

## Chapter 445

### Bitcoin Volatility Futures

#### 44500. SCOPE OF CHAPTER

This chapter is limited in application to Bitcoin Volatility Futures (“futures” or “contract”). In addition to this chapter, futures shall be subject to the general rules and regulations of the Exchange as applicable.

#### 44501. CONTRACT SPECIFICATIONS

Each futures contract shall be valued at \$500 times the CME CF Bitcoin Volatility Index - Settlement (BVXS) (“Index”).

#### 44502. TRADING SPECIFICATIONS

##### 44502.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.

##### 44502.B. Trading Unit

The unit of trading shall be \$500 times the Index.

##### 44502.C. Price Increment

The minimum price increment shall be 0.05 Index points, equal to \$25 per contract, except for intermonth spreads executed pursuant to Rule 542.A., for which the minimum price increment shall be 0.01 Index points, equal to \$5 per contract.

##### 44502.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.

##### 44502.E. Price Limits and Trading Halts

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

##### 44502.F. Termination of Trading

Trading terminates at 4:00 p.m. London time 30 calendar days prior to the last Friday of the calendar month immediately following the futures contract month. If that Friday is not a Business Day in both London and the U.S., trading terminates at 4:00 p.m. London time 30 calendar days prior to the last Thursday of the month immediately following the futures contract month.

#### 44503. SETTLEMENT PROCEDURES

Delivery shall be by cash settlement.

##### 44503.A. Final Settlement Price

For a contract for a given delivery month, the Final Settlement Price shall be the CME CF Bitcoin Volatility Index - Settlement (BVXS) published at 4:00 p.m. London time on the Last Trade Date (Rule 44502.F.).

In the event that the Index is not publishable or published on the LTD, and therefore, the Exchange cannot determine the contract Final Settlement Price, then the final settlement of the contract is at the sole discretion of the Exchange and may be deferred or postponed for up to 14 consecutive calendar days.

##### 44503.B. Final Settlement

Clearing members holding open positions in an expiring contract at its termination of trading (Rule 44502.F.) 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 44503.A.).

**44504. RESERVED**

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**44506. BASIS TRADE AT INDEX CLOSE (“BTIC”) TRANSACTIONS**

All BTIC transactions must be executed in accordance with the requirements of Rule 524.B. For the purpose of this section and Rule 524.B., BTIC enables market participants to execute a basis trade relative to the closing level of the underlying index value, at the time prescribed in the table below.

Index to be Referenced	Index Publication Time
CME CF Bitcoin Volatility Index - Settlement (BVXS)	4:00 p.m. London time

**44506.A. BTIC and 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 prior to the publication of the index value on a given Trading Day, the corresponding futures price shall be made by reference to the index value for the current Trading Day.

For a BTIC or BTIC block trade executed on a given Trading Day after the publication of the index value, the corresponding futures price shall be made by reference to the index value for the next Trading Day. If the BTIC or BTIC block trade is executed on a Trading Day that is a Business Day in either London or the U.S., the corresponding futures price shall be made by reference to the index value for the current Trading Day. If the BTIC or BTIC block trade is executed on a Trading Day that is not a Business Day in both London and the U.S., the corresponding futures price shall be made by reference to the index value for the next Trading Day.

**44506.B. Price Assignment Procedures**

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

**44506.C. Minimum Price Increments**

The valid basis or price increment applied to the index value to establish the BTIC futures price shall be an integer multiple of the contract minimum price increment, \$0.01 per Index point, equal to \$5 per contract.

**44506.D. Market Disruption Events**

In the event of disruption in the underlying market that precludes a valid index value calculation, all pending and executed BTIC transactions in the corresponding contract shall be cancelled by the Exchange. Such disruption shall be declared by the Exchange in its sole discretion.