

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 21-224 (2 of 2)

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

Filing as a: DCM SEF DCO SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 05/20/21 Filing Description: Various Amendments to the S&P 500 Stock Price Index Futures, E-mini S&P 500 Stock Price Index Futures and Related Options Contracts and Addition of Block Trade Eligibility to Options on E-mini S&P 500 Stock Price Index Futures

SPECIFY FILING TYPE

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:

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 |

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: See Filing

Rule Numbers: See Filing

May 20, 2021

VIA ELECTRONIC PORTAL

Mr. 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: Various Amendments to the S&P 500 Stock Price Index Futures, E-mini S&P 500 Stock Price Index Futures and Related Options Contracts and Addition of Block Trade Eligibility to Options on E-mini S&P 500 Stock Price Index Futures.
CME Submission No. 21-224 (2 of 2)**

Dear Mr. Kirkpatrick:

Chicago Mercantile Exchange Inc. (“CME” or “Exchange”) hereby certifies to the Commodity Futures Trading Commission (“CFTC” or “Commission”) various amendments to equity index contracts such that CME will: (1) expand the listing schedule of E-mini Standard and Poor’s 500 Stock Price Index Futures contracts and related options contracts for trading on the CME Globex electronic trading platform (“CME Globex”) and for submission for clearing via CME ClearPort; (2) reduce the strike price listing schedule of the Options on E-mini Standard and Poor’s 500 Index Futures contract; (3) permission block trading in all Options on E-mini Standard and Poor’s 500 Stock Price Index Futures contracts; (4) amend certain Exchange fees for Options on E-mini Equity Futures; and (5) effective immediately, cease listings new contract months of the Standard and Poor’s 500 Stock Price Index Futures contract and related options for expiration dates of such contracts beyond trade date Friday, September 17, 2021 (collectively, the “Rule Amendments”) effective on Sunday, June 6, 2021 for trade date Monday, June 7, 2021.

The Exchange is implementing the Rule Amendments in connection with the [previous announcement](#) to permanently close most open outcry trading pits.

In connection with this initiative, under separate cover the Exchange is certifying to the Commission the issuance of CME Group Market Regulation Advisory Notice RA2105-5 (“RA2105-5”) concerning Rule 538. (“Exchange for Related Positions”) to eliminate Exchange of Option for Option (“EOO”) transactions in CME full-sized Options on Standard & Poor’s 500 Stock Price Index Futures contracts (see CME Submission No. 21-239 also dated today).

List of Affected Contracts (the “Contracts”):

Contract Title	CME Rulebook Chapter	CME Globex/ CME ClearPort Code
Standard and Poor's 500 Stock Price Index Futures	351	SP/SP
Options on Standard and Poor's 500 Stock Price Index Futures	351A	SP/SP
Weekly Options on Standard and Poor's 500 Stock Price Index Futures - Week 1 – Week 4 (European-Style)	351A	EV1-4/EV1-4
Options on Standard and Poor's 500 Stock Price Index Futures - End-of-Month (European-Style)	351A	EV/EV
E-mini Standard and Poor's 500 Stock Price Index Futures	358	ES/ES
Options on E-mini Standard and Poor's 500 Stock Price Index Futures (Quarterly)	358A	ES/ES
Weekly Options on E-mini Standard and Poor's 500 Stock Price Index Futures - Week 1 – Week 4 (European-Style)	358A	EW1-4/EW1-4
Options on E-mini Standard and Poor's 500 Stock Price Index Futures - End-of-Month (European-Style)	358A	EW/EW

1. Expand listing schedule for the Options on E-mini Standard and Poor's 500 Stock Price Index Futures contracts (ES) (EW3):

	Current Listing Schedule	Expanded Listing Schedule Effective June 6, 2021
E-mini Standard and Poor's 500 Stock Price Index Futures (ES)	Five (5) consecutive quarterly contracts	Nine (9) consecutive quarterly contracts plus three (3) additional December contracts
Options on E-mini Standard and Poor's 500 Stock Price Index Futures (Quarterly) (ES)	Four (4) consecutive quarterly contracts	Nine (9) consecutive quarterly contracts plus three (3) additional December contracts
Weekly Options on E-mini Standard and Poor's 500 Stock Price Index Futures - Week 3 ONLY (EW3)	Three (3) nearest non-quarterlies months	Nine (9) nearest non-quarterly months

The listing schedules for all other expiration varieties of the Options on E-mini Standard and Poor's 500 Stock Price Index Futures remain unchanged.

2. Reduce strike price listing schedule of Options on E-mini Standard and Poor's 500 Stock Price Index Futures contracts (ES):

The strike price listing schedule of the Options on E-mini Standard and Poor's 500 Stock Price Index Futures contracts will be amended to reduce the listing of new strikes in 10- and 50-point increments for deferred expirations. The 50-point strikes will be added no sooner than 366 day prior to the contract's expiration date. The 10-point intervals will be added no sooner than 186 days prior to the contract's expiration date.

Exhibit 1 below provides a comprehensive table of the strike price listing schedule of the relevant Options on E-mini Standard and Poor's 500 Stock Price Index Futures contracts. Exhibit 2 further below provides the related amendments to CME Chapter 358A ("Options on E-mini Standard and Poor's 500 Stock Price Index Futures") in blackline format.

3. Permission block trading in all Options on E-mini Standard and Poor's 500 Stock Index Futures, with a minimum block threshold of 250 contracts.

For a block trade involving multiple expiries of options, each option leg in the trade would require a minimum threshold of 250 contracts.

4. Amendments to certain Exchange fees for Options on E-mini Equity Futures.

The amendments are set forth in Exhibit 3 below.

5. *Effective immediately*, cessation of certain S&P Futures and Options listings.

Effective immediately, new contract months of S&P futures and options will continue to be listed except in the case of the new contract scheduling to expire after September 17, 2021. As a result, only the following currently listed contract months with expiration date beyond September 17, 2021 will continue to be available for trading and clearing:

Futures	Options
December 2021, March 2022, June 2022, September 2022, December 2022, March 2023, December 2023, December 2024, December 2025.	Quarterly Options: December 2021, March 2022, June 2022, September 2022, December 2022, March 2023 End-Of-Month Options: September 2021, October 2021 Quarterly PM Options: December 2021, March 2022

Listing of contract months with an expiration date of on or before September 17, 2021 are not affected and will continue to be listed for trading and clearing pursuant to the usual listing schedule.

The Exchange reviewed the designated contract market core principles (“DCM Core Principles”) as set forth in the Commodity Exchange Act (“CEA” or “Act”) and identified that the Rule Amendments may have some bearing on the following Core Principles:

- **Availability of General Information:** The Exchange shall disseminate a Special Executive Report (“SER”) that sets forth information with regard to specifications, terms, and conditions of the Contracts. In addition to such SER, daily trading volume, open interest, and price information for the Contracts shall be published on the CME Group website.
- **Daily Publication of Trading Information:** The Exchange shall continue to publish trading volumes, open interest levels, and price information daily of the Contracts on the CME Group website and through quote vendors.
- **Execution of Transactions:** The Contracts are listed for trading on the CME Globex electronic trading platform and for submission of clearing via CME ClearPort. CME Globex provides for competitive and open execution of transactions and affords the benefits of reliability and global connectivity.
- **Financial Resources:** The proposed fee changes will not impact the Exchange’s ability to discharge its financial, operational, or managerial responsibilities as a DCM.

The Exchange certifies that this submission has been concurrently posted on the CME Group website at <http://www.cmegroup.com/market-regulation/rule-filings.html>. There were no substantive opposing views to the Rule Amendments.

Should you have any questions concerning the above, please contact the undersigned at (212) 299-2200 or via e-mail at CMEGSubmissionInquiry@cmegroup.com.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachments: Exhibit 1 – Amended Strike Price Listing Schedule
Exhibit 2 – Amendments to Certain Exchange Fees
Exhibit 3 – Amendments to CME Chapter 358A (blackline format)

Exhibit 1 - Amended Strike Price Listing Schedules

Options Variety	Strike Price Listing Schedule
Quarterly Options	(ES) 100 index point integer multiples, when listed: +30% to -50% of the prior day's settlement price on the underlying future contract 50 index point integer multiples, 366 days prior to expiry: +20% to -40% of the prior day's settlement price on the underlying future contract 10 index point integer multiples, 186 days prior to expiry: +10% to -25% of the prior day's settlement price on the underlying future contract 5 index point integer multiples, 35 days prior to expiry (or 5 Weeks): +5% to -15% of the prior day's settlement price on the underlying future contract
European Style Weekly Options	EW3 (Week 3) 100 index point integer multiples, when listed: +30% to -50% of the prior day's settlement price on the underlying future contract 50 index point integer multiples, 366 days prior to expiry: +20% to -40% of the prior day's settlement price on the underlying future contract 10 index point integer multiples, 186 days prior to expiry: +10% to -25% of the prior day's settlement price on the underlying future contract 5 index point integer multiples, 35 days prior to expiry (or 5 Weeks): +5% to -15% of the prior day's settlement price on the underlying future contract EW1, EW2 and EW4 (Week 1, 2 & 4)* 100 index point integer multiples, when listed: +30% to -50% of the prior day's settlement price on the underlying future contract 50 index point integer multiples, when listed: +20% to -40% of the prior day's settlement price on the underlying future contract 10 index point integer multiples, when listed: +10% to -25% of the prior day's settlement price on the underlying future contract 5 index point integer multiples, when listed: +5% to -15% of the prior day's settlement price on the underlying future contract
End-of-Month Options	(EW) 100 index point integer multiples, when listed: +30% to -50% of the prior day's settlement price on the underlying future contract 50 index point integer multiples, when listed: +20% to -40% of the prior day's settlement price on the underlying future contract 10 index point integer multiples, 186 days prior to expiry: +10% to -25% of the prior day's settlement price on the underlying future contract 5 index point integer multiples, 35 days prior to expiry (or 5 Weeks): +5% to -15% of the prior day's settlement price on the underlying future contract

*unchanged

Exhibit 2 - Amendments to CME Chapter 358A

CME Rulebook Chapter 358A

Options on E-mini[®] Standard and Poor's 500 Stock Price Index Futures (additions underscored; deletions [struck through])

358A01. OPTIONS CHARACTERISTICS

358A01.E. Exercise Prices

1. Regularly-Listed Exercise Prices

On any Business Day, and subject to Rule 358A01.A., the Exchange shall ensure that all Quarterly (Rule 358A01.D.1), European Style Weekly (Rule 358A01.D.2), European Style Wednesday Weekly (Rule 358A01.D.3), European Style Monday Weekly (Rule 358A01.D.4), and European Style End-of-Month (Rule 358A01.D.5) put and call options that are exercisable into a given Underlying Futures Contract are listed for trading at all eligible exercise prices as follows:

100 Point Exercise Prices

All exercise price levels that are integer multiples of 100 Index points (e.g., 2300, 2400, 2500) and that lie within a range from 50 percent below to 30 percent above the daily settlement price of such Underlying Futures Contract for the first preceding Business Day.

50 Point Exercise Prices

All exercise price levels that are integer multiples of 50 Index points (e.g., 2400, 2450, 2500) and that lie within a range from 40 percent below to 20 percent above the daily settlement price of such Underlying Futures Contract for the first preceding Business Day.

10 Point Exercise Prices

~~[As of the Business Day on which such Underlying Futures Contract becomes the futures contract that is second nearest to delivery in the March quarterly cycle (Rule 358A01.D.1), and on any Business Day thereafter until the expiration of such options, all]~~ **All** exercise price levels that are integer multiples of 10 Index points (e.g., 2480, 2490, 2500) and that lie within a range from 25 percent below to 10 percent above the daily settlement price of such Underlying Futures Contract for the first preceding Business Day.

5 Point Exercise Prices

~~[As of the Business Day on which such put and call options have 35 or fewer calendar days until expiration, and on any Business Day thereafter until the expiration of such options, all]~~ **All** exercise price levels that are integer multiples of 5 Index points (e.g., 2490, 2495, 2500) and that lie within a range from 15 percent below to 5 percent above the daily settlement price of such Underlying Futures Contract for the first preceding Business Day.

New options may be listed for trading on any Business Day up to and including the termination of trading in such options.

2. Dynamically-Listed Exercise Prices

Upon demand and at the discretion of the Exchange, an option with an out-of-current-range exercise price may be listed for trading as a User-Defined Instrument, on an as-soon-as-possible basis, provided that the exercise price of such option shall be an integer multiple of 5 Index points.

The Exchange may modify the provisions governing the establishment of exercise prices as it deems appropriate.

[Remainder of Rule unchanged.]

Exhibit 3 – Amendments to Certain Exchange Fees - Options on E-mini Equity Futures

Exchange fees (per side)	Venue/Transaction Type	Current	New
		Options	Options
Individual Members Clearing Equity Member Firms Rule 106.J Equity Member Firms & Rule 106.J Qualified Subsidiaries Rule 106.I Member Firms & Rule 106.I Qualified Affiliates Rule 106.S Member Approved Funds	CME Globex	\$0.35	\$0.35
	EFP EFR BTIC TACO ⁽¹⁾	\$1.84	\$1.84
	Block		\$0.36
Rule 106.D Lessees Rule 106.F Employees	CME Globex	\$0.47	\$0.47
	EFP EFR BTIC TACO ⁽¹⁾	\$1.96	\$1.96
	Block		\$0.48
Rule 106.H and 106.N Firms Clearing Non-Equity Member Firms	CME Globex	\$0.45	\$0.45
	EFP EFR BTIC TACO ⁽¹⁾	\$2.14	\$2.14
	Block		\$0.46
CBOE Members <i>(For S&P Products Only; N/A For All Other Products - See Non-Members)</i>	CME Globex - Outrights	\$0.50	\$0.50
	CME Globex - Spreads		
	EFP EFR BTIC TACO ⁽¹⁾	\$2.10	\$2.09
	Block		\$0.51
Non-Members <i>(Including: CTA/Hedge Fund Incentive Program Participants and Emerging Markets Bank Incentive Program (EMBIP) Participants)</i>	CME Globex - Outrights	\$0.55	\$0.55
	CME Globex - Spreads		
	EFP EFR BTIC TACO ⁽¹⁾	\$2.15	\$2.14
	Block		\$0.60

(1) For e-Mini Options, the transaction type receiving this rate is the Exchange of Options for Options (EOO) transaction type.

CME Equity Product Notes

Effective through April 30, 2022, the exchange fees for Block transactions in E-mini S&P 500 Options will be discounted to \$0.20 for members and to \$0.36 for non-members.