

Chapter 366

S&P 500[®] Quarterly Dividend Index Futures

36600. SCOPE OF CHAPTER

This chapter is limited in application to Standard & Poor's 500[®] Quarterly Dividend Index futures ("S&P 500[®] Quarterly Dividend futures" 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 referenced herein shall refer to and indicate Chicago time.

36600.A. Market Decline

For the purposes of this chapter a Market Decline shall be as defined in New York Stock Exchange Rule 80B for Trading Halts Due to Extraordinary Volatility or in Nasdaq Stock Market Rule 4121 for Trading Halts Due to Extraordinary Volatility.

36600.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).

36600.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 80B for Trading Halts Due to Extraordinary Volatility or under Nasdaq Stock Market Rule 4121 for Trading Halts Due to Extraordinary Volatility.

36601. CONTRACT SPECIFICATIONS

Each futures contract shall be valued at \$1,000.00 times the Standard & Poor's 500[®] Dividend Points Index ("Index").

The Index tracks the total dividends from the constituents of the S&P 500[®] index. The Index resets to zero quarterly, at the end of the third Friday of each March, June, September, and December. On a given day, the Index level is based on the running total accumulation of all ordinary gross dividends paid on S&P 500[®] index constituent stocks that have gone ex-dividend since the previous zero-reset date. The Index is expressed in S&P 500[®] index points.

36602. TRADING SPECIFICATIONS

36602.A. Trading Schedule

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

36602.B. Trading Unit

The unit of trade shall be \$1,000.00 times the Index.

36602.C. Price Increments

Bids and offers shall be quoted in Index points. The minimum price increment shall be 0.01 Index points, equal to \$10.00 per contract, except for intermonth spreads executed pursuant to Rule 542.A., for which the minimum price increment shall be 0.005 Index points, equal to \$5.00 per intermonth spread.

36602.D. Position Limits

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.

36602.E. [Reserved]

36602.F. [Reserved]

36602.G. Termination of Trading

Trading in expiring futures shall terminate at the regularly scheduled start of trading on the Primary Listing Exchanges on the Business Day scheduled for determination of the Final Settlement Price (Rule 36603.A.) for such futures.

36602.H. [Reserved]

36602.I. Price Limits and Trading Halts

There shall be no futures trading when the primary S&P 500 Stock Price Index futures contract is limit bid or offered at any price limit, pursuant to CME Rule 35102.I.

1. Regulatory Halts

From 8:30 a.m. until and including 3:00 p.m., or from 8:30 a.m. until and including noon in the case of an early scheduled close of the Primary Listing Exchange (Rule 36600.B.), futures trading shall halt at such time as the Primary Listing Exchange may declare a Regulatory Halt (Rule 36600.C.) in response to either a Level 1 (7%) Market Decline or a Level 2 (13%) Market Decline in the S&P 500[®] index (Rule 36600.A.). When trading resumes on the Primary Listing Exchange, futures trading shall resume.

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 and remain halted until trading resumes on the Primary Listing Exchange on the following Business Day.

2. 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 as the Exchange, in its sole discretion, may determine to be appropriate.

36602.J. Trading Prohibition

The following persons are prohibited from trading in futures (each, a "Prohibited Person"):

1. Any person who is a director or officer, subject to Section 16 of the Securities Exchange Act of 1934 as amended from time to time, of a corporation that is a constituent of the S&P 500[®] index.
2. Any person who is in possession of material non-public information relating to ordinary cash dividends of a constituent corporation of the S&P 500[®] index, including (but not limited to) information concerning the timing or amount of any ordinary cash dividend.

36602.K. Acceptance for Clearing

A clearing member shall not accept an order for futures contracts from any person, whether such person is trading for its own account or for the account of another person, unless such person provides to the clearing member at or before the time of the order a representation and covenant that, at the time such order is accepted or executed, or the position is held, such person and, as applicable, the other person for whose account such person is trading, is not a Prohibited Person (Rule 36602.J.).

36603. SETTLEMENT PROCEDURES

Delivery shall be by cash settlement.

36603.A. Final Settlement Price

For a futures contract for a given delivery month, the Final Settlement Price shall be the Index value determined on the third Friday of such delivery month, based on the accumulation of all ordinary gross dividends paid on S&P 500[®] index constituent stocks that have gone ex-dividend since the Index's previous zero-reset date.

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.

36603.B. Final Settlement

Clearing members holding open positions in an expiring futures contract at its termination of trading (Rule 36602.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 36603.A.).

36604. [RESERVED]

36605. [RESERVED]

36606. [RESERVED]

(End Chapter 366)

INTERPRETATIONS AND SPECIAL NOTICES RELATING TO CHAPTER 366

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