Chapter 261C
1-Month Euro/U.S. Dollar (EUR/USD) VolContracts™
(Euro 1-Month VolContracts™) Futures

261C00. SCOPE OF CHAPTER

This chapter is limited in application to 1-Month Euro/U.S. Dollar (EUR/USD) VolContracts™ (Euro 1-Month VolContracts) futures. In addition to this chapter, Euro 1-Month VolContracts shall be subject to the general rules and regulations of the Exchange insofar as applicable.

For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.

261C01. TRADING SPECIFICATIONS

261C01.A. Trading Schedule
Futures contracts shall be scheduled for trading and delivery during such hours and in such months as may be determined by the Exchange.

261C01.B. Trading Unit
The unit of trading shall be $1,000.00 times the Euro 1-Month Reference Value.

261C01.C. Price Increments
Minimum price fluctuations shall be in multiples of 0.01 of a Euro 1-Month Reference Value point, equivalent to $10.00 per contract (= $1,000.00 x 0.01).

261C01.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.

261C01.E. [Reserved]

261C01.F. [Reserved]

261C01.G. Termination of Trading
Futures trading shall terminate at 2:00 p.m. on the second Friday immediately preceding the third Wednesday of the contract month. If this date for termination is a bank holiday in Chicago or New York City, then futures trading shall terminate on the next preceding Business Day common to Chicago and New York City banks and the Exchange.

261C01.H. [Reserved]

261C02. SETTLEMENT PROCEDURES

261C02.A. Cash Settlement
Euro 1-Month VolContracts shall be settled in cash to a value of $1,000 times the Euro 1-Month Reference Value.

261C02.B. Euro 1-Month Reference Value Calculation
The Euro 1-Month Reference Value (RV) is calculated as the annualized standard deviation of log returns of daily futures settlement prices as follows.

1 VolContract™ is a trademark of The Volatility Exchange Corporation; the instruments and trademarks are licensed for use by CME Group.
\[ RV = 100 \cdot \sqrt{\frac{252}{N} \sum_{t=1}^{N} \left( \ln \frac{P_t}{P_{t-1}} \right)^2} \]

Where \( P_t \) is the daily settlement price for the CME Euro/U.S. Dollar (EUR/USD) futures contract in the contract month corresponding to the contract month for the Euro 1-Month VolContract, on day \( t \). \( P_{t-1} \) is the daily settlement price for the CME Euro/U.S. Dollar (EUR/USD) futures contract in the contract month corresponding to the contract month for the Euro 1-Month VolContract, on the Business Day immediately prior to day \( t \). \( N \) is number of Business Days in monthly calculation period.

The monthly calculation period commences on the first Business Day immediately subsequent to the second Friday immediately preceding the third Wednesday of the first calendar month preceding named contract month. The monthly calculation period concludes on the day on which trading is terminated. Days where futures settlement prices are unavailable do not contribute to calculation.

The result is multiplied by 100. Thus, a value of 20.00\% (0.20) is expressed as 20.00; a value of 10.00\% (0.10) is expressed as 10.00.

261C03. [RESERVED]

(End Chapter 261C)