	\$2.10
	Delivery	\$0.35
Members Trading Outside of Division (For other than CME Globex During ETH - Non-Member rates apply)	CME Globex During ETH Only	\$0.76
Non-Members	CME Globex – Outrights	\$1.28
	CME Globex – Spreads	\$0.90
	EFP EFR Block BTIC	\$2.15
	Delivery	\$0.40

Processing Fees	Fee
Position Adjustment/Position Transfer	\$0.10
Give-Up Surcharge	\$0.05
Facilitation Fee	\$0.40

## Appendix D

### CME Rulebook Chapter 5 ("Trading Qualifications and Practices") Position Limit, Position Accountability, and Reportable Level Table

(attached under separate cover)

## Appendix E

### CME Rulebook Chapter 5 ("Trading Qualifications and Practices") Rule 588.H. ("Globex Non-Reviewable Trading Ranges") Table

Instrument Name Equity Index	Globex Non-Reviewable Ranges (NRR)					
	Globex Symbol	Globex Non-Reviewable Ranges (NRR)	Outrights		Spreads	
			NRR: Globex Format	NRR: Minimum Ticks	NRR: Globex Format	NRR: Outright Minimum Ticks
<b>S&amp;P Select Index Futures and PHLX Semiconductor Futures (CME)</b>						
<u>E-mini S&amp;P Regional Banks Select Industry Futures</u>	<u>SXB</u>	<u>10 index points</u>	<u>1000</u>	<u>40</u>	<u>250</u>	<u>10</u>
<u>BTIC on E-mini S&amp;P Regional Banks Select Industry Futures</u>	<u>RKT</u>	<u>2.5 index points</u>	<u>250</u>	<u>10</u>	<u>N/A</u>	<u>N/A</u>
<u>E-mini S&amp;P Insurance Select Industry Futures</u>	<u>SXI</u>	<u>20 index points</u>	<u>2000</u>	<u>40</u>	<u>500</u>	<u>10</u>
<u>BTIC on E-mini S&amp;P Insurance Select Industry Futures</u>	<u>IST</u>	<u>5 index points</u>	<u>500</u>	<u>10</u>	<u>N/A</u>	<u>N/A</u>
<u>E-mini S&amp;P Oil &amp; Gas Exploration and Production Select Industry Futures</u>	<u>SXO</u>	<u>20 index points</u>	<u>2000</u>	<u>40</u>	<u>500</u>	<u>10</u>
<u>BTIC on E-mini S&amp;P Oil &amp; Gas Exploration and Production Select Industry Futures</u>	<u>SWT</u>	<u>5 index points</u>	<u>500</u>	<u>10</u>	<u>N/A</u>	<u>N/A</u>
<u>E-mini PHLX Semiconductor Sector Futures</u>	<u>SOX</u>	<u>20 index points</u>	<u>2000</u>	<u>40</u>	<u>500</u>	<u>10</u>
<u>BTIC on E-mini PHLX Semiconductor Sector Futures</u>	<u>SOT</u>	<u>5 index points</u>	<u>500</u>	<u>10</u>	<u>N/A</u>	<u>N/A</u>
<u>E-mini S&amp;P Biotechnology Select Industry Futures</u>	<u>SXT</u>	<u>50 index points</u>	<u>5000</u>	<u>50</u>	<u>1300</u>	<u>13</u>
<u>BTIC on E-mini S&amp;P Biotechnology Select Industry Futures</u>	<u>BOT</u>	<u>13 index points</u>	<u>1300</u>	<u>13</u>	<u>N/A</u>	<u>N/A</u>
<u>E-mini S&amp;P Retail Select Industry Futures</u>	<u>SXR</u>	<u>50 index points</u>	<u>5000</u>	<u>50</u>	<u>1300</u>	<u>13</u>
<u>BTIC on E-mini S&amp;P Retail Select Industry Futures</u>	<u>RET</u>	<u>13 index points</u>	<u>1300</u>	<u>13</u>	<u>N/A</u>	<u>N/A</u>

## Appendix F

### CME Rulebook

#### Chapter 5

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

### Rule 589. Special Price Fluctuation Limits and Daily Price Limits Table

Product	Rulebook Chapter	Commodity Code	Primary/ Associated	Associated With	Daily Price Limit	Dynamically Calculated Variant (Excluding Regular Trading Hours)
<a href="#"><u>S&amp;P Industry Sector Futures</u></a>	<a href="#"><u>369</u></a>	<a href="#"><u>SXT, SXO, SXR, SXB, SXI</u></a>	<a href="#"><u>Primary</u></a>	<a href="#"><u>Primary</u></a>	<a href="#"><u>Daily Price Limit Table</u></a>	3.5% of Dynamically Calculated Reference Price
<a href="#"><u>BTIC S&amp;P Industry Sector Futures</u></a>	<a href="#"><u>369</u></a>	<a href="#"><u>IST, BOT, SWT, RET, RKT</u></a>	<a href="#"><u>Associated</u></a>	<a href="#"><u>S&amp;P Industry Sector Futures</u></a>	<a href="#"><u>Daily Price Limit Table</u></a>	
<a href="#"><u>PHLX Semiconductor Index Futures</u></a>	<a href="#"><u>380</u></a>	<a href="#"><u>SOX</u></a>	<a href="#"><u>Primary</u></a>	<a href="#"><u>Primary</u></a>	<a href="#"><u>Daily Price Limit Table</u></a>	3.5% of Dynamically Calculated Reference Price
<a href="#"><u>BTIC PHLX Semiconductor Index Futures</u></a>	<a href="#"><u>380</u></a>	<a href="#"><u>SOT</u></a>	<a href="#"><u>Associated</u></a>	<a href="#"><u>PHLX Semiconductor Index Futures</u></a>	<a href="#"><u>Daily Price Limit Table</u></a>	