Chapter 461
One-Month SOFR Futures

46100. SCOPE OF CHAPTER
This chapter is limited in application to One-Month SOFR futures (“futures” or “contract”). In addition to this chapter, futures shall be subject to the general rules and regulations of the Exchange insofar as applicable.

Unless otherwise specified, times referenced herein shall indicate Chicago time.

46101. CONTRACT SPECIFICATIONS
Each contract is valued at $4,167 times the contract-grade IMM Index (Rule 46102.C.).

46102. TRADING SPECIFICATIONS
46102.A. Trading Schedule
Contracts shall be scheduled for trading during such hours and for delivery in such months as may be determined by the Exchange.

46102.B. Trading Unit
For a contract for a given delivery month, the unit of trading shall be average daily Secured Overnight Financing Rate (“SOFR”) interest during such contract’s delivery month, subject to Rule 46103., expressed as an interest rate per annum for which (i) such interest rate shall be on the basis of the actual number of days in such delivery month, divided by a 360-day year, and (ii) each basis point per annum of such interest rate shall be worth $41.67 per futures contract. The SOFR shall be as published by the Federal Reserve Bank of New York (“FRBNY”).

46102.C. Price Basis and Minimum Price Increments
For a contract for a given delivery month, prices shall be quoted and made in terms of the contract IMM Index (“Index”), 100.0000 minus average daily SOFR during the contract delivery month, as specified in Rule 46102.B.

Example: Where the value of such average daily SOFR is 2.0275 percent per annum, it shall be quoted as an Index value of 97.9725.

The minimum price fluctuation shall be 0.005 Index points, equal to $20.835 per contract, provided that:
Where the first day of a contract’s delivery month is a Saturday, a Sunday, or a Monday, the minimum price fluctuation of such contract shall be 0.0025 Index points, equal to $10.4175 per contract, as of the first Trading Day of such contract’s delivery month, until the termination of trading in such contract.

Where the first day of a contract’s delivery month is a Tuesday, a Wednesday, a Thursday, or a Friday, the minimum price fluctuation of such contract shall be 0.0025 Index points, equal to $10.4175 per contract, as of the Trading Day immediately following the last Sunday of the month preceding such contract’s delivery month, until the termination of trading in such contract.

46102.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.

46102.E. Special Price Fluctuation Limits
At the commencement of each trading day, the contract shall be subject to special price fluctuation limits as set forth in Rule 589 and in the Special Price Fluctuation Limits Table in the Interpretations & Special Notices Section of Chapter 5.

46102.F. [Reserved]

46102.G. Termination of Trading
Trading in an expiring contract shall terminate at the close of trading on the last Business Day of such contract’s delivery month.

46102.H. [Reserved]

46103. SETTLEMENT PROCEDURES

Delivery shall be by cash settlement.

46103.A. Final Settlement Price

The final settlement price for an expiring contract shall be calculated by the Exchange on the day on which the FRBNY publishes the SOFR value for the last day of such contract’s delivery month.

The SOFR value for the last day of such delivery month shall be as first published by the FRBNY.

The final settlement price shall be 100 minus the arithmetic average of daily SOFR values during the contract delivery month. For any day during such delivery month for which the FRBNY does not publish a SOFR value (e.g., a weekend day, a US government securities market holiday), the SOFR value assigned to such day shall be the SOFR value for the last preceding day for which a SOFR value was published.

Such arithmetic average value shall be rounded to the nearest 1/1,000th of one percent per annum, i.e., the nearest 1/10th of one interest rate basis point per annum, or 0.001 Index points. A tie value, i.e., any such arithmetic average value ending in 0.0005, shall be rounded up.

Example: An arithmetic average value of 2.5915 percent per annum would be rounded up to 2.592 percent per annum, and then subtracted from 100.000 to determine a contract final settlement price of 97.408 Index points.

46103.B. Final Settlement

Clearing members holding open positions in a contract at the time of termination of trading in such contract shall make payment to or receive payment from the Clearing House in accordance with normal variation performance bond procedures based on a settlement price equal to the final settlement price.

46104.-35. [RESERVED]

(End Chapter 461)