

## Chapter 398

### Standard and Poor's 500 Stock Price Month-End Index Futures

#### **39800. SCOPE OF CHAPTER**

This chapter is limited in application to Standard and Poor's 500 Stock Price Month-End Index Futures ("S&P 500 Month-End 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.

##### **39800.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.

##### **39800.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).

##### **39800.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.

#### **39801. CONTRACT SPECIFICATIONS**

Each futures contract shall be valued at \$100.00 times the Standard and Poor's 500 Stock Price Index ("S&P 500 Index" or "Index"). The Index is a value-weighted composite index of prices of approximately 500 stocks.

#### **39802. TRADING SPECIFICATIONS**

##### **39802.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, provided that there shall be no trading in futures contracts when trading is halted in the Primary Futures Contract Month for Standard and Poor's 500 Stock Price Index futures pursuant to Rule 35802.I.

##### **39802.B. Trading Unit**

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

##### **39802.C. Price Increments**

The price for the S&P 500 Month-End Index Futures shall be in index points. The minimum price fluctuation shall be 0.25 index points.

The minimum price increment for the BTIC shall be 0.05 index points equal to \$5.00 per contract for intermonth spreads and inter-commodity spreads (ICS) executed pursuant to Rule 542.A.

##### **39802.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.

**39802.E. [Reserved]**

**39802.F. [Reserved]**

**39802.G. Termination of Trading**

Futures trading shall terminate on the last Business Day of the month. Trading in expiring futures shall terminate at the regularly scheduled close of trading on the New York Stock Exchange on the Business Day scheduled for determination of the Final Settlement Price (Rule 39803.A.) for such futures.

In the event that an intra-day Market Wide Circuit Breaker (MWCB) of 20% (level 3) is triggered such that trading is halted for the remainder of a trading day, it is anticipated that the SOQ (Special Opening Quotation) settlement price from the next trading day following the closure will typically be used for expiration processing for p.m.-settled index products.

Such special opening quotation (SOQ) shall be based on opening prices of the component stocks of the Index.

If the Primary Listing Exchange for a component stock of the Index does not open on the day scheduled for determination of such Final Settlement Price, then for the purpose of calculating such Final Settlement Price of the price of such component stock shall be its opening price on the next following day on which its Primary Listing Exchange is open for trading.

If a component stock of the Index does not trade on the day scheduled for determination of such Final Settlement Price, and the Primary Listing Exchange for such stock is open for trading, then for the purpose of calculating such Final Settlement Price of the price of such stock shall be its last sale price, provided that the Exchange in its sole discretion may instruct that the price of such stock shall be its opening price on the next following day that it is traded on its Primary Listing Exchange.

If an unscheduled Market Holiday is declared on the day of Final Settlement Price determination (Rule 39803.A), trading in the expiring futures shall terminate at the close of trading on the New York Stock Exchange on the immediately preceding Business Day.

**39802.H. [Reserved]**

**39802.I. Price Limits and Trading Halts**

There shall be no trading of S&P 500 Month-End Index Futures when trading is restricted as set forth in Rule 35802.I.

**39803. SETTLEMENT PROCEDURES**

Delivery shall be by cash settlement.

**39803.A. Final Settlement Price**

For a futures contract for a given delivery month, the Final Settlement Price shall be the official closing value of the index on the day of final settlement price determination.

If the Index is not scheduled to be published on the last business day 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.

In the event that an intra-day Market Wide Circuit Breaker (MWCB) of 20% (level 3) is triggered such that trading is halted for the remainder of a trading day, it is anticipated that the SOQ settlement price from the next trading day following the closure will typically be used for expiration processing for p.m.-settled index products, the Final Settlement Price will be SOQ on following business day

If an unscheduled Market Holiday is declared on the day of final settlement price determination, the Final Settlement Price shall be the Official Index Closing Value published by the index publisher on the Business Day immediately preceding the original day of Final Settlement Price determination.

**39803.B. Final Settlement**

Clearing members holding open positions in an expiring futures contract at its termination of trading

(Rule 39802.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 39803.A.).

**39804. [RESERVED]**

**39805. [RESERVED]**

**39806. BASIS TRADE AT INDEX CLOSE ("BTIC")**

All BTIC transactions must be executed in accordance with the requirement of Rules 524.B.

**39806.A. 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 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.

**39806.B. Price Assignment Procedures**

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

**39806.C. Minimum Price Increments**

The valid basis or price increment applied either to the Index closing value to establish the BTIC futures price must be an integer multiple of the contract minimum price increment of 0.05 index points.

**39806.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 or a NYSE Rule 7.12 trading halt declared in response to a Level 3 (20%) decline in the S&P 500 Index that necessitates an early close of the Primary Listing Exchange.

(End Chapter 398)

**INTERPRETATIONS & SPECIAL NOTICES  
RELATING TO CHAPTER 398**

**1. Trading Specifications**

Until such time as the Exchange shall enable outright trading in futures contracts made under these Rules, trading shall be permitted only where such futures contracts are traded through Basis Trade at Index Close transactions, pursuant to Rules 524.B. (Basis Trade at Index Close ("BTIC") Transactions) and Rules 39806. of this Chapter, provided that in any instance where such futures contracts are traded as the futures component of an EFRP transaction, pursuant to Rule 538. (Exchange for Related Positions), the price of such futures contracts may be made either in Index terms outright, pursuant to Rules 39802. of this Chapter, or in BTIC terms, pursuant to Rules 524.B. and Rules 39806. of this Chapter. Further, the contract may be included as part of an options/futures combination, with its price expressed in index points term outright.

**DISCLAIMER**

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