

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 20-089

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

Filing as a: DCM SEF DCO SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): January 22, 2020 Filing Description: Weekly Notification of Amendments Related to Product Terms and Conditions - Week of January 13, 2020.

SPECIFY FILING TYPE

Please note only ONE choice allowed per Submission.

Organization Rules and Rule Amendments

- | | | |
|--------------------------|-------------------------------------|------------|
| <input 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 |

Official Product Name:

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 checked="" type="checkbox"/> | Notification | § 40.6(d) |

Official Name(s) of Product(s) Affected: See filing.

Rule Numbers: See filing.



Christopher Bowen
Managing Director and Chief Regulatory Counsel
Legal Department

January 22, 2020

VIA ELECTRONIC PORTAL

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(d) Notification. Chicago Mercantile Exchange Inc. (“CME” or “Exchange”) Weekly Notification of Amendments Related to Product Terms and Conditions.
CME Submission No. 20-089**

Dear Mr. Kirkpatrick:

Pursuant to Commodity Futures Trading Commission (“CFTC” or “Commission”) Regulation 40.6(d), the Exchange submits this weekly notification of the following amendments related to product terms and conditions made effective during the week of January 13, 2020.

On Tuesday, January 14, 2020, the Exchange implemented administrative amendments to CME Rule 589. (“Special Price Fluctuation Limits”) to correct drafting errors in CME Submission 19-015 dated February 20, 2019 which became effective on Monday, March 11, 2019. Amendments to CME Rule 589. are attached hereto as Exhibit A, in blackline format.

On Friday, January 17, 2020, the Exchange implemented minor amendments to Rule 350A01. to expand the strike price listing and clarify the strike price listing procedure of the Options on Bitcoin Futures contract as more specifically described in Exhibit B, attached hereto in blackline format.

If you require any additional information, 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 A – Amendments to CME Rule 589. (“Special Price Fluctuation Limits”) (blackline format)
Exhibit B – Amendments to CME Rule 350A. (“Options on Bitcoin Futures”) (blackline format)

EXHIBIT A

CME Rulebook Chapter 5 ("Trading Qualifications and Practices")

(additions are underscored; deletions are ~~overstruck~~)

589. SPECIAL PRICE FLUCTUATION LIMITS

The special price fluctuation limits, including dynamic price fluctuation limits, applicable to those contracts with such limits are set forth in the Special Price Fluctuation Limits and Daily Price Limits Table ("Table") in the Interpretations Section at the end of Chapter 5.

589.A. Initial Price Fluctuation Limits for All Contract Months

At the commencement of each trading day, there shall be initial price fluctuation limits in effect for each futures contract month of the primary futures contract (as identified in the Table) above or below the previous day's settlement price for such contract month set at the first special price fluctuation limit level as provided in the Table.

589.B. Triggering Events and Temporary Trading Halts

1. First Triggering Event and Temporary Trading Halt

If the lead contract month (as identified by the Exchange) of the primary futures contract is bid or offered via Globex at the upper or lower price fluctuation limit at the first special price fluctuation limit level, as applicable, it will be considered a triggering event that will begin a two (2) minute monitoring period in the lead contract month. If, at the end of the two (2) minute monitoring period, the lead contract month of the primary futures contract is not bid or offered at the applicable special price fluctuation limit, the special price fluctuation limits shall be expanded an additional increment above and below the previous day's settlement price for all contract months of the primary futures contract and all contract months of associated products of the primary futures contract as provided in the Table. If, however, at the end of the two (2) minute monitoring period, the lead contract month of the primary futures contract is bid or offered at the applicable special price fluctuation limit, a two (2) minute temporary trading halt will commence in all contract months of the primary futures contract and in all contract months of associated products of the primary futures contract as provided in the Table. In addition, trading in any associated product that is an option related to the primary futures contract or in an option contract related to any other associated product of the primary futures contract that may be available for trading on Globex or on the trading floor shall be subject to a coordinated temporary trading halt.

2. Expansion of Limits Following Temporary Trading Halt

Following the end of a temporary trading halt, the affected markets shall re-open simultaneously in all contract months of the primary futures contract and in all contract months of associated products of the primary futures contract. When trading resumes, the special price fluctuation limits shall be expanded an additional increment above and below the previous day's settlement price for all contract months of the primary futures contract and all contract months of associated products of the primary futures contract as provided in the Table.

In each instance in which a triggering event occurs, a two (2) minute monitoring period will commence as provided in Section B.1. of this Rule. In each instance, the special price fluctuation limits shall be expanded by an additional increment above and below the previous day's settlement price for all contract months of the primary futures contract and all contract months of associated products of the primary futures contract as provided in the Table. Following the fourth triggering event on a trading day, there shall be no further special price fluctuation limits.

3. Foreign Exchange Contracts

The GCC shall designate a lead primary contract month for purposes of this Rule. Additionally, an expiring contract month of a primary futures contract shall have no special price fluctuation limits on its expiration day.

On each trading day, there shall be no temporary trading halts or expansion of special price fluctuation limits in the primary futures contract or in any associated products of the primary futures contract during the five (5) minutes preceding the end of the primary futures contract's settlement price determination period. If a triggering event occurs during this five (5) minute period, trading will continue with the current

price limit in effect until the conclusion of the five (5) minute period, at which time a monitoring period, temporary trading halt or special price fluctuation limit expansion, as applicable, will occur.

On each trading day, there shall be no temporary trading halts or expansion of special price fluctuation limits in the primary futures contract or in any associated products of the primary futures contract during the five (5) minute period preceding the close of trading. If a triggering event occurs during this five (5) minute period, trading will continue with the current price limit in effect until the close of trading.

4. Short Term Interest Rate Contracts

The GCC shall designate a lead primary contract month for purposes of this Rule. Additionally, there shall be no special price fluctuation limits on the two Business Days prior to the expiration of an expiring primary futures contract month.

On each trading day, there shall be no temporary trading ~~halts~~ or expansion of special price fluctuation limits in the primary futures contract or in any associated products of the primary futures contract during the five (5) minutes preceding the end of the primary futures contract's settlement price determination period. If a triggering event occurs during this five (5) minute period, trading will continue with the current price limit in effect until the conclusion of the five (5) minute period, at which time a monitoring period, temporary trading halt or special price fluctuation limit expansion, as applicable, will occur.

On each trading day, there shall be no temporary trading halts or expansion of special price fluctuation limits in the primary futures contract or in any associated products of the primary futures contract during the five (5) minute period preceding the close of trading. If a triggering event occurs during this five (5) minute period, trading will continue with the current price limit in effect until the close of trading.

589.C. Price Fluctuation Limits on Trading Floor (Floor Trading)

The special price fluctuation limits cited in Section A. of this Rule shall be applicable to all products in the Table that are traded via open outcry on the trading floor. Trades occurring via open outcry on the trading floor shall not constitute a triggering event for purposes of a temporary trading halt.

In all instances in which a temporary trading halt in the lead contract month of the primary futures contract occurs on Globex, floor trading in all contract months in any option related to the primary futures contract or in an option contract related to any associated product of the primary futures contract shall be subject to a coordinated temporary trading halt.

Whenever Globex markets are re-opened with expanded price limits pursuant to the provisions of Section B. of this Rule, the affected markets on the trading floor shall simultaneously re-open with expanded price limits.

589.D. Dynamic Price Fluctuation Limits

At the commencement of each trading day, the subject contracts, as designated in the Table, shall be assigned a price limit variant which shall equal a percentage of the prior trading day's ~~Exchange-determined~~ settlement price ~~as determined~~, or a price deemed appropriate by the ~~Exchange~~GCC, ("dynamic variant"). During the trading day, the dynamic variant shall be applied in rolling 60-~~minutes-~~minute look-back periods to establish dynamic lower and upper price fluctuation limits as follows:

- (a) the dynamic variant shall be subtracted from the highest trade and/or bid price during a look-back period to establish the lower price fluctuation limit, i.e., trade and/or offer, and
- (b) the dynamic variant shall be added to the lowest trade and/or offer price during a look-back period to establish the upper price fluctuation limit, i.e., trade and/or bid.

1. Triggering Events and Temporary Trading Halts

If the lead contract month (as identified by the Exchange) of the primary futures contract is traded, bid or offered ~~via~~on Globex ~~through~~at a price below the lower or above the upper dynamic price fluctuation ~~limits~~limit, it shall be considered a triggering event which shall begin a two (2) minute temporary trading halt in all contract months of the primary futures contract and in all contract months of associated products of the primary futures contract as provided in the Table. If a non-lead contract month of the primary futures contract is traded, bid or offered ~~via~~on Globex ~~through~~at a price below the lower or above the upper dynamic price fluctuation ~~limits~~limit, it shall be considered a triggering event which shall begin a two (2) minute temporary trading halt ~~for~~in that non-lead contract month of the primary futures contract.

2. Limits Following Temporary Trading Halt

Following the end of a temporary trading halt triggered by the lead contract month, the affected markets shall re-open simultaneously at the indicative opening price as determined by the Exchange in all contract months of the primary futures contract and in all contract months of the associated contracts of the primary futures contract as provided in the Table. When trading resumes, the dynamic lower and upper price fluctuation limits ~~of~~ shall be recalculated as described above. ~~Likewise following~~Following the end of a

temporary trading halt triggered by a non-lead contract month, the affected market shall re-open at the indicative opening price as determined by the Exchange and the dynamic lower and upper price fluctuation limits shall be recalculated as described above.

3. Additional Characteristics

On each trading day, should there be a triggering event in the lead contract month of the primary futures contract during ~~the primary futures contracts~~ such contract's settlement determination period, there shall be a (5) five second temporary trading halt in all contract months of the primary futures contract and in all contract months of associated products of the primary futures contract as provided in the Table. If a non-lead contract month of the primary futures contract, or any contract month of an associated product of the primary futures contract, experiences a triggering event during the primary futures contracts settlement determination period, there shall be a (5) five second temporary trading halt for that non-lead contract month or that contract month of an associated product of the primary contract.

On each trading day, should there be a triggering event in the lead contract month of the primary futures contract during the (2) two-minute period preceding the close of trading, there shall be a (5) five second temporary trading halt in all contract months of the primary futures contract and in all contract months of associated products of the primary futures contract as provided in the Table. If a non-lead contract month of the primary futures contract, or any contract month of an associated product of the primary futures contract, experiences a triggering event during the (2) two-minute period preceding the close of trading of the primary futures contract, there shall be a (5) five second temporary trading halt for that non-lead contract month or that contract month of an associated product of the primary contract.

EXHIBIT B

CME Rulebook Chapter 350A Options on Bitcoin Futures

(Additions are **bold and underlined**. Deletions are [~~bracketed and struck through~~])

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350A01. OPTIONS CHARACTERISTICS

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350A01.D. Underlying Futures Contract

Monthly Options

On any Business Day, the Exchange shall ensure that Monthly put and call options are listed for trading at all eligible exercise prices, as follows:

10000 Point Exercise Prices

For Monthly options exercisable into a given Underlying Futures Contract (Rule 350A01.D.1.), the Exchange shall ensure that such put and call options are listed for trading at all exercise price levels that are integer multiples of 10000 Index points (e.g., 10000, 20000, 30000) and that lie within a range from 10000 Index points to 600 percent **above** [ef] the preceding Business Day's daily settlement price of the Underlying Futures Contract **as rounded to the nearest integer multiple of 10000.**

1000 Point Exercise Prices

For Monthly options exercisable into a given Underlying Futures Contract (Rule 350A01.D.1.), the Exchange shall ensure that such put and call options are listed for trading at all exercise price levels that are integer multiples of 1000 Index points (e.g., 9000, 10000, 11000) and that lie within a range from 1000 Index points to 400 percent **above** [ef] the preceding Business Day's daily settlement price of the Underlying Futures Contract **as rounded to the nearest integer multiple of 1000.**

500 Point Exercise Prices

For options exercisable into Underlying Futures Contracts for either the nearest or the second-nearest Underlying Futures Contract Months, the Exchange shall ensure that such put and call options are listed for trading at all exercise price levels that are integer multiples of 500 Index points (e.g., 9500, 10000, 10500) and that lie within a range from 50 percent **below** to [4]50 percent **above** [ef] the preceding Business Day's daily settlement price of the Underlying Futures Contract **as rounded to the nearest integer multiple of 500.**

100 Point Exercise Prices

For options exercisable into Underlying Futures Contracts for either the nearest or the second-nearest Underlying Futures Contract Months, the Exchange shall ensure that such put and call options are listed for trading at all exercise price levels that are integer multiples of 100 Index points (e.g., 9500, 9600, 9700) and that lie within a range from ~~20~~[80] percent **below** to [4]10 percent **above** [ef] the preceding Business Day's daily settlement price of the Underlying Futures Contract **as rounded to the nearest integer multiple of 100.**

50 Point Exercise Prices

For options exercisable into Underlying Futures Contracts for either the nearest or the second-nearest Underlying Futures Contract Months, if the daily settlement price of such Underlying Futures Contract on the preceding Business Day is below 5000 price points, then the Exchange shall ensure that such put and call options are listed for trading at all exercise price levels that are integer multiples of 50 Index points (e.g., 4850, 4900, 4950) and that lie within a range from ~~20~~[80] percent **below** to [4]10 percent **above** [ef] the preceding Business Day's daily settlement price of the Underlying Futures Contract **as rounded to the nearest integer multiple of 50.**

Additional exercise prices [New options] may be listed **on a discretionary basis** [for trading] on any Business Day up to and including the termination of trading in such options.

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