

Chapter 387

E-mini® FTSE® 100 Index Futures

38700. SCOPE OF CHAPTER

This chapter is limited in application to E-mini® FTSE® 100 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 referred to herein shall refer to and indicate Chicago time.

38701. CONTRACT SPECIFICATIONS

Each futures contract shall be valued at GBP 10.00 times the FTSE® 100 Index (“Index”).

38702. TRADING SPECIFICATIONS

38702.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.

38702.B. Trading Unit

The unit of trade shall be GBP 10.00 times the Index.

38702.C. Price Increments

Bids and offers shall be quoted in Index points. Subject to Rule 38706.C., the minimum price increment shall be 0.50 Index points, equal to GBP 5.00 per contract, except for intermonth spreads executed pursuant to Rule 542.A., for which the minimum price increment shall be 0.25 Index points, equal to GBP 2.50 per intermonth spread.

38702.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.

38702.E. [Reserved]

38702.F. [Reserved]

38702.G. Termination of Trading

Trading in expiring futures shall terminate at 10:30 a.m. London time on the Business Day scheduled for determination of the Final Settlement Price (Rule 38703.A.) for such futures.

38702.H. [Reserved]

38702.I. Price Limits and Trading Halts

The primary futures contract expiration month, as referenced in this rule, shall be determined by the Exchange. The Exchange shall also determine when the primary futures contract month is limit bid or limit offered.

Reference Price for Exchange Price Limits and Exchange Trading Halts:

Daily price limits in futures will be established on the basis of a Reference Price (“P”) which shall be determined by the Exchange as follows:

Tier 1

Such Reference Price shall be the volume-weighted average price of transactions in futures executed on Globex during the 30 seconds immediately preceding commencement of the closing auction for SETS securities on the London Stock Exchange Main Market (“LSE closing auction”), generally, and without limitation to the foregoing, between 4:29:30 and 4:30:00 p.m. London time.

Tier 2

If no such transaction occurs, such Reference Price shall be the average of the midpoints of each bid/ask spread in futures during the 30 seconds immediately preceding commencement of the LSE

closing auction closing auction, provided that bid/ask spread pairs wider than one (1) Index point shall not be included in the calculation to determine such Reference Price.

Tier 3

If such Reference Price cannot be determined pursuant to Tiers 1 and 2 above, then the Exchange, in its sole discretion, shall set such Reference Price by alternative means which may include, but are not limited to, derivation by reference to the basis relationship between such futures contract's price and the Index, or application of Tier 1 and Tier 2 calculations to successive time intervals of increasing length, in integer multiples of thirty (30) seconds, until suitable price data are obtained.

The resultant Reference Price value shall be rounded down to the nearest integer multiple of one (1) Index point. Such Reference Price, so rounded, shall be used for determination of the corresponding Price Limits.

In the event of an early close of the London Stock Exchange ("LSE"), such Reference Price shall be made on the basis of the thirty (30) seconds immediately preceding the LSE closing auction.

For newly listed futures, the Exchange shall set, in its sole discretion, a Reference Price value for the purpose of determining Price Limits for the first day of trading in such futures.

Exchange Price Limit Levels: The Price Limits shall be calculated daily based upon the Reference Price, P, and the value of the Index based upon LSE closing auction prices of Index component stocks ("I"). The Offset used to derive the daily Price Limits shall be calculated as follows:

$$7\% \text{ Offset} = 7\% \text{ of } I, \text{ or } (0.07 \times I) \text{ rounded down to the nearest } 0.5 \text{ point increment}$$

The daily Price Limits for futures shall be calculated as follows:

$$7\% \text{ Price Limit} = P \text{ plus } 7\% \text{ Offset, and } P \text{ minus } 7\% \text{ Offset}$$

Exchange Price Limits from 5:00 p.m. Chicago Time to 8:00 a.m. London Time:

There shall be no trading of futures at any price outside the range defined by the 7% Price Limits, where such 7% Price Limits are calculated on the basis of (i) the Reference Price determined by the Exchange immediately prior to the most recent LSE closing auction and (ii) the Offset derived by the Exchange from the Index value based on the most recent LSE closing auction.

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.

Exchange Price Limits from 8:00 a.m. to 4:35 p.m. London Time:

Price Limits shall not apply during LSE Main Market hours.

Exchange Price Limits from 4:35 p.m. London Time to 4:00 p.m. Chicago Time:

There shall be no trading of futures at any price outside the range defined by the 7% Price Limits, where such 7% Price Limits are calculated on the basis of (i) the Reference Price determined by the Exchange immediately prior to the most recent LSE closing auction and (ii) the Offset derived by the Exchange from the Index value based on the LSE closing auction first preceding the most recent LSE closing auction.

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.

38703. SETTLEMENT PROCEDURES

Delivery shall be by cash settlement.

38703.A. Final Settlement Price

For a futures contract for a given delivery month, the Final Settlement Price shall be determined on the third Friday of such delivery month, and shall be made on the basis of the corresponding London Stock Exchange ("LSE") Exchange Delivery Settlement Price for that day.

If the Index is not scheduled to be published on the third Friday of such 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.

38703.B. Final Settlement

Clearing members holding open positions in an expiring futures contract at its termination of trading (Rule 38702.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 38703.A.).

38704. [RESERVED]

38705. [RESERVED]

38706. BASIS TRADE AT INDEX CLOSE (“BTIC”) TRANSACTIONS

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

38706.A. BTIC Block Trade Requirements

BTIC block trades must be executed in accordance with the requirements of Rule 526.

For a BTIC or 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 or BTIC block trade that is 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.

38706.B. BTIC Price Assignment Procedures

The price assignment procedures for BTIC transactions shall follow Rule 524.B.3.

38706.C. BTIC Minimum Price Increments

The valid basis or price increment applied to the Index closing value to establish the BTIC futures price must be stated in full tick increments of 0.25 Index points.

38706.D. Market Disruption Events

In the event of a market disruption in the Primary Listing Exchange, all pending and executed BTIC transactions in the corresponding futures contract shall be cancelled by the Exchange. Such disruption shall be declared by the Exchange in its sole discretion, and may include, without limitation, an unscheduled early close of the Primary Listing Exchange.

(End Chapter 387)

INTERPRETATIONS & SPECIAL NOTICES RELATING TO CHAPTER 387

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