

## Chapter 351

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

#### 35100. SCOPE OF CHAPTER

This chapter is limited in application to Standard and Poor's 500 Stock Price Index futures ("S&P 500 Index" or "futures"). In addition to this chapter, 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.

##### 35100.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.

##### 35100.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).

##### 35100.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.

#### 35101. CONTRACT SPECIFICATIONS

Each futures contract shall be valued at \$250.00 times the Standard and Poor's 500 Stock Price Index ("S&P 500 Index" or "Index").

#### 35102. TRADING SPECIFICATIONS

##### 35102.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.

##### 35102.B. Trading Unit

The unit of trading shall be \$250.00 times the Index.

##### 35102.C. Price Increments

Bids and offers shall be quoted in Index points. The minimum price increment shall be 0.10 Index points, equal to \$25.00 per contract, except for intermonth spreads executed pursuant to Rule 542.A., for which the minimum price increment shall be 0.05 Index points, equal to \$12.50 per intermonth spread.

##### 35102.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.

##### 35102.E. [Reserved]

**35102.F. [Reserved]****35102.G. Termination of Trading**

Trading in expiring futures shall terminate at the close of trading on the Business Day first preceding the day scheduled for determination of the Final Settlement Price (Rule 35103.A.) for such futures.

**35102.H. [Reserved]****35102.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 35102.I.1.a.) and the corresponding Offsets (Rule 35102.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 identical to the Reference Price determined pursuant to Rule 35802.I.1.a for E-mini Standard and Poor's 500 Stock Index Futures for the same Business Day.

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

For a given Business Day, the Exchange shall set the 7%, 13% and 20% Offsets identical to the corresponding 7%, 13% and 20% Offsets for E-mini Standard and Poor's 500 Stock Index futures determined pursuant to Rule 35802.I.1.b for the same Business Day.

**2. Application of Price Limits from Start of Trading Day to 8:15 a.m.**

From the start of any Trading Day until suspension of futures trading at 8:15 a.m., there shall be no trading in any futures contract 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 35102.I.1.) applicable to such futures contract 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 suspension of futures trading at 8:15 a.m.

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 from 8:30 a.m. to 2:25 p.m.****3.a. Regulatory Halts**

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 be subject to the corresponding Price Limits (Rule 35102.I.1.), as follows:

The corresponding 7% Price Limit shall apply until such time as the Primary Listing Exchange may declare a Regulatory Halt (Rule 35100.C.) in response to a Level 1 (7%) Market Decline in the S&P 500 Index, at which time futures trading shall halt. Futures trading shall resume 10 minutes after the Regulatory Halt commences on the Primary Listing Exchange, 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. Futures trading shall resume 10 minutes after the Regulatory Halt commences on the Primary Listing Exchange, 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 on 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 35102.I.1.).

### **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 35102.I.1.a.) plus the 7% Offset determined on the current Business Day (Rule 35102.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 35102.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 at 4:00 p.m. on such Trading Day.

## **35103. SETTLEMENT PROCEDURES**

Delivery shall be by cash settlement.

### **35103.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 for a component stock of the Index does not open on the day scheduled for determination of such Final Settlement Price, then for the purpose of calculating such Final Settlement Price the price of such component stock shall be its opening price on the next following day on which its 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 for such stock is open for trading, then for the purpose of calculating such Final Settlement Price the price of such stock shall be its last sale price, *provided that* the Exchange in its sole discretion may instruct that the price of such stock shall be its opening price on the next following day that it is traded on its Primary Listing Exchange.

### **35103.B. Final Settlement**

Clearing members holding open positions in an expiring futures contract at its termination of trading (Rule 35102.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 35103.A.).

**35104. [RESERVED]**

**35105. [RESERVED]**

**35106. [RESERVED]**

(End Chapter 351)

**INTERPRETATIONS & SPECIAL NOTICES  
RELATING TO CHAPTER 351**

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