



Advisory Notice

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TO: All Firm Personnel
Service Bureau Representatives
Independent Software Vendors

FROM: Clearing House Department

ADVISORY #: 05-257

DATE: November 7, 2005

SUBJECT: Expanded Strike Listing for E-Mini® Russell 2000® Options – **Effective Sunday, November 20, 2005**

Effective **Sunday, November 20, 2005** (for trade date Monday, November 21, 2005), the E-Mini Russell 2000 Options Strike Listing will be expanded as described in the proposed rule change below:

Effective Monday, November 21, 2005, the strike listing range on the E-mini Russell 2000 options contracts will be expanded. The table below enumerates the changes to be implemented. Amendments follow below with additions underlined and deletions bracketed and struck out.

Current	As Amended
N/A	30% range at 10 point intervals
10% range at 5 point intervals	15% range at 5 point intervals
+/- 15 index points at 2.5 point intervals	+/- 15 index points at 2.5 point intervals

Chapter 361A: Options on E-mini Russell 2000 Futures

361A01.E. Exercise Prices

1. Options in the March Quarterly cycle

The exercise prices shall be stated in terms of the E-Mini Russell 2000 Stock Price Index futures contract which is deliverable upon exercise of the option. The exercise prices shall be integers divisible by ~~[5]~~ 10 without remainder, e.g., 500, 510, 520, etc.

A referencing index shall be determined each quarter on the expiration day of the March quarterly futures. The referencing index shall equal the previous day's settlement price of the lead month E-Mini Russell 2000 Index futures contract. The chosen referencing index will then be used to calculate the index points for the 30% and 15% ~~[40%]~~ ranges for various contract month options as specified below. The index points are rounded down to the nearest integer.

At the commencement of trading for the second nearest-contract months in the March quarterly cycle, the Exchange shall list all eligible exercise prices in a range of 30% [40%] of the referencing index above and below the previous day's settlement price of the underlying futures contract.

The Exchange shall add, if they have not already been listed, exercise prices at an interval that is a number divisible by 5 without remainder within in the range of 15%. above and below the previous day's settlement price of the underlying futures contract. The Exchange shall add exercise prices at an interval that is a number divisible by 2.5 in a range of 15 index points above and below the previous day's settlement price of the underlying futures contract. If the previous day's settlement price equals an eligible exercise price, then that exercise price shall also be listed, if not previously listed.

Thereafter, for all contract months, when a daily settlement price in the underlying futures contract occurs at, or passes through, any exercise price, the Exchange shall list on the next trading day put and call options with all eligible exercise prices in the above ranges.

The Board may modify the provisions governing the establishment of exercise prices as it deems appropriate, subject to the provisions of Section 5a(a)(12)(A) of the Commodity Exchange Act and CFTC regulations there under.

2. Options Not in the March Quarterly cycle

Exercise prices for options not in the March quarterly cycle shall be dependent upon the exercise prices that are listed for the nearest March quarterly options.

If you have any questions regarding this notice, please contact Laura Sutor at 312.648.5480, email lsutor@cme.com, or Lisa Amato at 312.338.2654, email lamato@cme.com.
Thank you.