

## Chapter 369A

### Options on E-mini Standard and Poor's Select Sector Stock Index Futures

#### 369A00. SCOPE OF CHAPTER

This chapter is limited in application to Options on E-mini S&P Select Sector Stock Index futures ("futures") as designated in Rule 369A01.

In addition to this chapter, the 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.

##### 369A00.A. 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).

##### 369A00.B. 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.

#### 369A01. OPTIONS CHARACTERISTICS

Titles of the option on E-mini Standard and Poor's Select Sector Stock Index Futures underlying future and trading units shall be as specified in the table below.

	Options on E-mini Standard and Poor's Select Sector Stock Index Futures Contract Title	Underlying Futures Contract Title	Trading Unit (option)	Underlying Futures Trading Unit (US dollars per Index point per Contract)
1	Options on E-mini Standard and Poor's Select Sector Stock Energy Index Futures	E-mini Standard and Poor's Select Sector Stock Energy Index Futures	1	100
2	Options on E-mini Standard and Poor's Select Sector Stock Financial Index Futures	E-mini Standard and Poor's Select Sector Stock Financial Index Futures	1	250
3	Options on E-mini Standard and Poor's Select Sector Stock Health Care Index Futures	E-mini Standard and Poor's Select Sector Stock Health Care Index Futures	1	100
4	Options on E-mini Standard and Poor's Select Sector Stock Industrial Index Futures	E-mini Standard and Poor's Select Sector Stock Industrial Index Futures	1	100
5	Options on E-mini Standard and Poor's Select Sector Stock Technology Index Futures	E-mini Standard and Poor's Select Sector Stock Technology Index Futures	1	100
6	Options on E-mini Standard and Poor's Select Sector Stock Utilities Index Futures	E-mini Standard and Poor's Select Sector Stock Utilities Index Futures	1	100

##### 369A01.A. Contract Months, Trading Hours and Trading Halts

Options shall be listed for expiration on such dates and shall be scheduled for trading during such hours as may be determined by the Exchange, provided that there shall be no trading in options

when trading is halted in the Primary Futures Contract Month pursuant to Rule 36902.I.

In accordance with Rule 36902.I. the Exchange shall determine, in its sole discretion, the futures delivery month that represents such Primary Futures Contract.

#### **369A01.B. Trading Unit**

The trading unit shall be an option to buy, in the case of the call, or to sell, in the case of the put, one E-mini S&P Select Sector Stock Index futures contract as designated in Rule 369A01.

#### **369A01.C. Minimum Fluctuations**

Option prices shall be quoted in index points as defined in Rule 369A01.

The minimum price fluctuation, depending on the executing or reporting venue, shall be as follows:

	<b>Options on E-mini Standard and Poor's Select Sector Stock Index Futures Contract Title</b>	<b>Globex Tick Size Index points / Value</b>	<b>Clearport Tick Size Index points / Value</b>
1	Options on E-mini Standard and Poor's Select Sector Stock Energy Index Futures	0.10 / \$10.00	0.10 / \$10.00
2	Options on E-mini Standard and Poor's Select Sector Stock Financial Index Futures	0.05 / \$12.50	0.05 / \$12.50
3	Options on E-mini Standard and Poor's Select Sector Stock Health Care Index Futures	0.10 / \$10.00	0.10 / \$10.00
4	Options on E-mini Standard and Poor's Select Sector Stock Industrial Index Futures	0.10 / \$10.00	0.10 / \$10.00
5	Options on E-mini Standard and Poor's Select Sector Stock Technology Index Futures	0.10 / \$10.00	0.10 / \$10.00
6	Options on E-mini Standard and Poor's Select Sector Stock Utilities Index Futures	0.10 / \$10.00	0.10 / \$10.00

#### **369A01.D. Underlying Futures Contract**

##### **1. American Style Options in the March Quarterly Cycle ("Quarterly Options")**

For any American style option for which the expiration month is in the March quarterly cycle (i.e., March, June, September, or December), the Underlying Futures Contract shall be for delivery in such option's expiration month. Example: For a given year, futures for delivery in March shall be the Underlying Futures Contract for a March Quarterly option.

##### **2. [Reserved]**

#### **369A01.E. Exercise Prices**

Transactions and exercise of options shall be conducted for options contracts as set forth in the [Strike Price Listing and Exercise Procedures Table](#).

The Exchange may modify the provisions governing the establishment of exercise prices as it deems appropriate.

#### **369A01.F. 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.

#### **369A01.G. Nature of Options**

Upon exercise of a put option by the buyer of such option, the seller of such option shall incur the obligation to assume a long position in one Underlying Futures Contract (Rule 369A01.D.1) at such option's exercise price (Rule 369A01.E.). Upon exercise of a call option by the buyer of such option, the seller of such option shall incur the obligation to assume a short position in one Underlying Futures Contract at such option's exercise price.

**Quarterly Options**

The buyer of a Quarterly option (Rule 369A01.D.1) may exercise such option at any time prior to its expiration.

**369A01.H. [Reserved]****369A01.I. Termination of Trading**

## 1. Quarterly Options

Trading in any Quarterly option shall terminate on the same date and at the same time as the termination of trading in such option's Underlying Futures Contract (Rule 369A01.D.1).

If the market in the Underlying Futures Contract for such option does not open on the day scheduled for termination of option trading, trading in such option shall terminate on the next day on which the market in such Underlying Futures Contract is open for trading.

## 2. Unscheduled Market Holiday

Notwithstanding the aforementioned, if the Primary Listing Exchange (Rule 369A00.A.) is closed in observance of an unscheduled market holiday on a day previously scheduled as a Business Day, then trading in option contracts that had been scheduled to expire on such day shall terminate, and such option contracts shall expire, on the Business Day immediately preceding such unscheduled market holiday.

**369A01.J. [Reserved]****369A02. EXERCISE AND ASSIGNMENT**

In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the exercise of options.

**369A02.A. Exercise**

## Quarterly Options

Any Quarterly option (Rule 369A01.D.1.) may be exercised by the buyer on any Business day prior to and including such option's Expiration Date. To exercise such option, the clearing member representing the option buyer shall present an exercise notice to the Clearing House by 5:30 p.m., or by such other time as the Exchange may designate, on the day of exercise.

Any unexercised option shall expire at 5:30 p.m. on the last day of trading in such option (Rule 369A01.I.). Any option that is in the money, and that has not been liquidated or exercised prior to its termination of trading, shall be exercised automatically upon expiration, in the absence of contrary instructions. Such contrary instructions must be delivered to the Clearing House, by the clearing member representing the buyer of such option, no later than 5:30 p.m., or such other time as may be designated by the Exchange, on the last day of trading in such option.

A call option shall be in the money if the settlement price of such option's Underlying Futures Contract (Rule 369A01.D.1) on the last day of trading in such option (Rule 369A01.I.) is strictly above such option's exercise price, and shall be out of the money if such settlement price is at or below such option's exercise price.

A put option shall be in the money if the settlement price of such option's Underlying Futures Contract on the last day of trading in such option is strictly below such option's exercise price, and shall be out of the money if such settlement price is at or above such option's exercise price.

**369A02.B. Assignment**

For a given option contract, an exercise notice accepted by the Clearing House in accordance with Rules 369A02.A. shall be assigned by the Clearing House through a process of random selection to clearing members carrying open short positions in such option contract. A clearing member to whom such exercise notice has been assigned shall be notified thereof as soon as practicable following such assignment.

The clearing member to whom such exercise notice has been assigned shall be assigned a short position in such option's Underlying Futures Contract (Rules 369A01.D.1) if such option is a call, or a long position in such option's Underlying Futures Contract if such option is a put. The clearing member representing the option buyer making exercise shall be assigned a long position in such option's Underlying Futures Contract if such option is a call, or a short position in such option's Underlying Futures Contract if such option is a put.

All such futures positions shall be assigned at a price equal to the exercise price of such option

contract, and shall be marked to market (in accordance with Rule 814) on the Business Day on which the Clearing House accepts such exercise notice.

**369A03. [RESERVED]**

(End Chapter 369A)

S&P Dow Jones Indices LLC directly or through one or more affiliates (collectively, "S&P") licenses the Exchange to use various S&P stock indices ("S&P Stock Indices") in connection with the trading of futures contracts and options on futures contracts based upon such indices. S&P shall have no liability for any damages, claims, losses or expenses caused by any errors or delays in calculating or disseminating the S&P Stock Indices.

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(End Chapter 369A)

**INTERPRETATIONS & SPECIAL NOTICES RELATING TO CHAPTER 369A**

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