

SUBMISSION COVER SHEET

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Registered Entity Identifier Code (optional): 24-223

Organization: New York Mercantile Exchange, Inc. ("NYMEX")

Filing as a: DCM SEF DCO SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 07/12/24 Filing Description: Amendments to the European Low Sulphur Gasoil Calendar (1, 2, 3, 6, and 12 month) Spread Option Contracts and the Temporary Suspension of Trading and Clearing of the Previously Listed Contract Months

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:

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: See filing.

Rule Numbers: See filing.

July 12, 2024

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 European Low Sulphur Gasoil Calendar (1, 2, 3, 6, and 12 month) Spread Option Contracts and the Temporary Suspension of Trading and Clearing of the Previously Listed Contract Months.
NYMEX Submission No. 24-223**

Dear Mr. Kirkpatrick:

New York Mercantile Exchange, Inc. (“NYMEX” or “Exchange”) is certifying to the Commodity Futures Trading Commission (“CFTC” or “Commission”) amendments to the European Low Sulphur Gasoil Calendar (1, 2, 3, 6, and 12 month) Spread Option contracts noted in Table 1. below (the “Contracts”) effective on Sunday, July 28, 2024 for trade date Monday, July 29, 2024.

Specifically, the Exchange will:

1. amend the Rule 300.20 (“Strike Price Listing and Exercise Procedures”) Table (the “Table”) to list dynamic strikes at increments of \$0.25 per metric ton in addition to the at-the-money (“ATM”) strike prices as well as remove contrary instructions;
2. amend Rule 552101.C. (“Price Increment”) to change the trading unit from barrels to metric tons to mirror the underlying European Low Sulphur Gasoil (100mt) Bullet Futures contract (commodity code: 7F);
3. amend Rule 552101.E. (“Termination of Trading”) to mirror the termination of trading of the underlying European Low Sulphur Gasoil (100mt) Bullet Futures contract; and
4. *effective immediately*, suspend trading and clearing of the Contracts until Sunday, July 28, 2024 for trade date Monday, July 29, 2024 (collectively, the “Rule Amendments”). There is no open interest in the Contracts.

The Exchange is implementing the Rule Amendments to more closely align the manner in which the Contracts are designed with the underlying futures contract.

Table 1.

Contract Title	CME Globex and CME ClearPort Code	Rulebook Chapter
European Low Sulphur Gasoil Calendar (1 month) Spread Option	GXA	552
European Low Sulphur Gasoil Calendar (2 month) Spread Option	GXB	552
European Low Sulphur Gasoil Calendar (3 month) Spread Option	GXC	552
European Low Sulphur Gasoil Calendar (6 month) Spread Option	GXM	552
European Low Sulphur Gasoil Calendar (12 month) Spread Option	GXZ	552

Exhibit A provides amendments to the Table in blackline format. Exhibit B provides amendments to NYMEX Chapter 552 (“European Low Sulphur Gasoil Calendar Spread Option”) in blackline format.

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

- **Availability of General Information:** The Exchange will continue to publish on its website information regarding the amendments to the Contract specifications, terms, and conditions, as well as daily trading volume, open interest, and price information. The Exchange will disseminate a Special Executive Report (“SER”) regarding the Rule Amendments. The SER will also be available on the CME Group website.
- **Daily Publication of Trading Information:** The Exchange will continue to publish the Contracts’ trading volumes, open interest levels, and price information daily on its website and through quote vendors for the Contract.
- **Prevention of Market Disruption:** Trading in the Contracts will continue to be subject to Rules of NYMEX, which include prohibitions on manipulation, price distortion and disruption to the cash settlement process. As with any new product listed for trading on a CME Group designated contract market, trading activity in the Contract proposed herein will be subject to monitoring and surveillance by CME Group’s Market Regulation Department.
- **Compliance with Rules:** Trading in the Contracts will continue to be subject to the rules in Rulebook Chapter 4 which includes prohibitions against fraudulent, noncompetitive, unfair, and abusive practices. Additionally, trading in this Contract will also be subject to the full range of trade practice rules, the majority of which are contained in Chapter 5 and Chapter 8 of the Rulebook. As with all products listed for trading on one of CME Group’s designated contract markets, activity in this product will be subject to extensive monitoring and surveillance by CME Group’s Market Regulation Department. The Market Regulation Department has the authority to exercise its investigatory and enforcement power where potential rule violations are identified.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.6(a), the Exchange hereby certifies that the Rule Amendments comply with the Act, including 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 CME Group website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

Should you have any questions concerning the above, please contact the undersigned at (312) 466-7478 or via e-mail at CMEGSubmissionInquiry@cmegroup.com.

Sincerely,

/s/ Timothy Elliott
Managing Director and Chief Regulatory Counsel

Attachments: Exhibit A: NYMEX Rule 300.20 – Amended Strike Price Listing and Exercise Procedure Table.
Exhibit B. NYMEX Rulebook Chapter 552 (blackline format)

Exhibit A
NYMEX Rulebook
Chapter 300
Rule 300.20 Strike Price Listing and Exercise Procedure Table
(additions underlined; deletions ~~struck through~~)

Commodity Code	CME Globex Code	Product Name	Product Group	Product Subgroup	Exchange	Rulebook Chapter	Strike Price Listing Rule	Exercise Style	Contrary Instructions	Margin Style	Exact At-The-Money Characteristics	Underlying Commodity Code	Underlying Product Name
<u>GXA</u>	<u>GXA</u>	European Low Sulphur Gasoil Calendar Spread 1-month	<u>Energy</u>	<u>Refined Products</u>	<u>NYMEX</u>	<u>552</u>	<u>Dynami</u> <u>c</u> <u>strikes</u> <u>only</u> <u>at</u> <u>\$0.25</u> <u>per</u> <u>metric</u> <u>ton</u>	<u>European</u>	<u>No</u> <u>N/A</u> <u>Financially</u> <u>Settled</u>	<u>Equity</u>	<u>List one ATM</u> <u>strike and list</u> <u>dynamic</u> <u>strikes</u> <u>N/A - Financially</u> <u>Settled</u>	<u>7F</u>	<u>European</u> <u>Low</u> <u>Sulphur</u> <u>Gasoil</u> <u>(100mt)</u> <u>Bullet</u> <u>Futures</u>
<u>GXB</u>	<u>GXB</u>	European Low Sulphur Gasoil Calendar Spread 2-month	<u>Energy</u>	<u>Refined Products</u>	<u>NYMEX</u>	<u>552</u>	<u>Dynami</u> <u>c</u> <u>strikes</u> <u>only</u> <u>at</u> <u>\$0.25</u> <u>per</u> <u>metric</u> <u>ton</u>	<u>European</u>	<u>No</u> <u>N/A</u> <u>Financially</u> <u>Settled</u>	<u>Equity</u>	<u>List one ATM</u> <u>strike and list</u> <u>dynamic</u> <u>strikes</u> <u>N/A - Financially</u> <u>Settled</u>	<u>7F</u>	<u>European</u> <u>Low</u> <u>Sulphur</u> <u>Gasoil</u> <u>(100mt)</u> <u>Bullet</u> <u>Futures</u>
<u>GXC</u>	<u>GXC</u>	European Low Sulphur Gasoil Calendar Spread 3-month	<u>Energy</u>	<u>Refined Products</u>	<u>NYMEX</u>	<u>552</u>	<u>Dynami</u> <u>c</u> <u>strikes</u> <u>only</u> <u>at</u> <u>\$0.25</u> <u>per</u> <u>metric</u> <u>ton</u>	<u>European</u>	<u>No</u> <u>N/A</u> <u>Financially</u> <u>Settled</u>	<u>Equity</u>	<u>List one ATM</u> <u>strike and list</u> <u>dynamic</u> <u>strikes</u> <u>N/A - Financially</u> <u>Settled</u>	<u>7F</u>	<u>European</u> <u>Low</u> <u>Sulphur</u> <u>Gasoil</u> <u>(100mt)</u> <u>Bullet</u> <u>Futures</u>
<u>GXM</u>	<u>GXM</u>	European Low Sulphur Gasoil Calendar Spread 6-month	<u>Energy</u>	<u>Refined Products</u>	<u>NYMEX</u>	<u>552</u>	<u>Dynami</u> <u>c</u> <u>strikes</u> <u>only</u> <u>at</u> <u>\$0.25</u> <u>per</u> <u>metric</u> <u>ton</u>	<u>European</u>	<u>No</u> <u>N/A</u> <u>Financially</u> <u>Settled</u>	<u>Equity</u>	<u>List one ATM</u> <u>strike and list</u> <u>dynamic</u> <u>strikes</u> <u>N/A - Financially</u> <u>Settled</u>	<u>7F</u>	<u>European</u> <u>Low</u> <u>Sulphur</u> <u>Gasoil</u> <u>(100mt)</u> <u>Bullet</u> <u>Futures</u>
<u>GXZ</u>	<u>GXZ</u>	European Low Sulphur Gasoil Calendar Spread 12-month	<u>Energy</u>	<u>Refined Products</u>	<u>NYMEX</u>	<u>552</u>	<u>Dynami</u> <u>c</u> <u>strikes</u> <u>only</u> <u>at</u> <u>\$0.25</u> <u>per</u> <u>metric</u> <u>ton</u>	<u>European</u>	<u>No</u> <u>N/A</u> <u>Financially</u> <u>Settled</u>	<u>Equity</u>	<u>List one ATM</u> <u>strike and list</u> <u>dynamic</u> <u>strikes</u> <u>N/A - Financially</u> <u>Settled</u>	<u>7F</u>	<u>European</u> <u>Low</u> <u>Sulphur</u> <u>Gasoil</u> <u>(100mt)</u> <u>Bullet</u> <u>Futures</u>

Exhibit B
NYMEX Rulebook
Chapter 552
European Low Sulphur Gasoil Calendar Spread Option
(additions underscored; deletions ~~struck through~~)

552101. OPTION CHARACTERISTICS

552101.C. Price Increments

Prices shall be quoted in dollars and cents per barrel per metric ton. The minimum price fluctuation shall be 0.01 per barrel metric ton.

552101.E. Termination of Trading

Trading shall terminate at the close of trading on the last trade date of the first expiring Low Sulphur Gasoil (100mt) Bullet Futures contract in the spread.

~~Trading shall expire at the close of trading one business day immediately preceding the expiration of the first expiring Low Sulphur European Low Sulphur Gasoil (100mt) Bullet Futures contract in the spread.~~

[Remainder of Rule unchanged.]