

**SUBMISSION COVER SHEET**

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

Registered Entity Identifier Code (optional): 24-047

Organization: Chicago Mercantile Exchange Inc. ("CME")

Filing as a:  DCM  SEF  DCO  SDR

Please note - only ONE choice allowed.

Filing Date: 02/08/24 Filing Description: Initial Listing of E-mini S&P 500 Equal Weight Index Futures Contracts

**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:**

**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:** See filing.

**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:**

February 8, 2024

**VIA ELECTRONIC PORTAL**

Mr. Christopher J. Kirkpatrick  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21<sup>st</sup> Street, N.W.  
Washington, D.C. 20581

**Re: CFTC Regulation 40.2(a) Certification. Initial Listing of E-mini S&P 500 Equal Weight Index Futures Contract.  
CME Submission No. 24-047**

Dear Mr. Kirkpatrick:

Chicago Mercantile Exchange Inc. (“CME” or “Exchange”) is certifying to the Commodity Futures Trading Commission (“CFTC” or “Commission”) the initial listing of the E-mini S&P 500 Equal Weight Index Futures contract (the “Contract”) for trading on the CME Globex electronic trading platform (“CME Globex”) and for submission for clearing via CME ClearPort effective on Sunday, February 25, 2024, for first trade date Monday, February 26, 2024.

**Section 1 – Contract Specifications**

<b>Contract Title</b>	<b>E-mini S&amp;P 500 Equal Weight Index Futures</b>
<b>Rulebook Chapter</b>	CME 378
<b>CME Globex and CME ClearPort Code</b>	EWF
<b>BTIC Code</b>	EWFT
<b>Contract Unit</b>	\$20 x S&P 500 Equal Weight Index
<b>Minimum Price Increment / Financial Equivalent</b>	CME Globex: Regular tick: 0.50 index points = \$10.00 Spread Reduced tick: 0.10 index points = \$2.00 CME ClearPort: Regular tick: 0.50 index points = \$10.00 Spread Reduced tick: 0.10 index points = \$2.00 BTIC: CME Globex: Regular tick: 0.10 index points = \$2.00 CME ClearPort: Regular tick: 0.10 index points = \$2.00
<b>Trading and Clearing Hours</b>	<b>CME Globex Pre-open:</b> Sunday 5:00 p.m. - 6:00 p.m. Eastern Time/ET Monday – Thursday 5:45 p.m. - 6:00 p.m. ET <b>CME Globex:</b> Sunday 6:00 p.m. - Friday - 5:00 p.m. ET with a daily maintenance period from 5:00 p.m. - 6:00 p.m. ET <b>CME ClearPort:</b> Sunday 6:00 p.m. - Friday 6:45 p.m. ET with no reporting Monday – Thursday 6:45 p.m. - 7:00 p.m. ET
<b>Price Quotation</b>	U.S. dollars and cents per index point

<b>Minimum Daily Settle Tick</b>	0.50 BTIC: 0.10
<b>Final Settlement Tick</b>	0.01
<b>Settlement Procedure</b>	Financial
<b>Listing Schedule</b>	Nearest 5 March Quarterly delivery months
<b>Initial Listing</b>	March 2024, June 2024, September 2024, December 2024, March 2025
<b>Termination of Trading</b>	Trading terminates at 9:30 a.m. ET on the 3 <sup>rd</sup> Friday of the contract month. BTIC trading terminates on the Business Day preceding the underlying contract LTD
<b>Settlement Procedure</b>	Financial
<b>Block Trade Minimum Threshold</b>	50 contracts – subject to a 15-minute reporting window
<b>CME Globex Matching Algorithm</b>	F-FIFO 100%

## Section 2 – Index Definition, Administration and Governance

### Index Definition

The S&P 500 Equal Weight Index (the “Index”), administered, calculated, and published by S&P Dow Jones Indices LLC (“SPDJ”).<sup>1</sup>

The Index composition is the same as that of its underlying index, the S&P 500 Index. Each company is equally weighted as of the respective rebalance reference date, rather than weighted by float-adjusted market capitalization.

The Index includes 503 securities, based on both market capitalization and current index membership. The index measures the performance of the large-cap segment of the U.S. market. Considered to be a proxy of the U.S. equity market, the index is composed of 500 constituent companies.

The S&P 500 Equal Weight Index is rebalanced quarterly after the close of business on the third Friday of March, June, September, and December. The Index also rebalances quarterly on the third Friday of each calendar quarter for number of shares, free floats, IPOs, investability criteria.

For the quarterly rebalancing, the reference date to meet the eligibility criteria is five weeks prior to the rebalancing effective date (defined as the close of business on the third Friday of March, June, September, and December). Constituent selection is at the discretion of the SPDJI Index Committee and is based on the eligibility criteria. The Index has a fixed constituent company count of 500.

Each constituent company of the Index must meet the following criteria at the time of such rebalancing.<sup>2</sup>

Listing Universe	US company
Market Capitalization	At least \$14.5 bn

<sup>1</sup> <https://www.spglobal.com/spdji/en/landing/topic/gics/>.

<sup>2</sup> The following paragraphs on index methodology are adapted from S&P U.S. Indices Methodology, S&P Dow Jones Indices, October 2023 at: <https://www.spglobal.com/spdji/en/documents/methodologies/methodology-sp-us-indices.pdf>.

Tradable Supply	At least 10% of shares outstanding must be available for trading.
Financial Viability	Positive as-reported earnings, both for the most recent quarter and for the most recent four quarters in aggregate
Liquidity and Price	Highly tradable common stock, with active and deep markets.

As of February 7, 2024, the S&P 500 Index comprises 500 constituent firms, with an aggregate market capitalization of \$41.94 trillion.<sup>3</sup> The following statistics describe the distribution of Index constituent companies in terms of their individual market capitalizations (in \$ bn):<sup>4</sup>

Largest	3077.33
Average	83.38
Median	31.09
Smallest	5.06

The largest single constituent company represents 7.34% of the S&P 500 index's weight. The largest 10 constituents represent 32.47% of the S&P 500 index's weight.

### **S&P 500 Equal Weight Index Methodology**

Index composition for the S&P 500 Equal Weight Index is the same as that of the S&P 500 Index. Each company is equally weighted as of the respective rebalance reference date, rather than weighted by float-adjusted market capitalization.

The S&P 500 Equal Weight Index is rebalanced after the market close on the third Friday of March, June, September, and December with weights set to 1/N for each company in the index where N equals the number of companies in the index at rebalancing, i.e.,  $1/500 = 0.2\%$ . At each quarterly rebalancing, companies are equal weighted using closing prices as of the second Friday of the quarter-ending month as the reference price. For those companies having multiple share class lines in the index, each share class line is assigned a weight that is proportional to its float-adjusted market capitalization ("FMC") as of the second Friday pricing reference date. Since index shares are assigned based on prices one week prior to the rebalancing, the actual weight of each company at the rebalancing differs from the target equal weights due to market movements.

In between dates this will vary due the price action of the stocks and hence why the constituent weightings will change. As of February 7, 2024, the S&P 500 Equal Weight Index comprises 500 constituent firms.

The largest single constituent company signifies 0.28% of the Index's weight. The largest 10 constituents represent 2.457% of the Index's weight.

### **Index Administration and Governance**

S&P DJI was formed in June 2012 as a joint venture between S&P Indices and Dow Jones Indexes. Headquartered in New York, S&P DJI employs over 400 persons operating out of 20 offices worldwide.

In July 2019, S&P DJI issued its latest Statement of Adherence to the recommendations made by the International Organization of Securities Commissions ("IOSCO") in its Principles for Financial Benchmarks Final Report ("IOSCO Principles"). In this connection, S&P DJI engaged Ernst & Young LLP "to perform a

<sup>3</sup> <https://www.spglobal.com/spdji/en/documents/methodologies/methodology-sp-us-indices.pdf>

<sup>4</sup> Statistics referenced below are sourced from SPICE with data as of November 22, 2023

reasonable assurance examination of S&P DJI's assertion of their adherence with the IOSCO Principles." S&P DJI's overall governance and control framework incorporates multiple components that, together, protect the integrity and quality of its Benchmarks.<sup>5</sup>

SPDJ's overall governance and control framework incorporates multiple components that, together, protect the integrity and quality of its Benchmarks. These include:<sup>6</sup>

- a) A corporate structure that isolates the SPDJI Benchmark business into a single corporate entity.
- b) An organizational/operating structure that separates commercial functions from operational and analytical functions into distinct reporting lines.
- c) An independent Benchmark governance body (including Index Committees) with documented policies and procedures.
- d) A control framework to ensure a sound process for developing, calculating and distributing Benchmarks.
- e) An oversight function that monitors and enforces, among other things, S&P DJI's compliance with its various conflicts of interest policies.
- f) Processes with designated roles and teams to work with and oversee the various third parties involved in the Benchmark determination process.

## Section 3 – Deliverable Supply Analysis

### S&P 500 Equal Weight Index Evaluation

The Commodity Exchange Act ("CEA" or "Act") requires that security futures products, defined to comprise single stock futures and futures on narrow-based security indexes, shall be subject to the joint jurisdiction of the CFTC and the U.S. Securities Exchange Commission ("SEC"). Futures products for which the underlying references are broad-based security indexes remain under the sole jurisdiction of the CFTC.

Section 1a(35) of the Act defines a narrow-based index to be an index:

- (i) which has nine (9) or fewer component securities; or
- (ii) in which any component security comprises more than 30 percent of the index's weighting; or
- (iii) in which the 5 highest weighted component securities in the aggregate represent more than 60 percent of the index's weighting; or
- (iv) in which the lowest weighted component securities comprising, in the aggregate, 25 percent of the index's weighting have an aggregate dollar value of average daily trading volume of less than \$50,000,000 (or in the case of an index with 15 or more component securities, less than \$30,000,000).

The Index fails to meet any of the criteria for consideration as a narrow-based index.

The Exchange has determined, therefore, that E-mini S&P 500 Equal Weight Index Future contract shall be listed for trading under the sole jurisdiction of the CFTC.

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<sup>5</sup> See Management Statement of Adherence with the IOSCO Principles for Financial Benchmarks available at, <https://www.spglobal.com/spdji/en/documents/legal/spdji-iosco-report-2023.pdf>

<sup>6</sup> See Management Statement of Adherence with the IOSCO Principles for Financial Benchmarks for the period June 1, 2018, through May 31, 2019, Section 1, pg 2, S&P Dow Jones Indices, available at <https://www.spglobal.com/spdji/en/governance/methodologies/>

In respect of criterion (i), as of February 7, 2024, the number of Index component securities was 503 for the Index. The number of Index constituents exceeds the 9-security minimum threshold.

In respect of criteria (ii), (iii), and (iv), Exhibit 4 displays summary statistics of daily data for the interval June 26, 2023, to January 2, 2024.

#### Exhibit 4 – CEA Section 1a (35) Narrow-Based Index Test for the S&P 500 Equal Weight Index

Quantiles of empirical distributions of daily measures of index characteristics, June 26, 2023 to January 2, 2024

	Criterion (ii)	Criterion (iii)	Criterion (iv)
	Index weight of largest index component	Aggregate index weight of largest 5 index components	Trading volume of smallest index components aggregating to 25 pct of index weight
	(pct)	(pct)	(\$ billions / day)
	SPX EW	SPX EW	SPX EW
February 7, 2024	0.288%	1.343%	\$42
Maximum	0.285%	1.331%	\$141
75 Pctl	0.262%	1.261%	\$76
Median	0.257%	1.236%	\$64
25 Pctl	0.249%	1.200%	\$51
Minimum	0.216%	1.073%	\$19

Data Source: Bloomberg, SPICE, SPX EW – S&P 500 Equal Weight Index

For criterion (ii), the share of Index weight occupied by the largest component stock, test results appear in the left-hand panel of Exhibit 4. The entire distribution of daily outcomes resides well below the 30 percent threshold that would signify a narrow-based index. At no point in the analysis timeframe did the Index's largest component stock even account for more than 1 percent of the Index's weight.

Similar results were obtained for criterion (iii), shown in the middle panel of Exhibit 4. The distribution of aggregate weight of the Index's largest five component stocks also fall significantly below the 60 percent threshold that would characterize a narrow-based index. In no instance do the largest five component securities of the Index account for more than 2 percent of the Index's weight.

Summary statistics for distributions of trading volume, shown in Exhibit 4's right-hand panel, demonstrate that the Index is not narrow-based in the sense of criterion (iv). The test procedure is to rank the Index's component stocks from smallest market capitalization to largest, then to identify Index components with smallest market capitalizations in sufficient numbers to account for 25 percent of the Index's weight. If the representative aggregate daily trading volume of such identified Index components were less than \$50 million (or \$30 million for an index consisting of more than 15 component securities), then the Index would be considered narrow-based. For this Index the \$30 million threshold applies.

For the Index, the typical pace of trading volume for the lowest weighted 25% of the Index, as derived from the methodology outlined above, consistently exceeds \$19 billion per day.

#### Exhibit 5 – Daily Total Volume of Stocks in S&P 500 Equal Weight Index

Total Volume Traded in the S&P 500 Equal Weight Index December 1, 2023 to February 7, 2024.

Date	Open	High	Low	Close	Adj Close	Volume*
12/01/2023	6003.2	6095.6	5993.7	6094.3	6094.3	4,397,120,000
12/04/2023	6094.3	6110.2	6056.0	6095.8	6095.8	4,369,910,000
12/05/2023	6095.8	6095.8	6031.0	6041.8	6041.8	3,909,950,000

12/06/2023	6042.1	6097.7	6040.0	6045.5	6045.5	4,245,680,000
12/07/2023	6045.5	6081.3	6045.5	6074.6	6074.6	3,818,880,000
12/08/2023	6074.6	6108.4	6068.0	6093.4	6093.4	3,707,010,000
12/11/2023	6093.4	6148.4	6093.4	6147.2	6147.2	3,823,210,000
12/12/2023	6147.2	6166.6	6120.8	6158.9	6158.9	3,808,380,000
13/12/2023	6158.9	6289.5	6149.6	6288.5	6288.5	5,063,650,000
14/12/2023	6288.5	6399.6	6288.5	6368.1	6368.1	6,314,040,000
15/12/2023	6368.1	6368.1	6305.8	6325.3	6325.3	8,218,980,000
18/12/2023	6325.3	6348.0	6320.8	6330.1	6330.1	4,060,340,000
19/12/2023	6330.1	6385.2	6330.1	6384.3	6384.3	4,026,970,000
20/12/2023	6384.3	6388.7	6273.4	6274.5	6274.5	4,201,320,000
21/12/2023	6274.5	6354.0	6274.5	6351.9	6351.9	3,431,180,000
22/12/2023	6351.9	6397.0	6348.0	6373.4	6373.4	3,046,770,000
26/12/2023	6373.4	6427.5	6373.4	6412.1	6412.1	2,513,910,000
27/12/2023	6412.1	6426.0	6399.1	6420.3	6420.3	2,748,450,000
28/12/2023	6420.3	6436.3	6415.1	6427.7	6427.7	2,698,860,000
29/12/2023	6427.7	6431.5	6385.9	6402.9	6402.9	3,126,060,000
01/02/2024	6402.9	6425.0	6362.2	6401.1	6401.1	3,743,050,000
01/03/2024	6401.1	6401.1	6302.5	6308.1	6308.1	3,950,760,000
01/04/2024	6308.1	6341.1	6297.8	6299.1	6299.1	3,715,480,000
01/05/2024	6299.1	6353.0	6282.8	6317.2	6317.2	3,844,370,000
01/08/2024	6317.5	6385.9	6303.5	6385.0	6385.0	3,742,320,000
01/09/2024	6384.7	6384.7	6334.5	6354.1	6354.1	3,529,960,000
01/10/2024	6354.1	6375.1	6333.4	6364.0	6364.0	3,498,680,000
01/11/2024	6364.1	6364.1	6296.1	6344.4	6344.4	3,759,890,000
01/12/2024	6344.4	6384.2	6317.6	6332.4	6332.4	3,486,340,000
16/01/2024	6332.4	6332.4	6269.5	6289.7	6289.7	4,260,550,000
17/01/2024	6289.7	6289.7	6211.8	6239.4	6239.4	3,928,600,000
18/01/2024	6239.4	6278.1	6214.6	6272.0	6272.0	4,019,000,000
19/01/2024	6272.0	6331.8	6252.3	6322.0	6322.0	4,287,200,000
22/01/2024	6322.0	6376.9	6322.0	6354.5	6354.5	4,297,610,000
23/01/2024	6354.5	6382.6	6334.9	6357.7	6357.7	3,912,800,000
24/01/2024	6357.7	6396.1	6320.6	6323.4	6323.4	4,330,030,000
25/01/2024	6323.4	6386.5	6323.4	6385.7	6385.7	4,020,430,000
26/01/2024	6385.7	6407.6	6377.4	6386.8	6386.8	3,353,400,000
29/01/2024	6386.8	6428.7	6372.2	6427.1	6427.1	3,525,160,000
30/01/2024	6427.0	6441.7	6402.8	6429.6	6429.6	3,836,130,000
31/01/2024	6429.6	6429.6	6342.3	6344.3	6344.3	4,696,120,000
02/01/2024	6344.3	6419.7	6319.4	6419.4	6419.4	4,386,090,000
02/02/2024	6419.4	6443.0	6357.9	6414.1	6414.1	3,974,350,000
02/05/2024	6414.1	6414.1	6332.7	6358.7	6358.7	4,023,640,000
02/06/2024	6358.7	6400.0	6357.3	6395.1	6395.1	4,440,880,000
02/07/2024	6395.1	6437.2	6391.4	6420.3	6420.3	4,895,590,000
					ADV	3,970,763,462

Data Source: finance.yahoo.com , Volume\* using the stocks in S&P 500 Index (SPX)

<https://finance.yahoo.com/quote/%5ESPXEW/history?p=%5ESPXEW> , SPX EW – S&P 500 Equal Weight Index

<https://finance.yahoo.com/quote/%5ESPX/history?p=%5ESPX>



## Section 4 - Compliance with Core Principles

The Exchange has reviewed the designated contracts market core principles (“Core Principles”) as set forth in the Act and has identified that the Contract may bear upon the following Core Principles:

### **Core Principle 2 – Compliance with Rules**

Trading in the Contract shall be subject to CME Rulebook Chapter 4, which includes prohibitions against fraudulent, noncompetitive, unfair, and abusive practices. Additionally, trading in the Contract shall be subject to the Exchange’s trade practice rules, the majority of which are contained in Chapter 5 and Chapter 8 of the CME Rulebook. Trading activity in the Contract shall be subject to monitoring and surveillance by CME Group’s Market Regulation Department, which has the authority to exercise its investigatory and enforcement power where potential rule violations are identified.

### **Core Principle 3 – Contracts Not Readily Subject to Manipulation**

The Contract is not readily subject to manipulation due to the deep liquidity and robustness in the underlying cash and futures market, which provides diverse participation and sufficient spot transactions.

The underlying reference Index is judged to be sufficiently broad in definition and scope to deter attempted cornering, manipulation, crowding, or exertion of undue influence upon final settlements of expiring contract months.

As of February 7, 2024, the 503 component stocks of the Index had a market capitalization of \$1.05 trillion.<sup>7</sup>

The final settlement price for an expiring contract month shall be based entirely upon transaction prices or actionable price indications made competitively and transparently on organized primary listing exchanges, under the regulation of the SEC. Specifically, the final settlement price of any expiring contract month is a special opening quotation of the corresponding Index computed by the Index administrator on the basis of market order auctions for Index component stocks conducted on US primary listing exchanges between 9:29 a.m. and 9:30 a.m. Eastern Prevailing Time.<sup>8</sup>

### **Core Principle 4 – Prevention of Market Disruption**

The Contract will subject to CME Rulebook Chapter 4, which includes prohibitions on manipulation, price distortion, and disruption to the expiration and assignment process. The Contract shall be subject to monitoring and surveillance by CME Group’s Market Regulation Department.

The Contract shall be subject to price limits that are harmonized with the US equity market-wide limit-up-limit-down mechanism set forth in the “Plan to Address Extraordinary Market Volatility Submitted to the U.S. Securities and Exchange Commission Pursuant to Rule 608 of Regulation NMS under the Securities Exchange Act of 1934”<sup>9</sup> and implemented under, e.g., New York Stock Exchange Rule 7.12 for Trading Halts

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<sup>7</sup> Source: Bloomberg, SPICE, SPX EW – S&P 500 Equal Weight Index

<sup>8</sup> For the New York Stock Exchange, a description of the daily market order auction process may be found at: <https://www.nyse.com/markets/nyse-arca/trading-info#auctions>. Procedures for daily Opening Auctions, Market Order Auctions, and Closing Auctions are codified in NYSE Arca Rule 7.35. Auctions at:

<https://nysearcaguide.srorules.com/rules/b44a1e847ccd1000908090b11c2ac4f1025c?searchId=2137147102>

For the NASDAQ Stock Market, a description of the daily Opening Cross<sup>SM</sup> process may be found at:

<http://www.nasdaqtrader.com/content/TechnicalSupport/UserGuides/TradingProducts/crosses/openclosequickguide.pdf>.

Daily Opening Cross<sup>SM</sup> and Closing Cross<sup>SM</sup> procedures are set forth in NASDAQ Stock Market Rule 4752. Opening Process at:

<https://www.nasdaqtrader.com/Trader.aspx?id=OpenClose>

<sup>9</sup> Exhibit A, Securities Exchange Act Release No 67091, 31 May 2012 (77 FR 33498, 6 June 2012), as amended from time to time (U.S. Securities and Exchange Commission, SRO Rulemaking, National Market System Plans, File 4-631).



Due to Extraordinary Volatility or under Nasdaq Stock Market Rule 4121 for Trading Halts Due to Extraordinary Volatility.

S&P indices are covered under Section 9, S&P Obligations, paragraph (a) in the License Agreement dated June 29, 2012, made by and between Standard & Poor's Financial Services LLC and the Chicago Mercantile Exchange, Inc.

S&P OBLIGATIONS. (a) Regulatory Approvals or Investigations. S&P shall reasonably assist CME in connection with the preparation of factual materials for presentation to the CFTC, or any other governmental entity, in connection with any application by CME for approval to trade any of the Indexed Contracts licensed hereunder, or any investigations or hearings regarding any such Indexed Contracts.

### ***Core Principle 5 – Position Limits or Accountability***

The Contract shall be subject to a Position Reporting Level of 25 contracts and to an All-Month Position Limit of 300,000 contracts.

Accordingly, as of market close on February 7, 2024, a hypothetical 300,000-contract position in the Contract (6,420.3 Index points, settle) would have signified notional Index exposure around \$38.5 bn (equal to (6,420.3 Index points) x (\$20 per Index point per contract) x (300,000 contracts), representing less than 4% of Index market capitalization of index parent is S&P 500 Equal Weight Index (\$1Trillion).

### ***Core Principle 7 – Availability of General Information***

The Exchange shall disseminate a Special Executive Report (“SER”) that sets forth information in regard to specifications, terms, and conditions of the Contract. The SER will also be published on the Exchange’s website.

### ***Core Principle 8 – Daily Publication of Trading Information***

The Exchange shall publish trading volumes, open interest levels, and price information daily of the Contract on the CME Group website and through quote vendors.

### ***Core Principle 9 – Execution of Transactions***

The Contract will be listed for trading on the CME Globex electronic trading and for clearing through CME ClearPort. The CME Globex electronic trading venue provides for competitive and open execution of transactions. CME Globex affords the benefits of reliability and global connectivity.

### ***Core Principle 10 – Trade Information***

All requisite trade information shall be included in the audit trail and will suffice for the Market Regulation Department to monitor for market abuse.

### ***Core Principle 11 – Financial Integrity of Transactions***

The Contract shall be cleared by CME Clearing, which is registered with the Commission as a derivative clearing organization, and which is subject to all CFTC regulations related thereto.

### ***Core Principle 12 – Protection of Markets and Market Participants***

Chapters 4 and 5 in the CME Rulebook set forth multiple strictures that preclude intermediaries from disadvantaging their customers. These Rules apply to trading in the Exchange's competitive trading venues and will apply to transactions in the Contract.

### **Core Principle 13 – Disciplinary Procedures**

Chapter 4 of the CME Rulebook provides for the Exchange to discipline, suspend, or expel members or market participants who violate the rules of the Exchange. Trading in the Contract shall be subject to these provisions. The Exchange's Market Regulation Department has the authority to exercise its powers of enforcement, in the event that rule violations are identified.

### **Core Principle 14 – Dispute Resolution**

Disputes in respect of the Contract shall be subject to the arbitration provisions set forth in Chapter 6 of both the CME Rulebook, which allow all nonmembers to submit to arbitration claims for financial loss resulting from transactions on the Exchange. Pursuant to these provisions, any member named as a respondent in any such claim submitted by a nonmember is required to participate in arbitration proceedings. Additionally, the Exchange requires members to resolve via arbitration all disputes concerning transactions on the Exchange.

Appendix A provides CME Chapter 378. Appendix B, under separate cover, provides the Position Limit, Position Accountability, and Reportable Level Table in blackline format. Appendix C provides CME Rule 588.H. ("Non-Reviewable Trading Ranges") Table in blackline format. Appendix D provides CME Rule 589. – Special Price Fluctuation Limits and Daily Price Limits Table in blackline format. Appendix E provides the relevant Exchange transaction fees.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.2(a), the Exchange certifies that the Contract complies with the Act including all regulations thereunder. There were no substantive opposing views to this proposal.

The Exchange certifies that this submission has been concurrently posted on the CME Group website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

Should you have any questions concerning the above, please contact the undersigned at (312) 466-7478 or via e-mail at [CMEGSubmissionInquiry@cmegroup.com](mailto:CMEGSubmissionInquiry@cmegroup.com).

Sincerely,

/s/ Timothy Elliott  
Managing Director and Chief Regulatory Counsel

Attachments:	Appendix A	CME Rulebook Chapter 378 – E-Mini S&P 500 Equal Weight Index Futures
	Appendix B	Position Limit, Position Accountability, and Reportable Level Table in Chapter 5 of the CME Rulebook (attached under separate cover)
	Appendix C	CME Rule 588.H. – (“Globex Non-Reviewable Trading Ranges”) Table
	Appendix D	CME Rule 589. – Special Price Fluctuation Limits and Daily Price Limits Table
	Appendix E	Exchange Fees

**Appendix A**  
**CME Rulebook**  
**Chapter 378**  
**E-mini S&P 500 Equal Weight Index Futures**

**37800. SCOPE OF CHAPTER**

This chapter is limited in application to E-mini S&P 500 Equal Weight Index Futures (“futures”). In addition to this chapter, futures shall be subject to the general rules and regulations of the Exchange as applicable.

Unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.

**37800.A. Market Decline**

For the purposes of this chapter a Market Decline shall be as defined in New York Stock Exchange Rule 7.12 for Trading Halts Due to Extraordinary Volatility or in Nasdaq Stock Market Rule 4121 for Trading Halts Due to Extraordinary Volatility.

**37800.B. Primary Listing Exchange**

For the purposes of this chapter a Primary Listing Exchange shall be as defined in the “Plan to Address Extraordinary Market Volatility Submitted to the Securities and Exchange Commission Pursuant to Rule 608 of Regulation NMS Under the Securities Exchange Act of 1934” approved 31 May 2012 by the U.S. Securities and Exchange Commission (“SEC”), as amended from time to time (SEC, SRO Rulemaking, National Market System Plans, File 4-631).

**37800.C. Regulatory Halt**

For the purposes of this chapter a Regulatory Halt shall be as defined in the “Plan to Address Extraordinary Market Volatility Submitted to the Securities and Exchange Commission Pursuant to Rule 608 of Regulation NMS Under the Securities Exchange Act of 1934” approved 31 May 2012 by the SEC, as amended from time to time (SEC, SRO Rulemaking, National Market System Plans, File 4-631) and as implemented under New York Stock Exchange Rule 7.12 for Trading Halts Due to Extraordinary Volatility or under Nasdaq Stock Market Rule 4121 for Trading Halts Due to Extraordinary Volatility.

**37801. CONTRACT SPECIFICATIONS**

Each futures contract shall be valued at \$20.00 times the S&P 500 Equal Weight Index (“Index”).

**37802. TRADING SPECIFICATIONS**

**37802.A. Trading Schedule**

Futures contracts shall be scheduled for trading during such hours and for delivery in such months as may be determined by the Exchange.

**37802.B. Trading Unit**

The unit of trade shall be \$20.00 times the Index.

**37802.C. Price Increments**

Bids and offers shall be quoted in Index points. Subject to Rule 37806.C., the minimum price increment shall be 0.50 Index points, equal to \$10.00 per contract, except for intermonth spreads executed pursuant to Rule 542.A., for which the minimum price increment shall be 0.10 Index points, equal to \$2.00 per intermonth spread.

**37802.D. Position Limits, Exemptions, Position Accountability and Reportable Levels**

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

**37802.E. [Reserved]**

**37802.F. [Reserved]**

**37802.G. Termination of Trading**

Trading in expiring futures shall terminate at the regularly scheduled start of trading on the New York Stock

Exchange on the Business Day scheduled for determination of the Final Settlement Price (Rule 37803.A.) for such futures.

If an unscheduled Market Holiday is declared on the day of Final Settlement Price determination (Rule 37803.A), trading in the expiring futures shall terminate at the close of trading on the New York Stock Exchange on the immediately preceding Business Day.

**37802.H. [Reserved]**

**37802.I. Price Limits and Trading Halts**

Futures trading shall be subject to Price Limits as set forth in this Rule. For the purpose of this Rule the Exchange shall determine, in its sole discretion, the futures delivery month that represents the Primary Futures Contract Month and when such Primary Futures Contract Month is limit bid or limit offered.

**1. Daily Determination of Price Limits**

For a given Business Day, Price Limits applicable to a futures contract for a given delivery month shall be calculated on the basis of the corresponding Reference Price (Rule 37802.I.1.a.) and the corresponding Offsets (Rule 37802.I.1.b.), as follows:

7% Price Limits = Reference Price minus 7% Offset, and Reference Price plus 7% Offset

13% Price Limit = Reference Price minus 13% Offset

20% Price Limit = Reference Price minus 20% Offset

**1.a. Reference Prices for Price Limits**

For a given Business Day, for futures for a given delivery month, the Exchange shall set a contract Reference Price on the first preceding Business Day, as follows:

**Tier 1**

Such Reference Price shall be based on the volume-weighted average price of transactions in such futures on the CME Globex electronic trading platform ("CME Globex") during the interval (i) between 2:59:30 p.m. and 3:00:00 p.m., or (ii) in the case of an early scheduled close of the Primary Listing Exchange, between 11:59:30 a.m. and noon, or (iii) in the event of an unscheduled early close of the Primary Listing Exchange, the final thirty (30) seconds of the Primary Listing Exchange trading day ("Reference Interval").

**Tier 2**

If no such transaction occurs during the Reference Interval, then such Reference Price shall be based on the average of midpoints of bid/ask spreads for such futures quoted on CME Globex during the Reference Interval, provided that the Reference Price calculation shall exclude the midpoint value for any such bid/ask spread that is wider than 0.04 Index points (equal to two (2) minimum price increments).

**Tier 3**

If such Reference Price cannot be determined pursuant to Tier 1 or Tier 2, then the Exchange, in its sole discretion, shall set such Reference Price by alternative means which may include, but are not limited to, derivation by reference to the basis relationship between such futures contract's price and the Index, or application of Tier 1 and Tier 2 calculations to successive time intervals of increasing length, in integer multiples of thirty (30) seconds, until suitable price data are obtained.

The resultant Reference Price value shall be rounded down to the nearest integer multiple of 0.01 Index point. Such Reference Price, so rounded, shall be used for determination of the corresponding Price Limits.

For newly listed futures for a given delivery month, the Exchange shall set, in its sole discretion, a Reference Price value for the purpose of determining Price Limits for the first day of trading in such futures.

**1.b. Offsets for Price Limits**

For a given Business Day, the Exchange shall determine Offsets on the basis of the Index value ("I") at the close of trading on the Primary Listing Exchange (Rule 37800.B.) on the first preceding Business Day, as follows:

7% Offset = 7% of I (0.07 x I)

13% Offset = 13% of I (0.13 x I)

20% Offset = 20% of I (0.20 x I)

Each resultant Offset value shall be rounded down to the nearest integer multiple of 0.01 Index points. Each such Offset, so rounded, shall be used in determination of the corresponding Price Limits.

**2. Application of Price Limits from Start of Trading Day to 8:30 a.m.**

From the start of any Trading Day until 8:30 a.m., there shall be no trading in futures for a given delivery month at any price that is either strictly lower than or strictly higher than the range defined by the 7% Price Limits (Rule 37802.I.1.) applicable to such futures on such Trading Day.

Without limitation to the foregoing, the start of any Trading Day generally shall coincide with the start of the CME Globex trading session at 5:00 p.m. on the evening first preceding such Trading Day.

During this period of time, the contract shall also be subject to dynamic price fluctuation limits as set forth in Rule 589.D. and in the Special Price Fluctuation Limits and Daily Price Limits Table in the Interpretations & Special Notices Section of Chapter 5.

### **3. Application of Price Limits and Trading Halts from 8:30 a.m. to 2:25 p.m.**

Except as provided in Rules 37802.I.3.a. and 37802.I.3.b., from 8:30 a.m. until and including 2:25 p.m., or from 8:30 a.m. until and including 11:25 a.m. in the case of an early scheduled close of the Primary Listing Exchange, futures for a given delivery month shall trade subject to the corresponding Price Limits (Rule 37802.I.1.), as follows:

There shall be no futures trading at any price strictly lower than the corresponding 7% Price Limit, unless the Primary Futures Contract Month becomes limit offered at its 7% Price Limit.

At such time as the Primary Futures Contract Month becomes limit offered at its 7% Price Limit, the Exchange shall initiate a 2-minute observation interval. At the conclusion of such observation interval:

If the Primary Futures Contract Month is not limit offered at its 7% Price Limit, futures trading shall continue subject to the corresponding 13% Price Limit.

If the Primary Futures Contract Month remains limit offered at its 7% Price Limit, futures trading shall halt for two (2) minutes, and shall then resume subject to the corresponding 13% Price Limit.

At such time as the Primary Futures Contract Month becomes limit offered at its 13% Price Limit, the Exchange shall initiate a 2-minute observation interval. At the conclusion of such observation interval:

If the Primary Futures Contract Month is not limit offered at its 13% Price Limit, futures trading shall continue subject to the corresponding 20% Price Limit.

If the Primary Futures Contract Month remains limit offered at its 13% Price Limit, futures trading shall halt for two (2) minutes, and shall then resume subject to the corresponding 20% Price Limit.

There shall be no futures trading at any price strictly lower than the corresponding 20% Price Limit.

#### **3.a. Regulatory Halts**

At such time as the Primary Listing Exchange may declare a Regulatory Halt (Rule 37800.C.) in response to a Level 1 (7%) Market Decline in the S&P 500 Index, futures trading shall halt. When trading resumes on the Primary Listing Exchange, futures trading shall resume subject to the corresponding 13% Price Limit.

At such time as the Primary Listing Exchange may declare a Regulatory Halt in response to a Level 2 (13%) Market Decline in the S&P 500 Index, futures trading shall halt. When trading resumes on the Primary Listing Exchange, futures trading shall resume subject to the corresponding 20% Price Limit.

At such time as the Primary Listing Exchange may declare a Regulatory Halt in response to a Level 3 (20%) Market Decline in the S&P 500 Index, futures trading shall halt for the remainder of the trading session.

#### **3.b. Unscheduled Non-Regulatory Halts**

If an unscheduled trading halt that is not also a Regulatory Halt occurs on one or more Primary Listing Exchanges between 8:30 a.m. and 2:25 p.m., or between 8:30 a.m. and 11:25 a.m. in the case of an early scheduled close of the Primary Listing Exchange(s), then futures trading shall be subject to such trading halts or such price limits as the Exchange, in its sole discretion, may determine to be appropriate.

### **4. Application of Price Limits from 2:25 p.m. to 3:00 p.m.**

From 2:25 p.m. to 3:00 p.m., or from 11:25 a.m. to noon in the case of an early scheduled close on the Primary Listing Exchange, trading in futures for a given delivery month shall be subject only to the corresponding 20% Price Limit (Rule 37802.I.1.).

At such time as the Primary Listing Exchange may declare a Regulatory Halt in response to a Level 3 (20%) Market Decline in the S&P 500 Index, futures trading shall halt for the remainder of the trading session.

### **5. Application of Price Limits from 3:00 p.m. to Close of Trading Day**

From the close of trading on the Primary Listing Exchange at 3:00 p.m., or at noon in the case of an early scheduled close on the Primary Listing Exchange, until the close of the current Trading Day, trading in futures for a given delivery month shall be subject to an upper Price Limit equal to the corresponding Reference Price determined on the current Business Day (Rule 37802.I.1.a.) plus the 7% Offset determined on the current Business Day (Rule 37802.I.1.b.).

Trading in such futures also shall be subject to a lower Price Limit set as the corresponding Reference Price determined on the current Business Day minus the 7% Offset determined on the current Business Day, provided that such lower Price Limit shall be no lower than the 20% Price Limit (Rule 37802.I.1.) applicable to the current Trading Day.

During this period of time, the contract shall also be subject to dynamic price fluctuation limits as set forth in Rule 589.D. and in the Special Price Fluctuation Limits and Daily Price Limits Table in the Interpretations & Special Notices Section of Chapter 5.

Without limitation to the foregoing, the close of the current Trading Day generally shall coincide with the close of the CME Globex trading session on such Trading Day.

**37803. SETTLEMENT PROCEDURES**

Delivery shall be by cash settlement.

**37803.A. Final Settlement Price**

For a futures contract for a given delivery month, the Final Settlement Price shall be a special opening quotation of the Index. Such special opening quotation shall be determined on the third Friday of such delivery month and shall be based on opening prices of the component stocks of the Index.

If the Index is not scheduled to be published on the third Friday of the contract delivery month, then such Final Settlement Price shall be scheduled for determination on the first preceding Business Day on which the Index is scheduled to be published.

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

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

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

**37803.B. Final Settlement**

Clearing members holding open positions in an expiring futures contract at its termination of trading (Rule 37802.G.) shall make payment to or receive payment from the Clearing House in accordance with normal variation margin procedures based on such expiring contract's Final Settlement Price (Rule 37803.A.).

**37804. [RESERVED]**

**37805. [RESERVED]**

**37806. BASIS TRADE AT INDEX CLOSE ("BTIC") TRANSACTIONS**

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

**37806.A. BTIC Block Trade Requirements**

BTIC block trades must be executed in accordance with the requirements of Rule 526.

For a BTIC or BTIC block trade executed on a given Trading Day on or before the scheduled close of the Primary Listing Exchange, the corresponding futures price shall be made by reference to the Index closing value for the current Trading Day.

For a BTIC or BTIC block trade executed on a given Trading Day after the scheduled close of the Primary Listing Exchange, the corresponding futures price shall be made by reference to the Index closing value for the next Trading Day.

**37806.B. BTIC Price Assignment Procedures**

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

**378 06.C. BTIC Minimum Price Increments**

The valid basis or price increment applied to the Index closing value to establish the BTIC futures price must be stated in increments of 0.10 index points.

**37806.D. Market Disruption Events**

In the event of a market disruption in the Primary Listing Exchange, all pending and executed BTIC transactions in the corresponding futures contract shall be cancelled by the Exchange. Such disruption shall be declared by the Exchange in its sole discretion, and may include, without limitation, an unscheduled early close of the Primary Listing Exchange or a NYSE Rule 7.12 trading halt declared in response to a Level 3 (20%) decline in the S&P 500 Index that necessitates an early close of the Primary Listing Exchange.

(End Chapter 378)

#### **INTERPRETATIONS & SPECIAL NOTICES RELATING TO CHAPTER 378**

S&P Dow Jones Indices LLC directly or through one or more affiliates (collectively, "S&P") licenses the Exchange to use various S&P stock indices ("S&P Stock Indices") in connection with the trading of futures contracts and options on futures contracts based upon such indices. S&P shall have no liability for any damages, claims, losses or expenses caused by any errors or delays in calculating or disseminating the S&P Stock Indices.

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**Appendix B**  
**CME Rulebook**  
**Chapter 5**  
**(“Trading Qualifications and Practices”)**  
**Position Limit, Position Accountability, and Reportable Level Table**

(attached under separate cover)

**Appendix C**  
**CME Rulebook**  
**Chapter 5**  
**(“Trading Qualifications and Practices”)**  
**CME Rule 588.H. – (“Globex Non-Reviewable Trading Ranges”) Table**

(additions underlined)

Equity Index		Outrights			Spreads	
	Globex Symbol	Globex Non-Reviewable Ranges (NRR)	NRR: Globex Format	NRR: Minimum Ticks	NRR: Globex Format	NRR: Outright Minimum Ticks
<u>E-mini S&amp;P 500 Equal Weight Index Futures</u>	<u>EWF</u>	<u>15 index points</u>	<u>1500</u>	<u>30</u>	<u>400</u>	<u>8</u>
<u>BTIC on E-mini S&amp;P 500 Equal Weight Index Futures</u>	<u>EWFT</u>	<u>4 index points</u>	<u>400</u>	<u>10</u>	<u>N/A</u>	<u>N/A</u>

**Appendix D**

**CME Rulebook**

**Chapter 5**

**(“Trading Qualifications and Practices”)**

**CME Rule 589. – Special Price Fluctuation Limits and Daily Price Limits Table**

additions underlined

<b>Product</b>	<b>Rulebook Chapter</b>	<b>Commodity Code</b>	<b>Primary/ Associated</b>	<b>Associated With</b>	<b>Daily Price Limit</b>	<b>Dynamically Calculated Variant</b>
						<b>(Excluding Regular Trading Hours)</b>
<u>E-mini S&amp;P 500 Equal Weight Index Futures</u>	<u>378</u>	<u>EWF</u>	<u>Associated</u>	<u>ES</u>	<u>Daily Price Limit Table</u>	
<u>BTIC on E-mini S&amp;P 500 Equal Weight Index Futures</u>	<u>378</u>	<u>EWFT</u>	<u>Associated</u>	<u>ES</u>	<u>Daily Price Limit Table</u>	

## Appendix E

### Exchange Fees

Membership Type	Venue/Transaction Type	Fee
Individual Members Clearing Members Rule 106.J Equity Member Firms & Rule 106.J Qualified Subsidiaries Rule 106.I Members & Rule 106.I Qualified Affiliates Rule 106.S Member Approved Funds	CME Globex	\$0.40
	EFP	\$1.95
	EFR	\$1.95
	BTIC	\$1.95
	Delivery	\$0.09
Rule 106.D Lessees Rule 106.F Employees	CME Globex	\$0.52
	EFP	\$2.07
	EFR	\$2.07
	BTIC	\$2.07
	Delivery	\$0.21
Rule 106.R Electronic Corporate Members (For other than CME Globex - Non-Member rates apply)	CME Globex	\$0.55
	CME Globex - BTIC	\$2.25
Rule 106.H and 106.N Firms Clearing Non-Equity Member Firms	Globex	\$0.65
	EFP	\$2.25
	EFR	\$2.25
	BTIC	\$2.25
	Delivery	\$0.39
International Incentive Program (IIP) and International Volume Incentive Program (IVIP) Participants (For other than CME Globex - Non-Member rates apply)	CME Globex	\$0.75
	CME Globex - BTIC	\$2.30
Latin American Fund Manager Incentive Program (FMIP) Participants (For other than CME Globex - Non-Member rates apply)	CME Globex - Outrights	\$1.16
	CME Globex - Spreads	\$1.15
	CME Globex - BTIC	\$2.30
CBOE Members (For S&P products only; for all other products - Non-Member rates apply)	CME Globex - Outrights	\$1.33
	CME Globex - Spreads	\$1.10
	EFP	\$2.25
	EFR	\$2.25
	BTIC	\$2.25
Members Trading Outside of Division (For other than CME Globex During ETH - Non-Member rates apply)	Delivery	\$0.35
	CME Globex - During ETH Only	\$0.86
Non-Members	CME Globex - Outrights	\$1.38
	CME Globex - Spreads	\$1.15
	EFP	\$2.30
	EFR	\$2.30
	BTIC	\$2.30
	Delivery	\$0.40

<b>Processing Fees</b>	<b>Fee</b>
Position Adjustment/Position Transfer	\$0.10
Give-Up Surcharge	\$0.05
Facilitation Fee	\$0.40