

## Chapter 400

### Nasdaq-100 Annual Dividend Index Futures

#### 40000. SCOPE OF CHAPTER

This chapter is limited in application to Nasdaq-100 Annual Dividend Index futures (“Nasdaq-100 Annual Dividend Index 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.

##### 40000.A. Market Decline

For the purposes of this chapter a Market Decline shall be as defined in New York Stock Exchange Rule 7.12 for Trading Halts Due to Extraordinary Volatility or in Nasdaq Stock Market Rule 4121 for Trading Halts Due to Extraordinary Volatility.

##### 40000.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).

##### 40000.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 7.12 for Trading Halts Due to Extraordinary Volatility or under Nasdaq Stock Market Rule 4121 for Trading Halts Due to Extraordinary Volatility.

#### 40001. CONTRACT SPECIFICATIONS

Each futures contract shall be valued at \$100.00 times the Nasdaq-100 Dividend Point Index (“Index”).

The Index tracks the total dividends from the constituents of the Nasdaq-100 index. The Index resets to zero annually, at the end of the third Friday of each December. On a given day, the Index level is based on the running total accumulation of all ordinary gross dividends paid on Nasdaq-100 index constituent stocks that have gone ex-dividend since the previous zero-reset date. The Index is expressed in Nasdaq-100 index points.

#### 40002. TRADING SPECIFICATIONS

##### 40002.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.

##### 40002.B. Trading Unit

The unit of trade shall be \$100.00 times the Index.

##### 40002.C. Price Increments

Bids and offers shall be quoted in Index points. The minimum price increment shall be 0.10 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 0.05 Index points, equal to \$5.00 per intermonth spread.

##### 40002.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.

##### 40002.E. [Reserved]

##### 40002.F. [Reserved]

**40002.G. Termination of Trading**

Trading in expiring futures shall terminate at the regularly scheduled start of trading on the primary listing exchange on the Business Day scheduled for determination of the Final Settlement Price (Rule 40003.A.) for such futures.

**40002.H. [Reserved]****40002.I. Price Limits and Trading Halts**

There shall be no futures trading when trading is halted in the Primary Futures Contract Month pursuant to Rule 35902.I. In accordance with Rule 35902.I. the Exchange shall determine, in its sole discretion, the futures delivery month that represents such Primary Futures Contract Month.

**40002.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 Nasdaq-100 index.
2. Any person who is in possession of material non-public information relating to ordinary cash dividends of a constituent corporation of the Nasdaq-100 index, including (but not limited to) information concerning the timing or amount of any ordinary cash dividend.

**40002.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 40002.J.).

**40003.****SETTLEMENT PROCEDURES**

Delivery shall be by cash settlement.

**40003.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 Nasdaq-100 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.

**40003.B. Final Settlement**

Clearing members holding open positions in an expiring futures contract at its termination of trading (Rule 40002.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 40003.A.).

**40004. [RESERVED]****40005. [RESERVED]****40006. [RESERVED]****INTERPRETATIONS AND SPECIAL NOTICES RELATING TO CHAPTER 400**

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