

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 21-326

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

Filing as a: DCM SEF DCO SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 08/26/21 Filing Description: Amendments to the Contract Specifications Regarding Price Limits and Trading Halts of the Yen Denominated Nikkei Stock Average Futures, USD Denominated Nikkei Stock Average Futures, E-mini Yen Denominated Nikkei Stock Average Index Futures and Yen Denominated TOPIX 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

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: Yen Denominated Nikkei Stock Average Futures, USD Denominated Nikkei Stock Average Futures, E-mini Yen Denominated Nikkei Stock Average Index Futures, and Yen Denominated TOPIX Index Futures.

Rule Numbers: CME 352, 352B, 370, and 371.

August 26, 2021

VIA ELECTRONIC PORTAL

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

**Re: CFTC Regulation 40.6(a) Certification. Amendments to the Contract Specifications Regarding Price Limits and Trading Halts of the Yen Denominated Nikkei Stock Average Futures, USD Denominated Nikkei Stock Average Futures, E-mini Yen Denominated Nikkei Stock Average Index Futures and Yen Denominated TOPIX Index Futures Contracts.
CME Submission No. 21-326**

Dear Mr. Kirkpatrick:

Chicago Mercantile Exchange Inc. (“CME” or “Exchange”) certifies to the Commodity Futures Trading Commission (“CFTC” or “Commission”) various amendments to the price limit and trading halt rules of the Yen Denominated Nikkei Stock Average Futures, USD Denominated Nikkei Stock Average Futures, E-mini Yen Denominated Nikkei Stock Average Index Futures, and Yen Denominated TOPIX Index Futures contracts (the “Contracts”) as noted in the table below effective Sunday, September 19, 2021 for trade date Monday, September 20, 2021.

Currently, the Exchange calculates the price limits for the Contracts on a quarterly basis. Pursuant to the amendments, this calculation will be done on a daily basis. Specifically, CME will abandon the quarterly resets in March, June, September, and December and will enable daily price limit calculations as well as 8%, 12%, and 16% offset calculations based on the new daily calculation. Lastly, CME will align rounding conventions in the event of a trading halt (collectively, the “Rule Amendments”).

Effective on September 21, 2021 the Japan Exchange Group, Inc. (“JPX”) will commence utilizing a Daily Limit Automation (“DLA”) methodology. The Rule Amendments are intended to align the Exchange procedures with JPX’s methodology.¹

Contract Title	CME Globex Code	Clearing / CME ClearPort Code	CME Rulebook Chapter
Yen Denominated Nikkei Stock Average Futures	NKD	NK	352
USD Denominated Nikkei Stock Average Futures	NIY	N1	352B
E-mini Yen Denominated Nikkei Stock Average Index Futures	ENY	ENY	370
Yen Denominated TOPIX Index Futures	TPY	TPY	371

¹ <https://www.jpx.co.jp/english/derivatives/related/j-gate3/01.html>- see “Price Limit Range”

Exhibit A below provides amendments to the product chapters in blackline format.

The Exchange reviewed the designated contract market core principles (“Core Principles”) as set forth in the Commodity Exchange Act (“CEA” or “Act”) and identified that the Rule Amendments may have some bearing on the following Core Principles:

Availability of General Information: The Exchange will release a Special Executive Report (“SER”) regarding the Rule Amendments. The SER will also be posted on the CME Group website.

Daily Publication of Trading Information: CME will continue to publish contract trading volumes, open interest levels, and price information daily on its website and through quote vendors for the Contracts.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.6(a), the Exchange hereby certifies that the Rule Amendments comply with the Act, including regulations under the Act. There were no substantive opposing views to the 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 (212) 299-2200 or via e-mail at CMEGSubmissionInquiry@cmegroup.com.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit A - Amendments to CME Chapters 352, 352B, 370, and 371 (blackline format)

Exhibit A

CME RULEBOOK

(additions underscored; deletions ~~struck through~~)

Chapter 352 Nikkei Stock Average Futures

35200. SCOPE OF CHAPTER

This chapter is limited in application to Nikkei Stock Average futures. In addition to this chapter, Nikkei Stock Average futures shall be subject to the general rules and regulations of the Exchange as applicable. For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.

35201. CONTRACT SPECIFICATIONS

Each futures contract shall be valued at \$5 times the Nikkei Stock Average. The Nikkei Stock Average is a broadly based, price-weighted average of 225 larger, actively traded Japanese stocks that are listed on the Tokyo Stock Exchange.

35202. TRADING SPECIFICATIONS

35202.A. Trading Schedule

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

35202.B. Trading Unit

The unit of trading shall be \$5 times the Nikkei Stock Average.

35202.C. Price Increments

Bids and offers shall be quoted in terms of the Nikkei Stock Average. The minimum fluctuation of the futures contract shall be 5 points, equivalent to \$25 per contract.

35202.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.

35202.E. [Reserved]

35202.F. [Reserved]

35202.G. Termination of Trading

Futures trading shall terminate at the close of trading on the Business Day immediately preceding the day of determination of the Final Settlement Price.

35202.H. [Reserved]

35202.I. Price Limits and Trading Halts

The primary ~~Nikkei Stock Average~~ futures contract ~~expiration~~ month, as referenced in this rule, shall be determined by the Exchange. The Exchange shall also determine when the primary futures contract month is limit bid or limit offered. There shall be no Daily Price Limits in a contract on its last day of trading.

Reference Price for Exchange Price Limits and Exchange Trading Halts: Daily price limits in ~~Nikkei Stock Average~~ futures will be established relative to the contract rounded Reference Price ("P") which shall be determined by the Exchange as follows:

- Tier 1 The Reference Price shall be equal to the volume-weighted average price of the Nikkei 225 mini Futures trades executed on the Osaka Securities Exchange ("OSE") from 2:59:30 to 3:00:00 p.m. Tokyo time, or, in the event of an early close of the primary Tokyo securities market, (ii) the last thirty (30) seconds of the primary Tokyo securities market trading day (Reference Interval).
- Tier 2 If no transactions occur during the Reference Interval, the Reference Price shall be the average of the midpoints of each bid/ask spread in the OSE Nikkei 225 mini Futures contract during that thirty (30) second interval; however, bid/ask spread pairs wider than three (3) ticks (30 index points), shall not be included in the calculation to determine the Reference Price.
- Tier 3 If the Reference Price cannot be determined pursuant to Tiers 1 and 2 above, designated Exchange staff shall consider any other information deemed relevant to determine the Reference Price. Alternatives upon which Exchange staff may determine the Reference Price include, but are not limited to, the following: (1) deriving the Reference Price based on the basis relationship to the underlying cash index level; or (2) deriving the Reference Price by repeating Tier 1 or Tier 2 calculations at increasing thirty (30) second increment intervals until data is obtained.

If the Reference Price is not divisible by ~~10.004-00~~ without remainder then the Reference Price shall be rounded down to the closest ~~10.004-00~~ point increment. The Rounded Reference Price ("P") shall be used to determine daily Price Limits.

For a newly listed contract expiration month, there will be an implied Reference Price created by the Exchange for the sole purpose of establishing the Price Limits for the first day of trading.

Exchange Price Limit Levels: Price Limits shall be calculated daily based upon the rounded Reference Price, P, and Offset levels.

There will be three (3) Offset levels used to determine the three daily upward and the three daily downward Price Limits.

~~The three Offset levels shall be based on a twenty (20) trading day arithmetic average ("20-day Average") of the closing price of the Nikkei 225 index that will be calculated prior to the beginning of the Quarterly Price Limit period.~~

The three Offset levels will be:

$$\underline{8\% \text{ Offset} = (8\% \times P)}$$

$$\underline{12\% \text{ Offset} = (12\% \times P)}$$

$$\underline{16\% \text{ Offset} = (16\% \times P)}$$

~~-8% Offset (= 8% x 20-day Average, rounded down to the closest 10 point increment)~~

~~12% Offset (= 12% x 20-day Average, rounded down to the closest 10 point increment)~~

~~16% Offset (= 16% x 20-day Average, rounded down to the closest 10 point increment)~~

~~Each resultant Offset value shall be rounded down to the nearest integer multiple of 10 Index points. Each such Offset, so rounded, shall be used in determination of the corresponding Price Limits. The Offsets used to determine the daily Price Limits are calculated every three months and shall be announced prior to the opening of trading in each Quarterly Price Limit period. The following Quarterly Price Limit periods shall apply:~~

~~March 1 through May 31~~

~~June 1 through August 31~~

~~September 1 through November 30~~

~~December 1, through February 28 (or February 29 during a leap year)~~

The Daily Price Limits for Nikkei Stock Average futures shall be calculated as follows:

1st Price Limits equals Rounded Reference Price (P) ± 8% Offset level

2nd Price Limits equals Rounded Reference Price (P) ± 12% Offset level

3rd Price Limits equals Rounded Reference Price (P) ± 16% Offset level

If, on any CME Business Day, the OSE Nikkei 225 mini Futures contract is closed for trading, then the Rounded Reference Price used for the calculation of daily Price Limits shall be the most recently calculated Rounded Reference Price.

Downward Price Limits – Limit Offer

When the primary futures contract is limit offered at the 1st downward Price Limit, a 2-minute period shall commence. If the primary futures contract is not limit offered at the end of the 2-minute period, trading will continue with the next applicable downward Price Limit in effect. If the primary futures contract is limit offered at the end of the 2-minute period, trading shall terminate for a period of two minutes, after which time the market shall reopen. The next applicable downward price Limit shall apply to such reopening.

When the primary futures contract is limit offered at the 2nd downward Price Limit, a 2-minute period shall commence. If the primary futures contract is not limit offered at the end of the 2-minute period, trading will continue with the 3rd Price Limit in effect. If the primary futures contract is limit offered at the end of the 2-minute period, trading shall terminate for a period of two minutes, after which time the market shall reopen. The 3rd downward Price Limit shall apply to such reopening. The 3rd downward Price Limit shall represent the Total Daily downward Price Limit and shall prevail until the end of the trading day.

Upward Price Limits – Limit Bid

When the primary futures contract is limit bid at the 1st Price Limit, a 2-minute period shall commence. If the primary futures contract is not limit bid at the end of the 2-minute period, trading will continue with the next applicable upward Price Limit in effect. If the primary futures contract is limit bid at the end of the 2-minute period, trading shall terminate for a period of two minutes, after which time the market shall reopen. The next applicable upward Price Limit shall apply to such reopening.

When the primary futures contract is limit bid at the 2nd upward Price Limit, a 2-minute period shall commence. If the primary futures contract is not limit bid at the end of the 2-minute period, trading will continue with the 3rd upward Price Limit in effect. If the primary futures contract is limit bid at the end of the 2-minute period, trading shall terminate for a period of two minutes, after which time the market shall reopen. The 3rd upward Price Limit shall apply to such reopening. The 3rd upward Price Limit shall represent the Total Daily upward Price Limit and shall prevail until the end of the trading day.

35203. SETTLEMENT PROCEDURES

Final settlement of the Nikkei Stock Average futures contract shall be by cash settlement.

35203.A. Final Settlement Price

The final settlement price shall be the special opening quotation of the Nikkei Stock Average which is used to settle the Nikkei Stock Average Futures at the Osaka Securities Exchange, rounded to the nearest 1/100th of an index point. This value will usually be based on the opening of the second Friday of the contract month.

35203.B. Final Settlement

Clearing members holding open positions in a Nikkei Stock Average futures contract at the time of termination of trading in that contract shall make payment to or receive payment from the Clearing House in accordance with normal variation performance bond procedures based on a settlement price equal to the final settlement price.

35204. [RESERVED]

35205. [RESERVED]

35206. BASIS TRADE AT INDEX CLOSE (“BTIC”)

All BTIC transactions must be executed in accordance with the requirements of Rule 524.B. Notwithstanding the provisions in Rule 524.B.2., BTIC transactions are permitted on the last day of trading for the contract.

35206.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.

35206.B. BTIC Price Assignment Procedures

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

35206.C. BTIC Minimum Price Increments

The minimum price increment shall be 0.1 Index point, equal to \$0.5 per contract, for any basis adjustment that is applied to the Index closing level to establish the futures price of a BTIC transaction.

35206.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 regulatory trading halt necessitating an early closure of the Primary Listing Exchange.

(End Chapter 352)

Chapter 352B Yen Denominated Nikkei Stock Average Futures

352B00. SCOPE OF CHAPTER

This chapter is limited in application to Yen Denominated Nikkei Stock Average futures. In addition to this chapter, Yen Denominated Nikkei Stock Average futures shall be subject to the general rules and regulations of the Exchange as applicable.

For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.

352B01. CONTRACT SPECIFICATIONS

Each futures contract shall be valued at ¥500 times the Nikkei Stock Average. The Nikkei Stock Average is a broadly based, price-weighted average of 225 larger, actively traded Japanese stocks that are listed on the Tokyo Stock Exchange.

352B02. TRADING SPECIFICATIONS

352B02.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.

352B02.B. Trading Unit

The unit of trading shall be ¥500 times the Nikkei Stock Average.

352B02.C. Price Increments

Bids and offers shall be quoted in terms of the Nikkei Stock Average. The minimum fluctuation of the futures contract shall be 5 points, equivalent to ¥2500 per contract.

352B02.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.

352B02.E. [Reserved]

352B02.F. [Reserved]

352B02.G. Termination of Trading

Futures trading shall terminate at the close of trading on the Business Day immediately preceding the day of determination of the Final Settlement Price.

352B02.H. [Reserved]

352B02.I. Price Limits and Trading Halts

The primary ~~Yen Denominated Nikkei Stock Average~~ futures contract ~~expiration~~-month, as referenced in this rule, shall be determined by the Exchange. The Exchange shall also determine when the primary futures contract month is limit bid or limit offered. There shall be no Daily Price Limits in a contract on its last day of trading.

Reference Price for Exchange Price Limits and Exchange Trading Halts: Daily price limits in ~~Yen Denominated Nikkei Stock Average~~ futures will be established relative to the contract rounded Reference Price ("P") which shall be determined by the Exchange as follows:

- Tier 1 The Reference Price shall be equal to the volume-weighted average price of the Nikkei 225 mini Futures trades executed on the Osaka Securities Exchange ("OSE") from (i) 2:59:30 to 3:00:00 p.m. Tokyo time, or, in the event of an early close of the primary Tokyo securities market, (ii) the last thirty (30) seconds of the primary Tokyo securities market trading day (Reference Interval).
- Tier 2 If no transactions occur during the Reference Interval, the Reference Price shall be the average of the midpoints of each bid/ask spread in the OSE Nikkei 225 mini Futures contract during that thirty (30) second interval; however, bid/ask spread pairs wider than three (3) ticks (30 index points), shall not be included in the calculation to determine the Reference Price.
- Tier 3 If the Reference Price cannot be determined pursuant to Tiers 1 and 2 above, designated Exchange staff shall consider any other information deemed relevant to determine the Reference Price. Alternatives upon which Exchange staff may determine the Reference Price include, but are not limited to, the following: (1) deriving the Reference Price based on the basis relationship to the underlying cash index level; or (2) deriving the Reference Price by repeating Tier 1 or Tier 2 calculations at increasing thirty (30) second increment intervals until data is obtained.

If the Reference Price is not divisible by ~~10.004.00~~ without remainder then the Reference Price shall be rounded down to the closest ~~10.004.00~~ point increment. The Rounded Reference Price ("P") shall be used to determine daily Price Limits.

For a newly listed contract expiration month, there will be an implied Reference Price created by the Exchange for the sole purpose of establishing the Price Limits for the first day of trading.

Exchange Price Limit Levels: Price Limits shall be calculated daily based upon the rounded Reference Price, P, and Offset levels.

There will be three (3) Offset levels used to determine the three daily upward and the three daily downward Price Limits.

~~The three Offset levels shall be based on a twenty (20) trading day arithmetic average ("20-day Average") of the closing price of the Nikkei 225 index that will be calculated prior to the beginning of the Quarterly Price Limit period.~~

The three Offset levels will be:

$$\frac{8\% \text{ Offset}}{12\% \text{ Offset}} = \frac{(8\% \times P)}{(12\% \times P)}$$

$$\frac{12\% \text{ Offset}}{16\% \text{ Offset}} = \frac{(12\% \times P)}{(16\% \times P)}$$

$$\frac{16\% \text{ Offset}}{16\% \text{ Offset}} = \frac{(16\% \times P)}{(16\% \times P)}$$

~~8% Offset (= 8% × 20-day Average, rounded down to the closest 10 point increment)~~

~~12% Offset (= 12% × 20-day Average, rounded down to the closest 10 point increment)~~

~~16% Offset (= 16% × 20-day Average, rounded down to the closest 10 point increment)~~

~~Each resultant Offset value shall be rounded down to the nearest integer multiple of 10 Index points. Each such Offset, so rounded, shall be used in determination of the corresponding Price Limits. The Offsets used to determine the daily Price Limits are calculated every three months and shall be announced prior to the opening of trading in each Quarterly Price Limit period. The following Quarterly Price Limit periods shall apply:~~

~~March 1 through May 31~~

~~June 1 through August 31~~

~~September 1 through November 30~~

~~December 1, through February 28 (or February 29 during a leap year)~~

The Daily Price Limits for Yen Denominated Nikkei Stock Average futures shall be calculated as follows:

1st Price Limits equals Rounded Reference Price (P) ± 8% Offset level

2nd Price Limits equals Rounded Reference Price (P) ± 12% Offset level

3rd Price Limits equals Rounded Reference Price (P) ± 16% Offset level

If, on any CME Business Day, the OSE Nikkei 225 mini Futures contract is closed for trading, then the Rounded Reference Price used for the calculation of daily Price Limits shall be the most recently calculated Rounded Reference Price.

Downward Price Limits – Limit Offer

When the primary futures contract is limit offered at the 1st downward Price Limit, a 2-minute period shall commence. If the primary futures contract is not limit offered at the end of the 2-minute period, trading will continue with the next applicable downward Price Limit in effect. If the primary futures contract is limit

offered at the end of the 2-minute period, trading shall terminate for a period of two minutes, after which time the market shall reopen. The next applicable downward price Limit shall apply to such reopening.

When the primary futures contract is limit offered at the 2nd downward Price Limit, a 2-minute period shall commence. If the primary futures contract is not limit offered at the end of the 2-minute period, trading will continue with the 3rd Price Limit in effect. If the primary futures contract is limit offered at the end of the 2-minute period, trading shall terminate for a period of two minutes, after which time the market shall reopen. The 3rd downward Price Limit shall apply to such reopening. The 3rd downward Price Limit shall represent the Total Daily downward Price Limit and shall prevail until the end of the trading day.

Upward Price Limits – Limit Bid

When the primary futures contract is limit bid at the 1st Price Limit, a 2-minute period shall commence. If the primary futures contract is not limit bid at the end of the 2-minute period, trading will continue with the next applicable upward Price Limit in effect. If the primary futures contract is limit bid at the end of the 2-minute period, trading shall terminate for a period of two minutes, after which time the market shall reopen. The next applicable upward Price Limit shall apply to such reopening.

When the primary futures contract is limit bid at the 2nd upward Price Limit, a 2-minute period shall commence. If the primary futures contract is not limit bid at the end of the 2-minute period, trading will continue with the 3rd upward Price Limit in effect. If the primary futures contract is limit bid at the end of the 2-minute period, trading shall terminate for a period of two minutes, after which time the market shall reopen. The 3rd upward Price Limit shall apply to such reopening. The 3rd upward Price Limit shall represent the Total Daily upward Price Limit and shall prevail until the end of the trading day.

352B03. SETTLEMENT PROCEDURES

Final settlement of the yen denominated Nikkei Stock Average futures contract shall be by cash settlement.

352B03.A. Final Settlement Price

The final settlement price shall be the special opening quotation of the Nikkei Stock Average which is used to settle the Nikkei Stock Average Futures at the Osaka Securities Exchange, rounded to the nearest 1/100th of an index point. This value will usually be based on the opening of the second Friday of the contract month.

352B03.B. Final Settlement

Clearing members holding open positions in a yen denominated Nikkei Stock Average futures contract at the time of termination of trading in that contract shall make payment to or receive payment from the Clearing House in accordance with normal variation performance bond procedures based on a settlement price equal to the final settlement price.

352B04. [RESERVED]

352B05. [RESERVED]

352B06 BASIS TRADE AT INDEX CLOSE (“BTIC”)

All BTIC transactions must be executed in accordance with the requirements of Rule 524.B. Notwithstanding the provisions in Rule 524.B.2., BTIC transactions are permitted on the last day of trading for the contract.

352B06.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 schedule 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.

352B06.B. BTIC Price Assignment Procedures

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

352B06.C. BTIC Minimum Price Increments

The minimum price increment shall be 0.1 Index point, equal to ¥50 per contract, for any basis adjustment that is applied to the Index closing level to establish the futures price of a BTIC transaction.

352B06.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 regulatory trading halt necessitating an early closure of the Primary Listing Exchange.

(End Chapter 352B)

Chapter 370

E-mini Yen Denominated Nikkei Stock Average Index Futures

37000. SCOPE OF CHAPTER

This chapter is limited in application to E-mini Yen Denominated Nikkei Stock Average futures (“futures”). In addition to this chapter, futures shall be subject to the general rules and regulations of the Exchange as applicable.

For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.

37001. CONTRACT SPECIFICATIONS

Each futures contract shall be valued at ¥100 times the Nikkei Stock Average (“Index”).

37002. TRADING SPECIFICATIONS

37002.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.

37002.B. Trading Unit

The unit of trading shall be ¥100 times Index.

37002.C. Price Increments

Bids and offers shall be quoted in terms of the Index. The minimum price fluctuation shall be 10 points, equal to ¥1000 per contract.

37002.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.

37002.E. [Reserved]

37002.F. [Reserved]

37002.G. Termination of Trading

Futures trading shall terminate at the close of trading on the Business Day immediately preceding the day of determination of the Final Settlement Price.

37002.H. [Reserved]

37002.I. Price Limits and Trading Halts

The primary futures contract month, as referenced in this rule, shall be determined by the Exchange. The Exchange shall also determine when the primary futures contract month is limit bid or limit offered. There shall be no Daily Price Limits in a contract on its last day of trading.

Reference Price for Exchange Price Limits and Exchange Trading Halts: Daily price limits in futures will be established relative to the contract rounded Reference Price (“P”) which shall be determined by the Exchange as follows:

- Tier 1 The Reference Price shall be equal to the volume-weighted average price of the Nikkei 225 mini Futures trades executed on the Osaka Securities Exchange ("OSE") from 2:59:30 to 3:00:00 p.m. Tokyo time ~~or, in the event of an early close of the primary Tokyo securities market, (ii) the last thirty (30) seconds of the primary Tokyo securities market trading day (Reference Interval).~~
- Tier 2 If no transactions occur ~~from 2:59:30 to 3:00:00 p.m., Tokyo time~~ during the Reference Interval, the Reference Price shall be the average of the midpoints of each bid/ask spread in the OSE Nikkei 225 mini Futures contract during that thirty (30) second interval; however, bid/ask spread pairs wider than three (3) ticks (30 index points), shall not be included in the calculation to determine the Reference Price.
- Tier 3 If the Reference Price cannot be determined pursuant to Tiers 1 and 2 above, designated Exchange staff shall consider any other information deemed relevant to determine the Reference Price. Alternatives upon which Exchange staff may determine the Reference Price include, but are not limited to, the following: (1) deriving the Reference Price based on the basis relationship to the underlying cash index level; or (2) deriving the Reference Price by repeating Tier 1 or Tier 2 calculations at increasing thirty (30) second increment intervals until data is obtained.

If the Reference Price is not divisible by ~~10.004-00~~ without remainder then the Reference Price shall be rounded down to the closest ~~10.004-00~~ point increment. The Rounded Reference Price ("P") shall be used to determine daily Price Limits.

~~In the event of an early close of the primary Tokyo securities market, the Reference Price shall be determined based upon the time period that corresponds to the last thirty (30) seconds of the primary Tokyo securities market trading day.~~

For a newly listed contract expiration month, there will be an implied Reference Price created by the Exchange for the sole purpose of establishing the Price Limits for the first day of trading.

Exchange Price Limit Levels: Price Limits shall be calculated daily based upon the rounded Reference Price, P, and Offset levels.

There will be three (3) Offset levels used to determine the three daily upward and the three daily downward Price Limits.

~~The three Offset levels shall be based on a twenty (20) trading day arithmetic average ("20-day Average") of the closing price of the Nikkei 225 index that will be calculated prior to the beginning of the Quarterly Price Limit period.~~

The three Offset levels will be:

$$\frac{8\% \text{ Offset}}{= (8\% \times P)}$$

$$\frac{12\% \text{ Offset}}{= (12\% \times P)}$$

$$\frac{16\% \text{ Offset}}{= (16\% \times P)}$$

$$\frac{-8\% \text{ Offset}}{= (-8\% \times 20\text{-day Average, rounded down to the closest 10 point increment})}$$

$$\frac{-12\% \text{ Offset}}{= (-12\% \times 20\text{-day Average, rounded down to the closest 10 point increment})}$$

$$\frac{-16\% \text{ Offset}}{= (-16\% \times 20\text{-day Average, rounded down to the closest 10 point increment})}$$

~~Each resultant Offset value shall be rounded down to the nearest integer multiple of 10 Index points. Each such Offset, so rounded, shall be used in determination of the corresponding Price Limits. The Offsets used to determine the daily Price Limits are calculated every three months and shall be announced prior to the opening of trading in each Quarterly Price Limit period. The following Quarterly Price Limit periods shall apply:~~

~~March 1 through May 31~~

~~June 1 through August 31~~

~~September 1 through November 30~~

~~December 1, through February 28 (or February 29 during a leap year)~~

The Daily Price Limits for futures shall be calculated as follows:

1st Price Limits equals Rounded Reference Price (P) ± 8% Offset level

2nd Price Limits equals Rounded Reference Price (P) ± 12% Offset level

3rd Price Limits equals Rounded Reference Price (P) ± 16% Offset level

If, on any CME Business Day, the OSE Nikkei 225 mini Futures contract is closed for trading, then the Rounded Reference Price used for the calculation of daily Price Limits shall be the most recently calculated Rounded Reference Price.

Downward Price Limits – Limit Offer

When the primary futures contract is limit offered at the 1st downward Price Limit, a 2-minute period shall commence. If the primary futures contract is not limit offered at the end of the 2-minute period, trading will continue with the next applicable downward Price Limit in effect. If the primary futures contract is limit offered at the end of the 2-minute period, trading shall terminate for a period of two minutes, after which time the market shall reopen. The next applicable downward price Limit shall apply to such reopening.

When the primary futures contract is limit offered at the 2nd downward Price Limit, a 2-minute period shall commence. If the primary futures contract is not limit offered at the end of the 2-minute period, trading will continue with the 3rd Price Limit in effect. If the primary futures contract is limit offered at the end of the 2-minute period, trading shall terminate for a period of two minutes, after which time the market shall reopen. The 3rd downward Price Limit shall apply to such reopening. The 3rd downward Price Limit shall represent the Total Daily downward Price Limit and shall prevail until the end of the trading day.

Upward Price Limits – Limit Bid

When the primary futures contract is limit bid at the 1st Price Limit, a 2-minute period shall commence. If the primary futures contract is not limit bid at the end of the 2-minute period, trading will continue with the next applicable upward Price Limit in effect. If the primary futures contract is limit bid at the end of the 2-minute period, trading shall terminate for a period of two minutes, after which time the market shall reopen. The next applicable upward Price Limit shall apply to such reopening.

When the primary futures contract is limit bid at the 2nd upward Price Limit, a 2-minute period shall commence. If the primary futures contract is not limit bid at the end of the 2-minute period, trading will continue with the 3rd upward Price Limit in effect. If the primary futures contract is limit bid at the end of the 2-minute period, trading shall terminate for a period of two minutes, after which time the market shall reopen. The 3rd upward Price Limit shall apply to such reopening. The 3rd upward Price Limit shall represent the Total Daily upward Price Limit and shall prevail until the end of the trading day.

37003. SETTLEMENT PROCEDURES

Final settlement of expiring futures shall be by cash settlement.

37003.A. Final Settlement Price

The final settlement price shall be the special opening quotation of the [Nikkei Stock Average] Index which is used to settle the OSE Nikkei 225 mini Futures, rounded to the nearest 1/100th of an Index point. This value will usually be based on the opening of the second Friday of the contract month.

37003.B. Final Settlement

Clearing members holding open positions in expiring futures at the time of termination of trading in that contract shall make payment to or receive payment from the Clearing House in accordance with normal variation performance bond procedures based on a settlement price equal to the final settlement price.

37004. [RESERVED]

37005-06 [RESERVED]

(End Chapter 370)

Chapter 371 Yen Denominated TOPIX Index Futures

37100. SCOPE OF CHAPTER

This chapter is limited in application to Yen Denominated TOPIX 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 referenced herein shall refer to and indicate Chicago time.

37101. CONTRACT SPECIFICATIONS

Each futures contract shall be valued at ¥5,000 times the TOPIX Index (“Index”).

37102. TRADING SPECIFICATIONS

37102.A. Trading Schedule

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

37102.B. Trading Unit

The unit of trading shall be ¥5,000 times the Index.

37102.C. Price Increments

Bids and offers shall be quoted in Index points. Subject to Rule 37106.C., the minimum price increment shall be 0.5 Index points, equal to ¥2,500 per contract.

37102.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.

37102.E. [Reserved]

37102.F. [Reserved]

37102.G. Termination of Trading

Trading in expiring futures shall terminate at the close of trading on the Business Day immediately preceding the Business Day scheduled for determination of the Final Settlement Price of such futures (Rule 37103.A.).

37102.H. [Reserved]

37102.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 is limit bid or limit offered. Trading in a contract shall not be subject to Price Limits during the last day of trading in such contract. The primary futures contract month, as referenced in this rule, shall be determined by the Exchange. The Exchange shall also determine when the primary futures contract month is limit bid or limit offered. There shall be no Daily Price Limits in a contract on its last day of trading.~~

~~**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 37102.I.1.a.) and the corresponding Offsets (Rule 37102.I.1.b.), as follows:~~

~~8% Price Limits = Reference Price minus 8% Offset, and Reference Price plus 8% Offset~~

~~12% Price Limits = Reference Price minus 12% Offset, and Reference Price plus 12% Offset~~

~~16% Price Limits = Reference Price minus 16% Offset, and Reference Price plus 16% Offset~~

~~**1.a. Reference Prices for Price Limits and Exchange Trading Halts**~~

~~Daily price limits in futures will be established relative to the contract rounded Reference Price ("P") which shall be determined by the Exchange as follows: 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 TOPIX futures for the same delivery month, executed on the Osaka Stock Exchange ("OSE") either during the interval between 2:59:30 to 3:00:00 p.m. Tokyo time or, in the event of an early close of the OSE, during the last thirty (30) seconds of the OSE trading day ("Reference Interval").
- Tier 2 If no such transaction occurs during the Reference Interval, then such Reference Price shall be the average of midpoints of bid/ask spreads in TOPIX futures for the same delivery month, as quoted on the OSE 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 1.5 Index points (equal to 3 minimum price increments).
- Tier 3 If such Reference Price cannot be determined pursuant to Tiers 1 and 2 above, 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 0.5 Index points. Such Reference Price, so rounded, shall be used for determination of the corresponding Price Limits.

If, on any CME Business Day, the OSE TOPIX futures market is closed for trading, then the Reference Price used for the calculation of daily Price Limits shall be the most recently calculated Reference Price.

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

~~Four times per year the Exchange shall determine an Offset value for the next following Quarterly Price Limit period, where such Quarterly Price Limit periods are defined as follows:~~

~~March 1 through May 31~~

~~June 1 through August 31~~

~~September 1 through November 30~~

~~December 1 through February 28 (or February 29 during a leap year)~~

~~Each such Offset shall be based upon the arithmetic average ("I") of the daily closing levels of the Index during the interval of 20 consecutive TSE trading days that concludes on the TSE trading day immediately preceding the first day of the corresponding Quarterly Price Limit period. The closing level of the Index on any such TSE trading day shall be made on the basis of prices of Index constituent stocks determined in that day's TSE closing auction.~~

~~Values of such Offsets shall be determined as:~~

~~_____ 8% Offset = 8% of I (0.08 x I)~~

~~_____ 12% Offset = 12% of I (0.12 x I)~~

~~_____ 16% Offset = 16% of I (0.16 x I)~~

~~Exchange Price Limit Levels: Price Limits shall be calculated daily based upon the rounded Reference Price, P, and Offset levels.~~

~~There will be three (3) Offset levels used to determine the three daily upward and the three daily downward Price Limits.~~

~~The three Offset levels will be:~~

~~8% Offset = (8% x P)~~

~~12% Offset = (12% x P)~~

~~16% Offset = (16% x P)~~

Each resultant Offset value shall be rounded down to the nearest integer multiple of 0.5 Index points. Each such Offset, so rounded, shall be used in determination of the corresponding Price Limits, in accord with Rule 37102.1.1.

The Daily Price Limits for Nikkei Stock Average futures shall be calculated as follows:

1st Price Limits equals Rounded Reference Price (P) ± 8% Offset level

2nd Price Limits equals Rounded Reference Price (P) ± 12% Offset level

3rd Price Limits equals Rounded Reference Price (P) ± 16% Offset level

If, on any CME Business Day, the OSE TOPIX futures market is closed for trading, then the Reference Price used for the calculation of daily Price Limits shall be the most recently calculated Reference Price.

2.a. Downward Price Limits

At such time as the Primary Futures Contract becomes limit offered at the downward 8% Price Limit, the Exchange shall initiate a 2-minute observation interval. At the conclusion of such observation interval:

If the Primary Futures Contract is not limit offered at its downward 8% Price Limit, futures trading shall continue subject to the corresponding downward 12% Price Limit.

If the Primary Futures Contract remains limit offered at its downward 8% Price Limit, futures trading shall halt for two (2) minutes, and shall then resume subject to the corresponding downward 12% Price Limit.

At such time as the Primary Futures Contract becomes limit offered at its downward 12% Price Limit, the Exchange shall initiate a 2-minute observation interval. At the conclusion of such observation interval:

If the Primary Futures Contract is not limit offered at its downward 12% Price Limit, futures trading shall continue subject to the corresponding 16% Price Limit.

If the Primary Futures Contract remains limit offered at its downward 12% Price Limit, futures trading shall halt for two (2) minutes, and shall then resume subject to the corresponding downward 16% Price Limit.

There shall be no futures trading at any price strictly lower than the corresponding downward 16% Price Limit.

2.b.—Upward Price Limits

At such time as the Primary Futures Contract becomes limit bid at the upward 8% Price Limit, the Exchange shall initiate a 2-minute observation interval. At the conclusion of such observation interval:

If the Primary Futures Contract is not limit bid at its upward 8% Price Limit, futures trading shall resume subject to the corresponding upward 12% Price Limit.

If the Primary Futures Contract remains limit bid at its upward 8% Price Limit, futures trading shall halt for two (2) minutes, and shall then resume subject to the corresponding upward 12% Price Limit.

At such time as the Primary Futures Contract becomes limit bid at its upward 12% Price Limit, the Exchange shall initiate a 2-minute observation interval. At the conclusion of such observation interval:

If the Primary Futures Contract is not limit bid at its upward 12% Price Limit, futures trading shall resume subject to the corresponding upward 16% Price Limit.

If the Primary Futures Contract remains limit bid at its upward 12% Price Limit, futures trading shall halt for two (2) minutes, and shall then resume subject to the corresponding upward 16% Price Limit.

There shall be no futures trading at any price strictly higher than the corresponding upward 16% Price Limit.

37103. SETTLEMENT PROCEDURES

Delivery shall be by cash settlement.

37103.A. Final Settlement Price

For a futures contract for a given delivery month, the Final Settlement Price shall be based on the special quotation of the Index, determined by the TSE on the basis of opening prices on the TSE of each Index component stock. The Final Settlement Price shall be such special quotation of the Index rounded to the nearest 0.01 Index points.

Such special quotation of the Index and the corresponding Final Settlement Price typically shall be determined on the second Friday of such delivery month. When the second Friday of such delivery month is not a TSE business day, such special quotation of the Index and the corresponding Final Settlement Price shall be determined on the TSE business day immediately preceding the second Friday of such delivery month.

37103.B. Final Settlement

Clearing members holding open positions in an expiring futures contract at its termination of trading (Rule 37102.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 37103.A.).

37104. [RESERVED]

37105 [RESERVED]

37106. BASIS TRADE AT INDEX CLOSE (“BTIC”) TRANSACTIONS

All BTIC transactions must be executed in accordance with the requirements of Rule 524.B. Notwithstanding the provisions in Rule 524.B.2., BTIC transactions are permitted on the last day of trading for the contract.

37106.A. Reserved

37106.B. BTIC Price Assignment Procedures

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

37106.C. BTIC Minimum Price Increments

The minimum price increment shall be 0.1 Index points, equal to ¥500 per contract, for any basis adjustment that is applied to the Index closing level to establish the futures price of a BTIC transaction.

37106.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 regulatory trading halt necessitating an early closure of the Primary Listing Exchange.

37106.E. {Reserved}

(End Chapter 371)