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January 14, 2005

Ms. Jean A. Webb  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, NW  
Washington, DC 20581

RE: Section 5c(c)(1), Part 40.6 – Amendments to Chapters 371 and 371A,  
Futures and Options on the Russell 1000 Index, to  
Rule 557.B. Execution of Orders, and to the Interpretation to Rule 135.A.,  
Allowable spreads for GEM members. CME Submission# 05-05.

Dear Ms. Webb:

Chicago Mercantile Exchange Inc. (“CME” or “Exchange”) hereby notifies the Commission of amendments to Chapters 371 and 371A, Futures and Options on Futures on the Russell 1000 Index<sup>1</sup>, to Rule 557.B., Execution of Orders, and to the Interpretation to Rule 135.A., Allowable spreads for GEM members.

The Exchange certifies that this action neither violates nor is inconsistent with any provision of the Commodity Exchange Act or of the rules thereunder.

On January 14, 2005, the Executive Committee approved a rebranding of the Russell 1000 contracts. The futures and options on futures contracts will now be referred to as the E-Mini Russell 1000 futures and options on futures contracts. Accordingly, this decision necessitates technical changes to the rule language. The text of Chapters 371, 371A, Rule 557.B., and the Interpretations of Rule 135.A. with the new branding implemented follows in Appendix A. Please note that none of the actual rule language has changed.

<sup>1</sup> Please note that CME submitted a filing for both the futures and the options on futures based on this Index dated March 7, 2003 (CME Submission #03-22). The Exchange commenced trading in Russell 1000 Index futures on April 28, 2003. While the Commission approved the Exchange’s associated option Rules, CME held such option listing in reserve.

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If you require any additional information regarding this action, please do not hesitate to contact Ms. Ariel Hantin, Senior Research Analyst at 312-559-4951 or via e-mail at [ahantin@cme.com](mailto:ahantin@cme.com). Please reference our CME Submission #05-05 on all future correspondence regarding this notification.

Sincerely,

A handwritten signature in black ink, appearing to read "John W. Labuszewski". The signature is fluid and cursive, with a large initial "J" and "L".

John W. Labuszewski, Director  
Research & Product Development

cc: Mr. Thomas M. Leahy and Mr. Steven B. Benton  
CFTC Division of Market Oversight, Product Review & Analysis Section

## **Appendix A: Text of Rule Amendments**

### **CHAPTER 371 E-MINI RUSSELL 1000 STOCK PRICE INDEX™ FUTURES**

#### **37100. SCOPE OF CHAPTER**

This chapter is limited in application to futures trading in the E-Mini Russell 1000 Stock Price Index. The procedures for trading, clearing, settlement, and any other matters not specifically covered herein shall be governed by the rules of the Exchange.

#### **37101. COMMODITY SPECIFICATIONS**

Each futures contract shall be valued at \$100.00 times the E-Mini Russell 1000 Stock Price Index. The Russell 1000 Stock Price Index is a value-weighted composite index of 1,000 stocks.

#### **37102. FUTURES CALL**

##### **37102.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 Board of Directors.

##### **37102.B. Trading Unit**

The unit of trading shall be \$100.00 times the Russell 1000 Stock Price Index.

##### **37102.C. Price Increments**

Bids and offers shall be quoted in terms of the Russell 1000 Stock Price Index. The minimum fluctuation of the futures contract shall be .10 index points, equivalent to \$10.00 per contract.

##### **37102.D. Position Limits**

A person shall not own or control more than 25,000 contracts net long or net short in all contract months combined. For positions involving options on E-Mini Russell 1000 Stock Price Index futures, this rule is superseded by the option speculative position limit rule.

**37102.E. Accumulation of Positions**

For the purposes of this rule, the positions of all accounts directly or indirectly owned or controlled by a person or persons, and the positions of all accounts of a person or persons acting pursuant to an expressed or implied agreement or understanding, and the positions of all accounts in which a person or persons have a proprietary or beneficial interest, shall be cumulated.

**37102.F. Exemptions**

The foregoing position limits shall not apply to (1) bona fide hedge positions meeting the requirements of Regulation 1.3(z)(1) of the CFTC and the rules of the Exchange and (2) other positions exempted pursuant to Rule 543.

**37102.G. Termination of Trading**

Futures trading shall terminate on the business day immediately preceding the day of determination of the Final Settlement Price.

**37102.H. Contract Modifications**

Specifications shall be fixed as of the first day of trading of a contract. If any U.S. governmental agency or body issues an order, ruling, directive or law that conflicts with the requirements of these rules, such order, ruling, directive or law shall be construed to take precedence and become part of these rules, and all open and new contracts shall be subject to such government orders.

**37102.I. Price Limits, Trading Halts, and/or Trading Hours**

Daily price limits and trading halts of the E-Mini Russell 1000 Stock Price Index futures contract shall be coordinated with trading halts of the underlying stocks listed for trading in the securities markets.

For the purpose of this rule, the primary E-Mini futures contract shall be defined as the futures contract trading in the lead month configuration in the pit and Exchange staff shall have the responsibility of determining whether the primary futures contract is limit offered.

For the first day of trading in a newly listed contract, there will be an implied previous business day's settlement price, created by the Exchange for the sole purpose of establishing price limits. The implied settlement price will be created by extrapolating the annualized percentage carry between the two contract months immediately prior to the newly listed contract.

**Price Limits:** There shall be Price Limits corresponding to a 5.0%, 10.0%, 15.0% and 20.0% decline below the Settlement Price of the preceding RTH session calculated as provided below.

The 5.0%, 10.0%, 15.0% and 20.0% Price Limits shall be calculated at the beginning of each calendar quarter, based upon the average closing price of the current primary futures contract, during the month prior to the beginning of the quarter (P) and rounded, as follows.

5.0% Price Limit	equals	One-half of the 10% Price Limit rounded down to nearest integral multiple of 1 index point
10.0% Price Limit	equals	10% of P rounded down to nearest integral multiple of 5 index points
15.0% Price Limit	equals	1.5 times the 10.0% Price Limit rounded down to the nearest integral multiple of 1 index point.
20.0% Price Limit	equals	2 times the 10.0% Price Limit

Once the primary E-Mini futures contract is limit offered at the 5.0% Price Limit, a 10-minute period shall commence. This price limit shall cease to be in effect at the end of the 10-minute period or 45 minutes preceding the scheduled close of trading. If the primary E-Mini futures contract is limit offered at the end of the 10-minute period, or 45 minutes before the scheduled close of trading, trading shall terminate for a period of two minutes, after which time the market shall reopen. The next applicable Price Limit shall apply to such reopening.

After 1:30 p.m. Chicago time, when the primary E-Mini futures contract is limit offered at the 10.0% Price Limit, a 10-minute period shall commence. If the primary futures contract is limit offered at the end of the 10-minute period, trading shall terminate for a period of two minutes, after which time the market shall reopen. The next applicable Price Limit shall apply to such reopening.

Before 1:30 p.m. Chicago time, the 10.0% Price Limit shall be in effect until a trading halt has been declared in the primary securities market, trading in the primary securities market has resumed, and 50 per cent of the stocks underlying the S&P 500 Stock Price Index (selected according to capitalization weights) have reopened. The next applicable Price Limit shall apply to such reopening.

When the primary E-Mini futures contract is limit offered at the 15.0% Price Limit, a 10-minute period shall commence. If the primary futures contract is limit offered at the end of the 10-minute period, trading shall terminate for a period of two minutes, after which time the market shall reopen. The 20% Price Limit shall apply to such reopening and shall represent the Total Daily Price Limit.

**Trading Halts:** If at any time the primary E-Mini futures contract is limit offered at the 10.0% Price Limit and there is a trading halt declared in the primary securities market, trading shall be halted. Once trading in the primary securities market resumes after a trading halt, trading on the E-Mini Russell 1000 Stock Price Index futures contract shall resume only after 50 percent of the

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stocks underlying the S&P 500 Stock Price Index (selected according to capitalization weights) have reopened. The next applicable price Limit shall apply to such reopening.

If at any time the primary E-Mini futures contract is limit offered at the 20.0% Price Limit and there is a trading halt declared in the primary securities market, trading shall be halted. Once trading in the primary securities market resumes after a trading halt, trading on the E-Mini Russell 1000 Stock Price Index futures contract shall resume only after 50 percent of the stocks underlying the S&P 500 Stock Price Index (selected according to capitalization weights) have reopened. The 20% Total Daily Price Limit shall continue to apply subsequent to such reopening.

**Second Day Limits:** If the primary futures contract is limit offered at the 20.0% Price Limit as of the close of Regular Trading Hours, the subsequent RTH trading session shall be subject to modified limits as follows.

If, during a RTH trading session subject to Second Day Limits, the primary futures contract is limit offered at the 5.0%, 10.0% or 15.0% Price Limit, a 10-minute period shall commence. These price limits shall cease to be in effect at the end of the 10-minute period or 45 minutes preceding the scheduled close of trading. If the primary futures contract is limit offered at the 5.0%, 10.0% or 15.0% Price Limit at the end of the 10-minute period, or 45 minutes before the scheduled close of trading, trading shall terminate for a period of two minutes, after which time the market shall reopen. The next applicable Price Limit shall apply to such reopening. The 20% Price Limit shall represent the Total Daily Price Limit.

If, during a RTH trading session subject to Second Day Limits, there is a trading halt declared in the primary securities market, trading shall be halted. Once trading in the primary securities market resumes after a trading halt, trading on the E-Mini Russell 1000 Stock Price Index futures contract shall resume only after 50 percent of the stocks underlying the S&P 500 Stock Price Index (selected according to capitalization weights) have reopened. The 20% Total Daily Price Limit shall apply to such reopening.

**Opening Time:** The opening time of trading on GLOBEX will be the same as the opening time of GLOBEX trading of S&P 500 contracts. In particular, the opening time of GLOBEX trading will be delayed until 6:00 p.m. if GLOBEX trading of S&P 500 contracts is delayed until 6:00 p.m.

During Electronic Trading Hours (ETH), there shall be no trading of E-Mini Russell 1000 futures at a price more than the 5.0% Price Limit above or below the Reference RTH Price. If the market is limit bid two minutes prior to the opening of RTH, the Price Limit that is 5.0% above the Reference RTH Price shall be removed at that time.

### **37103. SETTLEMENT PROCEDURES**

Delivery under the E-Mini Russell 1000 Stock Price Index Futures contract shall be by cash settlement.

#### **37103.A. Final Settlement Price**

The Final Settlement Price shall be a special quotation of the Russell 1000 Stock Price Index based on the opening prices of the component stocks in the index, determined on the third Friday of the contract month.

If the Russell 1000 Stock Price Index is not scheduled to be published on the third Friday of the contract month, the Final Settlement Price shall be determined on the first earlier day for which the Index is scheduled to be published.

If the primary market for a component stock in the index does not open on the day scheduled for determination of the Final Settlement Price, then the price of that stock shall be determined, for the purposes of calculating the Final Settlement Price, based on the opening price of that stock on the next day that its primary market is open for trading.

If a component stock in the index does not trade on the day scheduled for determination of the Final Settlement Price while the primary market for that stock is open for trading, the price of that stock shall be determined, for the purposes of calculating the Final Settlement Price, based on the last sale price of that stock. However, if the President of the Exchange or his delegate determines that there is a reasonable likelihood that trading in the stock shall occur shortly, the President or his delegate may instruct that the price of stock shall be based, for the purposes of calculating the Final Settlement Price, on the opening price of the stock on the next day that it is traded on its primary market. Factors to be considered in determining whether trading in the stock is likely to occur shortly shall include the nature of the event and recent liquidity levels in the affected stock.

#### **37103.B. Final Settlement**

Clearing members holding open positions in an E-Mini Russell 1000 Stock Price Index futures contract at the time of termination of trading in that contract shall make payment to or receive payment from the Clearing House in accordance with normal variation margin procedures based on a settlement price equal to the final settlement price.

**37104. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT**

If delivery or acceptance or any precondition or requirement of either is prevented by a strike, fire, accident, action of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

**37105. - 06. [RESERVED]**

**(End Chapter 371)**

**INTERPRETATIONS & SPECIAL NOTICES**  
**RELATING TO CHAPTER 371**

The Exchange has entered into agreements with the Russell Corporation which permit it to utilize the Russell trade names and trademarks solely and only in connection with the creation, marketing and trading of contracts based on the Russell 1000 Index. The Russell Corporation owns trade name and trademark rights to "Russell 1000".

The Russell Corporation has no obligation or liability in connection with the trading of any contract based on the Russell 1000 Stock Price Index. The compilation and composition of the Russell 1000 Stock Price Index is in the exclusive control of the Russell Corporation. The Russell Corporation does not guarantee the accuracy and/or completeness of the Russell 1000 Stock Price Index or any data included therein.

THE RUSSELL CORPORATION MAKES NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY ANY PERSON OR ANY ENTITY FROM THE USE OF THE RUSSELL 1000 STOCK PRICE INDEX™ OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING OF THE CONTRACTS, OR FOR ANY OTHER USE. THE RUSSELL CORPORATION MAKES NO EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE FOR USE WITH RESPECT TO THE INDEXES OR ANY DATA INCLUDED THEREIN.



**CHAPTER 371A  
OPTIONS ON E-MINI RUSSELL 1000  
STOCK PRICE INDEX™ FUTURES**

**371A00. SCOPE OF CHAPTER**

This chapter is limited in application to trading in put and call options on the E-Mini Russell 1000 Stock Price Index futures contract ("E-Mini Russell 1000 options"). The procedures for trading, clearing, inspection, delivery and settlement and any other matters not specifically covered herein shall be governed by the rules of the Exchange.

**371A01. OPTION CHARACTERISTICS**

**371A01.A. Contract Months, Trading Hours and Trading Halts**

Options contracts shall be listed for such contract months and scheduled for trading during such hours, except as indicated below, as may be determined by the Board of Directors.

There shall be no trading in any option contract when the E-Mini Russell 1000 Stock Price Index primary futures contract is limit bid or offered at any price limit except at the total daily price limit on an option's last day of trading.

There shall be no trading in any E-Mini option contract during a period when trading in the primary futures contract is terminated pursuant to Rule 37102.I.

For purposes of this rule, the primary E-Mini futures contract shall be defined as the futures contract trading in the lead month configuration in the pit.

For purposes of this rule, Exchange staff shall have the responsibility of determining whether the primary E-Mini futures contract is trading at its limit during Regular Trading Hours (RTH). During Electronic Trading Hours (ETH), the determination shall be made by the GLOBEX Control Center.

**371A01.B. Trading Unit**

The trading unit shall be an option to buy, in the case of the call, or to sell in the case of the put, one E-Mini Russell 1000 Stock Price Index futures contract as specified in Chapter 371.

**371A01.C. Minimum Fluctuations**

The price of an option shall be quoted in index points, except as provided in Rule 584 (GLOBEX Volatility Quotes). The minimum fluctuation shall be .10 index points or \$10.00 (one tick). Trades may also occur at a price of .05 index points or \$5.00 (one half-tick) whether or not such trades result in the liquidation of positions for both parties to the trade.

If options are quoted in volatility terms, the minimum fluctuation shall be 0.05 percent.

#### **371A01.D. Underlying Futures Contract**

##### **1. Options in the March Quarterly Cycle**

For options that expire in the March quarterly cycle (i.e., March, June, September, and December), the underlying futures contract is the futures contract for the month in which the option expires. For example, the underlying futures contract for an option that expires in March is the March futures contract.

##### **2. Options Not in the March Quarterly Cycle**

For options that expire in months other than those in the March quarterly cycle (i.e., January, February, April, May, July, August, October, and November), the underlying futures contract is the next futures contract in the March quarterly cycle that is nearest the expiration of the option. For example, the underlying futures contract for options that expire in January or February is the March futures contract.

#### **371A01.E. Exercise Prices**

##### **1. Options in the March Quarterly Cycle**

The exercise prices shall be stated in terms of the E-Mini Russell 1000 Stock Price Index futures contract which is deliverable upon exercise of the option. In all contract months in the March quarterly cycle, the exercise prices shall be an integer divisible by 5 without remainder, e.g., 200, 205, 210, 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 1000 Index futures contract. The chosen referencing index will then be used to calculate the index points for the 10% range 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 fourth-nearest contract month in the March quarterly cycle, the Exchange shall list all eligible exercise prices in a range of 10 percent of the referencing index above and below the previous day's settlement price of the underlying futures contract.

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Thereafter, for the third and fourth-nearest contract months in the March quarterly cycle, when a settlement price in the underlying futures contract occurs at, or passes through, any exercise price, the Exchange shall add all eligible exercise prices on the next trading day.

When a contract month becomes the second-nearest contract month in the March quarterly cycle, 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 be listed also, if not previously listed.

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

New options may be listed for trading up to and including the termination of trading.

The Board may modify the provisions governing the establishment of exercise prices as it deems appropriate.

## **2. Options Not in the March Quarterly Cycle**

Upon demand evidenced in the respective options pit, the Exchange shall list put and call options at any exercise price listed for trading in the next March quarterly cycle futures option that is nearest the expiration of the option. New options may be listed for trading up to and including the termination of trading.

### **371A01.F. Position Limits**

No person shall own or control a combination of options and underlying futures contract that exceeds 25,000 futures-equivalent contracts net on the same side of the market in all contract months combined.

For the purpose of this rule, the futures equivalent of an option contract is 1 times the previous business day's IOM risk factor for the option series. Also for purposes of this rule, a long call option, a short put option, and a long underlying futures contract are on the same side of the market; similarly, a short call option, a long put option, and a short underlying futures contract are on the same side of the market.

### **371A01.G. Accumulation of Positions**

For the purposes of this rule, the positions of all accounts directly or indirectly owned or controlled by a person or persons, and the positions of all accounts of a person or persons action pursuant to an expressed or implied agreement or understanding, and the positions of all

accounts in which a person or persons have a proprietary or beneficial interest, shall be cumulated.

#### **371A01.H. Exemptions**

The foregoing position limits shall not apply to commercially appropriate risk reducing option positions defined in accordance with Regulation 1.3(z)(1) of the CFTC and meeting the requirements of Rule 543.A. and shall not apply to other option positions exempted pursuant to Rule 543.

#### **371A01.I. Termination of Trading**

##### **1. Options in the March Quarterly Cycle**

For options that expire in the March quarterly cycle, options trading shall terminate at the same date and time as the underlying futures contract.

##### **2. Options Not in the March Quarterly Cycle**

For options that expire in months other than those in the March quarterly cycle, options trading shall terminate on the third Friday of the contract month. If that day is not a scheduled Exchange business day, options trading shall terminate on the first preceding business day. In the event that the underlying futures market does not open on the scheduled expiration day, the option expiration shall be extended to the next day on which the underlying futures market is open for trading.

#### **371A01.J. Contract Modification**

Specifications shall be fixed as of the first day of trading of a contract except that all options must conform to government regulations in force at the time of exercise. If the U.S. government, an agency, or duly constituted body thereof issues an order, ruling, directive, or law inconsistent with these rules, such order, ruling directive, or law shall be construed to become part of these rules and all open new options contracts shall be subject to such governmental orders.

#### **371A02. EXERCISE**

In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the exercise of the E-Mini Russell 1000 options.

##### **371A02.A. Exercise of Option by Buyer**

An option may be exercised by the buyer on any business day that the option is traded. Exercise of an option is accomplished by the clearing member representing the buyer presenting an exercise notice to the Clearing House by 7:00 p.m. on the day of exercise.

An option in the March quarterly cycle that is in the money and has not been liquidated or exercised prior to the termination of trading shall, in the absence of contrary instructions delivered to the Clearing House by 7:00 p.m. on the business day following the termination of trading by the clearing member representing the option buyer, be automatically exercised.

In-the-money options that expire in months other than those in the March quarterly cycle and have not been liquidated or exercised prior to the termination of trading shall, in the absence of contrary instructions delivered to the Clearing House by 7:00 p.m. on the day of the termination of trading by the clearing member representing the option buyer, be exercised automatically.

Corrections to option exercises may be accepted by the Clearing House after the 7:00 p.m. deadline and up to the beginning of final option expiration processing provided that such corrections are necessary due to; (1) a bona fide clerical error, (2) an unreconciled Exchange option transaction(s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to the deadline. The decision whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.

#### **371A02.B. Assignment**

Exercise notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members with open short positions in the same series. A clearing member to which an exercise notice is assigned shall be notified thereof as soon as practicable after such notice is assigned by the Clearing House, but not later than 45 minutes prior to the opening of trading in the underlying futures contract on the following business day.

The clearing member assigned an exercise notice shall be assigned a short position in the underlying futures contract if a call was exercised or a long position if a put was exercised. The clearing member representing the option buyer shall be assigned a long position in the underlying futures contract if a call was exercised and a short position if a put was exercised.

All such futures positions shall be assigned at a price equal to the exercise price of the option and shall be marked to market in accordance with Rule 814 on the trading day following acceptance by the Clearing House of the exercise notice.

#### **371A03. EMERGENCIES, ACTS OF GOD, ACTS OF GOVERNMENT**

If exercise or assignment or any precondition or requirement of either is prevented by a strike, fire, accident, act of government or act of God, the seller or buyer shall immediately notify the Exchange President. If the President determines that emergency action may be necessary, he shall call a special meeting of the Board of Directors and arrange for the presentation of evidence respecting the emergency condition. If the Board determines that an emergency exists, it shall

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take such action as it deems necessary under the circumstances and its decision shall be binding upon all parties to the contract.

**(End Chapter 371A)**

**INTERPRETATIONS & SPECIAL NOTICES**  
**RELATING TO CHAPTER 371A**

The Exchange has entered into agreements with the Russell Corporation which permit it to utilize the Russell trade names and trademarks solely and only in connection with the creation, marketing and trading of contracts based on the Russell 1000 Stock Price Index. The Russell Corporation owns trade name and trademark rights to "Russell 1000".

The Russell Corporation has no obligation or liability in connection with the trading of any contract based on the Russell Indexes. The compilation and composition of the Indexes is in the exclusive control of the Russell Corporation. The Russell Corporation does not guarantee the accuracy and/or completeness of any of the Indexes or any data included therein.

THE RUSSELL CORPORATION MAKES NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY ANY PERSON OR ANY ENTITY FROM THE USE OF THE INDEXES OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING OF THE CONTRACTS, OR FOR ANY OTHER USE. THE RUSSELL CORPORATION MAKES NO EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE FOR USE WITH RESPECT TO THE INDEXES OR ANY DATA INCLUDED THEREIN.

**CLARIFICATION OF NEW NON-AGRICULTURAL**  
**OPTION SPECULATIVE POSITION LIMIT RULE**

(Special Executive Report S-1618, March 31, 1986)

Please note that the new non-agricultural option speculative position limit rule supersedes the speculative position rule for the underlying futures contract. Therefore, for example, a trader may hold a gross futures position that exceeds the futures position limit rule if that gross position is part of spread with options, such that the net position across options and futures is less than the applicable limit set in the options rule.

### 557.B. Execution of Orders

5. All-Or-None transactions involving E-Mini S&P 500, E-Mini Nasdaq-100 or FORTUNE e-50 futures contracts shall be confined to Regular Trading Hours. There shall be no post-settlement session in TRAKRS contracts, E-Mini NASDAQ Composite, S&P SmallCap 600, S&P 500 Technology SPCTR, S&P 500 Financial SPCTR, E-Mini Russell 1000, E-Mini S&P 500, or E-Mini Nasdaq-100 futures contracts.

7. Cross-trades are not permitted in TRAKRS contracts, E-Mini NASDAQ Composite, S&P SmallCap 600, S&P 500 Technology SPCTR, S&P 500 Financial SPCTR, E-Mini Russell 1000, E-Mini S&P 500, E-Mini Nasdaq-100, E-Mini Russell 2000, E-Mini S&P MidCap 400, dollar denominated Nikkei 225, yen denominated Nikkei 225, or S&P/TOPIX 150 futures contracts.

### Interpretation to Rule 135.A. Allowable Spreads for GEM Members

The only allowable spreads involving non-GEM products that GEM members may enter into or solicit while on the trading floor are listed below:

GSCI	with	Live Cattle and Lean Hogs
Russell 2000	with	S&P 500, S&P Mid-Cap
<u>E-Mini</u> Russell 1000	with	E-Mini S&P 500
S&P/Barra Growth and Value 2[77]	with	S&P 500, S&P Mid-Cap
Live Cattle Serial (Odd) Months	with	Live Cattle Even Months*
East European Currencies	with	Euro FX
CMESINDEX™	with	Euro FX, Japanese yen, British pound, Swiss franc, Australian dollar, Canadian dollar, Swedish krona
E-Mini NASDAQ Composite	with	E-Mini NASDAQ-100, E-Mini S&P 500, E-Mini S&P MidCap 400, E-Mini Russell 2000, S&P SmallCap 600, <u>E-Mini</u> Russell 1000, Financial SPCTR, Technology SPCTR.
CPI	with	Eurodollar
Yen Denominated Nikkei 225	with	Dollar Denominated Nikkei 225

\*Provided the GEM member also maintains a Serial Month Live Cattle Permit.

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