



## Special Executive Report

SER-4647

December 13, 2007

### **HARMONIZING CME STOCK INDEX PRICE LIMIT POLICIES ON TUESDAY, January 1, 2008**

Effective on Tuesday, January 1, 2008, for trade date of Wednesday, January 2, 2008, the exchange will apply 10%, 20% and 30% price limits rule to all domestic stock products. This initiative is occasioned by the recent CME/CBOT combination and prompted by the fact that legacy CME price limits are somewhat at odds with practices prevailing on NYSE, Nasdaq, CBOT and CBOE.

**As Amended**– The new daily price limit policies would comprehensively amend price limits associated with all domestic legacy CME stock index products. In particular, these amendments incorporate several principles as follows.

- Eliminate the current 5%, 10%, 15%, 20% limits in favor of 10%, 20% and 30% “speed bumps” which are consistent with prevailing spot equity market practices. Note that we propose to retain references to the specific stock index that is the subject of the futures contract rather than tying these limits to movements in the DJIA. In particular, various of our indexes may be more or less volatile than the DJIA.
- Eliminate “Second Day Limits” as currently enforced. Contingent upon being lock-limit at a 20% decline on a given day, less binding constraints are imposed upon 5%, 10%, 15% and 20% declines on the next business day. A less stringent enforcement of the limits may be warranted to the extent that if CME products were limited to a 20% movement while the equity market in general continued its descent, CME might need to play “catch-up” on the subsequent day. To the extent that we would be coordinated with the 10%, 20%, 30% framework, it becomes unnecessary to play catch-up.
- Generally tie limits to movements in E-mini contracts as opposed to standard contracts. When the current system of price limits was introduced in 1998, the standard contracts represented the focal points of liquidity as opposed to the E-minis. This situation has subsequently reversed and should be recognized in our Rulebook.

- Require an unconditional trading halt with respect to CME stock index products when the primary stock market is halted for trading, regardless of whether the CME product has hit a limit or not.
- We propose to continue enforcement of the current 5% limit bid or offer policy during Electronic Trading Hours (ETH). However, due to operational considerations, if a market shall be limit bid or offered anytime after 8:28 a.m. CT, a halt shall be declared. When the market reopens at the commencement of Regular Trading Hours (RTH) at 8:30 a.m., the 10% limit shall be in effect.

The text of the amendment is as follows with respect to the standard S&P 500, E-mini S&P 500, standard Nasdaq 100 and E-mini Nasdaq 100 futures contracts is included in the Appendix to this document. Note that these changes apply to all the other legacy CME domestic stock products: E-mini Nasdaq Biotechnology, E-mini Nasdaq Composite, S&P MidCap 400, E-mini S&P MidCap 400, S&P SmallCap 600, E-mini S&P SmallCap 600, Russell 2000, E-mini Russell 2000, S&P 500/Citigroup Growth, S&P 500/Citigroup Value, S&P 500/Technology SPCTR, and S&P 500/Financial SPCTR.

*If you have any questions, please contact Bret Vietmeier, Director, Products & Services at (312) 930-3394 or Lucy Wang, Research Analyst, Product Development & Research, at (312) 648-5478.*

## Chapter 351 Standard and Poor's 500 Stock Price Index™ Futures

### 35102.I. Price Limits, Trading Halts, and/or Trading Hours<sup>1</sup>

Daily price limits and trading halts of the S&P 500 Stock Price Index futures contract shall be coordinated with trading halts of the underlying stocks listed for trading in the securities markets.

For the purpose of this rule, the primary futures contract shall be defined as the futures contract trading in the lead month configuration in the pit and Exchange staff shall have the responsibility of determining whether the primary futures contract is limit offered.

For the first day of trading in a newly listed contract, there will be an implied previous business day's settlement price, created by the Exchange for the sole purpose of establishing price limits. The implied settlement price will be created by extrapolating the annualized percentage carry between the two contract months immediately prior to the newly listed contract.

**Price Limits:** There shall be Price Limits corresponding to a [~~5.0%, 10.0%, 15.0% and 20.0%~~] 10.0%, 20.0% and 30.0% decline below the Settlement Price of the preceding RTH session calculated as provided below.

The [~~5.0%, 10.0%, 15.0% and 20.0%~~] Price Limits shall be calculated at the beginning of each

<sup>1</sup> Adopted January 1988; effective March 28, 1988; Revised March 1988; October 1988; June 1990; December 1990; December 1992; June 1993; October 1994; July 1996; February 1997; October 1997; February 1998; April 1998; January 1999; November 2000; May 2001.

calendar quarter, based upon the average closing price of the current primary futures contract, during the month prior to the beginning of the quarter (P) and rounded, as follows.

5.0% Price Limit	equals	One half of the 10% Price Limit rounded down to nearest integral multiple of 1 index point
10.0% Price Limit	equals	10% of P rounded down to nearest integral multiple of 10 index points
<del>15.0% Price Limit</del>	<del>equals</del>	<del>1.5 times the 10.0% Price Limit</del>
20.0% Price Limit	equals	2 times the 10.0% Price Limit
30.0% Price Limit	equals	3 times the 10.0% Price Limit

~~[Once the primary futures contract is limit offered at the 5.0% Price Limit, a 10-minute period shall commence. This price limit shall cease to be in effect at the end of the 10-minute period or 45 minutes preceding the scheduled close of trading. If the primary futures contract is limit offered at the 5.0% Price Limit at the end of the 10-minute period, or 45 minutes before the scheduled close of trading, trading shall terminate for a period of two minutes, after which time the market shall reopen. The next applicable Price Limit shall apply to such reopening.]~~

~~After 1:30 p.m. Chicago time, when the primary futures contract is limit offered at the 10.0% Price Limit, a 10-minute period shall commence. If the primary futures contract is limit offered at the end of the 10-minute period, trading shall terminate for a period of two minutes, after which time the market shall reopen. The next applicable Price Limit shall apply to such reopening.]~~

When the primary futures contract is limit offered at the 10.0% Price Limit, a 10-minute period shall commence, that limit shall apply until a corresponding limit for the E-mini S&P 500 futures contract ceases to apply, pursuant to Rule 35802.I. If a two-minute trading halt follows for the E-mini S&P 500 futures contract, trading in S&P 500 futures also shall terminate for that two-minute period, after which time the market shall reopen. The next applicable price Limit shall apply to such reopening.

~~[Prior to 1:30 p.m. Chicago time, the 10.0% Price Limit shall be in effect until a trading halt has been declared in the primary securities market, trading in the primary securities market has resumed, and 50 per cent of the stocks underlying the S&P 500 Stock Price Index (selected according to capitalization weights) have reopened. The next applicable Price Limit shall apply to such reopening.]~~

~~[When the primary futures contract is limit offered at the 15.0% Price Limit, a 10-minute period shall commence. If the primary futures contract is limit offered at the end of the 10-minute period, trading shall terminate for a period of two minutes, after which time the market shall reopen. The 20% Price Limit shall apply to such reopening and shall represent the Total Daily Price Limit.]~~

When the primary futures contract is limit offered at the 20.0% Price Limit, a 10-minute period shall commence, that limit shall apply until a corresponding limit for the E-mini S&P 500 futures contract ceases to apply, pursuant to Rule 35802.I. If a two-minute trading halt follows for the E-mini S&P 500 futures contract, trading in S&P 500 futures also shall terminate for that two-minute period, after which time the market shall reopen. The 30% Price Limit shall apply to such reopening and shall represent the Total Daily Price Limit.

**[Trading Halts:** If at any time the primary futures contract is limit offered at the 10.0% Price

~~Limit and there is a trading halt declared in the primary securities market, trading shall be halted. Once trading in the primary securities market resumes after a trading halt, trading on the S&P 500 Stock Price Index futures contract shall resume only after 50 percent of the stocks underlying the S&P 500 Stock Price Index (selected according to capitalization weights) have reopened. The next applicable Price Limit shall apply to such reopening.~~

~~If at any time the primary futures contract is limit offered at the 20.0% Price Limit and there is a trading halt declared in the primary securities market, trading shall be halted. Once trading in the primary securities market resumes after a trading halt, trading on the S&P 500 Stock Price Index futures contract shall resume only after 50 percent of the stocks underlying the S&P 500 Stock Price Index (selected according to capitalization weights) have reopened. The 20% Total Daily Price Limit shall continue to apply subsequent to such reopening.]~~

**Trading Halts:** If there is an NYSE Rule 80B trading halt declared in the primary securities market, trading shall be halted. Once trading in the primary securities market resumes after an NYSE Rule 80B trading halt, trading on the S&P 500 Index futures contract shall resume.

**Opening Time** <sup>2</sup>: If either a trading halt was in effect or the primary futures contract was locked at a limit at the close of trading, then the opening time of trading on GLOBEX shall be delayed until 6:00 p.m.

During Electronic Trading Hours (ETH), there shall be no trading of S&P 500 futures at a price more than the 5.0% Price Limit above or below the Reference RTH Price. ~~[If the market is limit bid two minutes prior to the opening of RTH, the Price Limit that is 5.0% above the Reference RTH Price shall be removed at that time.]~~ If the market is limit bid or limit offered during a period commencing two minutes prior to the opening of RTH, there shall be a trading halt in effect until the commencement of Regular Trading Hours (RTH). Once RTH commences, the next applicable trading limit shall be in effect.

## Chapter 357 NASDAQ 100 Index Futures

### **35702.I. Price Limits, Trading Halts, and/or Trading Hours** <sup>3</sup>

Daily price limits and trading halts of the Nasdaq 100 Index futures contract shall be coordinated with trading halts of the underlying stocks listed for trading in the securities markets.

For the purpose of this rule, the primary futures contract shall be defined as the futures contract trading in the lead month configuration in the pit and Exchange staff shall have the responsibility of determining whether the primary futures contract is limit offered.

For the first day of trading in a newly listed contract, there will be an implied previous business day's settlement price, created by the Exchange for the sole purpose of establishing price limits. The implied settlement price will be created by extrapolating the annualized percentage carry

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<sup>2</sup> Adopted April 1988; Revised June 1990; February 1997; April 1998; April 2001; May 2001. Renumbered July 1996.

<sup>3</sup> Revised July 1996; February 1997; October 1997; February 1998; April 1998; January 1999; May 2000; November 2000; May 2001.

between the two contract months immediately prior to the newly listed contract.

**Price Limits:** There shall be Price Limits corresponding to a ~~[5.0%, 10.0%, 15.0% and 20.0%]~~ 10.0%, 20.0% and 30% decline below the Settlement Price of the preceding RTH session calculated as provided below.

The ~~[5.0%, 10.0%, 15.0% and 20.0%]~~ Price Limits shall be calculated at the beginning of each calendar quarter, based upon the average closing price of the current primary futures contract, during the month prior to the beginning of the quarter (P) and rounded, as follows.

<del>[5.0% Price Limit]</del>	equals	<del>One half of the 10% Price Limit rounded down to nearest integral multiple of 1 index point]</del>
10.0% Price Limit	equals	10% of P rounded down to nearest integral multiple of 10 index points
<del>[15.0% Price Limit]</del>	equals	<del>1.5 times the 10.0% Price Limit]</del>
20.0% Price Limit	equals	2 times the 10.0% Price Limit
30.0% Price Limit	equals	3 times the 10.0% Price Limit

~~[Once the primary futures contract is limit offered at the 5.0% Price Limit, a 10 minute period shall commence. This price limit shall cease to be in effect at the end of the 10 minute period or 45 minutes preceding the scheduled close of trading. If the primary futures contract is limit offered at the end of the 10 minute period, or 45 minutes before the scheduled close of trading, trading shall terminate for a period of two minutes, after which time the market shall reopen. The next applicable Price Limit shall apply to such reopening.]~~

~~When the primary futures contract is limit offered at the 10.0% Price Limit, a 10 minute period shall commence. If the primary futures contract is limit offered at the end of the 10 minute period, trading shall terminate for a period of two minutes, after which time the market shall reopen. The next applicable Price Limit shall apply to such reopening.]~~

When the primary futures contract is limit offered at the 10.0% Price Limit, a 10 minute period shall commence, that limit shall apply until a corresponding limit for the E-mini Nasdaq 100 Index futures contract ceases to apply, pursuant to Rule 35902.I. If a two-minute trading halt follows for the E-mini Nasdaq 100 Index futures contract, trading in Nasdaq 100 Index futures also shall terminate for that two-minute period, after which time the market shall reopen. The next applicable Price Limit shall apply to such reopening.

~~[When the primary futures contract is limit offered at the 15.0% Price Limit, a 10 minute period shall commence. If the primary futures contract is limit offered at the end of the 10 minute period, trading shall terminate for a period of two minutes, after which time the market shall reopen. The 20% Price Limit shall apply to such reopening and shall represent the Total Daily Price Limit.]~~

**Trading Halts:** If there is [a] an NYSE Rule 80B trading halt declared in the primary securities market, trading shall be halted. Once trading in the primary securities market resumes after [a] an NYSE Rule 80B trading halt, trading on the Nasdaq 100 Index futures contract shall resume.

**~~[Second Day Limits:~~** ~~If the primary futures contract is limit offered at the 20.0% Price Limit as of the close of Regular Trading Hours, the subsequent RTH trading session shall be subject to modified limits as follows:~~

~~If, during a RTH trading session subject to Second Day Limits, the primary futures contract is limit offered at the 5.0%, 10.0% or 15.0% Price Limit, a 10 minute period shall commence. These price limits shall cease to be in effect at the end of the 10 minute period or 45 minutes preceding the scheduled close of trading. If the primary futures contract is limit offered at the 5.0%, 10.0% or 15.0% Price Limit at the end of the 10 minute period, or 45 minutes before the scheduled close of trading, trading shall terminate for a period of two minutes, after which time the market shall reopen. The next applicable Price Limit shall apply to such reopening. The 20% Price Limit shall represent the Total Daily Price Limit.~~

~~If, during a RTH trading session subject to Second Day Limits, there is a trading halt declared in the primary securities market, trading shall be halted. Once trading in the primary securities market resumes after a trading halt, trading on the Nasdaq 100 Index futures contract shall resume.]~~

**Opening Time<sup>4</sup>:** The opening time of trading on GLOBEX will be the same as the opening time of GLOBEX trading of S&P 500 contracts. In particular, the opening time of GLOBEX trading will be delayed until 6:00 p.m. if GLOBEX trading of S&P 500 contracts is delayed until 6:00 p.m.

During Electronic Trading Hours (ETH), there shall be no trading of Nasdaq 100 Index futures at a price more than the 5.0% Price Limit above or below the Reference RTH Price. ~~[If the market is limit bid two minutes prior to the opening of RTH, the Price Limit that is 5.0% above the Reference RTH Price shall be removed at that time.]~~ If the market is limit bid or limit offered during a period commencing two minutes prior to the opening of RTH, there shall be a trading halt in effect until the commencement of Regular Trading Hours (RTH). Once RTH commences, the next applicable trading limit shall be in effect.

## **Chapter 358**

### **E-mini Standard and Poor's 500 Stock Price Index Futures**

#### **35802.I. Price Limits, Trading Halts, and/or Trading Hours<sup>5</sup>**

Daily price limits and trading halts of the E-Mini S&P 500 Stock Price Index futures contract shall be coordinated with trading halts of the underlying stocks listed for trading in the securities markets.

For the purpose of this rule, the primary E-Mini futures contract shall be defined as the nearest E-Mini S&P 500 futures contract month. The Equity Price Limit Committee shall have the responsibility of determining whether the primary futures contract is limit offered.

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<sup>4</sup> Revised February 1997; April 1998; April 2001; May 2001.

<sup>5</sup> Revised October 1997; February 1998; April 1998; January 1999; May 2001.

For the first day of trading in a newly listed contract, the implied settlement price will be the most recent daily settlement for the S&P 500 futures contract whose expiration date matches that of the newly listed contract.

**Price Limits:** For purposes of rules determining price limits and trading halts, RTH and ETH refer to, respectively, the Regular Trading Hours and the Electronic Trading Hours of the Standard and Poor's 500 Stock Price Index Futures.

At the open of RTH, there shall be Price Limits corresponding to a ~~[5.0%, 10.0%, 15% and 20.0%]~~ 10.0%, 20.0% and 30.0% decline below the Reference RTH Price.

The ~~[5.0%, 10.0%, 15% and 20.0%]~~ Price Limits shall be calculated at the beginning of each calendar quarter, based upon the average closing price of the S&P 500 futures contract whose expiration date matches that of the current primary E-Mini futures contract, during the month prior to the beginning of the quarter (P) and rounded, as follows.

5.0% Price Limit	equals	One half of the 10% Price Limit rounded down to nearest integral multiple of 1 index point
10.0% Price Limit	equals	10% of P rounded down to nearest integral multiple of 10 index points
<del>[15.0% Price Limit]</del>	<del>equals</del>	<del>1.5 times the 10.0% Price Limit]</del>
20.0% Price Limit	equals	2 times the 10.0% Price Limit
30.0% Price Limit	equals	3 times the 10.0% Price Limit

~~[Once the primary E-Mini futures contract is limit offered at the 5.0% Price Limit, that limit shall apply until a corresponding limit for the S&P 500 futures contract ceases to apply, pursuant to Rule 35102.I. If a two-minute trading halt follows for the S&P 500 futures contract, trading in E-Mini S&P 500 futures also shall terminate for that two-minute period, after which time the market shall reopen. The next applicable limit shall apply to such reopening.]~~

~~[After 1:30 p.m. Chicago time, when the primary futures contract is limit offered at the 10.0% Price Limit, a 10-minute period shall commence, that limit shall apply until a corresponding limit for the S&P 500 futures contract ceases to apply, pursuant to Rule 35102.I. If a two-minute trading halt follows for the S&P 500 futures contract, trading in E-Mini S&P 500 futures also shall terminate for that two-minute period, after which time the market shall reopen. The next applicable price Limit shall apply to such reopening.]~~

When the primary futures contract is limit offered at the 10.0% Price Limit, a 10-minute period shall commence. If the primary futures contract is limit offered at the end of the 10-minute period, trading shall terminate for a period of two minutes, after which time the market shall reopen. The next applicable price Limit shall apply to such reopening.

~~[Prior to 1:30 p.m. Chicago time, the 10.0% Price Limit shall be in effect until a trading halt has been declared in the primary securities market, trading in the primary securities market has resumed, and 50 per cent of the stocks underlying the S&P 500 Stock Price Index (selected according to capitalization weights) have reopened. The next applicable Price Limit shall apply to such reopening.]~~

~~[When the primary futures contract is limit offered at the 15.0% Price Limit, a 10-minute period~~

~~shall commence, that limit shall apply until a corresponding limit for the S&P 500 futures contract ceases to apply, pursuant to Rule 35102.1. If a two minute trading halt follows for the S&P 500 futures contract, trading in E Mini S&P 500 futures also shall terminate for that two-minute period, after which time the market shall reopen. The 20% Price Limit shall apply to such reopening and shall represent the Total Daily Price Limit.]~~

When the primary futures contract is limit offered at the 20.0% Price Limit, a 10-minute period shall commence. If the primary futures contract is limit offered at the end of the 10-minute period, trading shall terminate for a period of two minutes, after which time the market shall reopen. The next applicable price Limit shall apply to such reopening.

~~[**Trading Halts:** If at any time the primary E Mini futures contract is limit offered at the 10.0% Price Limit and there is a trading halt declared in the primary securities market, trading shall be halted. Once trading in the primary securities market resumes after a trading halt, trading on the E Mini S&P 500 Stock Price Index futures contract shall resume only after 50 per cent of the stocks underlying the S&P 500 Stock Price Index (selected according to capitalization weights) have reopened. The next applicable Price Limit shall apply to such reopening.~~

~~If at any time the primary futures contract is limit offered at the 20.0% Price Limit and there is a trading halt declared in the primary securities market, trading shall be halted. Once trading in the primary securities market resumes after a trading halt, trading on the E Mini S&P 500 Stock Price Index futures contract shall resume only after 50 percent of the stocks underlying the S&P 500 Stock Price Index (selected according to capitalization weights) have reopened. The 20% Total Daily Price Limit shall continue to apply subsequent to such reopening.]~~

**Trading Halts:** If there is an NYSE Rule 80B trading halt declared in the primary securities market, trading shall be halted. Once trading in the primary securities market resumes after an NYSE Rule 80B trading halt, trading on the E-Mini S&P 500 Index futures contract shall resume.

~~[**Second Day Limits:** If the primary futures contract is limit offered at the 20.0% Price Limit as of the close of Regular Trading Hours, the subsequent RTH trading session shall be subject to modified limits as follows.~~

~~If, during a RTH trading session subject to Second Day Limits, the primary futures contract is limit offered at the 5.0%, 10.0% or 15.0% Price Limit, a 10 minute period shall commence. These price limits shall cease to be in effect at the end of the 10 minute period or 45 minutes preceding the scheduled close of trading. If the primary futures contract is limit offered at the 5.0%, 10.0% or 15.0% Price Limit at the end of the 10 minute period, or 45 minutes before the scheduled close of trading, trading shall terminate for a period of two minutes, after which time the market shall reopen. The next applicable Price Limit shall apply to such reopening. The 20% Price Limit shall represent the Total Daily Price Limit.~~

~~If, during a RTH trading session subject to Second Day Limits, there is a trading halt declared in the primary securities market, trading shall be halted. Once trading in the primary securities market resumes after a trading halt, trading on the E Mini S&P 500 Stock Price Index futures contract shall resume only after 50 percent of the stocks underlying the S&P 500 Stock Price Index (selected according to capitalization weights) have reopened. The 20% Total Daily Price Limit shall apply to such reopening.]~~



**Opening Time<sup>6</sup>:** If either a trading halt was in effect or the primary futures contract was locked at a limit at the close of trading, then the opening time of trading on GLOBEX® shall be delayed until 6:00 p.m.

During Electronic Trading Hours (ETH), there shall be no trading of E-Mini S&P 500 futures at a price more than the 5.0% Price Limit above or below the Reference RTH Price. ~~[If the market is limit bid two minutes prior to the opening of RTH, the Price Limit that is 5.0% above the Reference RTH Price shall be removed at that time.]~~ If the market is limit bid or limit offered during a period commencing two minutes prior to the opening of RTH, there shall be a trading halt in effect until the commencement of Regular Trading Hours (RTH). Once RTH commences, the next applicable trading limit shall be in effect.

## **Chapter 359**

### **E-mini NASDAQ 100 Index Futures**

#### **35902.I. Price Limits, Trading Halts, and/or Trading Hours<sup>7</sup>**

Daily price limits and trading halts of the E-Mini Nasdaq 100 Index futures contract shall be coordinated with trading halts of the underlying stocks listed for trading in the securities markets.

For the purpose of this rule, the primary E-Mini futures contract shall be defined as the nearest E-Mini Nasdaq 100 futures contract month. Exchanges staff shall have the responsibility of determining whether the primary futures contract is limit offered.

For the first day of trading in a newly listed contract, the implied settlement price will be the most recent daily settlement for the Nasdaq 100 Index futures contract whose expiration date matches that of the newly listed contract.

**Price Limits:** For purposes of rules determining price limits and trading halts, RTH and ETH refer to, respectively, the Regular Trading Hours and the Electronic Trading Hours of the Nasdaq 100 Index Futures.

At the open of RTH, there shall be Price Limits corresponding to a ~~[5.0%, 10.0%, 15.0% and 20.0%]~~ 10.0%, 20.0% and 30% decline below the Reference RTH Price.

The ~~[5.0%, 10.0%, 15.0% and 20.0%]~~ Price Limits shall be calculated at the beginning of each calendar quarter, based upon the average closing price of the Nasdaq 100 Index futures contract whose expiration date matches that of the current primary E-Mini futures contract, during the month prior to the beginning of the quarter (P) and rounded, as follows:

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<sup>6</sup> Revised April 1998; April 2001; May 2001.

<sup>7</sup> Revised May 2000; November 2000; May 2001.

5.0% Price Limit	equals	One half of the 10% Price Limit rounded down to nearest integral multiple of 1 index point
10.0% Price Limit	equals	10% of P rounded down to nearest integral multiple of 10 index points
<del>15.0% Price Limit</del>	<del>equals</del>	<del>1.5 times the 10.0% Price Limit</del>
20.0% Price Limit	equals	2 times the 10.0% Price Limit
30.0% Price Limit	equals	3 times the 10.0% Price Limit

~~[Once the primary E Mini Nasdaq 100 Index futures contract is limit offered at the 5.0% Price Limit, at limit shall apply until a corresponding limit for the Nasdaq 100 Index futures contract ceases to apply, pursuant to Rule 35702.I. If a two minute trading half follows for the Nasdaq 100 futures contract, trading in E mini Nasdaq 100 Index futures also shall terminate for that two minute period, after which time the market shall reopen. The next applicable limit shall apply to such reopening.]~~

~~When the primary futures contract is limit offered at the 10.0% Price Limit, a 10 minute period shall commence, that limit shall apply until a corresponding limit for the Nasdaq 100 Index futures contract cease to apply, pursuant to Rule 35702.I. If a two minute trading half follows for the Nasdaq 100 Index futures contract, trading in E mini Nasdaq 100 Index futures also shall terminate for that two minute period, after which time the market shall reopen. The next applicable Price Limit shall apply to such reopening.]~~

When the primary futures contract is limit offered at the 10.0% Price Limit, a 10-minute period shall commence. If the primary futures contract is limit offered at the end of the 10-minute period, trading shall terminate for a period of two minutes, after which time the market shall reopen. The next applicable price Limit shall apply to such reopening.

~~[When the primary futures contract is limit offered at the 15.0% Price Limit, a 10 minute period shall commence, that limit shall apply until a corresponding limit for the Nasdaq 100 Index futures contract cease to apply, pursuant to Rule 6902.I. If a two minute trading half follows for the Nasdaq 100 Index futures contract, trading in E mini Nasdaq 100 Index futures also shall terminate for that two minute period, after which time the market shall reopen. The 20% Price Limite shall apply to such reopening and shall represent the Total Daily Price Limit.]~~

When the primary futures contract is limit offered at the 20.0% Price Limit, a 10-minute period shall commence. If the primary futures contract is limit offered at the end of the 10-minute period, trading shall terminate for a period of two minutes, after which time the market shall reopen. The next applicable price Limit shall apply to such reopening.

**Trading Halts:** If there is [a] an NYSE Rule 80B trading halt declared in the primary securities market, trading shall be halted. Once trading in the primary securities market resumes after [a] an NYSE Rule 80B trading halt, trading on the E-Mini Nasdaq 100 Index futures contract shall resume.

~~[**Second Day Limits:** If the primary futures contract is limit offered at the 20.0% Price Limit as of the close of Regular Trading Hours, the subsequent RTH trading session shall be subject to modified limits as follows.~~

~~If, during a RTH trading session subject to Second Day Limits, the primary futures contract is limit offered at the 5.0%, 10.0% or 15.0% Price Limit, a 10 minute period shall commence.~~

~~These price limits shall cease to be in effect at the end of the 10 minute period or 45 minutes preceding the scheduled close of trading. If the primary futures contract is limit offered at the 5.0%, 10.0% or 15.0% Price Limit at the end of the 10 minute period, or 45 minutes before the scheduled close of trading, trading shall terminate for a period of two minutes, after which time the market shall reopen. The next applicable Price Limit shall apply to such reopening. The 20% Price Limit shall represent the Total Daily Price Limit.~~

~~If, during a RTH trading session subject to Second Day Limits, there is a trading halt declared in the primary securities market, trading shall be halted. Once trading in the primary securities market resumes after a trading halt, trading on the E mini Nasdaq 100 Index futures contract shall resume.]~~

**Opening Time**<sup>8</sup>: If either a trading halt was in effect or the primary futures contract was locked at a limit at the close of trading, then the opening time of trading on GLOBEX® shall be delayed until 6:00 p.m.

During Electronic Trading Hours (ETH), there shall be no trading of E-Mini Nasdaq 100 Index futures at a price more than the 5.0% Price Limit above or below the Reference RTH Price. ~~[If the market is limit bid two minutes prior to the opening of RTH, the Price Limit that is 5.0% above the Reference RTH Price shall be removed at that time.]~~ If the market is limit bid or limit offered during a period commencing two minutes prior to the opening of RTH, there shall be a trading halt in effect until the commencement of Regular Trading Hours (RTH). Once RTH commences, the next applicable trading limit shall be in effect.

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<sup>8</sup> Revised April 2001; May 2001.