

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 18-420

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

Filing as a: **DCM** **SEF** **DCO** **SDR**

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 10/16/18 **Filing Description:** Amendments to Certain Options on Standard and Poor's 500 Stock Price Index Futures Contracts to Align with Unscheduled Primary Listing Exchange Holidays

SPECIFY FILING TYPE

Please note only ONE choice allowed per Submission.

Organization Rules and Rule Amendments

- Certification § 40.6(a)
- Approval § 40.5(a)
- Notification § 40.6(d)
- Advance Notice of SIDCO Rule Change § 40.10(a)
- SIDCO Emergency Rule Change § 40.10(h)

Rule Numbers: See filing.

New Product

Please note only ONE product per Submission.

- Certification § 40.2(a)
- Certification Security Futures § 41.23(a)
- Certification Swap Class § 40.2(d)
- Approval § 40.3(a)
- Approval Security Futures § 41.23(b)
- Novel Derivative Product Notification § 40.12(a)
- Swap Submission § 39.5

Official Product Name:

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

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

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

Rule Numbers:

October 16, 2018

VIA ELECTRONIC PORTAL

Mr. Christopher J. Kirkpatrick
Office of the Secretariat
Commodity Futures Trading Commission
3 Lafayette Center
1155 21st Street NW
Washington, DC 20581

Re: CFTC Regulation 40.6(a) Notification. Amendments to Certain Options on Standard and Poor's 500 Stock Price Index Futures Contracts to Align with Unscheduled Primary Listing Exchange Holidays. CME Submission No. 18-420

Dear Mr. Kirkpatrick:

Chicago Mercantile Exchange Inc. ("CME" or "Exchange") hereby notifies the Commodity Futures Trading Commission ("CFTC" or "Commission") that it is amending the Termination of Trading rules for the Standard and Poor's options contracts that expire on Monday as noted in the table below (collectively, the "Contracts") to align the Contracts' trading schedules with unscheduled market holidays declared by the Primary Listing Exchanges¹ (collectively, the "Rule Amendments"), as summarized in the following table effective on Sunday, November 4, 2018 for trade date Monday, November 5, 2018.

| Contract Title | Rulebook Chapter | Commodity Code |
|--------------------------------------|------------------|---------------------|
| E-mini S&P 500 Monday Weekly Options | 358A01.I.4 | E1A,E2A,E3A,E4A,E5A |
| S&P 500 Monday Weekly Options | 351A01.I.4 | S1A,S2A,S3A,S4A,S5A |
| FLEX options on S&P 500 | 351A31.I | YP |

If an unexpected and undeclared closure of U.S. equity markets occurs on a given Monday, and if the Contracts are scheduled to expire on such Monday, then the termination of trading in and the expiration of any such option shall occur on the next following exchange Business Day (e.g., the ensuing Tuesday).

Pursuant to the Rule Amendments, if an unscheduled U.S. equity market holiday is declared for a given Monday, and if the Contracts are scheduled to expire on such Monday, then the termination of trading in and the expiration of any such option shall occur on the first preceding exchange Business Day (e.g., the preceding Friday).

Exhibit B provides a table that shows by example the distinction between the unexpected and undeclared closure an unscheduled but suddenly declared market holiday.

¹ A Primary Listing Exchange shall be as defined in the "Plan to Address Extraordinary Market Volatility Submitted to the Securities and Exchange Commission Pursuant to Rule 608 of Regulation NMS Under the Securities Exchange Act of 1934" approved 31 May 2012 by the U.S. Securities and Exchange Commission ("SEC"), as amended from time to time (SEC, SRO Rulemaking, National Market System Plans, File 4-631).

The Exchange is implementing the Rule Amendments to align the Contracts' option expiration impacted by an unexpected equity market-place holiday with that of the Primary Listing Exchanges.

Compliance with Core Principles

The Exchange has reviewed the designated contract market core principles ("Core Principles") as set forth in the Act and has identified that the amended product terms and conditions certified herein may bear upon Core Principles 4 and 7.

Core Principle 4 – Prevention of Market Disruption

Trading in the Contracts shall be subject to CME Rulebook Chapters 4 and 7, which include prohibitions on manipulation, price distortion, and disruption to the expiration and assignment process. As with any product listed for trading on a CME Group designated contract market, trading activity in the Contracts shall be subject to monitoring and surveillance by CME Group's Market Regulation Department.

Core Principle 7 – Availability of General Information

The Exchange has disseminated a Special Executive Report ("SER") that set forth information regarding the Rule Amendments. In addition to such SER, daily trading volume, open interest, and price information for such futures contracts shall be published on the Exchange's website.

There were no substantive opposing views to the Rule Amendments.

The Exchange certifies that this submission has been concurrently posted on the Exchange's website at <http://www.cmegroup.com/market-regulation/rule-fillings.html>.

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

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachments: Exhibit A CME Rulebook Chapters 351A and 358A
 Exhibit B Summary of Expiration of the Contracts

Exhibit A

Chapter 351A Options on Standard and Poor's 500 Stock Price Index™ Futures

(Additions are underlined.)

351A01.I. Termination of Trading

4. European Style Monday Weekly Options

Trading in any European style Monday Weekly option shall terminate at 3:00 p.m., or at noon in the case of an early scheduled close of the Primary Listing Exchange (Rule 351A00.A.), on the Monday designated by the Exchange as such option's expiration date. For a given calendar month:

Trading shall terminate in European style First Monday Weekly options, and such options shall expire, on the first Monday of such month.

Trading shall terminate in European style Second Monday Weekly options, and such options shall expire, on the second Monday of such month.

Trading shall terminate in European style Third Monday Weekly options, and such options shall expire, on the third Monday of such month.

Trading shall terminate in European style Fourth Monday Weekly options, and such options shall expire, on the fourth Monday of such month.

Trading shall terminate in European style Fifth Monday Weekly options, and such options shall expire, on the fifth Monday of such month.

If such Monday is not a scheduled Business Day, then trading in expiring options shall be scheduled to terminate on the Business Day next following such Monday, provided that the Exchange shall not list European style Monday Weekly options for trading in any such instance where the Business Day next following such Monday would be the last Business Day of the calendar month (in accord with Rule 351A01.D.4.).

Notwithstanding the aforementioned, if the Primary Listing Exchanges (Rule 351A00.A.) are closed on such Monday in observance of an unscheduled market holiday, trading in option contracts that are scheduled to expire on such Monday shall terminate, and such option contracts shall expire, on the Business Day immediately preceding such Monday.

If the market in the Underlying Futures Contract for such option does not open on the day scheduled for termination of option trading and for option expiration, then trading in such option shall terminate, and such option shall expire, on the next day on which the market in such Underlying Futures Contract is open for trading.

351A31.I. Termination of Trading

A flexible option may be specified to expire on any Business Day prior to and including the day scheduled for determination of the Final Settlement Price of such flexible option's Underlying Futures Contract (Rule 351A31.D.).

Trading in any flexible option shall terminate at the close of trading on such option's specified expiration date, provided that if a flexible option is specified to expire on the day scheduled for determination of the Final Settlement Price of such option's Underlying Futures Contract, then trading in such flexible option shall terminate at the same time as the close of trading in such Underlying Futures Contract on the Business Day first preceding such flexible option's specified expiration date.

Notwithstanding the aforementioned, if the Primary Listing Exchanges (Rule 351A00.A.) are closed on a Monday in observance of an unscheduled market holiday, trading in option contracts that are scheduled to

expire on such Monday shall terminate, and such option contracts shall expire, on the Business Day immediately preceding such Monday.

In the event that the market in the Underlying Futures Contract for such flexible option does not open on the day scheduled for termination of option trading, trading in such option shall terminate on the next Business Day on which the market in such Underlying Futures Contract is open for trading.

A flexible option contract may be opened for trading, and may be traded, on its last day of trading.

Chapter 358A

Options on E-mini Standard and Poor's 500 Stock Price Index™ Futures

(Additions are underlined.)

358A01.I. Termination of Trading

4. European Style Monday Weekly Options

Trading in any European style Monday Weekly option shall terminate at 3:00 p.m., or at noon in the case of an early scheduled close of the Primary Listing Exchange (Rule 358A00.A.), on the Monday designated by the Exchange as such option's expiration date. For a given calendar month:

Trading shall terminate in European style First Monday Weekly options, and such options shall expire, on the first Monday of such month.

Trading shall terminate in European style Second Monday Weekly options, and such options shall expire, on the second Monday of such month.

Trading shall terminate in European style Third Monday Weekly options, and such options shall expire, on the third Monday of such month.

Trading shall terminate in European style Fourth Monday Weekly options, and such options shall expire, on the fourth Monday of such month.

Trading shall terminate in European style Fifth Monday Weekly options, and such options shall expire, on the fifth Monday of such month.

If such Monday is not a scheduled Business Day, then trading in expiring options shall be scheduled to terminate on the Business Day next following such Monday, provided that the Exchange shall not list European style Monday Weekly options for trading in any such instance where the Business Day next following such Monday would be the last Business Day of the calendar month (in accord with Rule 358A01.D.4.).

Notwithstanding the aforementioned, if the Primary Listing Exchanges (Rule 358A00.A.) are closed on such Monday in observance of an unscheduled market holiday, trading in option contracts that are scheduled to expire on such Monday shall terminate, and such option contracts shall expire, on the Business Day immediately preceding such Monday.

If the market in the Underlying Futures Contract for such option does not open on the day scheduled for termination of option trading and for option expiration, then trading in such option shall terminate, and such option shall expire, on the next day on which the market in such Underlying Futures Contract is open for trading.

Exhibit B

The table below provides a summary of the adjustments that would be made under these various scenarios across Mondays, Wednesdays and Fridays. The cell populated as "***Previous Day**" in the table is the focus of the Rule Amendments. Prior to the Rule Amendments, this cell would be populated with "Next Day."

| Non-Business Day | Examples | Expiry Adjustment | | |
|--|--|----------------------|--------------|--------------|
| | | Monday | Wednesday | Friday |
| Expected and declared holiday | Thanksgiving, Good Friday, Labor Day | Next Day | Previous Day | Previous Day |
| Unexpected but officially declared holiday | Day of Mourning et cetera | *Previous Day | Previous Day | Previous Day |
| Unexpected inability to determine a settlement price | Act of war, natural disaster, or other emergency | Next Day | Next Day | Next Day |