Bitnomial Exchange, LLC

Exchange SFP Rule Approval Request

September 18, 2026

BY ELECTRONIC FILING

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: BTNL-2026-105 - CFTC Regulation 41.24(b) Request for Approval of Security Futures Product Rule Amendments

Dear Mr. Kirkpatrick:

Pursuant to Commodity Futures Trading Commission ("CFTC" or "Commission") Regulation 41.24(b), using the procedures of Regulation 40.5, Bitnomial Exchange, LLC ("Bitnomial" or the "Exchange") hereby voluntarily submits for Commission review and approval by vote the following Exchange rule and procedure updates to the Bitnomial Rulebook. The changes establish the generic framework for listing and trading cash-settled security futures products ("SFPs"). Bitnomial Clearinghouse, LLC is submitting the Chapter 8 amendments separately under Regulation 41.24(b) as BTNL-2026-106. Bitnomial expects Commission approval within the 45-day review period under Regulation 40.5(c)(1). The listing standards and related rules are proposed to become effective upon CFTC approval. Trading will begin only after the applicable rule approvals, separate product approvals and other launch requirements are satisfied.

Overview and Rationale

On September 4, 2026, the Exchange, a designated contract market ("DCM") under the Commodity Exchange Act ("CEA" or "Act"), filed Form 1-N with the Securities and Exchange Commission ("SEC") to register as a national securities exchange for security futures products under Section 6(g) of the Securities Exchange Act of 1934 (the "Exchange Act" or "SEA"). That notice registration became effective upon filing. The SEC acknowledged receipt on September 8, 2026, in Release No. 34-106297, File No. 10-254. Bitnomial Clearinghouse, LLC (the "Clearinghouse") is a CFTC-registered derivatives clearing organization ("DCO").

The Exchange rule and procedure amendments in this request and the Chapter 8 amendments in the Clearinghouse's separate request, BTNL-2026-106, will be filed concurrently with the SEC in Form 19b-7, SR-BTNL-2026-001. Both CFTC requests seek approval by Commission vote under Regulation 41.24(b), using Regulation 40.5 procedures. The customer-margin obligation in Rule 806.21 is included in the Clearinghouse request. The Exchange's procedures apply a 15.25% minimum initial and maintenance customer-margin floor for SFPs, subject to any higher applicable requirement; the Exchange submits that requirement in this request, including under Regulation 41.49(b)(1). These requests concern the generic rules and procedures. Initial products will be submitted separately for approval under Regulation 41.23(b), using Regulation 40.5 procedures, beginning with BTNL-2026-107. The product applications are outside the scope of this request.

The listing framework covers eligible underlying common stocks and ADRs and permitted contract terms, including perpetual futures, under Rules 502 and 515. This submission does not request approval to list security-based swaps or options on security futures.

Permitting Bitnomial to list and clear security futures products will expand the available means of obtaining or hedging exposure to eligible underlying securities. Central counterparty clearing, daily mark-to-market and applicable customer-fund protections reduce reliance on bilateral counterparty exposure. Trading on a pre-trade transparent central limit order book provides observable prices and access through registered intermediaries. The Exchange permits multiple eligible intermediaries, whether affiliated or unaffiliated, to offer SFPs under the same admission, conduct and customer-protection requirements, consistent with the Act's objectives of responsible innovation and fair competition.

Bitnomial has considered whether listing security futures products poses any potential anticompetitive effects on market participants or others and has determined that it does not. Adding a class of products alongside the Exchange's existing offerings expands rather than constrains the alternatives available to market participants. Accordingly, Bitnomial has determined that the proposed rule amendments are consistent with the antitrust considerations set forth in Section 15(b) of the Act.

Adoption and Rule Updates

The Executive Team is authorized to take the actions required for these proposed rule amendments and this filing and has taken those actions. Rules 201, 202.1 and 203.1 set out the LLC governance, Board oversight and approved officer-authority framework under which the Exchange acts.

Exhibit 1 contains the proposed amendments to the following rules, with additions and deletions indicated, using the proposed rule text in the companion SEC filing. Chapter 8 amendments to Rules 803 and 806 are reproduced in the separate Clearinghouse request, BTNL-2026-106. It also includes the CF Hybrid Equity Indices Methodology Guide referenced in Rule 515.1 and the Securities Perpetual Pricing procedures referenced in Rule 515.6. The underlying index methodology governs funding and daily-settlement inputs; final settlement remains governed by Rule 515.4.

Rule 101 - Definitions

Adds definitions for BD, SEA and SEC, and a definition of Perpetual Futures as a perpetual-term contract priced, margined and settled every eight hours off the index price. Revises Settlement Price and Final Settlement Price to key off contract termination rather than a fixed expiration day.

Rule 303 - Requirements for Participants

Adds BD registration to the list of registrations a Participant must hold when required by Applicable Law. Extends statutory disqualification screening beyond CEA Section 8a(2) to SEA Section 3(a)(39) for any Participant that trades security futures products.

Rule 402 - General Trading Practices

Adds a new trading prohibition covering underlying issuer insiders. Directors and officers of the issuer within the meaning of SEA Section 16 may not trade the related security futures product, nor may anyone holding material non-public information about the issuer or the security.

Rule 405 - Position Limits

Requires position limits or position accountability levels for each security futures product under CFTC Rule 41.25(b)(3), applicable at least during the last three trading days of an expiring contract month or, for a perpetually settled security futures contract, each trading date. Rule 515.10.1 states a standard position limit of 200,000 contracts for the proposed single-stock perpetual futures, as reflected in the Contract Specifications. A position exceeding a limit solely because of an adjustment under Rule 515.3 does not constitute a violation.

Rule 501 - Market Hours and Operation

Makes SFP market hours subject to Rule 515 and provides that SFP trading halts and resumptions are governed by Rule 515.9. Rule 515.7 supplies the SFP session in place of Rule 501.1's default hours.

Rule 502 - Contracts Offered

Adds authority to list cash-settled security futures products subject to Rule 515. Rewrites trading termination so that a perpetually settled contract has no scheduled last trading day and terminates on a date the Exchange determines, with open positions finally settled under Rule 509 and, for security futures products, subject to Rule 515.4.

Rule 509 - Settlement Prices

Trims the Floating Market Price waterfall by removing curve interpolation and the Black-Scholes step, and adds a daily settlement formula for perpetually settled contracts based on the median of three inputs. Moves Black-Scholes to serve as the daily settlement price for options. For security futures products, Rule 515.4 governs final settlement, and Rule 515.6 governs perpetual funding and daily settlement in place of inconsistent general provisions of Rule 509.

Rule 515 - Security Futures Products Offered

Establishes initial and maintenance listing standards for underlying common stocks and ADRs, including ADR surveillance and volume tests. Rule 515.1 requires identification of the applicable CF Hybrid Equity Index and incorporation of its methodology. Rule 515.3

prescribes corporate-action treatment: cash adjustments through Variation Margin, split-related position rescaling while retaining the Trading Unit, and specific treatment of stock and property distributions, rights, spin-offs, special dividends, returns of capital, reorganizations and ticker changes. Rule 515.4 requires final cash settlement on termination under SEC Rule 6h-1(b) and Regulation 41.25(c), including the stated mandatory termination events. Rule 515.5 requires customer notice when an underlying falls out of compliance.

Rule 515.6 incorporates Securities Perpetual Pricing directly into the Exchange Rules and requires Contract Specifications to incorporate it. The rule states the principal funding and daily-settlement mechanics, which take precedence over inconsistent general provisions of Rule 509. Funding occurs at 03:00, 11:00 and 19:00 CPT each calendar day. Premiums are recorded every 15 seconds during open trading and receive their original chronological weights. Closed, halted and maintenance periods contribute neither samples nor weights. Missing eligible inputs during open trading produce a zero Premium with its weight; if the entire interval has no sample with the required inputs, the last Funding Rate carries forward, or zero applies before the first rate. The interest component is zero and the adjustment range is ±0.001%; that range does not cap the total Funding Rate.

A positive Funding Rate requires longs to pay shorts; a negative rate reverses the direction. Payments use the absolute net open position for the Trading Account immediately before the Funding Time, the Trading Unit, the applicable Settlement Price and the absolute Funding Rate converted to a decimal. The Clearinghouse applies the payments through the next Variation Margin cycle. Daily settlement uses the median of the index, index plus average basis, and Contract-price measure over a two-and-one-half-minute observation window, with the stated quotation-based fallbacks and carry-forward provisions.

The procedures also provide a closing valuation at scheduled weekly and holiday closes. Friday's 17:00 CPT closing Settlement Price uses the 16:57:30–17:00 window; Friday's 19:00 Funding Rate uses observations from 11:00–17:00 with no six-eighths scaling. The rate and closing price carry forward through closed-market Funding Times, including the standard Sunday 19:00 reopening Funding Time. Monday 03:00 is the first scheduled Funding Time using resumed trading, subject to the calculation and fallback provisions. Funding continues as a separate payment each interval during the closure. Rule 515.6.9 makes methodology amendments prospective.

Rule 515.7 sets the 24/5 schedule from Sunday 19:00 CPT through Friday 17:00 CPT, subject to published National Stock Exchange holidays, maintenance and halts. Rule 515.8 describes the index: one quotation source at a time, national-stock-exchange quotations during covered exchange sessions and Blue Ocean ATS quotations overnight, with a same-record bid/offer midpoint each second during scheduled publication and the methodology's contingency treatment.

Rule 515.9 requires regulatory halts and primary-listing-market halts or pauses, including news-pending events, single-security pauses, market-wide circuit breakers and corporate-action halts. Resumption requires resumption in each affected underlying on its primary listing exchange, open Contract Market Hours and no continuing halt. The rule also states the Exchange's coordinated-halt procedures.

Rule 515.10 supplies standard Contract Specifications: 100 shares per Contract, a minimum unit of 0.0001 Contract, a \$0.01-per-share tick, a \$1.00 tick value per Contract, a \$0.0001 tick value per minimum unit, a 200,000-contract position limit and a 25-contract reportable level. The 15.25% SFP customer-margin floor is implemented through the Exchange's applicable procedures. The Chapter 8 amendments in the separate Clearinghouse request do not add a numerical floor to the Rulebook.

Rule 607 - Notice to the Respondent, the CFTC, the SEC, and the Public

Adds an obligation to file prompt notice with the SEC of any final disciplinary sanction to the extent required by SEA Section 19(d) and Rule 19d-1.

Core Principle Compliance

The Exchange has reviewed the DCM Core Principles under Section 5(d) of the Act and will continue to comply with them. The proposed Exchange rules and procedures bear on the following DCM Core Principles. The Clearinghouse addresses the DCO Core Principles in its separate Chapter 8 request.

Core Principle 2 - Compliance with Rules: Bitnomial will continue its normal practice to establish, monitor, and enforce compliance with its rules, including the listing standards for cash-settled security futures products.

Core Principle 3 - Contracts Not Readily Susceptible to Manipulation: Core Principle 3, CEA Section 5(d)(3), and Regulation 38.200 require that listed contracts not be readily susceptible to manipulation. The proposed listing standards select actively traded underlying stocks with substantial transaction value, broad ownership and a large available share supply. The framework addresses manipulation of the security futures product and manipulation transmitted between that product, its underlying security and related securities, consistent with Regulation 41.22(f).

Liquidity and breadth of the underlying market. Rule 515.1 requires a market capitalization of at least $100 billion and average daily transaction value of at least $450 million over the preceding six months, or at least $1 billion over the preceding month for a security listed for less than six months. It also requires at least 7 million shares held by persons other than Section 16(a) reporting persons, at least 2,000 holders, estimated deliverable supply exceeding 20 million shares, national securities exchange listing and NMS status, and the specified minimum-price test. The transaction-value tests measure actual trading activity over a period of time. Together with the public-float, holder and supply tests, they establish a basis for selecting liquid, broadly held stocks and excluding thinly traded underlyings at admission. Substantial two-sided trading interest and dispersed ownership make it more difficult for a participant to dominate available supply or move the underlying price with a small amount of trading. Market capitalization supports that analysis; it is not used as a substitute for transaction-volume evidence.

Continuing liquidity review. Rule 515.2 requires, among other conditions, at least $50 billion in market capitalization, estimated deliverable supply exceeding 20 million shares, at least 1,600 holders and average daily transaction value of at least $200 million over the prior calendar quarter, or at least $1 billion over the period traded during that quarter for a more recently listed security. These maintenance tests allow the Exchange to identify deterioration after initial listing. If a standard is no longer met, Rule 515.2 permits restrictions on opening transactions and termination under Rule 515.4; Rule 515.5 requires customer notice when the Exchange gives notice of the failure. These provisions support an ongoing assessment rather than reliance solely on the original listing data.

Surveillance of the product and related markets. The Exchange's monitoring and investigation framework combines real-time market monitoring, automated trade surveillance and position review with coordinated surveillance of the underlying and related securities, including listed options. The Exchange is a member of the Intermarket Surveillance Group (ISG) and has information-sharing coverage for the relevant underlying, options and index-source markets. Rule 209 authorizes the exchange of surveillance reports and Participant information, investigation assistance, and requests to Participants and Clearing Members for information needed by another market. Rule 313 supports inspection and production of relevant records. The Exchange's coordinated-surveillance procedures provide for regulatory information requests and responses with the relevant markets to detect manipulation and insider trading. Rule 515.1.9 supplies additional surveillance conditions for ADRs.

The SFP surveillance program will relate Contract orders, executions and positions to underlying and related-market activity, issuer news and corporate actions. Review will address unusual price or volume movements, concentrated positions, wash trading, disruptive order patterns, insider-trading indicators, and trading around funding, daily settlement and final settlement. Staff will examine whether activity affecting an index input or settlement observation could benefit a related Contract position. Rules 503, 510 and 511 provide user identification, front-end records and customer-type indicators that complement Exchange records. Rules 402 and 403 prohibit manipulation and abusive execution. Staff will investigate alerts and referrals, obtain relevant records, document findings and disposition, and escalate potential violations under Chapter 6. The Chief Regulatory Officer directs the regulatory response under the oversight of the all-Public-Director Regulatory Oversight Committee under Rule 205.4.

Liquidity during extended hours. The initial and maintenance thresholds demonstrate substantial underlying-market activity over their measurement periods. Surveillance will cover the scheduled 24/5 trading week, including periods outside the underlying market's regular session, when available liquidity may be lower. The Exchange will assess source-market depth, concentration and reference-input integrity for the national-stock-exchange and Blue Ocean ATS inputs used during each interval. The Exchange's information-sharing coverage extends to the relevant index-source markets. Rules 515.1, 515.6 and 515.8 incorporate and describe the methodology and pricing procedures; Rules 501.3 and 515.9 govern halts and resumptions; and Rules 405.5 and 515.10.1 govern the standard 200,000-contract limit and its application. Review of funding and settlement inputs and interruption procedures complements the quantitative listing tests. A high average daily trading value does not establish uniform liquidity or eliminate manipulation risk in every interval.

Core Principle 4 - Prevention of Market Disruption: These changes comply with Core Principle 4, which expressly provides that a DCM must adopt and implement rules governing market participants subject to its jurisdiction to prevent, detect, and mitigate market disruptions or system anomalies associated with electronic trading.

Core Principle 5 - Position Limitations or Accountability: These changes comply with Core Principle 5 which requires limits or accountability levels, exemption standards, aggregation rules, and surveillance to prevent excessive speculation and manipulation. The selected position limit is 200,000 contracts for the proposed single-stock perpetual futures, applied each trading date, subject to applicable deliverable-supply and options-comparability requirements.

Core Principle 7 - Availability of General Information: Notification of the rule updates has been posted to https://bitnomial.com/exchange/regulatory in compliance with this Core Principle.

Core Principle 8 - Daily Publication of Trading Information: Bitnomial will publish trading volume, open interest, and price information for the contracts daily on its website and through quote vendors.

Core Principle 9 - Execution of Transactions: The contracts will be listed on Bitnomial's electronic trading platform, which provides for competitive and open execution. Eligible participants may also execute and submit block trades.

Core Principle 10 - Trade Information: The Exchange maintains order-lifecycle records, retention and reconstruction controls to support coordinated surveillance under Regulations 41.22(h) and 38.550–38.553. Exchange order, trade and position records complement the front-end records required of Participants and Clearing Members under Rule 510. Rule 503 requires unique, registered User IDs; Rule 511 requires the correct customer-type indicator. Rule 510 requires records of order entry, modification, cancellation and execution, timestamps that cannot be modified by the person entering the order, retention for at least five years and production in a standard format on request. Rule 512 separately addresses public trading information.

For SFP surveillance, the audit-trail program will link submissions, modifications, cancellations, rejections and executions to order identifiers, users, trading accounts, clearing firms and customer-type information, together with cleared trades, allocations and positions as applicable. These records permit reconstruction of order and trading activity. Staff will correlate them with relevant underlying and related-market activity and with the index observations and calculation records used for funding and settlement.

Exchange audit-trail retention and production are subject to Regulation 1.31; Participant and Clearing Member front-end retention remains separately governed by Rule 510. Compliance review will compare participant and Exchange records, check user and account identification, and investigate discrepancies. Rule 313 supports inspection and information requests; Chapter 6 provides for remediation and enforcement of applicable requirements.

Core Principle 11 - Financial Integrity of Transactions: Transactions in the contracts will be cleared by Bitnomial Clearinghouse in its capacity as a CFTC-registered DCO, subject to all applicable clearing regulations.

Core Principle 12 - Protection of Markets and Market Participants: The rule updates will have no impact on Bitnomial's duties to protect its markets and market participants from abusive, disruptive, fraudulent, noncompetitive and unfair conduct and trade practices.

Core Principle 13 - Disciplinary Procedures: Bitnomial may discipline, suspend, or expel participants that violate its rules, and will exercise that authority for violations identified in these contracts.

Core Principle 14 - Dispute Resolution: Participants may use Bitnomial's arbitration provisions to resolve disputes arising from trading in the contracts.

Core Principle 18 - Recordkeeping: Bitnomial is committed to its duties to maintain records pertaining to trading in a manner that satisfies the relevant criteria set forth in Commission Regulations.

Core Principle 20 - System Safeguards: All proposed trading activity will be subject to Bitnomial system safeguards. All trading is subject to risk analysis and oversight to identify and minimize operational risk.

Core Principle 21 - Financial Resources: The rule updates will not impact the Bitnomial's ability to discharge its financial, operational, or managerial responsibilities as a DCM.

Suitability and Dual Trading

Rule 303 and Rule 803, the latter included in the separate Clearinghouse request, require applicable registration and statutory-disqualification screening. The Exchange's SFP intermediary review also verifies the applicable FINRA or NFA membership and substantive suitability obligations. FINRA Rule 2370(b)(16)–(19) addresses SFP customer accounts, supervision, records and suitability. NFA Compliance Rule 2-30(j) imposes SFP account and recommendation requirements on NFA Members that are not also FINRA members and their Associates, subject to its terms. These substantive requirements supplement registration screening. The Exchange's checks cover the futures commission merchants, introducing brokers, commodity trading advisors, commodity pool operators and associated persons within Regulation 41.22(d), subject to the exceptions permitted by the Exchange Act and its rules. Rule 401.1 requires continuing compliance with applicable law; Rule 402.15 requires supervision; and Chapter 6 provides enforcement procedures.

The Exchange operates an electronic market without an open-outcry trading floor. The floor-broker dual-trading prohibition in Regulation 41.27(b)(1), read with paragraph (a)(5), therefore does not apply to execution on the Exchange. For electronic execution, Regulation 41.27(b)(2) addresses participants receiving a time or place advantage or the ability to override a predetermined matching algorithm. The Exchange's SFP market grants neither such an advantage nor such override ability. Rule 504.7 provides for predetermined, nondiscretionary central-limit-order-book matching on a price-time-priority basis, or as otherwise specified in Contract Specifications; the SFP configuration and participant privileges do not trigger Regulation 41.27(b)(2). Accordingly, that provision does not require a separate dual-trading prohibition for the proposed SFP market.

Customer and proprietary activity remain subject to Rules 402.16 and 403, including restrictions on misuse of nonpublic order information and prearranged or noncompetitive execution. Permitted pre-execution communications remain subject to Rule 403's customer-consent, information-use and order-entry conditions; eligible block trades remain subject to Rule 505. Rules 503, 510 and 511 support review of user, order and customer-type records. The Exchange will reassess Regulation 41.27 treatment if matching features or participant privileges change, and satisfy any resulting rule-approval requirement before using a feature that triggers paragraph (b)(2).

Regulation 41.22 Certifications

Pursuant to Regulation 41.24(b), the Exchange certifies as follows under Regulation 41.22, as applicable to the cash-settled security futures products covered by the proposed rules and the Exchange as the listing market. These certifications accompany the Exchange's request for Commission approval. The Clearinghouse provides the certifications applicable to its Chapter 8 amendments in its separate request. Each product remains subject to its separate Regulation 41.23(b) approval request and product-specific compliance evidence.

(a) Underlying securities. The underlying securities satisfy Regulation 41.21, including Exchange Act Section 12 registration, the applicable eligible-security requirements, and conformity with the Exchange's listing standards filed with the SEC. Rule 515 limits the proposed framework to eligible common stocks and qualifying ADRs and prescribes initial and continuing listing standards.

(b) Physical settlement. The proposed SFPs are cash settled under Rules 502 and 515.4. The payment-and-delivery arrangements for physically settled SFPs specified in Regulation 41.22(b) are therefore not applicable to this submission.

(c) Common clearing. Regulation 41.22(c) is reserved; no certification is required under that paragraph.

(d) Suitability. Only futures commission merchants, introducing brokers, commodity trading advisors, commodity pool operators or associated persons subject to suitability rules comparable to those of a national securities association registered pursuant to Section 15A(a) of the Exchange Act and the rules thereunder may solicit, accept any order for or otherwise deal in any transaction in or in connection with the SFPs, except to the extent otherwise permitted under the Exchange Act and its rules. The intermediary checks and FINRA/NFA requirements described above support this certification.

(e) Dual trading. Dual trading in the SFPs on the Exchange is restricted in accordance with Regulation 41.27. As described above, the Exchange has no open-outcry trading floor, and its SFP electronic market provides neither a participant time or place advantage nor an ability to override the predetermined matching algorithm that would trigger Regulation 41.27(b)(2).

(f) Resistance to manipulation. Trading in the SFPs is not readily susceptible to manipulation of the price of the SFP itself or to causing or being used in manipulation of the price of any underlying security, an option on that security, or an option on a group or index that includes that security, consistent with Regulation 41.25. The initial and maintenance liquidity and ownership tests, the selected 200,000-contract position limit for the proposed single-stock perpetual futures, pricing and settlement controls, and coordinated surveillance described under Core Principles 3 and 5 support this certification. Each product approval request will provide the corresponding underlying-market and product-design evidence.

(g) Coordinated surveillance. Procedures are in place for coordinated surveillance among the Exchange, any market on which an underlying security trades and other markets on which related securities trade, to detect manipulation and insider trading. These procedures are supported by the Exchange's ISG membership, operative information-sharing coverage and Rule 209, as described under Core Principle 3.

(h) Audit trails. An audit trail is in place to facilitate coordinated surveillance among the Exchange, any market on which an underlying security trades and other markets on which related securities trade. The Exchange records, reconstruction controls and Participant and Clearing Member recordkeeping requirements described under Core Principle 10 support this certification.

(i) Trading halts. Procedures are in place to coordinate regulatory trading halts among the Exchange, any market on which an underlying security trades and other markets on which related securities trade. Rules 501.3 and 515.9 require an SFP halt while a regulatory halt is in effect in any underlying security, consistent with Regulation 41.25(b)(2) and SEC Rule 6h-1, and address primary-listing-market pauses, news-pending events, market-wide circuit breakers and corporate-action halts. Resumption requires underlying-market resumption, open Contract Market Hours and no continuing halt. The procedures apply throughout the scheduled 24/5 trading week; continued index publication does not override a required regulatory halt.

(j) Margin. The margin requirements for the SFPs will comply with Regulations 41.43 through 41.48. Proposed Rule 806.21, submitted in the Clearinghouse's separate request, requires compliance with the joint SEC/CFTC customer-margin rules. The Exchange will apply a 15.25% minimum initial and maintenance customer-margin floor for SFPs, subject to any higher applicable requirement and the joint rules' account and position treatment. No new customer offset schedule is proposed.

General Compliance and Website Posting Certifications

Pursuant to Section 5c(c) of the Act and CFTC Regulation 41.24(b), using Regulation 40.5 procedures, Bitnomial certifies that the Rule updates comply with the Act and regulations thereunder. In addition, none of the Commission's regulations need to be amended and no sections of the CEA or the Commission's regulations need to be interpreted in order to approve these rule updates. No substantive opposing views were expressed to Bitnomial by governing board or committee members, members of the entity or market participants.

Bitnomial certifies that notice of this request for Commission approval and a copy of this submission have been concurrently posted on Bitnomial's website at https://bitnomial.com/exchange/regulatory, with information for which confidential treatment is requested redacted as permitted by Regulation 40.5(a)(6).

If you have any questions or require further information, please contact the undersigned at james.walsh@bitnomial.com.

Sincerely,

James A. Walsh

Chief Regulatory Officer
Bitnomial Exchange, LLC

Bitnomial Exchange, LLC

Exhibit Index

BTNL-2026-105 - DCM Rule Approval Request

Filing date: September 18, 2026. Total pages: 54.

Bitnomial Exchange, LLC

Exhibit 1 — Proposed DCM Rule Text

Deletions are enclosed in brackets; additions are underlined. Unchanged wording remains unmarked. Entire new or removed paragraphs are marked in full. Rule provisions use full dotted numbering, including the rule number, to identify nested provisions.

This exhibit reproduces the Exchange rule amendments in Form 19b-7, SR-BTNL-2026-001, Exhibit 4. Chapter 8 amendments to Rules 803 and 806 are included in the separate Clearinghouse request, BTNL-2026-106.

The CF Hybrid Equity Indices Methodology Guide and Securities Perpetual Pricing follow as Attachments 1-A and 1-B, respectively.

Rule 101 — Definitions

The following terms as used in the Rules have the meanings set forth in this Chapter, unless otherwise specifically provided elsewhere in the Rules or required by the context.

Account Administrator means an officer or employee of a Participant appointed pursuant to Rule 310.

Affiliate means a Person who directly or indirectly, controls, is controlled by, or is under common control with another Person.

Affiliate Participants and Clearing Members has a meaning set forth in Rule 1012.

API means Application Programming Interface, a programmatic software interface.

Applicable Law means, with respect to any Person, any statute, law, regulation, rule or ordinance of any governmental or self-regulatory authority applicable to such Person, including the CEA and CFTC Rules.

Approved Financial Institution has the meaning set forth in Rule 803.2.7.

Audit Trail has the meaning set forth in Rule 510.

Authorized User means a natural person, authorized by the Exchange as an Authorized User in accordance with Rule 306, who is either employed by or is an agent of a Clearing Member or a Participant.

Bankruptcy Code means Title 11 of the U.S. Code.

Bankruptcy Event has the meaning set forth in Rule 818.

BD means a broker or dealer as defined in the SEA and registered with the SEC as such.

Block Trade means a privately negotiated transaction in a Contract that meets certain quantity thresholds and that is permitted to occur away from the Exchange and reported in accordance with Rule 505.

Board means the Board of Directors of the Exchange and the Clearinghouse, which serves as a single governing body for both entities.

Board of Appeals means a panel comprised of a chair and two individuals appointed by the Board to consider appeals under Chapter 6.

Board of Trade means a board of trade as defined in CEA Section 1a(6) that has been approved by the Clearinghouse for the submission of Contracts for clearing, including the Exchange.

Business Day means any day on which the Exchange and Clearinghouse are open for trading and clearing.

CEA means the Commodity Exchange Act, as amended from time to time.

CFTC means the U.S. Commodity Futures Trading Commission or any successor agency.

CFTC Rules means the rules, regulations and orders of the CFTC, as amended from time to time.

Chair means the Chair of the Board.

Chief Executive Officer means the individual appointed by the Board to serve as the chief executive officer.

Chief Regulatory Officer means the individual appointed by the Board to serve as the chief regulatory officer.

Clearinghouse means Bitnomial Clearinghouse, LLC, a Delaware limited liability company registered by the CFTC as a derivatives clearing organization that is designated by the Exchange to provide clearing services with respect to any or all of the Contracts.

Clearinghouse Official means any Officer or Employee of the Clearinghouse and any member of the Board, a committee established by the Board, a Hearing Panel or Board of Appeals.

Clearing Member means a Person meeting the requirements of, and approved for, clearing membership at the Clearinghouse pursuant to Rule 803 that is authorized pursuant to the Rules to clear Contracts.

Clearing Member Agreement means an agreement between the Clearinghouse and a Clearing Member which must be signed in order for a Clearing Member to have access to the Clearinghouse for clearing services with respect to any or all of the Contracts.

Close-Out Value has the meaning set forth in Rule 818.

Collateral means such property as may be delivered by a Clearing Member to the Clearinghouse as collateral for the obligations of such Clearing Member to the Clearinghouse (including but not limited to Initial Margin and Variation Margin), and all proceeds of the foregoing and all proceeds of any of the foregoing, held in or for the accounts of a Clearing Member in connection with the financial obligations of such Clearing Member, however created, arising or evidenced, whether direct or indirect, absolute or contingent, existing, due or to become due. A list of Collateral accepted by the Clearinghouse is available on the Website.

Compliance Department has the meaning set forth in Rule 602.

Contract means any contract, agreement, or transaction approved for trading on the Exchange or for clearing by the Clearinghouse and pursuant to the Rules.

Contract Specifications means the descriptions of the contractual items for each Contract as set forth in the document available on the Website.

CPT means Central Prevailing Time.

Customer means any Person for whom a Participant carries an account (other than such Participant or any of its affiliates) or from whom a Participant solicits or accepts an order.

Customer Account means an account established by a Clearing Member with the Clearinghouse in which the Clearing Member maintains trades, positions and Margin solely for Customers of the Clearing Member.

Daily Settlement Price means the price for each Contract supplied by the Board of Trade to the Clearinghouse at the end of each trading day. For Exchange Contracts, has the meaning set forth in Rule 509.

Director means an individual serving on the Board.

Disciplinary Action has the meaning set forth in Rule 601.

Disciplinary Committee means a function of the Compliance Department to fulfill various adjudicative responsibilities and duties described in Rule 602.

ECM or Entity Clearing Member, means an entity approved as a Clearing Member pursuant to Rule 803.

Emergency means the occurrences or circumstances which, in the opinion of the Board, require immediate action to be taken in accordance with Rule 213.

Exchange means Bitnomial Exchange, LLC, a Delaware limited liability company designated by the CFTC as a designated contract market.

Exchange Official means any Officer or employee of the Exchange and any member of the Board, a committee established by the Board, a Hearing Panel or Board of Appeals.

Expiry means the Contract date of expiration.

FCM means a futures commission merchant as defined in the CEA and CFTC Rules and registered with the CFTC as such.

Fully Collateralized Swap means a swap contract cleared by the Clearinghouse that requires the Clearinghouse to hold, at all times, funds in the form of the required payment sufficient to cover the maximum possible loss that a party or counterparty could incur upon liquidation or expiration of the contract, as defined in 17 CFR § 39.2.

FDICIA has the meaning set forth in Rule 818.

Final Settlement Price means the price for each Contract supplied by the Board of Trade to the Clearinghouse as the Final Settlement Price [for]upon [the]Contract [Expiry]termination. For Exchange Contracts, has the meaning set forth in Rule 509.

Governmental Authority means any domestic or foreign government (or political subdivision), governmental or regulatory authority, agency, court, commission or other governmental or regulatory entity (including any Self-Regulatory Organization).

Guaranty Fund means fund comprising the monies, securities and instruments capitalized by Clearinghouse, which fund shall be used as provided in Rule 815 to reimburse the Clearinghouse for losses sustained by the Clearinghouse as a result of the failure of any Clearing Member to discharge its financial obligations in accordance with the Rules.

House Account has the meaning set forth in CFTC Rule 39.2.

ICM or Individual Clearing Member, means a natural person approved as a Clearing Member pursuant to Rule 803.

Initial Margin means the initial amount of Collateral that must be deposited with or paid to the Clearinghouse by Clearing Members in accordance with the Rules as a performance bond in respect of the Contracts held in any house account and customer accounts of such Clearing Members.

Investigation Team means a group within the Compliance Department, whose function is to fulfill the investigative and enforcement responsibilities described in Rule 602.

Last Trading Day means the last day a Contract may be traded as defined in Rule 502.

Liquidity Event has the meaning given to it in Rule 809.

LLC Agreement means the Limited Liability Company Agreement of the Exchange and Clearinghouse as amended or restated from time to time.

Margin means Initial Margin and Variation Margin or either of them.

NFA means the National Futures Association.

Official means an Exchange Official and a Clearinghouse Official.

Officer has the meaning given to it in Rule 203.

Order means any order to buy or sell a Contract on or subject to the Rules of the Exchange.

Participant means an entity that has signed the Participant Agreement for purposes of entering into Contracts for its own account or accesses the Exchange on behalf of a Customer. In addition, a Clearing Member who does not enter into Contracts for its own account shall be deemed to be a Participant hereunder solely for the purpose of accessing the Exchange in order to liquidate Contracts and any resulting positions previously submitted to the Clearinghouse for the account of such Clearing Member on behalf of a Participant that is in default for failure to perform its obligations to the Exchange or such Clearing Member (to the extent applicable).

Participant Agreement means an agreement between the Exchange and a Participant which must be signed in order for a Participant to have access to the Exchange for the execution of trades involving commodity derivative products and related financial instruments.

Perpetual Futures means a perpetual-term futures contract that is perpetually priced, margined, and settled every eight (8) hours based on the index price as specified in the product specifications.

Person means an individual, sole proprietorship, partnership, limited liability company, association, firm, trust, corporation or other entity, as the context may require.

Position Transfer means a transaction in a Contract(s) that is executed by the Exchange or the Clearinghouse personnel for administrative purposes outlined in Rule 507.

Price Bands mean a price range for aggressive orders based on the last top-of-book price as defined in Rule 504.3.1.

Price Limits mean a price range at which new Orders will be accepted as defined in Rule 504.3.2.

Public Director means a Director having the qualifications set out in Rule 202.

Regulatory Services Agreement means the agreement(s) between the Exchange or the Clearinghouse and the Regulatory Service Provider(s) whereby certain functions mandated under the CEA, such as market monitoring and trade practice surveillance, are delegated to the Regulatory Services Provider(s).

Regulatory Services Provider means NFA and such other organizations, if any, that provide regulatory services to the Exchange or the Clearinghouse, together with any such organization's employees and agents.

Requirements means the Rules; other requirements implemented by the Exchange or the Clearinghouse pursuant to the Rules; each term of a Contract; and the documentation and other contractual obligations between a Participant (including its Authorized Users) and the Exchange or a Clearing Member and the Clearinghouse.

Respondent means a Participant or Clearing Member under investigation for alleged Rule violation(s) or against which charges have been filed.

Rule means any rule, interpretation, stated policy, or instrument corresponding to any of the foregoing, including these Rules, in each case as adopted from time to time by the Exchange or the Clearinghouse.

SEA means the Securities Exchange Act of 1934, as amended from time to time.

SEC means the U.S. Securities and Exchange Commission or any successor agency.

Self-Regulatory Organization has the meaning given to such term in CFTC Rule 1.3(ee) and includes a derivatives clearing organization that is registered as such with the CFTC.

Settlement Bank means a bank that maintains an account either for the Clearinghouse or for any of its Clearing Members, which is used for the purpose of any settlement activity described in 17 CFR § 39.14.

Settlement Facility means a facility authorized by the Exchange for the delivery or transfer of underlying assets for physically settled Contracts. For delivery of Digital Asset futures, the Settlement Facility is Bitnomial Settlement, LLC, or any successor organization authorized by the Exchange. Bitnomial Settlement, LLC is authorized by the Exchange and not licensed, approved, or registered with the CFTC. For delivery of Digital Asset spot, the Settlement Facility is Bitnomial Clearinghouse, LLC.

Settlement Price means the price for each Contract supplied by the Board of Trade to the Clearinghouse at the end of each trading day (Daily Settlement Price) or [at the end of the Final Settlement Period on the expiration day of the]upon Contract termination (Final Settlement Price).

Surveillance Team means the group within the Compliance Department that is responsible for real-time and post-trade surveillance of the Exchange's trading systems, as described in Rule 602.

Trade Risk Limit has the meaning set forth in Rule 504.

Trading Account means a trading account to be separately tracked and margined by a Participant's Clearing Member.

Trading Account ID means an Exchange assigned ID that represents a Trading Account for use by the Clearinghouse and its Clearing Members.

Market Hours means, for any Business Day, the hours specified on the trading calendar on the Website and the hours specified in Rule 501.

Transaction means a Contract executed on a Board of Trade.

Variation Margin means on the Business Day a Contract has been accepted for clearing by the Clearinghouse, the difference between the price at which such Contract was bought or sold and the Settlement Price for such Contract; obligations to pay, as applicable, any settlement variation payment and other Contract-related payments due including options premiums and upfront fees; and thereafter, the difference, as applicable, between: the Settlement Price on a given Business Day and the preceding Settlement Price for such Contract, or the price at which such Contract was closed on the books of the Clearinghouse and the preceding Settlement Price for such Contract.

Website means bitnomial.com/exchange.

Rule 303 — Requirements for Participants

303.1. A Participant must be admitted to the Exchange and deliver an executed Participant Agreement. To be eligible for admission, the Participant must demonstrate to the Exchange that it:

303.1.1. is of good reputation and business integrity;

303.1.2. complies with the financial responsibility, recordkeeping and reporting requirements set out in Rule 304;

303.1.3. is validly organized, in good standing, and authorized by its governing body and, if relevant, documents of organization, to trade Contracts;

303.1.4. is not insolvent;

303.1.5. is not prohibited from using the services of the Exchange for any reason whatsoever;

[**303.1.6.** holds all registrations required under Applicable Law, if any, including any FCM, Supervisory Person and/or Associated Person registration, as applicable;]

[**303.1.7.** is not subject to statutory disqualification under Section 8a(2) of the CEA;]

303.1.6. holds all registrations required under Applicable Law, if any, including any FCM, BD, Supervisory Person and/or Associated Person registration, as applicable;

303.1.7. is not subject to statutory disqualification under Section 8a(2) of the CEA or, if it trades security futures products, statutory disqualification as defined in Section 3(a)(39) of the SEA;

303.1.8. satisfies any other criteria that the Exchange may require from a Participant.

303.2. As part of the application procedure, the Exchange may request such information and documentation as it may reasonably require in order to determine whether the Exchange's eligibility requirements have been satisfied. Any Participant organized or located outside of the United States shall enter into a written agreement acceptable to the Exchange appointing a third party as its U.S. agent for service of process for purposes of CFTC Rule 15.05, and shall provide the Exchange with a copy of the agreement.

303.3. The Exchange may deny, condition, suspend, or terminate Participant status of any entity that:

303.3.1. is unable to satisfactorily demonstrate its ability to satisfy the eligibility criteria to become or remain compliant as a Participant;

303.3.2. is unable to satisfactorily demonstrate its capacity to adhere to all applicable Rules;

303.3.3. would bring the Exchange into disrepute as determined by the Exchange in its sole discretion; or

303.3.4. shows such other cause as the Exchange may reasonably determine.

303.4. If the Exchange decides to deny or condition an applicant's application, the Exchange shall promptly notify the applicant in writing to the address provided by the applicant on the Exchange application form.

303.5. If the Participant is not itself a Clearing Member, the Participant must also be party to an agreement with a Clearing Member in accordance with Rule 802.

303.6. A person approved as a Participant shall be subject to all of the Rules of the Exchange.

303.7. Each applicant and each Participant agrees (i) promptly to provide, or procure the provision of, such information and documents as the Exchange may reasonably request, and (ii) that the Exchange, without being prevented by any duty of confidentiality by any holder of information, may obtain such information and documents from any Clearing Member or from the Clearinghouse.

303.8. The Exchange shall grant access to independent software vendors that meet the requirements for Participants set out in this Rule 303.

Rule 402 — General Trading Practices

402.1. Skills. Each Participant and Authorized User is responsible for understanding all factors that influence the markets in Contracts in order to maintain a high level of competence in its trading.

402.2. Rules. The Exchange will provide updates and amendments to these Rules and notices or advisories regarding the application and interpretation of these Rules. It is the obligation of each Participant and its Authorized User to ensure these documents are read and understood. It shall be prohibited for a Participant and its Authorized Users to violate any Rule or any agreement made with the Exchange, or to engage in fraud, dishonorable or dishonest conduct, or conduct which is inconsistent with just and equitable principles of trade, even where a Rule does not specifically reference "Participant" or "Authorized User."

402.3. Price Manipulation, Fictitious, Non-Competitive or Artificial Transactions. No Participant or Authorized User shall (1) effect or induce (or attempt to effect or induce) the purchase or sale of any Contract for the purpose of creating or inducing a false, misleading, or artificial appearance of activity in such Contract, or for the purpose of unduly or improperly influencing the market price of such Contract or for the purpose of making a price which does not reflect the true state of the market in such Contract, (2) effect or induce (or attempt to effect or induce) any conduct proscribed by CEA section 9(a)(2) in any Contract. No Participant or Authorized User shall arrange and execute simultaneous offsetting buy and sell Orders in a Contract with the intent to artificially affect reported revenues, trading volumes or prices.

402.4. Market Manipulation. No Participant or Authorized User shall (1) attempt to manipulate or manipulate the market in any Contract or (2) engage in any conduct proscribed by CEA section 9(a)(2). No Participant or Authorized User shall directly or indirectly participate in or have any interest in the profit of a manipulative operation or knowingly manage or finance a manipulative operation. This includes any pool, syndicate, or joint account, whether in corporate form or otherwise, organized or used intentionally for the purposes of unfairly influencing the market price of any Contract.

402.5. Market Disruption. Orders entered on the Exchange for the purpose of upsetting the equilibrium of the market in any Contract or creating a condition in which prices do not or will not reflect fair market values are prohibited, and any Participant or Authorized User who makes or assists in entering any such Order with knowledge of the purpose thereof or who, with such knowledge, in any way assists in carrying out any plan or scheme for the entering of any such Order, will be deemed to have engaged in an act detrimental to the Exchange.

402.6. Disruptive Trading Practices.

402.6.1. No Participant or Authorized User shall knowingly enter, or cause to be entered, bids, or offers into the Exchange other than in good faith for the purpose of executing bona fide transactions.

402.6.2. No Participant or Authorized User shall enter an Order or market message, or cause an Order or market message to be entered, with:

402.6.2.1. The intent to cancel the Order before execution, or modify the Order to avoid execution;

402.6.2.2. The intent to mislead other market participants;

402.6.2.3. The intent to overload, delay, or disrupt the systems of the Exchange or other market participants;

402.6.2.4. The intent to disrupt the orderly conduct of trading, or the fair execution of transactions; and/or

402.6.2.5. Reckless disregard for the adverse impact of the Order or market message.

402.6.3. No Participant or Authorized User shall knowingly enter any bid or offer for the purpose of making a market price which does not reflect the true state of the market, or knowingly enter, or cause to be entered bids or offers other than in good faith for the purpose of executing bona fide transactions.

402.7. Prohibition on the Use or Attempted use of Manipulative and Deceptive Devices. No Participant, Authorized User or Clearing Member shall:

402.7.1. use or employ, or attempt to use or employ, any manipulative device, scheme, or artifice to defraud;

402.7.2. make, or attempt to make, any untrue or misleading statement of a material fact or to omit to state a material fact necessary in order to make the statements made not untrue or misleading;

402.7.3. engage, or attempt to engage, in any act, practice, or course of business, which operates or would operate as a fraud or deceit upon any Person; or

402.7.4. deliver or cause to be delivered, or attempt to deliver or cause to be delivered a false or misleading or inaccurate report concerning market information or conditions that affect or tend to affect the price of any commodity in interstate commerce, knowing, or acting in reckless disregard of the fact that such report is false, misleading or inaccurate. Notwithstanding the foregoing, no violation of this subsection shall exist where the Person mistakenly transmits, in good faith, false or misleading or inaccurate information to a price reporting service.

402.8. Gratuities. Except with the prior written approval of the Chief Regulatory Officer, no Participant, Authorized User or Clearing Member shall, directly or indirectly, give or permit to be given anything of value, including gifts and gratuities, to an Official in an amount that exceeds the maximum value permitted by the Exchange and the Clearinghouse gifts and entertainment policy.

402.9. Rumors. No Participant, Authorized User or Clearing Member shall knowingly circulate, in any manner, rumors of a character which might affect market conditions in any Contract; provided, however, that this shall not prohibit discussion of unsubstantiated information, so long as its source and unverified nature are disclosed.

402.10. False Reports. No Participant, Authorized User or Clearing Member shall make any knowing misstatement of a material fact to the Exchange, the Clearinghouse, any Official, or any Board committee or panel.

402.11. Wash Sales. No Participant or Authorized User shall place or accept buy and sell Orders in the same Contract and expiration month, where known or reasonably should know that the purpose of the Orders is to avoid taking a bona fide market position exposed to market risk (transactions commonly known or referred to as wash sales). Buy and sell Orders by Participants or Authorized Users that are entered with the intent to negate market risk or price competition shall be deemed to violate the prohibition on wash trades. Additionally, no Participant or Authorized User shall knowingly execute or accommodate the execution of such Orders by direct or indirect means.

402.12. Financial Condition. No trading will be conducted for the purpose of misrepresenting the financial condition of a Participant or Authorized User.

402.13. Acts Detrimental to the Exchange or the Clearinghouse. No Participant, Authorized User or Clearing Member shall engage in any act that is detrimental to the Exchange or the Clearinghouse.

402.14. Misuse of the Exchange or the Clearinghouse. No Participant, Authorized User or Clearing Member shall permit the unauthorized use of the Exchange or the Clearinghouse, to assist any Person in obtaining unauthorized access to the Exchange or the Clearinghouse, to trade on the Exchange without an agreement and an established account with a Clearing Member, to alter the equipment associated with the Exchange or the Clearinghouse (except with the Exchange or the Clearinghouse written consent), to interfere with the operation of the Exchange or the Clearinghouse, to intercept or interfere with information provided thereby, or in any way to use the Exchange or the Clearinghouse in a manner contrary to the Rules.

402.15. Supervision. A Participant shall establish, maintain and administer reasonable supervisory procedures to monitor the compliance of Authorized Users and supervised persons with the Rules and any applicable provisions of the CEA and CFTC Rules and such Participant may be held accountable for the actions of such Authorized Users or supervised persons.

402.16. Disclosing Order Information. No Participant or Authorized User shall disclose an Order to buy or sell, except to a designated Exchange Official or the CFTC or as necessary to efficiently execute the Order nor shall any Participant solicit or induce another Participant or Authorized User to disclose Order information. No Person shall take action or direct another to take action based on non-public Order information, however acquired. The mere statement of opinions or indications of the price at which a market may open or resume trading does not constitute a violation of this rule.

402.17. Security Futures Products — Underlying Issuer Insiders. No Person who is a director or officer of the issuer of a security underlying a security futures product, within the meaning of Section 16 of the SEA, shall trade such security futures product. No Person in possession of material non-public information regarding the issuer of a security underlying a security futures product, or regarding such security, shall trade such security futures product.

Rule 405 — Position Limits

405.1. The Exchange may adopt and require Participants to adhere to position limits for Contracts. If so adopted, the Exchange may, in its sole discretion, grant exemptions from position limits for bona fide hedging transactions and positions in accordance with CFTC Rules. A Person seeking an exemption from position limits must apply to the Compliance Department in the form and manner required by the Exchange.

405.2. The CFTC may also from time to time establish position limits for Contracts traded pursuant to these Rules. For any such Contract subject to a position limit set by the CFTC, the Exchange shall not set its position limit at a level higher than the CFTC's limit.

405.3. For purposes of aggregation, no market participant shall own or control any combination of futures, options, and cleared swaps contracts that exceeds the contract specification's net long or short in any single contract month. In determining whether any market participant has exceeded the position limits, all positions in accounts for which such market participant by power of attorney or otherwise directly or indirectly holds positions or controls trading will be included with the positions held by such market participant. Position limits will apply to positions held by two or more market participants acting pursuant to an expressed or implied agreement or understanding, the same as if the positions were held by a single market participant.

[**405.4.** The position limit levels for those Contracts with position limits are set forth in the product rules.]

405.4. The position limit levels for those Contracts with position limits are set forth in the Contract Specifications.

405.5. The Exchange shall establish position limits or position accountability levels for each security futures product in accordance with CFTC Rule 41.25(b)(3). Such limits or levels shall be effective at least during the last three trading days of an expiring contract month or, for a perpetually settled security futures contract, each trading date, and shall be set forth in the Contract Specifications. A position exceeding such a limit solely as a result of an adjustment made in accordance with Rule 515.3 shall not constitute a violation of this Rule.

Rule 501 — Market Hours and Operation

501.1. Market Hours. The Exchange and the Clearinghouse will be open for, respectively, trading and clearing in all listed Contracts on all business days excluding holidays specified on the Website. Market hours shall be 19:00 to 16:00 CPT, Sunday through Friday unless otherwise specified in the Contract Specifications. Market Hours for security futures products are also subject to Rule 515.

501.2. Procedures. With respect to trading on or through the Exchange, the Exchange and the Clearinghouse may adopt, without limitation, procedures relating to Transactions in Contracts on the Exchange, including procedures to:

501.2.1. disseminate the prices of bids and offers and the prices of trades in Contracts;

501.2.2. record and account for Contracts;

501.2.3. perform market surveillance and regulation on matters affecting Contracts;

501.2.4. establish limits on the number and/or size of Orders that may be submitted by a Participant or Authorized User to the Exchange;

501.2.5. establish position limits on the number of Contracts that can be held by a Participant or customer on the Exchange;

501.2.6. establish limits on the number of messages a Participant can send to the Exchange for a Contract in a given time frame;

501.2.7. establish a limit on the maximum daily price fluctuations for any Contracts and provide for any related restriction or suspension of trading in such Contracts; and

501.2.8. require a suspended or expelled Participant, or a Participant with restricted trading rights, to cause Contracts to be executed for such Participant's account to reduce or eliminate such Participant's open positions.

501.3. Market Suspension and Emergencies. The Exchange and the Clearinghouse reserve the right to adjust Market Hours and suspend market activities for all or a subset of Contracts in the case of extenuating market circumstances which include, but are not limited to, any occurrence or circumstance which threatens or may threaten such matters as the fair and orderly trading in, or the liquidation of or delivery pursuant to, any Contracts, and which is determined by the Exchange to require immediate action, or any Emergency as defined in Rule 213. Trading halts and resumptions for security futures products shall be governed by Rule 515.

501.4. Price Limit Timer. If a trade occurs at the Price Limit for a side, the Exchange triggers a timer. If the timer elapses and no trades occur inside of the Price Limit, the Price Limits are re-calculated and reset. The resultant Price Limits are outside the original Price Limits to allow for additional price movement. The Exchange Market Operations & Risk Team may adjust the daily Price Limits at its sole discretion based on market conditions.

Rule 502 — Contracts Offered

502.1. Contracts/Expiries. Contract Specifications are set forth on the Website. Contract Specifications are subject to revision or amendment from time to time. Revised Contract Specifications may be listed for trading by self-certification in accordance with CFTC Rule 40.2, sent electronically to the CFTC for receipt by the open of business on the business day preceding the Contract's listing, which shall include:

502.1.1. a description of the Contract and its rules related to its terms and conditions,

502.1.2. the intended listing date,

502.1.3. certification by the Exchange that the Contract to be listed complies with the CEA and the CFTC Rules thereunder,

502.1.4. a concise explanation and analysis of the product and its compliance with applicable provisions of the CEA, including core principles, and the CFTC Rules thereunder, including supporting documentation, and

502.1.5. certification that the Exchange posted a notice of pending product certification with the Commission on its Website with a copy of the submission, with confidential treatment requests as appropriate. The Exchange will permit trading only in Contracts that are not readily susceptible to manipulation.

502.2. New Contracts. To offer new products, the Exchange may request that the CFTC approve a new product prior to listing the product for trading. The submission to the CFTC shall be filed electronically in accordance with CFTC Rules 40.3 and include:

502.2.1. a description of the product with the rules that set forth the Contract's terms and conditions,

502.2.2. an explanation and analysis of the product and its compliance with applicable provisions of the CEA, including core principles, and the CFTC Rules thereunder, including documentation relied upon to establish the basis for compliance with the applicable law, or incorporate information contained in such documentation, with appropriate citations to data sources,

502.2.3. description of any agreements or Contracts entered into with other parties that enable the Exchange to carry out its responsibilities,

502.2.4. certification that the Exchange posted on its Website a notice of its request for CFTC approval of the new product with a copy of the submission,

502.2.5. a request for confidential treatment as permitted under CFTC Rule 40.8, if appropriate, and

502.2.6. the filing fee required in accordance with CFTC Rules. If requested by CFTC staff, the Exchange will provide evidence, information or data demonstrating that the Contract meets, initially or on a continuing basis, the requirements of the CEA, or other requirements for designation or registration under the CEA or the CFTC Rules thereunder. The Exchange shall submit the requested information by the open of business on the date that is two business days from the date of request by CFTC staff, or at the conclusion of such extended period agreed to by CFTC staff after timely receipt of a written request from the Exchange.

502.3. Contract Listing.

502.3.1. Futures. The Exchange may list up to twelve consecutive Contract expiries for all non-Perpetual Futures.

502.3.2. Perpetual Futures. The Exchange may list Perpetual Futures Contracts.

502.3.3. Options. The Exchange may list options with at least one strike at the underlying Contract's previous Settlement Price, rounded down to the nearest minimum strike interval. The Exchange may list additional strikes, at its discretion, on any trading day.

502.3.4. Spot. The Exchange may list spot Contracts that are offered subject to Rule 514.

502.3.5. Swaps. The Exchange may list Fully Collateralized Swaps that are accepted for clearing by the Clearinghouse.

[**502.4. Contract Trading Termination**. Trading in a Contract shall terminate ("Trading Termination") on the Last Trading Day and time as follows or as otherwise specified in the Contract Specifications. If the Last Trading Day is not both a London and U.S. business day, trading terminates on the prior London or U.S. business day.]

[**502.4.1. Futures & Options**: 10:00 CPT on the trading day on the last Friday of the expiry month.]

502.3.6. Security Futures Products. The Exchange may list cash-settled security futures products, as defined in CEA Section 1a(45), offered subject to Rule 515.

502.4. Contract Trading Termination. Trading in a Contract shall terminate ("Trading Termination") on the Last Trading Day at the time specified in the Contract Specifications. For Futures and Options, Trading Termination is 10:00 CPT on the trading day on the last Friday of the expiry month, unless otherwise specified in the Contract Specifications. If the Last Trading Day is not both a London and U.S. business day, trading terminates on the prior London or U.S. business day. A perpetually settled Contract has no scheduled Last Trading Day or Trading Termination. The Exchange may terminate trading in such a Contract on a date and at a time it determines. Upon contract termination, all open positions shall be finally settled in accordance with Rule 509 and, for security futures products, subject to Rule 515.4.

502.5. Options Exercise. Options expiry is European style unless otherwise specified in the Contract Specifications. Following Trading Termination, any options Contract that is in the money shall be automatically exercised by the Clearinghouse and any options Contract that is out of the money shall be abandoned by the Clearinghouse. For the avoidance of doubt, no such options Contract that expires in the money may be abandoned, and no such options Contract that expires out of the money may be exercised.

Rule 509 — Settlement Prices

For security futures products, the timing and determination of final settlement, including any exercise of pricing discretion, are subject to Rule 515.4. For perpetually settled security futures products, Rule 515.6 governs funding and daily settlement in place of inconsistent provisions of this Rule.

509.1. Definitions

Daily Settlement Period: 14:55-15:00 CPT

Final Settlement Period: Five minutes prior to Trading Termination

Settlement Period: Daily or Final Settlement Period

Floating Market Price: The first available of the following methods:

509.1.1. The volume-weighted average price (VWAP) of all the trades during the Settlement Period.

509.1.2. The time-weighted average price (TWAP) of the bid-ask spread midpoint during the Settlement Period.

[**509.1.3.** The price implied from the futures or options curve of which the Contract is a constituent:]

[**Futures**: Futures curve interpolation.]

[**Options**: Black-Scholes model based on the Settlement Price and 30-day volatility of the underlying Contract.]

[**509.1.4.** The Contract's previous day's Settlement Price.]

[**509.1.5.** Market data sources deemed acceptable by the Exchange.]

[**509.2. Daily Settlement**. The Exchange will provide the Clearinghouse with Settlement Prices at least once per day. The Daily Settlement price shall be determined at the end of the Daily Settlement Period.]

[**509.3. Final Settlement**. The Exchange will provide the Clearinghouse with the Final Settlement Prices at the end of the Final Settlement Period on the expiration day of the Contract.]

509.1.3. The Contract's previous day's Settlement Price.

509.1.4. Market data sources deemed acceptable by the Exchange.

509.2. Daily Settlement. The Exchange shall provide the Clearinghouse with Settlement Prices at least once per day. The Daily Settlement price shall be determined at the end of the Daily Settlement Period.

509.3. Final Settlement. The Exchange shall provide the Clearinghouse with the Final Settlement Price at the end of the Final Settlement Period.

509.4. Sole Discretion. The Exchange has sole discretion to determine an alternative Settlement Price if the stated Settlement procedure produces prices which are not representative of the fair value of the Contract. The Exchange reserves the right to adjust Daily and Final Settlement Prices as it deems necessary based on current market conditions or otherwise.

509.5. Tick Alignment. All Settlement Prices are rounded to the nearest tick.

509.6. Futures & Swaps Settlement Prices

509.6.1. Physically (Delivery) Settled

Daily: The Floating Market Price.

Final: The Floating Market Price.

509.6.2. Financially (Cash) Settled

Daily: The Floating Market Price.

Final: The underlying index price.

509.6.3. Perpetually Settled.

Daily: The median of (1) the underlying index price, (2) the Floating Market Price, and (3) the underlying index price plus the simple moving average.

509.7. Options Settlement Prices

[**Daily**: The Floating Market Price.]

Daily: Black-Scholes model based on the Settlement Price and 30-day volatility of the underlying Contract.

Final: The underlying Settlement Price.

Rule 515 — Security Futures Products Offered

515.1. Initial Listing Standards. Contract Specifications shall identify the CF Hybrid Equity Index used as the underlying index for the security futures product and incorporate the CF Hybrid Equity Indices Methodology Guide published by CF Benchmarks as part of the Contract's Rules. The methodology governs determination of the underlying index price used for funding and daily settlement; final settlement is in accordance with Rule 515.4. A security may underlie a security futures product only if:

515.1.1. it is a common stock, or an American Depositary Receipt ("ADR") representing common stock or ordinary shares, in each case registered under Section 12 of the SEA, and its issuer is in compliance with applicable requirements of the SEA;

515.1.2. it is listed on a national securities exchange and reported as a national market system security;

515.1.3. at least 7,000,000 shares of the security are owned by persons other than those required to report their security holdings under Section 16(a) of the SEA;

515.1.4. the security has at least 2,000 security holders;

515.1.5. its estimated deliverable supply, as reasonably determined by the Exchange consistent with Appendix A to Subpart C of Part 41 of the CFTC Rules, exceeds 20 million shares;

515.1.6. it has a market capitalization of at least $100 billion;

515.1.7. it has had an average daily value of transactions of at least $450 million over the prior six months or, where the security has been listed for trading for less than six months, at least $1 billion over the prior month;

515.1.8. its market price per share has been at least $3.00 for the five consecutive business days preceding the date on which the Exchange commences listing and trading of the security futures product, as measured by the closing price reported in the primary market in which the underlying security is traded;

515.1.9. in the case of an ADR, one of the following is satisfied:

515.1.9.1. the Exchange has an effective surveillance-sharing agreement with the primary exchange in the home country where the security underlying the ADR is traded;

515.1.9.2. the combined trading volume of the ADR and other related ADRs and securities in the U.S. ADR market, or in markets with which the Exchange has in place an effective surveillance-sharing agreement, represents (on a share-equivalent basis) at least 50% of the combined worldwide trading volume in the ADR, the security underlying the ADR, other classes of common stock related to the underlying security, and ADRs overlying such other stock, over the three-month period preceding the date of selection of the ADR for futures trading (the "Selection Date");

515.1.9.3. each of the following: (a) the combined trading volume of the ADR and other related ADRs and securities in the U.S. ADR market, and in markets where the Exchange has in place an effective surveillance-sharing agreement, represents (on a share-equivalent basis) at least 20% of the combined worldwide trading volume in the ADR and in other related ADRs and securities over the three-month period preceding the Selection Date; (b) the average daily trading volume for the ADR in the U.S. markets over the three-month period preceding the Selection Date is at least 100,000 receipts; and (c) the daily trading volume for the ADR is at least 60,000 receipts in the U.S. markets on a majority of the trading days for the three-month period preceding the Selection Date; or

515.1.9.4. the SEC and the CFTC have otherwise authorized the listing; and

515.1.10. it is duly issued and outstanding, and is not trading on a when-issued basis or on another basis contingent upon its issuance or distribution.

515.2. Maintenance Listing Standards. Where an underlying security ceases to satisfy any of the following standards, the Exchange may prohibit opening transactions in the affected security futures product and may terminate trading in the Contract in accordance with Rule 515.4. A security underlying a security futures product shall satisfy each of the following on a continuing basis:

515.2.1. it remains registered under Section 12 of the SEA;

515.2.2. it has at least 6,300,000 shares owned by persons other than those required to report their security holdings under Section 16(a) of the SEA;

515.2.3. it has at least 1,600 security holders;

515.2.4. it has had an average daily value of transactions of at least $200 million over the prior calendar quarter or, where the security has been listed for trading for less than a quarter, at least $1 billion over the period traded during the calendar quarter;

515.2.5. it maintains an estimated deliverable supply exceeding 20 million shares;

515.2.6. it maintains a market capitalization of at least $50 billion; and

515.2.7. it has not closed below $3.00 per share for five consecutive Trading Days.

515.3. Corporate Action Adjustments.

515.3.1. Adjustment Standard. The Exchange shall make adjustments to preserve, as nearly as practicable, the economic position of holders of open positions immediately before a Corporate Action. "Corporate Action" means a stock split, reverse split, stock dividend, special or extraordinary distribution, rights offering, an event described in Rules 515.3.3 through 515.3.10, or a similar event affecting an underlying security. Adjustments may include, but are not limited to, adjustments to the methodology of the underlying index price, so that Settlement Prices remain continuous and comparable across Corporate Actions, and adjustments to the terms of outstanding security futures products. Adjustment determinations of the Exchange are conclusive and binding.

515.3.2. Application of Cash Adjustments. The Clearinghouse shall apply cash adjustments through the next Variation Margin cycle. Distribution payments per Contract shall equal the per-share amount or Exchange-determined value times the Trading Unit, paid from shorts to longs without duplicate settlement-price basis adjustments. Ordinary cash dividends shall result in a cash adjustment on the ex-dividend date.

515.3.3. Stock Splits and Reverse Splits. The Exchange shall adjust each open position using a ratio of post-action shares to pre-action shares, retain the standard Trading Unit, and divide the settlement-price basis used for Variation Margin by that ratio.

515.3.4. Stock Dividends and Stock Distributions. Stock dividends of the same underlying security shall be treated as splits. Distributions of other securities or property shall result in a cash adjustment for the value distributed.

515.3.5. Rights and Warrant Distributions. Distributed rights or warrants shall result in a cash adjustment for their value. If a rights issue changes the share count, the Exchange shall rescale each open position by a ratio it determines.

515.3.6. Spin-offs, Split-offs and Voluntary Exchange Offers. Spin-offs shall result in a cash adjustment for the value distributed. For split-offs and voluntary exchange offers, the Exchange shall determine whether an adjustment is appropriate and its terms, including treatment of elections and proration, subject to Contract termination under Rule 515.4.

515.3.7. Extraordinary or Special Cash Dividends. Such dividends shall result in a cash adjustment for the amount distributed.

515.3.8. Return of Capital. Cash or property returned to shareholders shall result in a cash adjustment for the amount or value distributed.

515.3.9. Recapitalizations, Reorganizations, Schemes of Arrangement and Reclassifications. If the Contract continues under this Rule, the Exchange shall adjust each open position for changes in share quantities, make cash adjustments for cash or property distributions, and determine any changes to the underlying security or other Contract terms.

515.3.10. Ticker Changes. If only the underlying security's ticker changes, the Exchange shall update Contract identifiers.

515.4. Contract Trading Termination. Termination of trading in a security futures product requires final cash settlement of all open positions. The Final Settlement Price shall be in accordance with SEA Rule 6h-1(b) and CFTC Rule 41.25(c). The Exchange shall announce the date and time of contract termination as far in advance as practicable; all trading in the Contract shall cease at that time. The Exchange may terminate trading in the Contract at any time in its sole discretion, whether or not an event described below has occurred, and such determination is final, conclusive, and binding. The Exchange shall terminate trading in the Contract upon the occurrence of any of the following:

515.4.1. the underlying security ceases to be listed on a national securities exchange, or is suspended from trading for a continuous period exceeding ten consecutive Trading Days;

515.4.2. the underlying security ceases to be registered under Section 12 of the SEA;

515.4.3. the underlying security ceases to satisfy the Maintenance Listing Standards and the Exchange determines not to continue the listing;

515.4.4. the completion of a merger, acquisition, tender offer, scheme of arrangement, or similar transaction as a result of which the underlying security is canceled, converted, or exchanged, or ceases to be outstanding;

515.4.5. the liquidation, dissolution, or winding-up of the issuer of the underlying security, or the entry of an order for relief in a bankruptcy proceeding in respect of such issuer that the Exchange determines is reasonably likely to result in the cancellation of the underlying security; or

515.4.6. any other event that the Exchange determines renders continued trading in the security futures product contrary to the maintenance of a fair and orderly market.

515.5. Customer Notice. Upon notice by the Exchange that an underlying security no longer satisfies the Maintenance Listing Standards, each Participant and Clearing Member shall, before effecting any transaction in the affected security futures product for a Customer, inform such Customer of such notice.

515.6. Perpetual Pricing Procedures. The Securities Perpetual Pricing procedures are incorporated into this Rule and form part of the Exchange Rules governing security futures products. The Underlying Contract Specifications shall incorporate those procedures as part of the Contract's Rules. They apply in place of inconsistent general daily-settlement provisions in Rule 509. Final settlement upon termination remains subject to this Rule. Those procedures govern funding and Daily Settlement Prices as follows:

515.6.1. Underlying Index Price. Funding and daily settlement use the index identified in the Underlying Contract Specifications, calculated under the incorporated methodology.

515.6.2. Funding Schedule. Funding Intervals run continuously in eight-hour periods, ending at 03:00, 11:00 and 19:00 Central Prevailing Time each calendar day. Funding continues during scheduled market closures, including weekends and holidays.

515.6.3. Premium Measurement. During open trading, the Exchange samples the Contract's order book every fifteen seconds. Contract Impact Prices calculated from available depth on the bid and ask sides are compared with the underlying Index Price to measure a premium or discount. Samples later in a Funding Interval receive greater weight. Sampling stops during market closures, trading halts and maintenance windows.

515.6.4. Funding Rate Calculation. A newly calculated Funding Rate is based on the weighted average premium or discount, with an Interest Rate of zero. An average premium or discount within 0.001% of zero produces a zero Funding Rate. Outside that range, the Funding Rate equals the amount exceeding that range and retains the direction of the premium or discount.

515.6.5. Funding Payments. Each funding payment is a "Funding Adjustment". A positive Funding Rate requires holders of long positions to pay holders of short positions; a negative Funding Rate reverses that direction. Payment amounts reflect the Funding Rate, open position size in Contracts, Contract multiplier and applicable Settlement Price. The Contract multiplier used in Securities Perpetual Pricing is the Trading Unit. The Clearinghouse applies funding payments through the next applicable Variation Margin cycle, combining payments falling within that cycle.

515.6.6. Daily Settlement Price. The Exchange determines a Settlement Price at each Funding Time, subject to the carry-forward provisions. The calculation uses the middle of three values: the underlying Index Price; that price adjusted for the average difference between the Contract's bid-ask midpoint and the Index Price; and the Contract's volume-weighted average trading price. The averaging window is the two and one-half minutes immediately preceding the valuation time. Quotation-based calculations and other fallback methods apply as specified in those procedures.

515.6.7. Scheduled Closing Valuations. The Exchange also determines a closing Settlement Price at each scheduled weekly or holiday market close. For Friday's 17:00 CPT close, the settlement window is 16:57:30 to 17:00 CPT. The Funding Rate determined at 19:00 CPT uses the six-hour observation window from 11:00 to 17:00 CPT. Closed periods contribute neither Premium samples nor weights. The closing Settlement Price and applicable Funding Rate carry forward through subsequent closed-market Funding Times, including the Funding Time coinciding with the scheduled reopening, as provided in those procedures.

515.6.8. Unavailable Inputs. During open trading, an unavailable Index Price or an empty side of the Contract order book produces a sample with no premium or discount. If no sample in an entire Funding Interval has the inputs needed to calculate a Premium, the last calculated Funding Rate carries forward; if none exists, a zero rate applies. Unavailable settlement inputs are handled through the fallback and carry-forward provisions of those procedures.

515.6.9. Amendments. Any amendment to the Funding Rate methodology shall apply prospectively only and shall not alter the Funding Rate or any Funding Adjustment obligation for any Funding Interval ending before the amendment's effective date.

515.7. Market Hours. Market Hours for security futures products shall extend from 19:00 CPT on Sunday through 17:00 CPT on Friday, in place of the default Market Hours in Rule 501. Market Hours shall observe National Stock Exchange holidays, which shall be listed on the Website. Trading remains subject to maintenance windows published on the Website and trading halts under Rule 501.

515.8. Underlying Index Methodology. CF Benchmarks administers and calculates the CF Hybrid Equity Index identified in the Underlying Contract Specifications. Securities Perpetual Pricing governs its use in funding and daily settlement.

515.8.1. Data Sources. The index uses only National Stock Exchange quotations during pre-market, regular and after-hours sessions and Blue Ocean ATS quotations overnight, selecting one source at a time under the methodology's session and holiday schedule.

515.8.2. Calculation. CF Benchmarks calculates the midpoint of the best bid and offer from the same quotation record each second during scheduled publication periods, subject to the methodology's contingency rules.

515.8.3. Availability. During data interruptions, the methodology governs whether CF Benchmarks retains an index value or suspends publication. Securities Perpetual Pricing governs unavailable Index Prices in Contract funding and daily settlement.

515.8.4. Oversight. CF Benchmarks reviews the methodology at least annually and consults users and relevant stakeholders before material changes or cessation. Changes to Contract terms and pricing procedures remain subject to the Exchange Rules.

515.9. Trading Halts for Security Futures Products.

515.9.1. Regulatory Halts. The Exchange shall halt trading in a security futures product while a regulatory halt, as defined in CFTC Rule 41.1 and SEA Rule 6h-1, is in effect in any security underlying the security futures product.

515.9.2. Primary Listing Market Halts. The Exchange shall also halt trading in a security futures product whenever the national securities exchange on which an underlying security has its primary listing halts or pauses trading in that security, including news-pending and other regulatory halts, single-security trading pauses, market-wide circuit breaker halts, and halts imposed in connection with Corporate Actions.

515.9.3. Resumption. Trading in the security futures product may resume only after trading in each affected underlying security has resumed on the national securities exchange on which it has its primary listing, within the applicable Contract Market Hours and subject to any other continuing trading halt.

515.9.4. Coordination. The Exchange maintains procedures to coordinate regulatory trading halts between the Exchange, the national securities exchange on which the underlying security has its primary listing, and other markets on which that security and related securities are traded.

515.10. Contract Specifications Template. The Underlying Contract Specifications for each security futures product shall use the following template. The numerical terms below are standard values for these Contracts. Bracketed fields shall be completed for each Contract.

515.10.1. Summary Specifications.

Term	Value
Product Name	[Underlying Name] Perpetual Futures
Product Code	[Product Code]
Underlying	[Security Type] of [Issuer] (CUSIP [CUSIP]; ticker symbol [Ticker])
Trading Unit	One hundred (100) shares of the Underlying
Minimum Unit	The minimum unit of trading is one ten-thousandth of a Contract
Price Quotation	Prices for the Contract are quoted in U.S. dollars per share
Tick Size	$0.01 per share
Tick Value	$1.00 per Contract
Tick Value (Minimum Unit)	$0.0001 per Minimum Unit
Price Band Variation	2%
Price Limit	10%
Position Limits	200,000 Contracts
Reportable Position Level	25 Contracts
Market Hours	Rule 515 and Rule 501
Contract Listing & Termination	Rule 502 and Rule 515

Term	Value
Settlement Method	Cash Settled; Rule 509 and Rule 515
Settlement Price	For Variation Margin and Funding Adjustments: Rule 515 and Daily Settlement Price Calculation; Index Price is the [Applicable CF Hybrid Equity Index]
Funding Rate Methodology	Securities Perpetual Pricing

515.10.2. Underlying Price Index. The Underlying Price Index is the [Applicable CF Hybrid Equity Index]. The CF Hybrid Equity Indices Methodology Guide published by CF Benchmarks is incorporated herein as part of the Contract Rules in accordance with Rule 515.

515.10.3. Funding Adjustments. Funding adjustments shall be in accordance with Rule 515. Securities Perpetual Pricing is incorporated herein as part of the Contract's Rules.

515.10.4. Dividends, Distributions, and Corporate Actions.

515.10.4.1. Corporate Action Adjustments. Corporate Action Adjustments, including ordinary cash dividends, shall be in accordance with Rule 515.

515.10.4.2. Contract Termination and Final Settlement. Contract duration, termination and final settlement shall be in accordance with Rule 502 and Rule 515.

515.10.5. Market Closures and Halts. Trading halts and resumptions shall be in accordance with Rule 515 and Rule 501. Emergency actions shall be subject to Rule 213.

515.10.6. Margin, Risk Controls, and Access.

515.10.6.1. Initial and Maintenance Margin. Customer and clearing-level margin requirements shall be in accordance with Rule 806 and Rule 820.

515.10.6.2. Pre-Trade Risk Controls. In accordance with Rule 501, Rule 504 and Rule 405, the Exchange may impose pre-trade risk controls, including price banding, order size limits, and position exposure limits, to ensure orderly trading and mitigate market disruption risk.

Rule 607 — Notice to the Respondent, the CFTC, the SEC, and the Public

The Exchange will provide written notice of Disciplinary Actions to the parties and the CFTC consistent with CFTC Rules. The Exchange shall promptly file notice with the SEC of any final disciplinary sanction to the extent required by Section 19(d) of the SEA and Rule 19d-1 thereunder. Whenever the Exchange suspends, expels, fines, or otherwise disciplines, or denies any Person access to the Exchange or Clearinghouse, the Exchange will make the public disclosures required by CFTC Rules.

CF Hybrid Equity Indices

Methodology Guide

Version:

1.0

Version Date:

17 September 2026

Contents

1 Version History

Version	Version Date	Changes to Previous
1.0	17 Sep 2026	

2 Overview

The CF Hybrid Equity Indices (the "Indices") are designed to measure the US dollar price of an individual stock that is listed on a National Stock Exchange (NSE). The indices are designed to publish continuously when NSEs and Alternative Trading Systems (ATS) are operating and as such draw input data from a variety of sources - depending on the time of day. The indices will only be calculated and published during times when NSEs and ATSs are open for business.

During time periods where NSE's are matching orders under their operational hours (commonly referred to as "Core Hours", "Pre-Market" and "After Hours") then BBO data from in-scope National Stock Exchanges provides the input data for the indices.

During time periods when NSE's are not matching orders then BBO data from in-scope equity market Alternative Trading Systems (ATS) provides the input data.

3 Definitions

Administrator: CF Benchmarks Ltd.

Calculation Agent: CF Benchmarks Ltd.

Calculation Time: Each second at which an Index is calculated.

API: Application programming interface.

Relevant Order Book: The most recent complete best bid and offer received for the underlying equity at or before the Calculation Time.

Retrieval Time: The time, as given by the server clock of the Calculation Agent, which the Relevant Order Book corresponds to. When obtained from a request/response API such as a REST API, this would be the time of the request made by the Calculation Agent through the API. When obtained from a real time feed such as a Websocket API, this would be the most recent time as of which the Calculation Agent has a valid Order Book from an unbroken connection.

4 Inputs and Sessions

For each individual stock that has a CF Hybrid Equity Index in calculation there will be two input data sources. At any given time only one source will be used to calculate the CF Hybrid Equity Index. The selection of which data source is determined by the table in Section 4.3.

4.1 National Stock Exchange Best Bid-Offer

The National Stock Exchanges from which the Indices will draw BBO input data are NYSE BQT, MEMX and IEX. NYSE BQT covers NYSE, NYSE American, NYSE Arca, NYSE National and NYSE Texas.

The bid and offer must come from the same BBO record. The calculation does not combine separate records to create a new quote.

4.2 Blue Ocean ATS Mid Point

The Blue Ocean ATS provides overnight coverage.

The bid and offer must come from the same BBO record. The calculation does not combine separate records to create a new quote.

4.3 Input Data Source Selection

The index selects its input data source in accordance with the below table

Day	Time in New York	Input Data Source
Mondays Where National Stock Exchanges are Open For Business	00:00:00 to 03:59:59	Blue Ocean ATS Mid-Point
	04:00:00 to 20:00:00	NSE BBO
	20:00:00 to 23:59:59	Blue Ocean ATS Mid-Point
Tuesdays Where National Stock Exchanges are Open For Business	00:00:00 to 03:59:59	Blue Ocean ATS Mid-Point
	04:00:00 to 20:00:00	NSE BBO
	20:00:00 to 23:59:59	Blue Ocean ATS Mid-Point
Wednesdays Where National Stock Exchanges are Open For Business	00:00:00 to 03:59:59	Blue Ocean ATS Mid-Point
	04:00:00 to 20:00:00	NSE BBO
	20:00 to 23:59:59	Blue Ocean ATS Mid-Point
Thursdays Where National Stock Exchanges are Open For Business	00:00:00 to 03:59:59	Blue Ocean ATS Mid-Point
	04:00:00 to 20:00:00	NSE BBO

	20:00:00 to 23:59:59	Blue Ocean ATS Mid-Point
Fridays Where National Stock Exchanges are Open For Business	00:00:00 to 03:59:59	Blue Ocean ATS Mid-Point
	04:00:00 to 20:00:00	NSE BBO
	20:00:00 to 23:59:59	No input Data Source Available - Index does not publish
Saturdays	00:00:00 to 23:59:59	No input Data Source Available - Index does not publish
Sundays where National Stock Exchanges are Open for Business the following day	00:00:00 to 19:59:59	No input Data Source Available - Index does not publish
	20:00:00 to 23:59:59	Blue Ocean ATS - Mid Point
Sundays where National Stock Exchanges are not Open for Business the following day	00:00:00 to 23:59:59	No input Data Source Available - Index does not publish
Weekdays where National Stock Exchanges are Open for Business, but not Open for Business the following day	00:00:00 to 03:59:59	Blue Ocean ATS Mid-Point
	04:00:00 to 19:59:59	NSE BBO
	20:00:00 to 23:59:59	No input Data Source Available - Index does not publish
Weekdays where National Stock Exchanges are Closed for Business	00:00:00 to 23:59:59	No input Data Source Available - Index does not publish

5 Calculation

5.1 NSE BBO Midpoint

For bid price b and offer price a, the midpoint M and full spread percentage S are:

$M = (b + a) / 2$

$S = 100 \times (a - b) / M$

A BBO is valid when both prices are finite and positive and $b \le a$. A locked quote is valid. Bid and offer sizes are not used.

During the period when the NSE BBO is utilised, the Index equals the valid BBO midpoint, subject to Section 6.1. An unchanged valid BBO does not expire solely because its timestamps are old.

5.2 Blue Ocean ATS Mid-Point

For bid price b and offer price a, the midpoint M and full spread percentage S are:

$M = (b + a) / 2$

$S = 100 \times (a - b) / M$

The Blue Ocean ATS Mid-Point is valid when both prices are finite and positive and $b \le a$. A locked quote is valid. Bid and offer sizes are not used.

During the period when the Blue Ocean ATS Mid-Point is utilised, the Index equals the valid BBO midpoint, subject to Section 6.1. An unchanged valid BBO does not expire solely because its timestamps are old.

6 Contingency Rules

6.1 Invalid NSE and Blue Ocean ATS Order Books

A crossed National Stock Exchange Best Bid-Offer order book or Blue Ocean ATS order book, or a missing, nonfinite or nonpositive order renders the order book invalid. The first invalid update starts one 30-second period. The last valid midpoint is retained while less than 30 seconds have elapsed.

Further invalid updates do not restart the period, including a change in the reason for invalidity. A valid update ends the invalid period and restores normal calculation. Updates between Calculation Times are included in this assessment.

At 30 seconds, the BBO-based value is unavailable unless a valid update has arrived. If no prior valid midpoint exists, no value is available.

6.2 Expert Judgement

The Administrator does not utilise Expert Judgement in the day-to-day calculation of the CF Hybrid Equity Indices. In extraordinary circumstances Expert Judgement may be exercised by the Administrator in accordance with its codified policies and processes which are available upon request.

6.3 Calculation Failure

If a CF Hybrid Equity Index cannot be calculated for a given Calculation Time, for instance because:

- the Retrieval Time of the Relevant Order Book is at least 30 seconds older than the Calculation Time, or
- The Relevant Order Book is flagged as erroneous
- any other reason or circumstance that prevents the orderly calculation of a CF Hybrid Equity Index,

then the CF Hybrid Equity Index for that Calculation Time is not published. The occurrence of any CF Hybrid Equity Index Calculation Failure is reported to CF management and persistent Calculation Failures will lead to a review of the methodology.

7 CF Hybrid Equity Index Parameters

7.1 Index Parameters

Tickers	Company Name
TSLA	Tesla, Inc.
SPCX	Space Exploration Technologies Corp.
NVDA	NVIDIA Corporation
AVGO	Broadcom Inc.
MU	Micron Technology, Inc.
AAPL	Apple Inc.
MSFT	Microsoft Corporation
AMZN	Amazon.com, Inc.
GOOGL	Alphabet Inc. (Class A)
PLTR	Palantir Technologies Inc. (Class A)

8 Methodology Review and Changes

This methodology is subject to internal review by the Administrator and the Oversight Function at least annually.

Any changes to this methodology are overseen by the Oversight Function, and in accordance with UK BMR Article 13.

All material changes to the methodology shall only be implemented after a consultation process with users and relevant stakeholders that shall be conducted according to the Administrator's policies and overseen by the Oversight Function.

Should the Administrator deem it necessary to cease providing any of the Indices it shall only do so after a consultation process with users and relevant stakeholders that shall be conducted according to the Administrator's policies and overseen by the Oversight Function.

Contact Information

CF Benchmarks Ltd

Address	Contact
6th Floor, One London Wall London EC2Y 5EB United Kingdom	Email: info@cfbenchmarks.com Website: www.cfbenchmarks.com

Notice and Disclaimer

CF Benchmarks Ltd is registered in England with registered number 11654816 and registered office at 6th Floor, One London Wall, London EC2Y 5EB, United Kingdom. CF Benchmarks is authorized by the UK Financial Conduct Authority as a registered Benchmark Administrator (FRN 847100).

This document and all of the information contained in it, including without limitation all methods, processes, concepts, text, data, graphs, charts (collectively, the “Information”) is the property of CF Benchmarks Ltd or its licensors, direct or indirect suppliers or any third party involved in making or compiling any Information (collectively, with CF Benchmarks Ltd, the “Information Providers”) and is provided for informational purposes only. The Information may not be reproduced or disseminated in whole or in part without prior written consent from CF Benchmarks Ltd.

The Information may not be used to create derivative works or to verify or correct other data or information without prior written consent from CF Benchmarks Ltd. For example (but without limitation), the Information may not be used to create indices, databases, risk models, analytics, software, or in connection with the issuing, offering, sponsoring, managing or marketing of any securities, portfolios, financial products or other investment vehicles utilizing or based on, linked to, tracking or otherwise derived from the Information or any other CF Benchmarks Ltd data, information, products or services.

The user of the Information assumes the entire risk of any use it may make or permit to be made of the Information. CF BENCHMARKS DOES NOT MAKE ANY EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS WITH RESPECT TO THE INFORMATION (OR THE RESULTS TO BE OBTAINED BY THE USE THEREOF), AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IT EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES (INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF ORIGINALITY, ACCURACY, TIMELINESS, NON-INFRINGEMENT, COMPLETENESS, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE) WITH RESPECT TO ANY OF THE INFORMATION.

Without limiting any of the foregoing and to the maximum extent permitted by applicable law, in no event shall CF Benchmarks have any liability regarding any of the Information for any direct, indirect, special, punitive, consequential (including lost profits) or any other damages even if notified of the possibility of such damages. The foregoing shall not exclude or limit any liability that may not by applicable law be excluded or limited, including without limitation (as applicable), any liability for death or personal injury to the extent that such injury results from the negligence or wilful default of itself, its servants, agents or sub-contractors.

None of CF Benchmarks Ltd’s products or services recommends, endorses, approves or otherwise expresses any opinion regarding any issuer, securities, financial products or instruments or trading strategies. None of the information published by CF Benchmarks is intended to persuade or incite you to buy or sell any financial products noted within, including but not limited to Exchange-Traded Funds, mutual funds or equities. None of CF Benchmarks Ltd’s products or services is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such.

Any use of or access to products, services or information of CF Benchmarks Ltd requires a license from CF Benchmarks Ltd.

Bitnomial Exchange, LLC

Securities Perpetual Pricing

September 15, 2026

This document describes proposed funding and cash-settlement calculations for Perpetual Futures on securities. Pursuant to Rule 515 of the Bitnomial Rulebook, Contract Specifications shall incorporate these procedures as part of the Contract's Rules. These procedures govern funding and daily settlement and take precedence over inconsistent general daily settlement provisions in Rule 509. Final settlement remains subject to Rule 515. Capitalized terms used herein have the meanings assigned in the Bitnomial Exchange Rulebook.

Positive Funding Rates require longs to pay shorts; negative rates require shorts to pay longs. Funding adjustments enter the next Variation Margin cycle.

The Index Price is the mark of the underlying index identified in the Contract Specifications. Each Contract Specification defines the exact underlying index for that Contract. Contract prices enter the Premium Index calculation to measure the funding premium relative to that mark and the median calculation used to determine the Daily Settlement Price. The underlying index is determined independently of Contract prices.

Only valid underlying index values calculated by CF Benchmarks from National Stock Exchange or Blue Ocean ATS market data under the incorporated index methodology may be used as new Index Price observations.

An Index Price observation must be finite, positive and valid for its calculation time under the incorporated index methodology. A value retained and published by CF Benchmarks under that methodology's contingency rules remains eligible if it is derived from an eligible source.

Funding Rate Calculation

Funding and settlement occur at 03:00, 11:00 and 19:00 Central Prevailing Time (CPT), each a "Funding Time". The Funding Rate and Settlement Price applicable at each Funding Time are determined under these procedures, including the carry-forward provisions below. Funding payments are accumulated for application through the next applicable Variation Margin cycle. Valuation and unavailable-data treatment are governed by the provisions below. Continued index publication does not override a trading halt under Rule 515 or Rule 501.

Funding Rate Intervals

- **Interval 1:** 19:00 CPT on the preceding day - 03:00 CPT
- **Interval 2:** 03:00 CPT - 11:00 CPT
- **Interval 3:** 11:00 CPT - 19:00 CPT

Funding Intervals run continuously on every calendar day, including weekends and holidays when Contract trading is closed. Market Hours and holiday closures are governed by Rule 515. Trading remains subject to Exchange maintenance windows and trading halts under Rule 515 and Rule 501.

At each Funding Time, a new Funding Rate is calculated from the Premium samples recorded during open trading in the preceding Funding Interval, including zero-valued samples assigned under the provisions below, subject to the following carry-forward rules. Closures, maintenance windows, trading halts and data interruptions do not shorten the eight-hour Funding Interval. If no sample in the interval has an available Index Price and determinable Contract Impact Prices on both sides, the most recently calculated Funding Rate, including its sign, is carried forward and applied at that Funding Time. This applies even if zero-valued samples were recorded because inputs were unavailable. If this occurs before any Funding Rate has been calculated, the Interest Rate of 0% applies. Funding payments are calculated separately for each interval under the Dollar Funding Payment provisions below.

Premiums are sampled once in each 15-second period during which Contract trading is open, whether or not a trade occurs. Unavailable inputs result in a zero Premium sample as specified below. Premiums are not sampled while Contract trading is closed or halted or during a maintenance window.

Each Funding Interval includes its opening boundary and excludes its ending boundary. When its inputs are available, each Premium sample uses the eligible Index Price and Contract order-book observations applicable immediately before the end of its 15-second sample period. Observations at a boundary belong to the following sample period.

For the Friday 17:00 CPT market close under Rule 515, the Funding Interval remains 11:00 to 19:00 CPT, but the observation window is the six hours from 11:00 CPT up to, but excluding, 17:00 CPT. At 19:00 CPT, the Exchange calculates the Funding Rate using the samples from that window, subject to the carry-forward provisions above. The closed portion from 17:00 to 19:00 CPT contributes neither samples nor weights and is not filled with zero Premium samples. The observation window is not extended into an earlier Funding Interval to obtain eight hours of samples. The Funding Rate Formula applies to the weighted average for the six-hour window without a six-eighths adjustment.

Funding Rate Formula

When a new Funding Rate is calculated, the following formula applies:

$$\mathrm{FR} = \mathrm{avg}(P) + \mathrm{clamp}(\mathrm{IR} - \mathrm{avg}(P), -0.001\%, 0.001\%)$$

Where:

- **FR** = Funding Rate (applied to positions)
- **IR** = Interest Rate = 0% per interval (fixed rate)
- **avg(P)** = Index Weighted Average Premium Index over the funding interval
- **clamp(x, min, max)** = Constrains x to be between min and max values

Index Weighted Average Premium Index Calculation

$$\mathrm{avg}(P) = \frac{1}{N} \times \sum_{i \in J} i \times P_i$$

Where:

- **n** = 1,920 (number of scheduled 15-second sample periods per eight-hour Funding Interval)
- **J** = set of sample periods in the Funding Interval for which a Premium sample was recorded, including zero-valued samples assigned because inputs were unavailable
- **N** = $\sum_{i \in J} i$, the sum of the weights of the included sample periods
- $\mathbf{P_i}$ = Premium Index at sample period i, in chronological order

Sample periods retain their original chronological indices within the Funding Interval. Zero-valued samples contribute zero to the weighted sum and their full sample-period weight to its denominator. Periods when sampling is suspended because Contract trading is closed, halted or under maintenance contribute neither a sample nor a weight. When all 1,920 periods contain a sample, $\mathbf{N = n(n + 1)/2 = 1{,}844{,}160}$. If **J** is empty, $\mathbf{N = 0}$ and no average is calculated; the Funding Rate is determined under the carry-forward provisions above.

With uninterrupted Contract trading during Friday's 11:00 to 17:00 CPT observation window, there are 1,440 sample periods, retaining indices 1 through 1,440, and $\mathbf{N = 1{,}440 \times 1{,}441 \,/\, 2 = 1{,}037{,}520}$. The 480 scheduled sample periods from 17:00 to 19:00 CPT are excluded. If a halt or maintenance window interrupts the six-hour observation window, **J** and **N** include only the periods when sampling occurs.

Premium Index Formula

$$P = \frac{\max(0, \mathrm{CI}_{\mathrm{bid}} - S) - \max(0, S - \mathrm{CI}_{\mathrm{ask}})}{S}$$

Where:

- **S** = positive underlying Index Price at the sample time
- $\mathbf{CI_{bid}}$ = Contract Impact Price for bid side

- $\mathbf{CI_{ask}}$ = Contract Impact Price for ask side

Contract Impact Price Calculation

$$\mathrm{CI}_{\mathrm{side}} = \frac{\sum_{i=1}^{b}(q_i \times p_i)}{\sum_{i=1}^{b} q_i}$$

Where:

- **side** = either “bid” or “ask”
- **b** = book levels included under the applicable Contract rules
- $\mathbf{q_i}$ = Number of Contracts included at price level i
- $\mathbf{p_i}$ = Price at level i

Each side is measured independently from its best price outward, using available quantity up to a maximum USD 50,000 notional depth, calculated as the sum of included Contract quantity times Contract multiplier times price. The final included price level may be partial. Available nonzero depth below the cap is used.

If either side of the Contract order book has no available depth or the Index Price is unavailable, the sample results in no premium or discount: $\mathbf{P = 0}$. The zero-valued sample is included in the weighted average with its full sample-period weight. Otherwise, the Premium Index Formula above applies.

Dollar Funding Payment

$$F = |\mathrm{FR}| \times Q \times M \times \mathrm{SP}$$

Where:

- **F** = Dollar payment, with direction determined by the Funding Rate sign
- **FR** = Funding Rate, converted from a percentage to a decimal
- **Q** = absolute number of Contracts in the net open position for the Trading Account immediately before the Funding Time
- **M** = Contract multiplier
- **SP** = Settlement Price in U.S. dollars per share as of the applicable Funding Time, determined under the Daily Settlement Price Calculation provisions below, including the carry-forward provisions for scheduled closures

The dollar funding payment is calculated separately at each Funding Time using the Settlement Price as of that Funding Time. A positive Funding Rate requires holders of long positions to pay holders of short positions; a negative Funding Rate requires holders of short positions to pay holders of long positions. A zero Funding Rate produces no payment. Funding payments are accumulated for application through the next applicable Variation Margin cycle. Where multiple Funding Intervals end within one Variation Margin cycle, each payment is calculated using its own Funding Rate and Settlement Price, and those payments are summed for application in that cycle. Each payment is effected by the Clearinghouse through Variation Margin and is not settled bilaterally between Members. Revisions to the underlying Index Price made after a Funding Time do not alter the applicable Funding Adjustment. The Contract multiplier is specified in the Underlying Contract Specifications.

Daily Settlement Price Calculation

A Settlement Price is determined at each Funding Time. The Exchange also determines a closing Settlement Price at each scheduled weekly or holiday market close under Rule 515, using the median methodology and fallback methods below. This closing valuation does not create an additional Funding Time.

For the Friday 17:00 CPT market close, the Settlement Period runs from 16:57:30 CPT up to, but excluding, 17:00 CPT. Its length remains two and one-half minutes, comprising ten 15-second sample periods. The Exchange determines the closing Settlement Price at 17:00 CPT using that window and the Index Price applicable immediately before the close, subject to the fallback methods below. Friday's 19:00 CPT funding payment uses this closing Settlement Price and the Funding Rate calculated from the 11:00 to 17:00 CPT observation window. Both values carry forward at subsequent Funding Times during the scheduled closure. For a standard weekend with trading resuming Sunday at 19:00 CPT, they also apply at that Funding Time; the first scheduled Funding Time using resumed trading is Monday at 03:00 CPT, subject to the calculation and fallback provisions herein.

If Contract trading was closed throughout the Settlement Period preceding a Funding Time because of a scheduled weekly or holiday closure, the closing Settlement Price is carried forward for that Funding Time. Otherwise, the Settlement Price is calculated using the median methodology and fallback methods below, using eligible Index Price observations and available Contract market data.

$$\mathrm{SP} = \mathrm{median}(S, S + \mathrm{ma}(S), \mathrm{ma}(C))$$

Where:

- **SP** = Settlement Price used for Variation Margin and Funding Adjustments, subject to the applicable tick-rounding rule
- **S** = underlying Index Price at the applicable valuation time, either a Funding Time or a scheduled market close
- **ma(S)** = simple moving average of the Contract's bid-ask midpoint minus the underlying Index Price over the Settlement Period
- **ma(C)** = volume-weighted average price of trades in the Contract during the Settlement Period, with the no-trade treatment below

The Settlement Period is the two and one-half minutes immediately preceding the applicable valuation time, comprising ten 15-second sample periods. The period includes its opening boundary and excludes its ending boundary. The Index Price at valuation is the eligible CF Benchmarks value applicable immediately before the valuation time; each basis sample uses the eligible observations applicable immediately before the end of its sample period. Observations first available at or after the valuation time are excluded. The basis average is:

$$\mathrm{ma}(S) = \frac{1}{v} \times \sum_{i=1}^{v} \left(\frac{p_{\mathrm{bid},i} + p_{\mathrm{ask},i}}{2} - S_i \right)$$

Here, $\mathbf{v}$ is the number of sample periods with a prevailing best bid, a prevailing best ask, and an eligible Index Price while Contract trading is open; $\mathbf{p_{bid,i}}$, $\mathbf{p_{ask,i}}$ and $\mathbf{S_i}$ are the bid, ask and underlying Index Price at each such sample time. A missing input causes the entire basis sample to be omitted. If $\mathbf{v = 0}$, $\mathbf{ma(S)}$ is unavailable.

Only Contract trades during open trading within the Settlement Period enter the volume-weighted calculation of $\mathbf{ma(C)}$. Where no such trade occurs, $\mathbf{ma(C)}$ is the time-weighted average of the midpoint between the prevailing best bid and best ask, calculated only over portions of the Settlement Period when Contract trading is open and both sides are available. The denominator is the duration of those eligible portions. Quotes retained while trading is closed, halted or under maintenance are excluded. If neither trades nor eligible two-sided quotations are available, $\mathbf{ma(C)}$ is unavailable.

The Settlement Price is the median, or middle value, of $\mathbf{S}$, $\mathbf{S + ma(S)}$ and $\mathbf{ma(C)}$ when all three can be determined. The absence of trades does not by itself make $\mathbf{ma(C)}$ unavailable when the time-weighted midpoint can be determined. Where one or more inputs cannot be determined, the following waterfall applies in order:

1. If $\mathbf{ma(C)}$ cannot be determined but $\mathbf{S}$ and $\mathbf{ma(S)}$ can be determined, $\mathbf{SP = S + ma(S)}$.
2. If $\mathbf{S}$ or $\mathbf{ma(S)}$ cannot be determined but $\mathbf{ma(C)}$ can be determined, $\mathbf{SP = ma(C)}$.
3. If neither $\mathbf{ma(S)}$ nor $\mathbf{ma(C)}$ can be determined but $\mathbf{S}$ can be determined, $\mathbf{SP = S}$.

If the Settlement Price cannot be determined under these methods, the most recently determined Settlement Price is carried forward. If no previous Settlement Price exists, the Exchange determines and publishes an initial Settlement Price pursuant to the Exchange Rules before the first settlement. The Exchange retains its authority under Rule 509 and the Clearinghouse retains its authority under Rule 813 to address an unavailable, erroneous or unreliable Settlement Price, subject to Rule 515.

Daily cash settlement uses the Settlement Price determined under this section, including a carried-forward Settlement Price during scheduled closures. Funding adjustments are calculated separately using the Funding Rate and the Settlement Price at the applicable Funding Time. Final Settlement on termination is determined separately as described below.

Trading Halts

Trading halts and resumptions are governed by Rule 515 and Rule 501. Publication of an Index Price does not permit trading to continue during a trading halt. Premium sampling stops while Contract trading is halted or under maintenance; retained Contract quotations are excluded from the settlement calculations for those periods. Observations collected during open portions of the interval remain eligible under the calculation methods above.

Final Settlement on Termination

Upon a Contract Termination Event, the Exchange announces the date and time of termination as far in advance as practicable. All trading ceases at that time, and all open positions are finally settled in cash at the Final Settlement Price determined under Rule 515.4, consistent with SEC Rule 6h-1(b) and CFTC Regulation 41.25(c). The Exchange determines the Final Settlement Price using the underlying security's opening price, or a price that fairly reflects that opening price, for the regular trading session of its listing market. If the security is no longer listed, the primary-market reference in SEC Rule 6h-1(a)(1) applies. The reference session is identified in the Contract Specifications or termination notice. The underlying index daily mark is not the source of the Final Settlement Price.

If the opening price is not readily available, the final price must fairly reflect the price during the most recent regular trading session or the next available opening price, as provided in SEC Rule 6h-1(b)(2) and CFTC Regulation 41.25(c)(2). The Exchange identifies the permitted basis in its settlement or termination notice; settlement using the next opening occurs after that price is available. The Clearinghouse may determine a Final Settlement Price under its rules subject to SEC Rule 6h-1(b)(3) and CFTC Regulation 41.25(c)(3). These requirements govern final settlement, including any exercise of general pricing discretion.