

**SUBMISSION COVER SHEET**

**IMPORTANT:** Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 15-043 (1 of 4)

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

Filing as a:  DCM  SEF  DCO  SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 01/21/15 Filing Description: Revisions to CME Rule 589 ("Special Price Fluctuation Limits")

Please note only ONE choice allowed per Submission.

**Organization Rules and Rule Amendments**

- |                                     |                                     |            |
|-------------------------------------|-------------------------------------|------------|
| <input checked="" type="checkbox"/> | Certification                       | § 40.6(a)  |
| <input type="checkbox"/>            | Approval                            | § 40.5(a)  |
| <input type="checkbox"/>            | Notification                        | § 40.6(d)  |
| <input type="checkbox"/>            | Advance Notice of SIDCO Rule Change | § 40.10(a) |
| <input type="checkbox"/>            | SIDCO Emergency Rule Change         | § 40.10(h) |

**Rule Numbers:** 589

**New Product**

Please note only ONE product per Submission.

- |                          |                                       |            |
|--------------------------|---------------------------------------|------------|
| <input type="checkbox"/> | Certification                         | § 40.2(a)  |
| <input type="checkbox"/> | Certification Security Futures        | § 41.23(a) |
| <input type="checkbox"/> | Certification Swap Class              | § 40.2(d)  |
| <input type="checkbox"/> | Approval                              | § 40.3(a)  |
| <input type="checkbox"/> | Approval Security Futures             | § 41.23(b) |
| <input type="checkbox"/> | Novel Derivative Product Notification | § 40.12(a) |
| <input type="checkbox"/> | Swap Submission                       | § 39.5     |

**Official Product Name:**

**Product Terms and Conditions (product related Rules and Rule Amendments)**

- |                          |   |                      |
|--------------------------|---|----------------------|
| <input type="checkbox"/> | Certification   | § 40.6(a)            |
| <input type="checkbox"/> | Certification Made Available to Trade Determination     | § 40.6(a)            |
| <input type="checkbox"/> | Certification Security Futures                          | § 41.24(a)           |
| <input type="checkbox"/> | Delisting (No Open Interest)                            | § 40.6(a)            |
| <input type="checkbox"/> | Approval  | § 40.5(a)            |
| <input type="checkbox"/> | Approval Made Available to Trade Determination          | § 40.5(a)            |
| <input type="checkbox"/> | Approval Security Futures                               | § 41.24(c)           |
| <input type="checkbox"/> | Approval Amendments to enumerated agricultural products | § 40.4(a), § 40.5(a) |
| <input type="checkbox"/> | "Non-Material Agricultural Rule Change"                 | § 40.4(b)(5)         |
| <input type="checkbox"/> | Notification  | § 40.6(d)            |

**Official Name(s) of Product(s) Affected:**

**Rule Numbers:**

January 21, 2015

**VIA ELECTRONIC PORTAL**

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

**RE: CFTC Regulation 40.6(a) Certification. Amendments to CME/CBOT/NYMEX/COMEX Rule 589 (“Special Price Fluctuation Limits”).  
CME Submission No. 15-043 (1 of 4)**

Dear Mr. Kirkpatrick:

Chicago Mercantile Exchange Inc. (“CME”), The Board of Trade of the City of Chicago, Inc. (“CBOT”), New York Mercantile Exchange, Inc. (“NYMEX”) and Commodity Exchange, Inc. (“COMEX”), (collectively, the “Exchanges”) are notifying the Commodity Futures Trading Commission (“CFTC” or “Commission”) that they are self-certifying a revision to each Exchange’s Rule 589 (“Special Price Fluctuation Limits”).

Rule 589 was self-certified with the Commodity Futures Trading Commission (“CFTC”) on December 5, 2014 (Submission Nos. 14-525 – 14-532), and was adopted to deter sharp price movements that might be driven by an illiquid central limit order book that could exist in otherwise liquid markets. The limits are intended as a measure consistent with promoting price discovery and cash-futures convergence and thereby protecting market integrity. The revision to Rule 589 provides the CME Global Command Center (“GCC”) with the flexibility to act outside the parameters of the Rule in circumstances where it determines such action necessary to protect market integrity.

The revisions to Rule 589 appear in Exhibit A, with additions underscored, and will become effective on Thursday, February 5, 2015.

In connection with the revision, the Exchanges are today issuing CME Group Special Executive Report S-7286 (“S-7286”) to the marketplace.

The Exchanges reviewed the designated contract market core principles (“Core Principles”) as set forth in the Commodity Exchange Act (“CEA” or “Act”). During the review, we have identified that the revisions to Rule 589 may have some bearing on the following Core Principles:

Prevention of Market Disruption: The revision to Rule 589 is expressly intended to provide the GCC with the necessary authority to act outside the parameters of Rule 589 for the purpose of preventing market disruptions in circumstances where the process dictated by the remainder of the Rule could impact the ability of the Exchanges to continue operating its markets.

Availability of General Information: As required by this Core Principle, the marketplace will be informed of the revisions to Rule 589 via the issuance of S-7286.

Execution of Transactions: This Core Principle requires the Exchanges to operate efficient markets that protect the price discovery process. The revision to Rule 589 will allow the GCC to act outside the parameters of Rule 589 where it determines such action is necessary to ensure trading may occur at levels commensurate with activity in the underlying cash markets.

The Exchanges certify that the revisions to Rule 589 complies with the Act and regulations thereunder. There were no substantive opposing views to this proposal.

The Exchanges certify that this submission has been concurrently posted on the Exchanges' website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

If you have any questions regarding this submission, please contact me at 212-299-2200 or via e-mail at [CMEGSubmissionInquiry@cmegroup.com](mailto:CMEGSubmissionInquiry@cmegroup.com).

Sincerely,

/s/Christopher Bowen  
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit A – Revisions to CME/CBOT/NYMEX/COMEX Rule 589

# **Exhibit A**

## **CME/CBOT/NYMEX/COMEX**

### **Chapter 5 Trading Qualifications and Practice**

(additions are underscored)

#### **589. SPECIAL PRICE FLUCTUATION LIMITS**

The special price fluctuation limits applicable to those contracts with special price fluctuation limits are set forth in the Special Price Fluctuation Limits Table ("Table") in the Interpretations Section at the end of Chapter 5.

Notwithstanding any other provisions of this rule, the GCC may, in its absolute and sole discretion, take any action it determines necessary to protect market integrity. For avoidance of doubt, this authority includes, but is not limited to, modifying or eliminating price fluctuation limits at any time and/or determining whether to halt or not to halt trading. The GCC will promptly issue an alert with respect to actions taken pursuant to this provision.

[The remainder of the Rule is unchanged.]