



## Special Executive Report

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**DATE:** August 6, 2021  
**SER#:** 8828  
**SUBJECT:** Termination of Trading, Conversion and Delisting of Standard-Size Standard and Poor's 500 Stock Price Index Futures and Options on Standard and Poor's 500 Stock Price Index Futures Contracts

Pending all relevant regulatory Commodity Futures Trading Commission ("CFTC") review periods, Chicago Mercantile Exchange Inc. ("CME" or "Exchange") will implement various rule amendments to facilitate the conversion of unexpired open positions in Standard and Poor's 500 Stock Price Index Futures ("Standard-Size Futures") and Options on Standard and Poor's 500 Stock Price Index Futures ("Standard-Size Options") (collectively, "Standard-Size Contracts") following the close of trading on Friday, September 17, 2021, into notionally equivalent positions in E-mini Standard and Poor's 500 Stock Price Index Futures ("E-mini Futures") or Options on E-mini Standard and Poor's 500 Stock Price Index Futures ("E-mini Options") (collectively, "E-mini Contracts") at a fixed 1:5 ratio. At completion of the conversion there will be zero (0) open interest in the Standard-Size Contracts and they will be delisted immediately.

The table below provides information on the Standard-Size Contracts and E-mini Contracts that are subject to the conversion process.

Contract Title	Rulebook Chapter	Commodity Code
<b>Standard and Poor's 500 Stock Price Index Futures</b>	351	SP
<b>Options on Standard and Poor's 500 Stock Price Index Futures</b>	351A	SP
<b>E-mini Standard and Poor's 500 Stock Price Index Futures</b>	358	ES
<b>Options on E-mini Standard and Poor's 500 Stock Price Index Futures</b>	358A	ES

All forms of trading and trade submission in the Standard-Size Contracts will terminate at the normal close of trading on Friday, September 17, 2021, which is 4:00 PM (CT) for CME Globex trading and 5:45 PM (CT) for submission of ex-pit transactions. All Standard-Size Contract positions will be subject to the normal end-of-day ("EOD") settlement cycle, with any Standard-Size Contracts expiring on Friday, September 17, 2021 undergoing their normal final settlement process.

Following that final clearing cycle, every Standard-Size Contract position that remains open will be converted into five (5) E-mini Contracts over the weekend, prior to the next reopen of the E-mini Contract market on CME Globex at 5:00 PM (CT) on Sunday, September 19, 2021.

The conversion process will be cash-flow neutral. All Standard-Size Futures will convert into a notionally equivalent number of E-mini Futures Contracts at the September 17, 2021 EOD

settlement price. All Standard-Size Options will convert into a notionally equivalent number of E-mini Options Contracts with the same expiration date, strike price and exercise style (American or European), at a \$0 premium.

On September 18, 2021, CME Clearing will provide detailed results to each Clearing Member with converted positions. All positions resulting from the conversion will be reflected as E-mini Contract positions on subsequent trade registers and reports.

In connection with the conversion and delisting, CME will amend the daily settlement price rounding convention for the E-Mini Contracts as well as the Micro E-mini Standard and Poor's 500 Stock Price Index Futures and Options on Micro E-mini Standard and Poor's 500 Stock Price Index Futures ("Micro E-mini Contracts"). Operational requirements for offsetting E-Mini Contracts, Micro E-mini Contracts and Standard-Size Contracts pursuant to CME Rule 855. ("Offsetting Positions for Different-Sized Contracts") are such that the daily settlement price for these contracts is rounded to the nearest 0.10 index point increment for futures and 0.05/0.10 index points for options. These daily settlement increments are based on the minimum trading price increment for the Standard-Size Contract. After delisting the Standard-Size Contracts, that rounding convention will no longer be necessary. Rather, effective immediately upon completion of the conversion and delisting of the Standard-Size Contracts, CME will adjust the daily settlement price rounding increment for the E-Mini Contracts and the Micro E-mini Contracts to 0.25 for futures and 0.05/0.25 for options, which reflects those contracts' minimum trading price increment. There is no impact to the final settlement value of the E-mini Contracts or Micro E-mini Contracts.

For additional information, please refer to [CME Submission No. 21-344](#) and [Clearing Advisory Notice No. 21-274](#).

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