



## Advisory Notice

Clearing House

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TO: All Firm Personnel  
Service Bureau Representatives  
Independent Software Vendors

FROM: Clearing House Department

ADVISORY #: NP 05-02

DATE: January 19, 2005

SUBJECT: **E-Mini Russell 2000 Options on Futures – Updated Price Formats**

**CONTRACT NAME:** E-Mini Russell 2000 Options on Futures

**LISTING DATE:** Sunday, February 13, 2005, for trade date  
Monday, February 14, 2005.

**DESCRIPTION:** The Russell 2000 Stock Price Index is a value-weighted composite index of 2000 stocks. Each E-Mini Russell 2000 Stock Price Index futures contract shall be valued at \$100.00 times the Russell 2000 Stock Price Index.

**CONTRACT SIZE:** One E-Mini Russell 2000 Index Futures Contract

**CME GLOBEX® TRADING HOURS:** Monday through Thursday 3:30 pm-3:15 pm; Shutdown period from 4:30 pm to 5 pm nightly; Sunday and Holiday 5:00 pm-3:15 pm

**TRADING VENUE:** CME GLOBEX® only

**VALID CONTRACT MONTHS:** Two months in the March Quarterly plus 1<sup>st</sup>  
Two "Serial" or Non Quarterly Cycle Months

<b>INITIAL CONTRACT MONTHS:</b>	<b>March, April, May, and June 2005.</b>
<b>COMMODITY CODE:</b>	ER Puts/Calls
<b>TICKER SYMBOL:</b>	ER Puts/Calls
<b>MINIMUM PRICE INTERVALS:</b>	100 Index point range at 5 Index point intervals; 2.5 Index point interval for the first 50 Index points.
<b>DOLLAR VALUE PER TICK:</b>	0.10 Index Points or \$10.00; Cabinets at 0.05 or \$5.00
<b>EXERCISE PRICE INCREMENTS:</b>	5 Index Points (e.g. 615,620,625, etc)
<b>EXERCISE PRICE LISTING RULES:</b>	<p>The exercise prices shall be integers divisible by 5 without remainder. At the commencement of trading for E-Mini Russell 2000 option contracts the Exchange shall list all eligible exercise prices in a range of 100 basis points above and below the previous day's settlement price of the Russell 2000 futures contract. Within a range of 50 index points above and below the previous day's settlement price of the Russell 2000 futures contract, exercise prices that are integers divisible by 2.5 without remainder shall be added, if they have not already been listed.</p> <p>Thereafter, 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.</p>
<b>EXERCISE:</b>	American Style. All in-the-money options are automatically exercised at expiration in the absence of contrary instructions. Options may be exercised until 7:00 p.m. Central time on any business day the option is traded.
<b>TERMINATION OF TRADING:</b>	The third Friday of the contract month. 8:30 a.m. (Chicago time) for quarterly expirations and 3:15 p.m. for serial options
<b>POSITION LIMITS:</b>	5,000 Standard Sized Russell 2000 Contracts or the Combined Futures Equivalent
<b>MINIMUM REPORTABLE LEVEL:</b>	25 Standard Sized Russell 2000 Contracts or the Combined Futures Equivalent.

**CFTC REPORTABLE NUMBER:**

Contact Judy Sepsey, CFTC, or Maggie Sweet at (312) 596-0609.

**PERFORMANCE BOND REQUIREMENTS:**

To be published by the Clearing House.

**CLEARING FEES:**

To be published by the Audit Department.

**PRICE CONVENTIONS:**

	<b>Strike Price</b>	<b>Premium</b>
<b>Actual Price</b>	637.50	18.60
<b>TREX/TES Format</b>	6375	0001860
<b>Trade Register File</b>	6375	0001860
<b>Settlement Price File</b>	6375	0001860
<b>SPAN File</b>	6375	1860
<b>GLOBEX Price Entry</b>		186
<b>GLOBEX Cabinet Price</b>	NA	0
<b>APS File Format</b>		0001860

Each CME Globex listed spread has its own specific MO Message. Within each option spread MO message, each leg of the spread will be identified, including its own specific ISIN Code. For the Butterfly Call example below, the ER:BOH5C150\_200 spread's MO message also contains the three legs' ISIN Code. In this example; Leg1 = ISIN for ERH5\_C6150, Leg2 = ISIN for ERH5\_C6175, and Leg3 = ISIN for ERH5\_C6200.

For the RLC CME Globex symbol conventions, here are examples of the contract names for the option spreads. An underline = space:

**Vertical Call Spread Example:**

The ticker code ER:VCH5C150\_175 represents an E-Mini Russell Vertical Call spread buying the March '05 6150 Call, selling the March '05 6175 Call.

**Vertical Put Spread Example:**

The ticker code ER:VPH5P175\_150 represents an E-Mini Russell Vertical Put spread, buying the March '05 6175 Put and selling the March '05 6150 Put.

**Horizontal Call Spread Example:**

The ticker code ER:HOH5J5C175 represents an E-Mini Russell 2000 Horizontal Call spread, selling the March '05 6175 Call, buying the April '05 6175 Call.

**Horizontal Put Spread Example:**

The ticker code ER:HOH5J5P175 represents an E-Mini Russell 2000 Horizontal Put spread, selling the March '05 6175 Put and buying the April '05 6175 Put.

**Strangle Spread Example:**

The ticker code ER:SGH5P150\_175 represents an E-Mini Russell 2000 Strangle spread, buying the March '05 6150 Put and buying the March '05 6175 Call.

**Butterfly Call Spread Example:**

The ticker code ER:BOH5C150\_200 represents an E-Mini Russell 2000 Butterfly Call spread, buying the March '05 6150 Call, Selling 2x the March '05 6175 Call, and buying the March '05 6200 Call.

**Butterfly Put Spread Example:**

The ticker code ER:BOH5P200\_150 represents an E-Mini Russell 2000 Butterfly Put spread, buying the March '05 6200 Put, Selling 2x the March '05 6175 Put, and buying the March '05 6150 Put.

**Straddle Example:**

The ticker code ER:STH5P150 represents an E-Mini Russell 2000 straddle spread, buying the March '05 6150 Put and buying the March '05 6150 Call.

**FOR FURTHER INFORMATION, CONTACT:**

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Thank you.