



Special Executive Report

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REMINDER

Implementation of Variable Tick Changes on E-Mini™ S&P 500®, S&P 500, S&P 500 Growth, S&P 500 Value Options and CME GLOBEX® Order Entry Quantity Limits

Please note the following changes to the E-Mini S&P 500, S&P 500, S&P 500 Growth, and S&P 500 Value options contracts effective as of **Sunday, November 7, 2004**:

- A minimum price fluctuation or tick of 0.05 index point (\$2.50) for E-mini S&P 500 options trading at premiums of 3.00 index points or less will be applied. The current E-mini S&P 500 option tick of 0.25 index points (\$12.50) for options trading at premiums above 3.00 index points will be retained. Cabinet trades may be entered at minimum ticks of 0.05 index points (\$2.50) regardless of the level of option premium in contrast to the current 0.125 (\$6.25) cabinet trade increment.
- The S&P 500, S&P 500 Growth, and S&P 500 Value option tick sizes such that options trading at premiums of 3.00 index points or less will be quoted in 0.05 index point (\$12.50) ticks. Current practices require that options trading at premiums of 2.00 index points or less are quoted in 0.05 ticks.
- A CME GLOBEX order entry quantity limit of 1,500 contracts with respect to E-mini S&P 500 options will be applied. Currently no order entry quantity is applied to options although a 400 contract limit is applied to electronically traded equity index futures.

Please reference the table below:

Changes to Equity Options Tick Values

E-mini S&P 500	CURRENT	NEW (As of Nov. 7, 2004)
Large Tick	0.25 index pts (\$12.50)	Premium > 3.00 ⇒ 0.25 index pts (\$12.50)
Small Tick	0.25 index pts (\$12.50)	Premium ≤ 3.00 ⇒ 0.05 index pts (\$2.50)
Cabinet Trade	0.125 index pts (\$6.25)	0.05 index pts (\$2.50)
S&P 500	CURRENT	NEW (As of Nov. 7, 2004)
Large Tick	Premium > 2.00 ⇒ 0.10 index pts (\$25)	Premium > 3.00 ⇒ 0.10 index pts (\$25)
Small Tick	Premium ≤ 2.00 ⇒ 0.05 index pts (\$12.50)	Premium ≤ 3.00 ⇒ 0.05 index pts (\$12.50)
Cabinet Trade	0.05 index pts (\$12.50)	0.05 index pts (\$12.50)
S&P 500 Growth	CURRENT	NEW (As of Nov. 7, 2004)
Large Tick	Premium > 2.00 ⇒ 0.10 index pts (\$25)	Premium > 3.00 ⇒ 0.10 index pts (\$25)
Small Tick	Premium ≤ 2.00 ⇒ 0.05 index pts (\$12.50)	Premium ≤ 3.00 ⇒ 0.05 index pts (\$12.50)
Cabinet Trade	0.05 index pts (\$12.50)	0.05 index pts (\$12.50)
S&P 500 Value	CURRENT	NEW (As of Nov. 7, 2004)
Large Tick	Premium > 2.00 ⇒ 0.10 index pts (\$25)	Premium > 3.00 ⇒ 0.10 index pts (\$25)
Small Tick	Premium ≤ 2.00 ⇒ 0.05 index pts (\$12.50)	Premium ≤ 3.00 ⇒ 0.05 index pts (\$12.50)
Cabinet Trade	0.05 index pts (\$12.50)	0.05 index pts (\$12.50)

For more information, please do not hesitate to call Tina Lemieux, Director, Equity Products at 312-930-3151, Tom Boggs, Associate Director, Equity Products at 312-930-3038 or Brett Vietmeier, Associate Director, Equity Products at 312-930-3394.