Chapter 396
Nasdaq-100 Total Return Index Futures

39600. SCOPE OF CHAPTER
This chapter is limited in application to Nasdaq-100 Total Return Index futures (“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.

39600.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.

39600.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).

39600.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.

39601. CONTRACT SPECIFICATIONS
Each futures contract shall be valued at $10.00 times the Nasdaq-100 Total Return Index (“Index”).

39602. TRADING SPECIFICATIONS
39602.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, provided that there shall be no trading in futures contracts when trading is halted in the Primary Futures Contract Month for E-mini Nasdaq-100 Stock Price Index futures pursuant to Rule 35902.I.

39602.B. Trading Unit
The unit of trading shall be $10.00 times the Index.

39602.C. Price Increments
Bids and offers shall be quoted in Index points, subject to the Interpretations & Special Notices Relating to Chapter 396.

39602.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.

39602.E. [Reserved]

39602.F. [Reserved]

39602.G. Termination of Trading
Subject to the Interpretations & Special Notices Relating to Chapter 396, there shall be no trading of expiring futures contracts after the open of the Primary Listing Exchange on the day of Final Settlement...
Price determination for such contracts (Rule 39603.A.)
39602.H. [Reserved]
39602.I. [Reserved]

39603. SETTLEMENT PROCEDURES

Delivery shall be by cash settlement.

39603.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.

39603.B. Final Settlement

Clearing members holding open positions in an expiring futures contract at its termination of trading (Rule 39602.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 39603.A.).

39604. [RESERVED]

39605. [RESERVED]

39606. BASIS TRADE AT INDEX CLOSE (“BTIC”) TRANSACTIONS

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

39606.A. BTIC Block Trade Requirements

BTIC block trades must be executed in accordance with the requirements of Rule 526. For a 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 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. Price Assignment Procedure for BTIC Futures

The price of a BTIC transaction shall be determined by the Exchange at 3:45 p.m. (or within 45 minutes after the close of the Primary Listing Exchange in the case of an early scheduled close of the Primary Listing Exchange). Such price determination shall be deemed final.

39606.C. BTIC Order Minimum Price Increment

The minimum price increment shall be 0.10 Index points, equal to $1.00 per contract, for any basis adjustment that is applied to an Index closing price to establish a BTIC transaction price.

INTERPRETATIONS & SPECIAL NOTICES RELATING TO CHAPTER 396

1. Trading Specifications

Until such time as the Exchange shall enable outright trading in futures contracts made under these Rules, trading shall be permitted only where such futures contracts are traded through Basis Trade at Index Close transactions pursuant to CME Rules 524.B. (Basis Trade at Index Close (“BTIC”) Transactions) and Rules 39606 of this Chapter.
Accordingly, pursuant to Rule 39606.A. of this Chapter, trading in an expiring futures contract shall terminate at 10 minutes prior to the scheduled close of the Primary Listing Exchange on the Exchange business day first preceding the day of Final Settlement Price determination for such futures contract.

DISCLAIMER
E-mini Nasdaq 100 Index Futures and Options on Nasdaq 100 Index 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 Nasdaq 100 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 Nasdaq 100 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 Nasdaq 100 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 Nasdaq 100 Futures, or futures contracts, in the case of Options on Nasdaq 100 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 NASDAQ 100 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 NASDAQ 100 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 NASDAQ 100 FUTURES OR OPTIONS ON E-MINI NASDAQ 100 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 NASDAQ 100 INDEX, ANY OPENING, INTRA-DAY, OR CLOSING VALUE THEREOF, OR ANY DATA INCLUDED THEREIN OR RELATED THERETO, OR ANY E-MINI NASDAQ 100 FUTURES CONTRACT OR OPTION ON A E-MINI NASDAQ 100 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.