

**SUBMISSION COVER SHEET**

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

Registered Entity Identifier Code (optional): 22-329

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

Filing as a:  DCM  SEF  DCO  SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 11/01/22 Filing Description: Amendments to the Daily Settlement Regarding all Options on E-mini S&P 500 Index Futures and all Options on Micro E-mini S&P 500 Index Futures Contracts.

**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: See filing.

**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:

Rule Numbers:



Christopher Bowen  
 Managing Director and Chief Regulatory Counsel  
 Legal Department

November 1, 2022

**VIA ELECTRONIC PORTAL**

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: CFTC Regulation 40.6(a) Certification. Amendments to the Daily Settlement Regarding all Options on E-mini S&P 500 Index Futures and all Options on Micro E-mini S&P 500 Index Futures Contracts. CME Submission No. 22-329**

Dear Mr. Kirkpatrick:

Chicago Mercantile Exchange Inc. (“CME” or “Exchange”) is certifying to the Commodity Futures Trading Commission (“CFTC” or “Commission”) amendments to the daily settlement regarding all Options on E-Mini S&P 500 Index Futures and all Options on Micro E-mini S&P 500 Index Futures contracts (the “Contracts”) effective on Sunday, December 4, 2022 for trade date Monday, December 5, 2022.

Contract Title	CME Globex and CME ClearPort Code	Rulebook Chapter
American Options on E-mini Standard and Poor's 500 Stock Price Index Futures	ES	358A
Options on E-mini Standard and Poor's 500 Stock Price Index Futures - End-of-Month (European-Style)	EW	358A
Monday Weekly Options on E-mini Standard and Poor's 500 Stock Price Index Futures - Week 1-5 (European-Style)	E1A-E5A	358A
Tuesday Weekly Options on E-mini Standard and Poor's 500 Stock Price Index Futures - Week 1-5 (European-Style)	E1B-E5B	358A
Wednesday Weekly Options on E-mini Standard and Poor's 500 Stock Price Index Futures - Week 1-5 (European-Style)	E1C-E5C	358A
Thursday Weekly Options on E-mini Standard and Poor's 500 Stock Price Index Futures - Week 1-5 (European-Style)	E1D-E5D	358A
Weekly Options on E-mini Standard and Poor's 500 Stock Price Index Futures - Week 1-4 (European-Style)	EW1-EW4	358A
Options on E-mini Standard and Poor's 500 Stock Price Index Futures - Quarterly PM (European-Style)	EYC	358A
American Options on Micro E-mini Standard and Poor's 500 Stock Price Index Futures	MES	353A
Options on Micro E-mini Standard and Poor's 500 Stock Price Index Futures - End-of-Month (European-Style)	EX	353A
Weekly Options on Micro E-mini Standard and Poor's 500 Stock Price Index Futures - Week 1-4 (European-Style)	EX1-EX4	353A

Specifically, the amendment to the daily settlement method for the Contracts will change from utilizing an interest rate curve input derived from the Secured Overnight Financing Rate (“SOFR”) market to instead utilizing an interest rate curve input derived from the Contracts market quotations directly (collectively, the “Rule Amendments”). Note that the final settlement procedure for the referenced options will remain unchanged.

The Exchange is implementing the Rule Amendments to better align the daily settlement of the Contracts with current market conditions in the S&P 500 options market.

The Exchange reviewed the designated contract market core principles (“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:

**Compliance with Rules:** The Exchange shall continue its normal practice to establish, monitor, and enforce compliance with the rules for the Contracts, including the Rule Amendments.

**Prevention of Market Disruption:** The Exchange has the capacity to detect abnormal price movements and unusual trading volumes, including such abnormal price movements or trading volumes as may associated with bilaterally negotiated trades. The Exchange holds the authority to take remedial action as appropriate.

**Daily Publication of Trading Information:** CME will continue to publish contract trading volumes, open interest levels, and price information daily on its website.

**Execution of Transactions:** The Exchange will continue to provide a competitive, open, and efficient market and mechanism for executing transactions that protects the price discovery process of trading the Contracts.

**Availability of General Information:** The Exchange will release a Special Executive Report (“SER”) regarding the Rule Amendments to ensure notification to market participants. The SER will also be posted on the CME Group website.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.6(a), CME hereby certifies that the Rule Amendments comply with the Act, including the regulations under the Act. There were no substantive opposing views to the proposal.

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

Should you have any questions concerning the above, please contact the undersigned 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