

**SUBMISSION COVER SHEET**

**IMPORTANT:** Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 16-012 (4 of 4)

Organization: Commodity Exchange, Inc. ("COMEX")

Filing as a:  DCM  SEF  DCO  SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 1/11/2016 Filing Description: Amendments to CME and CBOT Rule 524, Amendments to Certain CME and CBOT Equity Index Futures Product Chapters and Issuance of CME Group Market Regulation Advisory Notice RA1601-5  
**SPECIFY FILING TYPE**

Please note only ONE choice allowed per Submission.

**Organization Rules and Rule Amendments**

- Certification § 40.6(a)
- Approval § 40.5(a)
- Notification § 40.6(d)
- Advance Notice of SIDCO Rule Change § 40.10(a)
- SIDCO Emergency Rule Change § 40.10(h)

**Rule Numbers:** CME/CBOT Rule 524, CME Chapters 354, 355, 356, 358, 359, 360, 362, 368, 369, 375, 383, 384, 385, 386, 387 and 388 and CBOT Chapters 27 and 30

**New Product**

**Please note only ONE product per Submission.**

- Certification § 40.2(a)
- Certification Security Futures § 41.23(a)
- Certification Swap Class § 40.2(d)
- Approval § 40.3(a)
- Approval Security Futures § 41.23(b)
- Novel Derivative Product Notification § 40.12(a)
- Swap Submission § 39.5

**Official Product Name:**

**Product Terms and Conditions (product related Rules and Rule Amendments)**

- Certification § 40.6(a)
- Certification Made Available to Trade Determination § 40.6(a)
- Certification Security Futures § 41.24(a)
- Delisting (No Open Interest) § 40.6(a)
- Approval § 40.5(a)
- Approval Made Available to Trade Determination § 40.5(a)
- Approval Security Futures § 41.24(c)
- Approval Amendments to enumerated agricultural products § 40.4(a), § 40.5(a)
- "Non-Material Agricultural Rule Change" § 40.4(b)(5)
- Notification § 40.6(d)

**Official Name(s) of Product(s) Affected:**

**Rule Numbers:**

January 11, 2016

**VIA ELECTRONIC PORTAL**

Mr. Christopher J. Kirkpatrick  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, N.W.  
Washington, DC 20581

**RE: CFTC Regulation 40.6(a) Certification. Amendments to CME and CBOT Rule 524, Amendments to Certain CME and CBOT Index Futures Product Chapters and Issuance of CME Group Market Regulation Advisory Notice RA1601-5. COMEX Submission No. 16-012 (4 of 4)**

Dear Mr. Kirkpatrick:

Pursuant to Commodity Futures Trading Commission (“CFTC” or “Commission”) Regulation 40.6(a), Chicago Mercantile Exchange Inc. (“CME”) and The Board of Trade of the City of Chicago, Inc. (“CBOT”) hereby notify the Commodity Futures Trading Commission (“CFTC” or “Commission”) that they are self-certifying amendments to 1) CME and CBOT Rule 524 (“Trading at Settlement (“TAS”) Transactions”) that incorporate references to Basis Trade at Index Close (“BTIC”) pricing and 2) CME and CBOT Index futures product chapters resulting from the aforementioned amendments to Rule 524.

Additionally, in connection with the amendments to Rule 524, CME, CBOT, New York Mercantile Exchange, Inc. (“NYMEX”) and Commodity Exchange, Inc. (“COMEX”) (collectively, the “Exchanges”) are also self-certifying the issuance of CME Group Market Regulation Advisory Notice RA1601-5 (“RA1601-5”) concerning Rule 524 and an amended TAS Table which incorporates a new tab concerning CME and CBOT BTIC Transactions.

The amended rules, RA1601-5 and the amended TAS Table will be effective on Wednesday, January 27, 2016.

CME and CBOT Rule 524 is being amended to incorporate BTIC provisions as BTIC is a pricing convention similar to TAS, wherein parties are able to transact in certain CME and CBOT Index futures products which are priced at a basis to the underlying equity cash Index closing value. The most reasonable place to incorporate references to BTIC pricing is in Rule 524, as opposed to the duplicative BTIC provisions that are currently located in the applicable CME and CBOT product chapters.

As a result of the amendments to Rule 524, the duplicative BTIC provisions in the CME and CBOT Index futures product chapters are being eliminated, and the remainder of the BTIC provisions have been amended to increase clarity.

The amendments to CME and CBOT Rule 524 appear in Exhibit A, with additions underscored. The amendments to the applicable CME and CBOT Index futures product chapters appear in Exhibit B, with additions underscored and deletions overstruck. RA1601-5 appears in Exhibit C. The amended TAS Table is attached under separate cover as Exhibit D.

The Exchanges reviewed the designated contract market core principles (“DCM Core Principles”) as set forth in the Commodity Exchange Act (“CEA” or “Act”) and identified that the amended rules and the issuance of RA1601-5 may have some bearing on the following principles:

- Compliance with Rules: The amendments to CME and CBOT Rule 524 incorporate references to pricing conventions similar to TAS into the text of the Rule as the most logical place for such references to appear, and eliminate duplicative provisions in individual CME and CBOT Index futures product chapters.
- Availability of General Information: Amended Rule 524 will be included in RA1601-5, both of which will continue to be posted publicly on the CME Group website in satisfaction of this Core Principle. In addition, the Exchanges will release RA1601-5 to the marketplace in advance of the effective date.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.6(a), CME and CBOT certify that the amended rules and TAS Table comply with the Act and regulations thereunder and the Exchanges certify that RA1601-5 also complies with the Act and regulations thereunder. There were no substantive opposing views to this proposal.

The Exchanges certify that this submission has been concurrently posted on the Exchanges' website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

If you require any additional information regarding this submission, please contact me at 212-299-2200 or via e-mail at [CMEGSubmissionInquiry@cmegroup.com](mailto:CMEGSubmissionInquiry@cmegroup.com).

Sincerely,

/s/ Christopher Bowen  
Managing Director and Chief Regulatory Counsel

Attachments: Exhibit A: Amendments to CME and CBOT Rule 524  
Exhibit B: Amendments to Certain CME and CBOT Index Futures Product Chapters  
Exhibit C: RA1601-5  
Exhibit D: Amended TAS Table (attached under separate cover)

# EXHIBIT A

## CME/CBOT RULEBOOK

### Chapter 5 Trading Qualifications and Practices

(additions are underscored)

#### 524. TRADING AT SETTLEMENT (“TAS”) AND BASIS TRADE AT INDEX CLOSE (“BTIC”) TRANSACTIONS

The Exchange shall determine the commodities, contract months and time periods during which TAS and BTIC transactions shall be permitted. Specific products, contract months and spreads eligible for pricing as TAS or BTIC transactions are set forth in the TAS Table set forth in the Interpretations & Special Notices Section of Chapter 5.

##### 524.A. Trading at Settlement (“TAS”) Transactions

The following shall govern TAS transactions:

1. TAS orders may be entered on Globex at any time the applicable contracts are available for TAS trading on Globex and during each TAS contract’s prescribed pre-open time period. The initiation of any TAS order on Globex outside these time periods is prohibited.
2. TAS transactions may be executed at the current day’s settlement price or at any valid price increment four ticks higher or lower than the settlement price.

##### 524.B. Basis Trade at Index Close (“BTIC”) Transactions

A Basis Trade at Index Close (“BTIC”) Transaction is an Exchange futures transaction which is priced with reference to the closing price of such futures contract’s underlying cash Index on a particular Trading Day (the “Basis”).

The following shall govern BTIC transactions:

1. Globex-eligible BTIC orders may be entered on Globex at any time the applicable contracts are available for BTIC trading on Globex and during each BTIC contract’s prescribed pre-open time period. The initiation of any BTIC order on Globex outside these time periods is prohibited.
2. BTIC-eligible commodities and contract months may be executed as block trades pursuant to the requirements of Rule 526, except that BTIC block trades may not be executed on the last day of trading in an expiring contract.
3. The Basis negotiated between the parties must be stated in admissible futures price increments for the specific futures contract as set forth in the applicable futures product chapter. The futures price of the BTIC transaction shall be the cash Index closing price for that Trading Day adjusted by the negotiated Basis above or below the underlying futures contract’s Index closing price. The magnitude of the Basis for a BTIC block trade must be fair and reasonable in light of factors including, but not limited to, financing rates, expected dividend income, and time remaining until the underlying futures contract expiration. BTIC transactions may result in an assigned futures price outside of applicable daily price limits.
4. In the event of a disruption in the primary listing market for a given Index, all pending and executed BTIC transactions based on that Index 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 closure for the day of the primary equity securities market or a NYSE Rule 80B trading halt declared in response to a Level 3 (20%) decline in the S&P 500 Index necessitating an early closure of the primary securities market.
5. Additional product-specific BTIC requirements are set forth in the applicable product chapter in the Rulebook.

# EXHIBIT B

## CME/CBOT RULEBOOK

### Index Futures Product Chapters

(additions are underscored; deletions are ~~overstruck~~)

#### CME

##### Chapter 354

##### USD Denominated Ibovespa Futures

###### **35406. BASIS TRADE AT INDEX CLOSE (“BTIC”) TRANSACTIONS**

~~All BTIC transactions must be executed in accordance with the requirements of Rule 524.B.A. Basis Trade at Index Close (“BTIC”) Transaction is a futures transaction on the USD Denominated Ibovespa futures contract that is priced with reference to the BVMF Bovespa Index (Ibovespa) cash index close price for the specific index.~~

~~The futures price assigned to a BTIC Transaction shall be based on the current day’s Ibovespa cash index close price, or the current day’s Ibovespa cash index close price adjusted by any valid price increment (the “Basis”) higher or lower than the applicable Ibovespa cash index close price. The Basis must be fair and reasonable, taking into account financing rates, expected dividend income, time remaining until the Equity Index futures contract expiration and any of the factors set forth in Rule 526.D., as applicable.~~

###### **35406.A. BTIC Block Trade Requirements**

~~BTIC Transactions USD Denominated Ibovespa futures may be executed as block trades must be executed in accordance with pursuant to the requirements of Rule 526. Both the block trade quantity and the valid price increment (the “Basis”) for BTIC block trades must be reported within five minutes of the agreement of the parties to execute the trade in accordance with Rule 526.F.~~

~~In addition to complying with the reporting requirements set forth above, For a BTIC block trades for BTIC-eligible Equity Index futures must be reported to the Exchange at least 10 minutes prior to executed on a given Trading Day on or before the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value for to establish the BTIC futures price on the current Trading Day. For a The BTIC block trade executed on a given Trading Day after the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing futures price for BTIC-eligible Equity Index futures orders that are not reported to the Exchange at least 10 minutes prior to the scheduled close of the underlying primary securities market shall be based on the index close value price for the next available Trading Day for the primary securities market.~~

###### **35406.B. BTIC Price Assignment Procedures for BTIC Futures**

~~The futures price of a BTIC ~~t~~Transaction shall will be determined by the Exchange at 3:45 p.m. (or within 45 minutes after the close of the primary securities market in the case of an early scheduled close of the primary securities market). ~~Central time and the Exchange determined price will be deemed final at that time. In the event of an early scheduled close of the primary securities market, the futures price of a BTIC Transaction will be determined by the Exchange 45 minutes after the early scheduled close time for the primary securities market and the Exchange determined. Such price determination shall will be deemed final ~~at that time.~~~~~~

~~If a BTIC-eligible USD Denominated Ibovespa futures block trade order would result in a futures price that would be greater than or less than the respective USD Denominated Ibovespa futures 10% Price Limits, the block trade order shall be cancelled.~~

###### **35406.C. BTIC Orders Minimum Price Increment**

~~(Refer to Rule 35401. Contract Specifications — Minimum Price Increment or Tick Size). The valid bBasis or pPrice increment applied to the index close ing value price to establish the BTIC futures price must be stated in full tick increments of, e.g. five (5) index points ~~for all USD Denominated Ibovespa futures.~~~~

###### **35406.D. BTIC Orders Prohibited on Last Day of Trading**

~~BTIC orders for BTIC-eligible Equity Index futures may not be initiated on the last day of trading in an expiring contract.~~

###### **35406.E. Market Disruption Events**

~~In the event of an equity market disruption in the primary securities market, a BTIC-eligible Equity Index futures block trade order shall be cancelled. Equity market disruption events shall be declared at the sole discretion of the Exchange. Equity market disruptions may include, but are not limited to: an unscheduled early closure for the day of the primary (BM&F Bovespa) equity securities market~~

**Chapter 355**  
**S&P 500/ Growth Index Futures**

**35506. BASIS TRADE AT INDEX CLOSE (“BTIC”) TRANSACTIONS**

~~All BTIC transactions must be executed in accordance with the requirements of Rule 524.B.A. A Basis Trade at Index Close (“BTIC”) Transaction is a futures transaction on an S&P 500/ Growth Index futures contract that is priced with reference to the S&P 500/ Growth Index close price for the specific index.~~

~~The futures price assigned to a BTIC Transaction shall be based on the current day’s S&P 500/ Growth Index close price, or the current day’s S&P 500/ Growth close price adjusted by any valid price increment (“the basis”) higher or lower than the applicable S&P 500/ Growth Index close price. The Basis must be fair and reasonable, taking into account financing rates, expected dividend income, time remaining until the Equity Index futures contract expiration and any of the factors set forth in Rules 526.D., as applicable.~~

**35506.A. BTIC Block Trade Requirements**

~~BTIC Transactions in S&P 500/ Growth Index futures may be executed as block trades must be executed in accordance with pursuant to the requirements of Rule 526. Both the block trade quantity and the valid price increment (the “Basis”) for BTIC block trades must be reported within five minutes of the agreement of the parties to execute the trade in accordance with Rule 526.F.~~

~~In addition to complying with the reporting requirements set forth above, For a BTIC block trades for BTIC-eligible Equity Index futures must be reported to the Exchange at least 10 minutes prior to executed on a given Trading Day on or before the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value for to establish the BTIC futures price on the current Trading Day. For a The BTIC block trade executed on a given Trading Day after the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing futures price for BTIC-eligible Equity Index futures orders that are not reported to the Exchange at least 10 minutes prior to the scheduled close of the underlying primary securities market shall be based on the index close value price for the next available Trading Day for the primary securities market.~~

**35506.B. BTIC Price Assignment Procedures for BTIC Futures**

~~The futures price of a BTIC ~~t~~Transaction shall will be determined by the Exchange at 3:45 p.m. Central time and the Exchange determined price will be deemed final at that time. In the event of an early scheduled (or within 45 minutes after the close of the primary securities market in the case of an early scheduled close of the primary securities market);. Such the futures price determination of a BTIC Transaction will be determined by the Exchange 45 minutes after the early scheduled close time for the primary securities market and the Exchange determined price will shall be deemed final at that time.~~

~~If a BTIC-eligible S&P 500/ Growth Index futures block trade order would result in a futures price that would be less than the respective S&P 500/ Growth Index futures 20% Price Limit, the block trade order shall be cancelled.~~

**35506.C. BTIC Order Minimum Price Increment**

~~(Refer to Rule 35502.C. – Trading Specification – Price Increments). The valid bBasis or pPrice increment applied to the index closing value price to establish the BTIC futures price must be stated in full tick increments, e.g. of 0.10 index points for S&P 500/ Growth Index futures.~~

**35506.D. BTIC Orders Prohibited on Last Day of Trading**

~~BTIC orders for BTIC-eligible Equity Index futures may not be initiated on the last day of trading in an expiring contract.~~

**35506.E. Market Disruption Events**

~~In the event of an equity market disruption in the primary securities market, a BTIC-eligible Equity Index futures block trade order shall be cancelled. Equity market disruption events shall be declared at the sole discretion of the Exchange. Equity market disruptions may include, but are not limited to:~~

- ~~1. an unscheduled early closure for the day of the primary equity securities market, or~~
- ~~2. the occurrence of a Level 3 NYSE Rule 80B trading halt that requires an early closure of the primary securities market.~~

**Chapter 356**  
**S&P 500/ Value Index Futures**

**35606. BASIS TRADE AT INDEX CLOSE (“BTIC”) TRANSACTIONS**

~~All BTIC transactions must be executed in accordance with the requirements of Rule 524.B.A. A Basis Trade at Index Close (“BTIC”) Transaction is a futures transaction on an S&P 500/ Value Index futures contract that is priced with reference to the S&P 500/ Value Index close price for the specific index.~~

~~The futures price assigned to a BTIC Transaction shall be based on the current day’s S&P 500/ Value Index close price, or the current day’s S&P 500/ Value close price adjusted by any valid price increment (“the basis”) higher or lower than the applicable S&P~~

500/ Value Index close price. The Basis must be fair and reasonable, taking into account financing rates, expected dividend income, time remaining until the Equity Index futures contract expiration and any of the factors set forth in Rules 526.D., as applicable.

#### **35606.A. BTIC Block Trade Requirements**

~~BTIC Transactions in S&P 500/ Value Index futures may be executed as block trades~~ must be executed in accordance with ~~pursuant to the requirements of~~ Rule 526. ~~Both the block trade quantity and the valid price increment (the "Basis") for BTIC block trades must be reported within five minutes of the agreement of the parties to execute the trade in accordance with Rule 526.F.~~

~~In addition to complying with the reporting requirements set forth above, For a~~ BTIC block trades ~~for BTIC-eligible Equity Index futures must be reported to the Exchange at least 10 minutes prior to~~ executed on a given Trading Day on or before the scheduled close of the underlying primary securities market, ~~the corresponding futures price shall be made by reference to the Index closing value for to establish the BTIC futures price on~~ the current Trading Day. ~~For a~~ The BTIC block trade executed on a given Trading Day after the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing ~~futures price for BTIC-eligible Equity Index futures orders that are not reported to the Exchange at least 10 minutes prior to the scheduled close of the underlying primary securities market shall be based on the index close value~~ price for the next ~~available~~ Trading Day ~~for the primary securities market.~~

#### **35606.B. BTIC Price Assignment Procedures for BTIC Futures**

The futures price of a BTIC ~~t~~Transaction shall ~~will~~ be determined by the Exchange at 3:45 p.m. ~~Central time and the Exchange determined price will be deemed final at that time. In the event of an early scheduled (or within 45 minutes after the~~ close of the primary securities market ~~in the case of an early scheduled close of the primary securities market), the futures price of a BTIC Transaction will be determined by the Exchange 45 minutes after the early scheduled close time for the primary securities market and the Exchange determined. Such~~ price determination shall ~~will~~ be deemed final ~~at that time.~~

~~If a BTIC-eligible S&P 500/ Value Index futures block trade order would result in a futures price that would be less than the respective S&P 500/ Value Index futures 20% Price Limit, the block trade order shall be cancelled.~~

#### **35606.C. BTIC Order Minimum Price Increment**

~~(Refer to Rule 35602.C. Trading Specification — Price Increments).~~ The valid bBasis or pPrice increment applied to the index closing value price to establish the BTIC futures price must be stated in full tick increments, ~~e.g. of~~ 0.10 index points ~~for S&P 500/ Value Index futures.~~

#### **35606.D. BTIC Orders Prohibited on Last Day of Trading**

~~BTIC orders for BTIC-eligible Equity Index futures may not be initiated on the last day of trading in an expiring contract.~~

#### **35606.E. Market Disruption Events**

~~In the event of an equity market disruption in the primary securities market, a BTIC-eligible Equity Index futures block trade order shall be cancelled. Equity market disruption events shall be declared at the sole discretion of the Exchange. Equity market disruptions may include, but are not limited to:~~

- ~~1. an unscheduled early closure for the day of the primary equity securities market, or~~
- ~~2. the occurrence of a Level 3 NYSE Rule 80B trading halt that requires an early closure of the primary securities market.~~

## Chapter 358

### E-mini Standard and Poor's 500 Stock Price Index Futures

#### **35806. BASIS TRADE AT INDEX CLOSE ("BTIC") TRANSACTIONS**

~~All BTIC transactions must be executed in accordance with the requirements of Rule 524.B. For any BTIC transaction in futures on a given Trading Day, the price shall be based on the Index closing price on such Trading Day, adjusted by an admissible futures price increment ("basis adjustment") above or below such Index closing price, in accordance with Rule 35806.C. The magnitude of such basis adjustment must be fair and reasonable in light of factors such as, but not limited to, financing rates, expected dividend income, and time remaining until futures contract expiration.~~

#### **35806.A. BTIC Block Trade Requirements**

~~A~~ BTIC ~~transaction in futures may be executed as a block trade~~ s, ~~provided that such block trade is~~ must be ~~executed in accordance with the requirements of CME Rule 526.~~

~~Both the size of such block trade and any applicable basis adjustment shall be reported to the Exchange within five (5) minutes after agreement by the parties to such trade.~~

For a BTIC block trade ~~that is~~ executed on a given Trading Day ~~on or before~~ and reported to the Exchange at least 10 minutes prior ~~to the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value~~ price for the current Trading Day. For ~~a~~ such BTIC block trade executed on a given Trading Day after ~~that is reported to the Exchange later than 10 minutes prior to the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value~~ price for the next ~~following~~ Trading Day.

#### **35806.B. BTIC Price Assignment Procedures for BTIC Futures**

The futures price of a BTIC transaction shall be determined by the Exchange at 3:45 p.m. (or within 45 minutes after the close of the primary securities market in the case of an early scheduled close of the primary securities market). Such price determination shall be deemed final.

~~Where an order for a BTIC block trade would result in a futures price lower than the respective 20% Price Limit (Rule 35802.I.), such BTIC block trade order shall be cancelled.~~

**35806.C. BTIC Order Minimum Price Increment**

~~The valid basis or minimum price increment applied to the Index closing value to establish the BTIC futures price must be stated in full tick increments of shall be 0.05 Index points, equal to \$2.50 per contract, for any basis adjustment that is applied to an Index closing price to establish a BTIC transaction price.~~

**35806.D. BTIC Orders Prohibited on Last Day of Trading**

~~Orders for BTIC transactions in expiring futures may not be initiated on the last day of trading in such expiring futures (Rule 35802.G.).~~

**35806.E. Market Disruption Events**

~~In the event of disruption in the primary securities market, all orders for BTIC block trades in futures shall be cancelled. Such event of disruption shall be declared by the Exchange, in its sole discretion, and may include without limitation:~~

- ~~1. unscheduled early closure of the primary securities market, or~~
- ~~2. a NYSE Rule 80B trading halt declared in response to a Level 3 (20%) decline in the S&P 500 Index, necessitating early close of the primary securities market.~~

**Chapter 359**

**E-mini NASDAQ 100 Index® Futures**

**35906. BASIS TRADE AT INDEX CLOSE (“BTIC”) TRANSACTIONS**

~~All BTIC transactions must be executed in accordance with the requirements of Rule 524.B. Futures shall be eligible for BTIC transactions.~~

~~For any BTIC transaction in futures on a given Trading Day, the price shall be based on the Index closing price on such Trading Day, adjusted by an admissible futures price increment (“basis adjustment”) above or below such Index closing price, in accordance with Rule 35906.C. The magnitude of such basis adjustment must be fair and reasonable in light of factors such as, but not limited to, financing rates, expected dividend income, and time remaining until futures contract expiration.~~

**35906.A. BTIC Block Trade Requirements**

~~A BTIC transaction in futures may be executed as a block trade, provided that such block trade is must be executed in accordance with the requirements of CME Rule 526.~~

~~Both the size of such block trade and any applicable basis adjustment shall be reported to the Exchange within five (5) minutes after agreement by the parties to such trade.~~

~~For a BTIC block trade that is executed on a given Trading Day on or before and reported to the Exchange at least 10 minutes prior to the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value price for the current Trading Day. For as such BTIC block trade that is executed on a given Trading Day after reported to the Exchange later than 10 minutes prior to the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value price for the next following Trading Day.~~

**35906.B. BTIC Price Assignment Procedures for BTIC Futures**

The futures price of a BTIC transaction shall be determined by the Exchange at 3:45 p.m. (or within 45 minutes after the close of the primary securities market in the case of an early scheduled close of the primary securities market). Such price determination shall be deemed final.

~~Where an order for a BTIC block trade would result in a futures price lower than the respective 20% Price Limit (Rule 35902.I.), such BTIC block trade order shall be cancelled.~~

**35906.C. BTIC Order Minimum Price Increment**

~~The valid basis or minimum price increment applied to the Index closing value to establish the BTIC futures price must be stated in full tick increments of shall be 0.05 Index points, equal to \$1.00 per contract, for any basis adjustment that is applied to an Index closing price to establish a BTIC transaction price.~~

**35906.D. BTIC Orders Prohibited on Last Day of Trading**

~~Orders for BTIC transactions in expiring futures may not be initiated on the last day of trading in such expiring futures (Rule 35902.G.).~~

**35906.E. Market Disruption Events**

~~In the event of disruption in the primary securities market, all orders for BTIC block trades in futures shall be cancelled. Such event of disruption shall be declared by the Exchange, in its sole discretion, and may include without limitation:~~

- ~~1. unscheduled early closure of the primary securities market, or~~
- ~~2. a NYSE Rule 80B trading halt declared in response to a Level 3 (20%) decline in the S&P 500 Index, necessitating early close of the primary securities market.~~



**Chapter 360**  
**E-mini™ NASDAQ® Biotechnology Index Futures**

**36006. BASIS TRADE AT INDEX CLOSE (“BTIC”) TRANSACTIONS**

~~All BTIC transactions must be executed in accordance with the requirements of Rule 524.B.A Basis Trade at Index Close (“BTIC”) Transaction is a futures transaction on an E-mini Nasdaq Biotechnology Index futures contract that is priced with reference to the Nasdaq Biotechnology Index close price for the specific index.~~

~~The futures price assigned to a BTIC Transaction shall be based on the current day’s Nasdaq Biotechnology Index close price, or the current day’s Nasdaq Biotechnology Index close price adjusted by any valid price increment (“the basis”) higher or lower than the applicable Nasdaq Biotechnology Index close price. The Basis must be fair and reasonable, taking into account financing rates, expected dividend income, time remaining until the Equity Index futures contract expiration and any of the factors set forth in Rules 526.D., as applicable.~~

**36006.A. BTIC Block Trade Requirements**

~~BTIC Transactions in E-mini Nasdaq Biotechnology Index futures may be executed as block trades must be executed in accordance with pursuant to the requirements of Rule 526. Both the block trade quantity and the valid price increment (the “Basis”) for BTIC block trades must be reported within five minutes of the agreement of the parties to execute the trade in accordance with Rule 526.F.~~

~~In addition to complying with the reporting requirements set forth above, For a BTIC block trades for BTIC-eligible Equity Index futures must be reported to the Exchange at least 10 minutes prior to executed on a given Trading Day on or before the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value for to establish the BTIC futures price on the current Trading Day. For a The BTIC block trade executed on a given Trading Day after the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing futures price for BTIC-eligible Equity Index futures orders that are not reported to the Exchange at least 10 minutes prior to the scheduled close of the underlying primary securities market shall be based on the index close value price for the next available Trading Day for the primary securities market.~~

**36006.B. BTIC Price Assignment Procedures for BTIC Futures**

~~The futures price of a BTIC ~~t~~Transaction shall will be determined by the Exchange at 3:45 p.m. Central time and the Exchange determined price will be deemed final at that time. In the event of an early scheduled (or within 45 minutes after the close of the primary securities market in the case of an early scheduled close of the primary securities market), the futures price of a BTIC Transaction will be determined by the Exchange 45 minutes after the early scheduled close time for the primary securities market and the Exchange determined. Such price determination shall will be deemed final at that time.~~

~~If a BTIC-eligible E-mini Nasdaq biotechnology Index futures block trade order would result in a futures price that would be less than the respective E-mini Nasdaq Biotechnology Index futures 20% Price Limit, the that block trade order shall be cancelled.~~

**36006.C. BTIC Order Minimum Price Increment**

~~(Refer to Rule 36002.C. Trading Specification — Price Increments).—The valid bBasis or pPrice increment applied to the lindex closing value price to establish the BTIC futures price must be stated in full tick increments, e.g. of 0.10 index points for E-mini Nasdaq Biotechnology Index futures.~~

**36006.D. BTIC Orders Prohibited on Last Day of Trading**

~~BTIC orders for BTIC-eligible Equity Index futures may not be initiated on the last day of trading in an expiring contract.~~

**36006.E. Market Disruption Events**

~~In the event of an equity market disruption in the primary securities market, a BTIC-eligible Equity Index futures block trade order shall be cancelled. Equity market disruption events shall be declared at the sole discretion of the Exchange. Equity market disruptions may include, but are not limited to:~~

- ~~1. an unscheduled early closure for the day of the primary equity securities market, or~~
- ~~2. the occurrence of a Level 3 NYSE Rule 80B trading halt that requires an early closure of the primary securities market.~~

**Chapter 362**  
**E-mini Standard and Poor’s MidCap 400® Stock Price Index Futures**

**36206. BASIS TRADE AT INDEX CLOSE (“BTIC”) TRANSACTIONS**

~~All BTIC transactions must be executed in accordance with the requirements of Rule 524.B.A Basis Trade at Index Close (“BTIC”) Transaction is a futures transaction on an E-Mini Standard and Poor’s MidCap 400 Stock Price Index futures contract that is priced with reference to the Standard and Poor’s MidCap 400 Stock Price Index close price for the specific index.~~

The futures price assigned to a BTIC Transaction shall be based on the current day's Standard and Poor's MidCap 400 Stock Price Index close price, or the current day's Standard and Poor's MidCap 400 Stock Price Index close price adjusted by any valid price increment ("the basis") higher or lower than the applicable Standard and Poor's MidCap 400 Stock Price Index close price. The Basis must be fair and reasonable, taking into account financing rates, expected dividend income, time remaining until the Equity Index futures contract expiration and any of the factors set forth in Rules 526.D., as applicable.

#### **36206.A. BTIC Block Trade Requirements**

BTIC Transactions in E-mini Standard and Poor's MidCap 400 Stock Price Index futures may be executed as block trades ~~must be executed in accordance with~~ pursuant to the requirements of Rule 526. ~~Both the block trade quantity and the valid price increment (the "Basis") for BTIC block trades must be reported within five minutes of the agreement of the parties to execute the trade in accordance with Rule 526.F.~~

~~In addition to complying with the reporting requirements set forth above, For a BTIC block trades for BTIC-eligible Equity Index futures must be reported to the Exchange at least 10 minutes prior to executed on a given Trading Day on or before the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value for to establish the BTIC futures price on the current Trading Day. For a The BTIC block trade executed on a given Trading Day after the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing futures price for BTIC-eligible Equity Index futures orders that are not reported to the Exchange at least 10 minutes prior to the scheduled close of the underlying primary securities market shall be based on the index close value price for the next available Trading Day for the primary securities market.~~

#### **36206.B. BTIC Price Assignment Procedures for BTIC Futures**

The futures price of a BTIC tTransaction ~~shall~~ will be determined by the Exchange at 3:45 p.m. ~~Central time and the Exchange determined price will be deemed final at that time. In the event of an early scheduled (or within 45 minutes after the~~ close of the primary securities market ~~in the case of an early scheduled close of the primary securities market), the futures price of a BTIC Transaction will be determined by the Exchange 45 minutes after the early scheduled close time for the primary securities market and the Exchange~~ Such determined price ~~determination shall~~ will be deemed final ~~at that time.~~

~~If a BTIC-eligible E-mini Standard and Poor's MidCap 400 Stock Price Index futures block trade order would result in a futures price that would be less than the respective E-mini Standard and Poor's MidCap 400 Stock Price Index 20% Price Limit, the that block trade order shall be cancelled.~~

#### **36206.C. BTIC Order Minimum Price Increment**

~~(Refer to Rule 36202.C. Trading Specification — Price Increments).~~ The valid ~~b~~ Basis or ~~p~~ Price ~~i~~ Increment applied to the ~~l~~ index closing ~~value~~ price to establish the BTIC futures price must be stated in full tick increments ~~of, e.g. 0.10 index points for Standard and Poor's MidCap 400 Stock Price Index futures.~~

#### **36206.D. BTIC Orders Prohibited on Last Day of Trading**

~~BTIC orders for BTIC-eligible Equity Index futures may not be initiated on the last day of trading in an expiring contract.~~

#### **36206.E. Market Disruption Events**

~~In the event of an equity market disruption in the primary securities market, a BTIC-eligible Equity Index futures block trade order shall be cancelled. Equity market disruption events shall be declared at the sole discretion of the Exchange. Equity market disruptions may include, but are not limited to:~~

- ~~1. an unscheduled early closure for the day of the primary equity securities market, or~~
- ~~2. the occurrence of a Level 3 NYSE Rule 80B trading halt that requires an early closure of the primary securities market.~~

## **Chapter 368**

### **E-mini S&P SmallCap 600 Index™ Futures**

#### **36806. BASIS TRADE AT INDEX CLOSE ("BTIC") TRANSACTIONS**

~~All BTIC transactions must be executed in accordance with the requirements of Rule 524.B. A Basis Trade at Index Close ("BTIC") Transaction is a futures transaction on an E-Mini Standard and Poor's SmallCap 600 Stock Price Index futures contract that is priced with reference to the Standard and Poor's SmallCap 600 Stock Price Index close price for the specific index.~~

~~The futures price assigned to a BTIC Transaction shall be based on the current day's Standard and Poor's SmallCap 600 Stock Price Index close price, or the current day's Standard and Poor's SmallCap 600 Stock Price Index close price adjusted by any valid price increment ("the basis") higher or lower than the applicable Standard and Poor's SmallCap 600 Stock Price Index close price. The Basis must be fair and reasonable, taking into account financing rates, expected dividend income, time remaining until the Equity Index futures contract expiration and any of the factors set forth in Rules 526.D., as applicable.~~

~~If a BTIC-eligible E-mini Standard and Poor's SmallCap 600 Stock Price Index futures block trade order would result in a futures price that would be less than the respective E-mini Standard and Poor's SmallCap 600 Stock Price Index 20% Price Limit, the that block trade order shall be cancelled.~~

#### **36806.A. BTIC Block Trade Requirements**

~~BTIC Transactions in Standard and Poor's SmallCap 600 Stock Price Index futures may be executed as block trades must be executed in accordance with~~ pursuant to the requirements of Rule 526. ~~Both the block trade quantity and the valid price increment (the "Basis") for BTIC block trades must be reported within five minutes of the agreement of the parties to execute the trade in accordance with Rule 526.F.~~

~~In addition to complying with the reporting requirements set forth above, For a~~ BTIC block trades for BTIC-eligible Equity Index futures ~~must be reported to the Exchange at least 10 minutes prior to executed on a given Trading Day on or before~~ the scheduled close of the underlying primary securities market, ~~the corresponding futures price shall be made by reference to the Index closing value for to establish the BTIC futures price on~~ the current Trading Day. ~~For a~~ The BTIC block trade executed on a given Trading Day after the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing futures price for BTIC-eligible Equity Index futures orders that are not reported to the Exchange at least 10 minutes prior to the scheduled close of the underlying primary securities market shall be based on the index close value price for the next available Trading Day for the primary securities market.

#### **36806.B. BTIC Price Assignment Procedures for BTIC Futures**

The futures price of a BTIC ~~t~~ transaction shall will be determined by the Exchange at 3:45 p.m. ~~Central time and the Exchange determined price will be deemed final at that time. In the event of an early scheduled (or within 45 minutes after the~~ close of the primary securities market ~~in the case of an early scheduled close of the primary securities market), the futures price of a BTIC Transaction will be determined by the Exchange 45 minutes after the early scheduled close time for the primary securities market and the Exchange determined~~ Such price determination shall will be deemed final at that time.

~~If a BTIC-eligible E-mini Standard and Poor's SmallCap 600 Stock Price Index futures block trade order would result in a futures price that would be less than the respective E-mini Standard and Poor's SmallCap 600 Stock Price Index 20% Price Limit, the that block trade order shall be cancelled.~~

#### **36806.C. BTIC Order Minimum Price Increment**

~~(Refer to Rule 36802.C. Trading Specification — Price Increments).~~ The valid ~~b~~ Basis or ~~p~~ Price ~~i~~ Increment applied to the ~~i~~ index closing ~~value~~ price to establish the BTIC futures price must be stated in full tick increments ~~of 0.10 index points, e.g. 0.10 index points for Standard and Poor's SmallCap 600 Stock Price Index futures.~~

#### **36806.D. BTIC Orders Prohibited on Last Day of Trading**

~~BTIC orders for BTIC-eligible Equity Index futures may not be initiated on the last day of trading in an expiring contract.~~

#### **36806.E. Market Disruption Events**

~~In the event of an equity market disruption in the primary securities market, a BTIC-eligible Equity Index futures block trade order shall be cancelled. Equity market disruption events shall be declared at the sole discretion of the Exchange. Equity market disruptions may include, but are not limited to:~~

- ~~1. an unscheduled early closure for the day of the primary equity securities market, or~~
- ~~2. the occurrence of a Level 3 NYSE Rule 80B trading halt that requires an early closure of the primary securities market.~~

### **Chapter 369**

#### **E-mini Standard and Poor's Select Sector™ Stock Index Futures**

#### **36906. BASIS TRADE AT INDEX CLOSE ("BTIC") TRANSACTIONS**

~~All BTIC transactions must be executed in accordance with the requirements of Rule 524.B.A Basis Trade at Index Close ("BTIC") Transaction is a futures transaction on an E-mini S&P Select Sector Stock Index that is priced with reference to the S&P cash index close price for the specific index.~~

~~The futures price assigned to a BTIC Transaction shall be based on the current day's S&P cash index close price, or the current day's S&P cash index close price adjusted by any valid price increment (the "Basis") higher or lower than the applicable S&P cash index close price. The Basis must be fair and reasonable, taking into account financing rates, expected dividend income, time remaining until the Equity Index futures contract expiration and any of the factors set forth in Rule 526.D., as applicable.~~

#### **36906.A. BTIC Block Trade Requirements**

~~BTIC Transactions in E-mini S&P Select Sector Stock Index futures may be executed as block trades must be executed pursuant to the requirements of Rule 526. Both the block trade quantity and the valid price increment (the "Basis") for BTIC block trades must be reported within five minutes of the agreement of the parties to execute the trade in accordance with the requirements of Rule 526.F.~~

~~In addition to complying with the reporting requirements set forth above, For a~~ BTIC block trades for BTIC-eligible Equity Index futures ~~must be reported to the Exchange at least 10 minutes prior to executed on a given Trading Day on or before~~ the scheduled close of the underlying primary securities market, ~~the corresponding futures price shall be made by reference to the Index closing value for to establish the BTIC futures price on~~ the current Trading Day. ~~For a~~ The BTIC block trade executed on a given Trading Day after the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by

~~reference to the Index closing futures price for BTIC-eligible Equity Index futures orders that are not reported to the Exchange at least 10 minutes prior to the scheduled close of the underlying primary securities market shall be based on the index close value price for the next available Trading Day for the primary securities market.~~

**36906.B. BTIC Price Assignment Procedures for BTIC Futures**

~~The futures price of a BTIC transaction shall will be determined by the Exchange at 3:45 p.m. Central time and the Exchange determined price will be deemed final at that time. In the event of an early scheduled (or within 45 minutes after the close of the primary securities market in the case of an early scheduled close of the primary securities market), the futures price of a BTIC Transaction will be determined by the Exchange 45 minutes after the early scheduled close time for the primary securities market and the Exchange determined Such price determination shall will be deemed final at that time.~~

~~If a BTIC-eligible E-mini S&P Select Sector Stock Index futures block trade order would result in a futures price that would be less than the respective E-mini S&P Select Sector Stock Index futures 20% Price Limit, the block trade order shall be cancelled.~~

**36906.C. BTIC Orders Minimum Price Increment**

~~(Refer to Rule 36901. Contract Specifications — Minimum Price Increment or Tick Size). The valid bBasis or pPrice increment applied to the index closing value price to establish the BTIC futures price must be stated in full tick increments of, e.g. 0.10 index points for all E-mini S&P Select Sector Stock Index futures, except for the E-mini S&P Financial Select Sector Stock Index futures where the bBasis or pPrice increment applied to the index close to establish the BTIC futures settlement price must be stated in a full tick increments of equal to 0.05 index points.~~

**36906.D. BTIC Orders Prohibited on Last Day of Trading**

~~BTIC orders for BTIC-eligible Equity Index futures may not be initiated on the last day of trading in an expiring contract.~~

**36906.E. Market Disruption Events**

~~In the event of an equity market disruption in the primary securities market, a BTIC-eligible Equity Index futures block trade order shall be cancelled. Equity market disruption events shall be declared at the sole discretion of the Exchange. Equity market disruptions may include, but are not limited to:~~

- ~~1. an unscheduled early closure for the day of the primary equity securities market, or~~
- ~~2. the occurrence of a Level 3 NYSE Rule 80B trading halt that requires an early closure of the primary securities market.~~

**Chapter 375  
S&P MLP Index®**

**37506. BASIS TRADE AT INDEX CLOSE (“BTIC”) TRANSACTIONS**

~~All BTIC transactions must be executed in accordance with the requirements of Rule 524.B.~~

~~A Basis Trade at Index Close (“BTIC”) Transaction is a futures transaction on an S&P MLP Index future contract that is priced with reference to the S&P MLP cash index close price for the specific index.~~

~~The futures price assigned to a BTIC Transaction shall be based on the current day’s S&P cash index close price, or the current day’s S&P cash index close price adjusted by any valid price increment (“the basis”) higher or lower than the applicable S&P cash index close price. The Basis must be fair and reasonable, taking into account financing rates, expected dividend income, time remaining until the Equity Index futures contract expiration and any of the factors set forth in Rules 526.D., as applicable.~~

**37506.A. BTIC Block Trade Requirements**

~~BTIC Transactions in S&P MLP Index futures may be executed as block trades must be executed in accordance with pursuant to the requirements to Rule 526. Both the block trade quantity and the valid price increment (the “Basis”) for BTIC block trades must be reported within five minutes of the agreement of the parties to execute the trade in accordance with Rule 526.F.~~

~~In addition to complying with the reporting requirements set forth above, For a BTIC block trades for BTIC-eligible Equity Index futures must be reported to the Exchange at least 10 minutes prior to executed on a given Trading Day on or before the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value for to establish the BTIC futures price on the current Trading Day. For a The BTIC block trade executed on a given Trading Day after the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing futures price for BTIC-eligible Equity Index futures orders that are not reported to the Exchange at least 10 minutes prior to the scheduled close of the underlying primary securities market shall be based on the index close price value for the next available Trading Day for the primary securities market.~~

**37506.B. BTIC Price Assignment Procedures for BTIC Futures**

~~The futures price of a BTIC transaction will be determined by the Exchange at 3:45 p.m. Central time and the Exchange determined price will be deemed final at that time. In the event of an early scheduled (or within 45 minutes after the close of the primary securities market in the case of an early scheduled close of the primary securities market), the futures price of a BTIC Transaction will be determined by the Exchange 45 minutes after the early scheduled close time for the primary securities market and the Exchange determined Such price determination shall will be deemed final at that time.~~

**37506.C. BTIC Order Minimum Price Increment**

~~(Refer to Rule 37502.C.—Trading Specification — Price Increments). The valid Basis or pPrice iIncrement applied to the lIndex closing valueprice to establish the BTIC futures price must be stated in full tick increments of, e.g. 0.50 index points for S&P MLP Index futures.~~

**37506.D. — BTIC Orders Prohibited on Last Day of Trading**

~~BTIC orders for BTIC-eligible Equity Index futures may not be initiated on the last day of trading in an expiring contract.~~

**37506.E. — Market Disruption Events**

~~In the event of an equity market disruption in the primary securities market, a BTIC-eligible Equity Index futures block trade order shall be cancelled. Equity market disruption events shall be declared at the sole discretion of the Exchange. Equity market disruptions may include, but are not limited to:~~

- ~~1. an unscheduled early closure for the day of the primary equity securities market, or~~
- ~~2. the occurrence of a Level 3 NYSE Rule 80B trading halt that requires an early closure of the primary securities market.~~

**Chapter 383**

**E-mini® Russell 1000® Index Futures**

**38306. BASIS TRADE AT INDEX CLOSE (“BTIC”) TRANSACTIONS**

~~All BTIC transactions must be executed in accordance with the requirements of Rule 524.B. Futures shall be eligible for BTIC transactions.~~

~~For any BTIC transaction in futures on a given Trading Day, the price shall be based on the Index closing price on such Trading Day, adjusted by an admissible futures price increment (“basis adjustment”) above or below such Index closing price, in accordance with Rule 38306.C. The magnitude of such basis adjustment must be fair and reasonable in light of factors such as, but not limited to, financing rates, expected dividend income, and time remaining until futures contract expiration.~~

**38306.A. BTIC Block Trade Requirements**

~~A BTIC transaction in futures block trades must may be executed as a block trade, provided that such block trade is executed in accordance with CME the requirements of Rule 526.~~

~~Both the size of such block trade and any applicable basis adjustment shall be reported to the Exchange within five (5) minutes after agreement by the parties to such trade.~~

~~For a BTIC block trade that is executed on a given Trading Day on or before and reported to the Exchange at least 10 minutes prior to the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing valueprice for the current Trading Day. For asuch BTIC block trade that is executed on a given Trading Day after reported to the Exchange later than 10 minutes prior to the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing valueprice for the next following Trading Day.~~

**38306.B. BTIC Price Assignment Procedures for BTIC Futures**

The futures price of a BTIC transaction shall be determined by the Exchange at 3:45 p.m. (or within 45 minutes after the close of the primary securities market in the case of an early scheduled close of the primary securities market). Such price determination shall be deemed final.

~~Where an order for a BTIC block trade would result in a futures price lower than the respective 20% Price Limit (Rule 38302.I.), such BTIC block trade order shall be cancelled.~~

**38306.C. BTIC Order Minimum Price Increment**

The valid basis or minimum price increment applied to the shall be 0.05 Index closing value to establish the BTIC futures price must be stated in full tick increments of 0.05 Index points, equal to \$2.50 per contract, for any basis adjustment that is applied to an Index closing price to establish a BTIC transaction price.

**38306.D. BTIC Orders Prohibited on Last Day of Trading**

~~Orders for BTIC transactions in expiring futures may not be initiated on the last day of trading in such expiring futures (Rule 38302.G.).~~

**38306.E. — Market Disruption Events**

~~In the event of disruption in the primary securities market, all orders for BTIC block trades in futures shall be cancelled. Such event of disruption shall be declared by the Exchange, in its sole discretion, and may include without limitation:~~

- ~~1. an unscheduled early closure for the day of the primary equity securities market, or~~
- ~~2. the occurrence of a Level 3 NYSE Rule 80B trading halt that requires an early closure of the primary securities market.~~

**Chapter 384**  
**E-Mini<sup>®</sup> Russell 1000<sup>®</sup> Growth Index Futures**

**38406. BASIS TRADE AT INDEX CLOSE (“BTIC”) TRANSACTIONS**

~~All BTIC transactions must be executed in accordance with the requirements of Rule 524.B. Futures shall be eligible for BTIC transactions.~~

~~For any BTIC transaction in futures on a given Trading Day, the price shall be based on the Index closing price on such Trading Day, adjusted by an admissible futures price increment (“basis adjustment”) above or below such Index closing price, in accordance with Rule 38406.C. The magnitude of such basis adjustment must be fair and reasonable in light of factors such as, but not limited to, financing rates, expected dividend income, time remaining until futures contract expiration.~~

**38406.A. BTIC Block Trade Requirements**

~~A BTIC transaction in futures block trades must be executed as a block trade, *provided that* such block trade is executed in accordance with CME the requirements of Rule 526.~~

~~Both the size of such block trade and any applicable basis adjustment shall be reported to the Exchange within five (5) minutes after agreement by the parties to such trade.~~

~~For a BTIC block trade ~~that is~~ executed on a given Trading Day on or before and reported to the Exchange at least 10 minutes prior to the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value price for the current Trading Day. For asuch BTIC block trade that is executed on a given Trading Day after reported to the Exchange later than 10 minutes prior to the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value price for the next following Trading Day.~~

**38406.B. BTIC Price Assignment Procedures for BTIC Futures**

The futures price of a BTIC transaction shall be determined by the Exchange at 3:45 p.m. (or within 45 minutes after the close of the primary securities market in the case of an early scheduled close of the primary securities market). Such price determination shall be deemed final.

~~Where an order for a BTIC block trade would result in a futures price lower than the respective 20% Price Limit (Rule 38402.I.), such BTIC block trade order shall be cancelled.~~

**38406.C. BTIC Order Minimum Price Increment**

The valid basis or minimum price increment applied to the shall be 0.05 Index closing value to establish the BTIC futures price must be stated in full tick increments of 0.05 Index points, equal to \$2.50 per contract, for any basis adjustment that is applied to an Index closing price to establish a BTIC transaction price.

**38406.D. BTIC Orders Prohibited on Last Day of Trading**

~~Orders for BTIC transactions in expiring futures may not be initiated on the last day of trading in such expiring futures (Rule 38402.G.).~~

**38406.E. Market Disruption Events**

~~In the event of disruption in the primary securities market, all orders for BTIC block trades in futures shall be cancelled. Such event of disruption shall be declared by the Exchange, in its sole discretion, and may include without limitation:~~

- ~~1. unscheduled early closure of the primary securities market, or~~
- ~~2. a NYSE Rule 80B trading halt declared in response to a Level 3 (20%) decline in the S&P 500 Index, necessitating early close of the primary securities market.~~

**Chapter 385**  
**E-mini<sup>®</sup> Russell 1000<sup>®</sup> Value Index Futures**

**38506. BASIS TRADE AT INDEX CLOSE (“BTIC”) TRANSACTIONS**

~~All BTIC transactions must be executed in accordance with the requirements of Rule 524.B. Futures shall be eligible for BTIC transactions.~~

~~For any BTIC transaction in futures on a given Trading Day, the price shall be based on the Index closing price on such Trading Day, adjusted by an admissible futures price increment (“basis adjustment”) above or below such Index closing price, in accordance with Rule 38506.C. The magnitude of such basis adjustment must be fair and reasonable in light of factors such as, but not limited to, financing rates, expected dividend income, time remaining until futures contract expiration.~~

**38506.A. BTIC Block Trade Requirements**

~~A BTIC transaction in futures block trades must be executed as a block trade, *provided that* such block trade is executed in accordance with CME the requirements of Rule 526.~~

~~Both the size of such block trade and any applicable basis adjustment shall be reported to the Exchange within five (5) minutes after agreement by the parties to such trade.~~

For a BTIC block trade ~~that is~~ executed on a given Trading Day ~~on or before and reported to the Exchange at least 10 minutes prior to~~ the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value price for the current Trading Day. For ~~asuch~~ BTIC block trade that is executed on a given Trading Day after reported to the Exchange later than 10 minutes prior to the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value price for the next following Trading Day.

**38506.B. BTIC Price Assignment Procedures for BTIC Futures**

The futures price of a BTIC transaction shall be determined by the Exchange at 3:45 p.m. (or within 45 minutes after the close of the primary securities market in the case of an early scheduled close of the primary securities market). Such price determination shall be deemed final.

~~Where an order for a BTIC block trade would result in a futures price lower than the respective 20% Price Limit (Rule 38502.I.), such BTIC block trade order shall be cancelled.~~

**38506.C. BTIC Order Minimum Price Increment**

The valid basis or minimum price increment applied to the shall be 0.05 Index closing value to establish the BTIC futures price must be stated in full tick increments of 0.05 Index points, equal to \$2.50 per contract, for any basis adjustment that is applied to an Index closing price to establish a BTIC transaction price.

**38506.D. BTIC Orders Prohibited on Last Day of Trading**

~~Orders for BTIC transactions in expiring futures may not be initiated on the last day of trading in such expiring futures (Rule 38502.G.).~~

**38506.E. Market Disruption Events**

~~In the event of disruption in the primary securities market, all orders for BTIC block trades in futures shall be cancelled. Such event of disruption shall be declared by the Exchange, in its sole discretion, and may include without limitation:~~

- ~~1. unscheduled early closure of the primary securities market, or~~
- ~~2. a NYSE Rule 80B trading halt declared in response to a Level 3 (20%) decline in the S&P 500 Index, necessitating early close of the primary securities market.~~

**Chapter 386**

**E-mini® USD Denominated FTSE® 100 Index Futures**

**38606. BASIS TRADE AT INDEX CLOSE (“BTIC”) TRANSACTIONS**

~~All BTIC transactions must be executed in accordance with the requirements of Rule 524.B. Futures shall be eligible for BTIC transactions.~~

~~For any BTIC transaction in futures on a given Trading Day, the price shall be based on the Index closing price on such Trading Day, adjusted by an admissible futures price increment (“basis adjustment”) above or below such Index closing price, in accordance with Rule 38606.C. The magnitude of such basis adjustment must be fair and reasonable in light of factors such as, but not limited to, financing rates, expected dividend income, and time remaining until futures contract expiration.~~

**38606.A. BTIC Block Trade Requirements**

~~A BTIC transaction in futures block trades must may be executed as a block trade, provided that such block trade is executed in accordance with CME the requirements of Rule 526.~~

For a BTIC block trade ~~that is~~ executed on a given Trading Day ~~on or before and reported to the Exchange at least 10 minutes prior to~~ the scheduled close of the London Stock Exchange, the corresponding futures price shall be made by reference to the Index closing value price for the current Trading Day. For ~~asuch~~ BTIC block trade that is executed on a given Trading Day after reported to the Exchange later than 10 minutes prior to the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value price for the next following Trading Day.

**38606.B. BTIC Price Assignment Procedures for BTIC Futures**

The futures price of a BTIC transaction shall be determined by the Exchange ~~no later than at~~ 3:45 p.m. Chicago time (or within 45 minutes after the close of the primary securities market in the case of an early scheduled close of the primary securities market). Such price determination shall be deemed final.

**38606.C. BTIC Order Minimum Price Increment**

The valid basis or minimum price increment applied to the shall be 0.05 Index closing value to establish the BTIC futures price must be stated in full tick increments of 0.05 Index points, equal to \$2.50 per contract, for any basis adjustment that is applied to an Index closing price to establish a BTIC transaction price.

**38606.D. BTIC Orders Prohibited on Last Day of Trading**

~~Orders for BTIC transactions in expiring futures may not be initiated on the last day of trading in such expiring futures (Rule 38602.G.).~~

**38606.E. — Market Disruption Events**

In the event of disruption in the primary securities market, all orders for BTIC block trades in futures shall be cancelled. Such event of disruption shall be declared by the Exchange, in its sole discretion, and may include, without limitation, unscheduled early closure of the London Stock Exchange.

**Chapter 387**

**E-mini® FTSE® 100 Index Futures**

**38706. BASIS TRADE AT INDEX CLOSE (“BTIC”) TRANSACTIONS**

~~All BTIC transactions must be executed in accordance with the requirements of Rule 524.B. Futures shall be eligible for BTIC transactions.~~

~~For any BTIC transaction in futures on a given Trading Day, the price shall be based on the Index closing price on such Trading Day, adjusted by an admissible futures price increment (“basis adjustment”) above or below such Index closing price, in accordance with Rule 38706.C. The magnitude of such basis adjustment must be fair and reasonable in light of factors such as, but not limited to, financing rates, expected dividend income, and time remaining until futures contract expiration.~~

**38706.A. BTIC Block Trade Requirements**

~~A BTIC transaction in futures block trades must may be executed as a block trade, provided that such block trade is executed in accordance with CME the requirements of Rule 526.~~

~~For a BTIC block trade that is executed on a given Trading Day on or before and reported to the Exchange at least 10 minutes prior to the scheduled close of the London Stock Exchange, the corresponding futures price shall be made by reference to the Index closing value price for the current Trading Day. For asuch BTIC block trade that is executed on a given Trading Day after reported to the Exchange later than 10 minutes prior to the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value price for the next following Trading Day.~~

**38706.B. BTIC Price Assignment Procedures for BTIC Futures**

~~The futures price of a BTIC transaction shall be determined by the Exchange no later than at 3:45 p.m. Chicago time (or within 45 minutes after the close of the primary securities market in the case of an early scheduled close of the primary securities market). Such price determination shall be deemed final.~~

**38706.C. BTIC Order Minimum Price Increment**

~~The valid basis or minimum price increment applied to the shall be 0.25 Index closing value to establish the BTIC futures price must be stated in full tick increments of 0.25 Index points, equal to GBP 2.50 per contract, for any basis adjustment that is applied to an Index closing price to establish a BTIC transaction price.~~

**38706.D. — BTIC Orders Prohibited on Last Day of Trading**

~~Orders for BTIC transactions in expiring futures may not be initiated on the last day of trading in such expiring futures (Rule 38702.G.).~~

**38706.E. — Market Disruption Events**

~~In the event of disruption in the primary securities market, all orders for BTIC block trades in futures shall be cancelled. Such event of disruption shall be declared by the Exchange, in its sole discretion, and may include, without limitation, unscheduled early closure of the London Stock Exchange.~~

**Chapter 388**

**E-mini® FTSE® China 50 Index Futures**

**38806. BASIS TRADE AT INDEX CLOSE (“BTIC”) TRANSACTIONS**

~~All BTIC transactions must be executed in accordance with the requirements of Rule 524.B. Futures shall be eligible for BTIC transactions.~~

~~For any BTIC transaction in futures on a given Trading Day, the price shall be based on the Index closing price on such Trading Day, adjusted by an admissible futures price increment (“basis adjustment”) above or below such Index closing price, in accordance with Rule 38806.C. The magnitude of such basis adjustment must be fair and reasonable in light of factors such as, but not limited to, financing rates, expected dividend income, and time remaining until futures contract expiration.~~

**38806.A. BTIC Block Trade Requirements**

~~A BTIC transaction in futures may be executed as a block trades must be executed, provided that such block trade is executed in accordance with CME the requirements of Rule 526.~~

~~For a BTIC block trade that is executed on a given Trading Day on or before and reported to the Exchange at least 10 minutes prior to the scheduled close of the Hong Kong Exchange Securities Market, the corresponding futures price shall be made by reference to the Index closing value price for the current Trading Day. For asuch BTIC block trade that is executed on a given Trading Day after reported to the Exchange later than 10 minutes prior to the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value price for the next following Trading Day.~~

**38806.B. BTIC Price Assignment Procedures for BTIC Futures**



The futures price of a BTIC transaction shall be determined by the Exchange ~~no later than~~ 3:45 p.m. ~~Chicago time~~(or within 45 minutes after the close of the primary securities market in the case of an early scheduled close of the primary securities market). Such price determination shall be deemed final.

**38806.C. BTIC Order Minimum Price Increment**

The valid basis ~~minimum~~ price increment applied to the ~~shall be one (1) Index closing value to establish the BTIC futures price must be stated in full tick increments of one (1) Index point, equal to \$2.00 per contract, for any basis adjustment that is applied to an Index closing price to establish a BTIC transaction price.~~

**38806.D. BTIC Orders Prohibited on Last Day of Trading**

~~Orders for BTIC transactions in expiring futures may not be initiated on the last day of trading in such expiring futures (Rule 38802.G.).~~

**38806.E. Market Disruption Events**

~~In the event of disruption in the primary securities market, all orders for BTIC block trades in futures shall be cancelled. Such event of disruption shall be declared by the Exchange, in its sole discretion, and may include, without limitation, unscheduled early closure of the Hong Kong Exchange Securities Market.~~

## CBOT

### Chapter 27

### CBOT® E-mini Dow Jones Industrial Average<sup>SM</sup> Index Futures (\$5 Multiplier)

#### 27106. BASIS TRADE AT INDEX CLOSE (“BTIC”) TRANSACTIONS

~~All BTIC transactions must be executed in accordance with the requirements of Rule 524.B. Futures shall be eligible for BTIC transactions.~~

~~For any BTIC transaction in futures on a given Trading Day, the price shall be based on the Index closing price on such Trading Day, adjusted by an admissible futures price increment (“basis adjustment”) above or below such Index closing price, in accordance with Rule 27102.C. The magnitude of such basis adjustment must be fair and reasonable in light of factors such as, but not limited to, financing rates, expected dividend income, and time remaining until futures contract expiration.~~

**27106.A. BTIC Block Trade Requirements**

~~A BTIC transaction in futures may be executed as a block trade must, provided that such block trade is be executed in accordance with the requirements of CBOT Rule 526.~~

~~Both the size of such block trade and any applicable basis adjustment shall be reported to the Exchange within five (5) minutes after agreement by the parties to such trade.~~

~~For a BTIC block trade that is executed on a given Trading Day on or before and reported to the Exchange at least 10 minutes prior to the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value price for the current Trading Day. For asuch BTIC block trade that is executed on a given Trading Day after reported to the Exchange later than 10 minutes prior to the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value price for the next following Trading Day.~~

**27106.B. BTIC Price Assignment Procedures for BTIC Futures**

The futures price of a BTIC transaction will ~~shall~~ be determined by the Exchange at 3:45 p.m. (or within 45 minutes after the close of the primary securities market in the case of an early scheduled close of the primary securities market). Such price determination shall be deemed final.

~~Where an order for a BTIC block trade would result in a futures price lower than the respective 20% Price Limit (Rule 27102.D.), such BTIC block trade order shall be cancelled.~~

**27106.C. BTIC Order Minimum Price Increment**

The valid basis ~~minimum or~~ price increment applied to the ~~shall be one~~ Index points, ~~equal to \$5.00 per contract, for any basis adjustment that is applied to an Index closing value~~ price to establish the ~~a~~ BTIC futures price must be stated in full tick increments of 1 index point transaction price.

**27106.D. BTIC Orders Prohibited on Last Day of Trading**

~~Orders for BTIC transactions in expiring futures may not be initiated on the last day of trading in such expiring futures (Rule 27102.F.).~~

**27106.E. Market Disruption Events**

~~In the event of disruption in the primary securities market, all orders for BTIC block trades in futures shall be cancelled. Such event of disruption shall be declared by the Exchange, in its sole discretion, and may include without limitation:~~

- ~~1. unscheduled early closure of the primary securities market, or~~
- ~~2. a NYSE Rule 80B trading halt declared in response to a Level 3 (20%) decline in the S&P 500 Index, necessitating early close of the primary securities market.~~

**Chapter 30**  
**CBOT® Dow Jones US Real Estate Index Futures**

**30107. BASIS TRADE AT INDEX CLOSE (“BTIC”) TRANSACTIONS**

~~All BTIC transactions must be executed in accordance with the requirements of Rule 524.B.A-Basis Trade at Index Close (“BTIC”) Transaction is a futures transaction on Dow Jones<sup>SM</sup> US Real Estate Index that is priced with reference to the Dow Jones<sup>SM</sup> US Real Estate cash index close.~~

~~The futures price assigned to a BTIC Transaction shall be based on the current day’s Dow Jones<sup>SM</sup> US Real Estate cash index close price, or the current day’s Dow Jones<sup>SM</sup> US Real Estate cash index close price adjusted by any valid price increment (the “Basis”) higher or lower than the applicable Dow Jones<sup>SM</sup> US Real Estate cash index close price. The Basis must be fair and reasonable, taking into account financing rates, expected dividend income, time remaining until the Equity Index futures contract expiration and any of the factors set forth in Rule 526.D., as applicable.~~

**30107.A. BTIC Block Trade Requirements**

~~BTIC Transactions in Dow Jones<sup>SM</sup> US Real Estate Index futures may block trades must be executed as block trades pursuant in accordance with to the requirements of Rule 526.~~

~~Both the block trade quantity and the valid price increment (the “Basis”) for BTIC block trades must be reported within five minutes of the agreement of the parties to execute the trade in accordance with Rule 526.F.~~

~~For a In addition to complying with the reporting requirements set forth above, BTIC block trades for BTIC-eligible Equity Index futures must be executed on a given Trading Day on or before reported to the Exchange at least 10 minutes prior to the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value for the current Trading Day to establish the BTIC futures price on the current trading day. The BTIC futures price for BTIC-eligible Equity Index futures orders that are not reported to the Exchange at least 10 minutes prior to the scheduled close of the underlying primary securities market shall be based on the index close price for the next available trading day for the primary securities market. For a BTIC block trade that is executed on a given Trading Day after the scheduled close of the underlying primary securities market, the corresponding futures price shall be made by reference to the Index closing value for the next Trading Day.~~

**30107.B. BTIC Price Assignment Procedures for BTIC Futures**

~~The futures price of a BTIC Transaction will be determined by the Exchange at 3:45 p.m. (or within 45 minutes after the close of the primary securities market in Central time and the Exchange determined price will be deemed final at that time. In the case event of an early scheduled close of the primary securities market), Such, the futures price of a BTIC Transaction will be determined by the Exchange 45 minutes after the early scheduled close time for the primary securities market and the Exchange determined price determination shall will be deemed final at that time.~~

~~If a BTIC-eligible CBOT® Dow Jones US Real Estate Index futures block trade order would result in a futures price that would be less than the respective CBOT® Dow Jones US Real Estate Index futures 20% Price Limit, the that block trade order shall be cancelled.~~

**30107.C. BTIC Orders Minimum Price Increment**

~~(Refer to Rule 30102.C.—Trading Specifications—Price Increments).—The valid bBasis or pPrice iIncrement applied to the lIndex closing e value price to establish the BTIC futures price must be stated in full tick increments of, e.g. 0.10 index points.~~

**30107.D. BTIC Orders Prohibited on Last Day of Trading**

~~BTIC orders for BTIC-eligible Equity Index futures may not be initiated on the last day of trading in an expiring contract.~~

**30107.E. Market Disruption Events**

~~In the event of an equity market disruption in the primary securities market, a BTIC-eligible Equity Index futures block trade order shall be cancelled. Equity market disruption events shall be declared at the sole discretion of the Exchange. Equity market disruptions may include, but are not limited to:~~

~~an unscheduled early closure for the day of the primary equity securities market, or~~

~~the occurrence of a Level 3 NYSE Rule 80B trading halt that requires an early closure of the primary securities market.~~

## EXHIBIT C

### MARKET REGULATION ADVISORY NOTICE

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<b>Exchange</b>	<b>CME, CBOT, NYMEX &amp; COMEX</b>
<b>Subject</b>	<b>TAS, TAM and BTIC Transactions</b>
<b>Rule References</b>	<b>Rule 524</b>
<b>Advisory Date</b>	<b>January 12, 2016</b>
<b>Advisory Number</b>	<b>CME Group RA1601-5</b>
<b>Effective Date</b>	<b>January 27, 2016</b>

Effective on January 27, 2016, and pending all relevant CFTC review periods, this Market Regulation Advisory Notice will supersede CME Group Market Regulation Advisory Notice RA1512-5. It is being issued based on amendments to CME and CBOT Rule 524 that incorporate provisions concerning Basis Trade at Index Close (“BTIC”) Transactions into the Rule.

Information on the specific products, contract months and spreads eligible for pricing as TAS, TAM or BTIC transactions is contained in the TAS/TAM/BTIC Table set forth in the Interpretations & Special Notices Section at the end of Chapter 5 of each Exchange’s Rulebook. The table may also be accessed [here](#).

Important information on regulatory considerations for market participants engaging in TAS or TAM transactions appears in Section 2 of this Advisory Notice.

TAS, TAM and BTIC Transactions are subject to the information contained in the Advisory Notice, each Exchange’s Rule 524, and, for BTIC Transactions, provisions contained in applicable CME and CBOT equity futures product chapters. The text of each Exchange’s Rule 524 appears in Section 6 of this Advisory Notice.

#### **1. General Information on TAS, TAM and BTIC Transactions**

TAS permits parties to trade at a differential to the current day’s not-yet-known futures settlement price. TAM permits parties to trade at a differential to the current day’s not-yet-known Exchange-determined marker price.

Orders for CME and CBOT TAS-eligible futures products may be entered into CME Globex for execution at the current day’s settlement price or any valid price increment four ticks higher or lower than the settlement price.

Orders for NYMEX and COMEX TAS- and TAM-eligible futures products may be entered into CME Globex for execution at the current day’s settlement or marker price, as applicable, or any valid price increment ten ticks higher or lower than the applicable settlement or marker price, except for spot month Copper futures which may be executed on CME Globex and priced solely at the settlement price, or TAS flat.

Certain NYMEX and COMEX futures products may also be executed as block trades and priced at the settlement or marker price, as applicable, or any valid price increment ten ticks higher or lower than the settlement or marker price.

BTIC permit parties to trade at a differential (basis) to an eligible futures contract's current day's not-yet-known underlying cash Index closing price.

Orders for certain CME and CBOT equity index futures products may be entered into CME Globex for execution at the current day's underlying cash Index closing price or any fair and reasonable basis above or below the current day's underlying cash Index closing price.

Certain CME and CBOT equity Index futures products may be executed as block trades and priced at the underlying futures contracts' cash Index closing price or at a differential (basis) to the equity cash Index closing price.

The basis must be stated in admissible futures price increments for the specific futures contract. In the case of a BTIC block trade, the negotiated basis must fair and reasonable in light of factors including, but not limited to, financing rates, expected dividend income, and time remaining until the underlying futures contract expiration.

Information on products eligible to be executed as block trades and priced as TAS, TAM or BTIC transactions may be found here:

<http://www.cmegroup.com/clearing/trading-practices/block-trades.html>

## **2. Regulatory Considerations**

All market participants are reminded that any trading activity that is intended to disrupt orderly trading or to manipulate or attempt to manipulate a settlement or marker price to benefit a TAS or TAM position, including a TAS or TAM block position, will subject the member and/or the market participant to disciplinary action for any of a number of rule violations, including, but not limited to:

- price manipulation or attempted price manipulation
- wash trading
- conduct detrimental to the interest or welfare of the Exchange or conduct which tends to impair the dignity or good name of the Exchange
- engaging in conduct inconsistent with just and equitable principles of trade

Investigation of suspected manipulative or disruptive activity related to TAS and TAM, or activity in the related underlying markets will include the Market Regulation Department's ("Department") review of positions and trading activity in the applicable Exchange markets and any related markets to determine if such activity was disruptive, collusive, and/or caused or attempted to cause aberrant price movement during these periods. Pursuant to Rule 432.L.3, market participants are reminded that it is an offense to fail to produce any books or records requested by authorized Exchange staff within 10 days after such request is made or such shorter period of time as determined by the Exchange in exigent circumstances. The Department always has the authority to request books and records as well as other relevant information regarding the nature of a participant's trading and positions in Exchange products and in any related markets as part of its regulatory program.

## **3. Entry of TAS, TAM and BTIC Orders on CME Globex**

Rule 524 permits the initiation of TAS, TAM and BTIC orders into CME Globex only subsequent to the beginning of each group's pre-open state and during the time period the applicable contracts are available for TAS, TAM or BTIC trading on CME Globex, as applicable. The initiation of any TAS, TAM or BTIC order on CME Globex outside of these time periods is strictly prohibited.

Any market participant who initiates the entry of a TAS, TAM or BTIC order prior to receipt of the security status message indicating that market has transitioned to the pre-open will be subject to disciplinary action by a panel of the Business Conduct Committee, notwithstanding that the order may have been rejected by the CME Globex system. Sanctions for noncompliance may include a fine, disgorgement of

any profits realized as a result of any orders accepted by CME Globex which were initiated prior to receipt of the security status message and/or a suspension of access to the market. Market participants must have appropriate protocols in place to ensure that TAS, TAM and BTIC orders are not initiated prior to receipt of the security status message.

#### **4. TAS and TAM Calendar Spreads**

As set forth in the TAS Table, certain intra-commodity calendar spreads are permitted to be entered into CME Globex and priced at the settlement or marker price, or a specified number of ticks above or below the settlement or marker price.

Additionally, certain NYMEX and COMEX intra-commodity calendar spreads are permitted to be executed as block trades and priced at the settlement or marker price or at a positive or negative differential.

The legs of TAS and TAM spread trades executed at **zero** or at a **negative differential** (negative 1 through negative 10 for eligible NYMEX and COMEX products) (negative 1 through negative 4 for eligible CME and CBOT products) on CME Globex or, where allowable, as block trades will be priced as follows:

- If the spread trades at zero, each leg will be priced at the settlement or market price, as applicable, for the respective contract months.
- If the spread trades at a negative differential, the **nearby** leg of the spread will be priced at the settlement or marker price, as applicable, for that contract month. The **far** leg of the spread will be priced at the settlement or marker price, as applicable, for that contract month **minus** the allowable TAS or TAM price increment traded.

The legs of TAS and TAM spread trades executed at a **positive differential** (positive 1 through positive 10 for eligible NYMEX and COMEX products) (positive 1 through positive 4 for eligible CME and CBOT products) will be priced as follows:

##### **Where execution occurs on CME Globex:**

- If the spread trades at a positive differential, the **far** leg of the spread will be priced at the settlement or marker price, as applicable, for that contract month. The **nearby** leg of the spread will be priced at the settlement or marker price, as applicable, for that contract month **plus** the TAS or TAM price increment traded.

##### **Where execution occurs as a block trade:**

- If the spread trades at a positive differential, the **nearby** leg of the spread will be priced at the settlement or marker price, as applicable, for that contract month. The **far** leg of the spread will be priced at the settlement or marker price, as applicable, for that contract month **minus** the allowable TAS or TAM price increment traded.

#### **5. TAS and BTIC Pricing and Daily Price Limits**

Notwithstanding that CME Live Cattle, Feeder Cattle and Lean Hogs futures and CBOT Corn, Soybean, Soybean Oil, Soybean Meal, Wheat and KC HRW Wheat futures are subject to daily price limits, market participants executing a trade in one of those products which is priced at a tick increment above or below the settlement price (negative 4 through negative 1 or positive 1 through positive 4) may result in a final trade price above or below the daily price limit.

Similarly, BTIC transactions may result in an assigned futures price outside of the applicable futures daily price limits.

## **6. Text of CME, CBOT, NYMEX and COMEX Rule 524**

### **CME & CBOT**

#### **524. TRADING AT SETTLEMENT (“TAS”) AND BASIS TRADE AT INDEX CLOSE (“BTIC”) TRANSACTIONS**

The Exchange shall determine the commodities, contract months and time periods during which TAS and BTIC transactions shall be permitted. Specific products, contract months and spreads eligible for pricing as TAS or BTIC transactions are set forth in the TAS Table set forth in the Interpretations & Special Notices Section of Chapter 5.

##### **524.A. Trading at Settlement (“TAS”) Transactions**

The following shall govern TAS transactions:

1. TAS orders may be entered on Globex at any time the applicable contracts are available for TAS trading on Globex and during each TAS contract's prescribed pre-open time period. The initiation of any TAS order on Globex outside these time periods is prohibited.
2. TAS transactions may be executed at the current day's settlement price or at any valid price increment four ticks higher or lower than the settlement price.

##### **524.B. Basis Trade at Index Close (“BTIC”) Transactions**

A Basis Trade at Index Close (“BTIC”) Transaction is an Exchange futures transaction which is priced with reference to the closing price of such futures contract's underlying cash Index on a particular Trading Day (the “Basis”).

The following shall govern BTIC transactions:

1. Globex-eligible BTIC orders may be entered on Globex at any time the applicable contracts are available for BTIC trading on Globex and during each BTIC contract's prescribed pre-open time period. The initiation of any BTIC order on Globex outside these time periods is prohibited.
2. BTIC-eligible commodities and contract months may be executed as block trades pursuant to the requirements of Rule 526, except that BTIC block trades may not be executed on the last day of trading in an expiring contract.
3. The Basis negotiated between the parties must be stated in admissible futures price increments for the specific futures contract as set forth in the applicable futures product chapter. The futures price of the BTIC transaction shall be the cash Index closing price for that Trading Day adjusted by the negotiated Basis above or below the underlying futures contract's Index closing price. The magnitude of the Basis for a BTIC block trade must be fair and reasonable in light of factors including, but not limited to, financing rates, expected dividend income, and time remaining until the underlying futures contract expiration. BTIC transactions may result in an assigned futures price outside of applicable daily price limits.
4. In the event of a disruption in the primary listing market for a given Index, all pending and executed BTIC transactions based on that Index 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 closure for the day of the primary equity securities market or a NYSE Rule 80B trading halt declared in response to a Level 3 (20%) decline in the S&P 500 Index necessitating an early closure of the primary securities market.
5. Additional product-specific BTIC requirements are set forth in the applicable product chapter in the Rulebook.

### **NYMEX & COMEX**

#### **524. TRADING AT SETTLEMENT (“TAS”) AND TRADING AT MARKER (“TAM”) TRANSACTIONS**

The Exchange shall determine the commodities, contract months and time periods during which TAS and TAM transactions shall be permitted. TAS- and TAM-eligible commodities and contract months are set forth in the TAS Table in the Interpretation Section at the end of Chapter 5.

##### **524.A. Trading at Settlement (“TAS”) Transactions**

The following shall govern TAS transactions:

1. TAS orders may be entered on Globex at any time the applicable contracts are available for TAS trading on Globex and during each TAS contract's prescribed pre-open time period. The initiation of any TAS order on Globex outside these time periods is prohibited.

2. Unless otherwise specified in the TAS Table, TAS-eligible commodities and contract months may be executed as block trades pursuant to the requirements of Rule 526.
3. Unless otherwise specified by the Exchange, TAS transactions may be executed at the current day's settlement price or at any valid price increment ten ticks higher or lower than the settlement price.

**524.B. Trading at Marker ("TAM") Transactions**

The following shall govern TAM transactions:

1. TAM orders may be entered on Globex at any time the applicable contracts are available for TAM trading on Globex and during each TAM contract's prescribed pre-open time period. The initiation of any TAM order on Globex outside these time periods is prohibited.
2. TAM-eligible commodities and contract months may be executed as block trades pursuant to the requirements of Rule 526.
3. TAM transactions may be executed at the current day's applicable marker price or at any valid price increment ten ticks higher or lower than the applicable marker price.

Questions regarding this Advisory Notice may be directed to the following individuals in Market Regulation:

Jennifer Dendrinis, Director, Investigations, 312.341.7812

Andrew Vrabel, Executive Director, Investigations, 312.435.3622

Erin Coffey, Senior Rules & Regulatory Outreach Specialist, 312.341.3286

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Robert Sniegowski, Executive Director, Rules & Regulatory Outreach, 312.341.5991

For media inquiries concerning this Advisory Notice, please contact CME Group Corporate Communications at 312.930.3434 or [news@cmegroup.com](mailto:news@cmegroup.com).

**EXHIBIT D**

**CME/CBOT/NYMEX/COMEX RULEBOOK**

**Chapter 5  
Trading Qualifications and Practices**

**TAS Table**

(attached under separate cover)