

**SUBMISSION COVER SHEET**

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

Registered Entity Identifier Code (optional): 15-508 (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): 11/18/2015 Filing Description: Amendments to Non-Reviewable Ranges for Options and Implied Options Traded on CME Globex

**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: 588.H

**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:

November 18, 2015

**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 Non-Reviewable Ranges for Options and Implied Options Traded on CME Globex.  
CME Submission No. 15-508 (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 revisions to Rule 588.H. ("Globex Non-Reviewable Trading Ranges"). The amendments add language to the non-reviewable ranges ("NRR") table contained in Rule 588.H. as it relates to the Exchanges' option contracts. The amendments will be effective on December 6, 2015, for trade date December 7, 2015.

The Exchanges are amending the NRR for option contracts in order to adequately protect the integrity of individual leg executions when these executions are part of an implied execution. The amendments will allow the NRR for implied eligible spreads to be the same as the NRR for the individual legs. Additionally amendments to the NRR for option contracts are being made to enhance the Exchanges' ability to make appropriate price adjustments by taking into consideration the delta of the option contract.

The amendments are provided in the two tables below in blackline format.

**CME/CBOT/NYMEX/COMEX Rulebook**

**Chapter 5**

**Trading Qualifications and Practices  
Rule 588.H. Globex Non-Reviewable Trading Ranges**

| Contract                      | Globex Non-Reviewable Ranges (NRR)  |
|-------------------------------|---|
| All Non-Interest Rate Options | <u>The greater of the delta times the underlying futures' non-reviewable range or 20% of premium up to 1/4 of the underlying futures' non-reviewable range with a minimum of 1 tick</u> |
| STIR Options                  | <u>The greater of the delta times the underlying futures' non-reviewable range or 20% of premium up to 1/4 of the underlying futures' non-reviewable range with a minimum of 1 tick</u> |
| Treasury Options              | <u>The greater of the delta times 10/64ths or 20% of premium up to 2/64ths with a minimum of 1 tick</u>   |

| Options Combinations     | Globex Non-Reviewable Ranges (NRR)     |
|--------------------------|--|
| Implied eligible spreads | Same as the NRR of the individual legs |

The Exchanges reviewed the designated contract market core principles (“Core Principles”) as set forth in the Commodity Exchange Act (“CEA” or “Act”) and identified that the amendments may potentially impact the following Core Principle:

- Availability of General Information: As required by this Core Principle, the Exchanges are publicly issuing a Special Executive Report (SER) to ensure that the marketplace has notification of the revisions to Rule 588.H. The SER will be available on the CME Group website.

Pursuant to Section 5c(c) of the Act and Regulation 40.6(a), the Exchange hereby certifies that the aforementioned amendments comply with the Act, including regulations under the Act. There were no substantive opposing views to this 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