Securities and Exchange Commission

or more component securities, $30 million; or
(3) On each trading day of the preceding 6 full calendar months, with respect to a date no earlier than 30 days prior to the commencement of trading such contract:
   (i) Such index had at least 9 component securities;
   (ii) No component security in such index comprised more than 30 percent of the index’s weighting; and
   (iii) Each component security in such index was:
         (A) Registered pursuant to Section 12 of the Act (15 U.S.C. 78) or was a depositary share representing a security registered pursuant to Section 12 of the Act;
         (B) 1 of 750 securities with the largest market capitalization that day; and
         (C) 1 of 675 securities with the largest dollar value of trading volume that day.
(b) An index that is not a narrow-based security index for the first 30 days of trading pursuant to paragraph (a) of this section, shall become a narrow-based security index if such index has been a narrow-based security index for more than 45 business days over 3 consecutive calendar months.
(c) An index that becomes a narrow-based security index solely because it was a narrow-based security index for more than 45 business days over 3 consecutive calendar months.
(d) An index that becomes a narrow-based security index solely because it was a narrow-based security index for more than 45 business days over 3 consecutive calendar months.
§ 240.3a55–4 Exclusion from definition of narrow-based security index for indexes composed of debt securities.
(a) An index is not a narrow-based security index if:
   (1)(i) Each of the securities of an issuer included in the index is a security, as defined in section 2(a)(1) of the Securities Act of 1933(15 U.S.C. 77b(a)(1)) and section 3(a)(10) of the Act (15 U.S.C. 78c(a)(10)) and the respective rules promulgated thereunder, that is a note, bond, debenture, or evidence of indebtedness;
   (ii) None of the securities of an issuer included in the index is an equity security, as defined in section 2(a)(11) of the Securities Act of 1933 (15 U.S.C. 77b(a)(11)) and section 3(a)(10) of the Act (15 U.S.C. 78c(a)(11)) and the respective rules promulgated thereunder;
   (iii) The index is comprised of more than nine securities that are issued by more than nine non-affiliated issuers;
   (iv) The securities of any issuer included in the index do not comprise more than 30 percent of the index’s weighting;
   (v) The securities of any five non-affiliated issuers included in the index do not comprise more than 60 percent of the index’s weighting;
   (3) Lowest weighted 25% of an index has the same meaning as in §240.3a55–1(d)(5).
   (4) Preceding 6 full calendar months has the same meaning as in §240.3a55–1(d)(8).
   (5) Reported transaction has the same meaning as in §240.3a55–1(d)(10).
[66 FR 46514, Aug. 23, 2001]