

**SUBMISSION COVER SHEET**

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

**Registered Entity Identifier Code (optional):** 16-008 (1 of 2)

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

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

Please note - only ONE choice allowed.

**Filing Date (mm/dd/yy):** 01/22/2016 **Filing Description:** Application of CME Rule 589 ("Special Price Fluctuation Limits") to Short-Term Interest Rate Futures and Options Contracts

**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 checked="" 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:** See filing.

**Rule Numbers:** See filing.



Christopher Bowen  
 Managing Director and Chief Regulatory Counsel  
 Legal Department

January 22, 2016

**VIA ELECTRONIC PORTAL**

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

**Re: CFTC Regulation 40.6(a) Certification. Notification Regarding Application of CME Rule 589 (“Special Price Fluctuation Limits”) to Short-Term Interest Rate Futures and Options Contracts.  
 CME Submission No. 16-008 (1 of 2)**

Dear Mr. Kirkpatrick:

Chicago Mercantile Exchange Inc. (“CME” or “Exchange”) hereby notifies the Commodity Futures Trading Commission (“CFTC” or “Commission”) that it is self-certifying the application of CME Rule 589 (“Special Price Fluctuation Limits”) to CME’s short-term interest rate (“STIR”) futures contract (the “Futures Contract”) and STIR options contract (the “Options Contract”) (collectively, the “Contracts”) as noted below, effective on Sunday, February 7, 2016 for trade date of Monday, February 8, 2016.

Contract Title	Rulebook Chapter	Commodity Code
<b>CME</b>		
Three-Month Eurodollar Futures	452	GE
Options on Three-Month Eurodollar Futures	452A	GE, GE0, GE2, GE3, GE4, GE5, E01-E05, E21-E25, E31-E35
Two-Year Bundle Futures	454	BU2
Options on Two-Year Bundle Futures	454A	BU2
Three-Year Bundle Futures	455	BU3
Options on Three-Year Bundle Futures	455A	BU3
Five-Year Bundle Futures	456	BU5
Options on Five-Year Bundle Futures	456A	BU5
Options on Three-Month Eurodollar Futures Calendar Spreads	452D	SPO
One-Month Eurodollar Futures	453	GLB
Options on One-Month Eurodollar Futures	453A	EM
Three-Month Euroyen Futures	501	EJ
Options on Three-Month Euroyen Futures	501A	EJ
Three-Month Euribor Futures	503	EB

Appendix A displays amendments to CME product rulebook chapters in blackline format. Appendix B, which is provided under separate cover, displays additions to CME Rule 589. (“Special Price Fluctuation Limits”).

1 North End Avenue New York, NY 10282 t 212 299 2200 f 212 299 2299 christopher.bowen@cmegroup.com cmegroup.com

The Exchange has reviewed the designated contract market core principles (“Core Principles”) set forth in the Commodity Exchange Act (“CEA” or “Act”), and has determined that the rule amendments certified herein bear upon on the following Core Principles:

***Prevention of Market Disruption***

CME is applying special price fluctuation limits to the Contracts to protect the markets from large price fluctuations in circumstances of an illiquid market. The Exchange believes that the implementation of special price fluctuation limits in the Contracts is consistent with this Core Principle and promoting orderly markets.

***Availability of General Information***

The Exchange will amend the CME rulebook accordingly on the effective date. The Exchange will make these amendments publically available on the CME Group website. In addition, CME will publish a Special Executive Report (“SER”) to advise the marketplace of these amendments. The SER will also be posted on the CME Group website.

***Execution of Transactions***

The implementation of special price fluctuation limits in the Contracts will enable the Exchange to maintain and promote orderly markets and to protect the markets from large illiquidity-driven price movements while retaining the flexibility to accommodate price discovery and cash-market convergence.

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

Should you have 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

Attachments: Appendix A – Amendments to CME Product Rulebook Chapters (blackline format)  
Appendix B – Amendments to CME Rule 589. (“Special Price Fluctuation Limits”)  
(attached under separate cover)

## Appendix A

### Amendments to CME Interest Rate Product Rulebook Chapters

(Additions are underlined. Deletions are ~~struck through~~.)

#### Chapter 452 Three-Month Eurodollar Futures

##### 45202. TRADING SPECIFICATIONS

###### 45202.E. [~~Reserved~~] Special Price Fluctuation Limits

At the commencement of each trading day, the contract shall be subject to special price fluctuation limits as set forth in Rule 589 and in the Special Price Fluctuation Limits Table in the Interpretations & Special Notices Section of Chapter 5.

#### Chapter 452A Options on Three-Month Eurodollar Futures

##### 452A01. OPTIONS CHARACTERISTICS

###### 452A01.G. Special Price Fluctuation Limits

At the commencement of each trading day, the contract shall be subject to special price fluctuation limits as set forth in Rule 589 and in the Special Price Fluctuation Limits Table in the Interpretations & Special Notices Section of Chapter 5.

452A01.G.H.-I. [Reserved]

#### Chapter 453 One-Month Eurodollar Futures

##### 45302. TRADING SPECIFICATIONS

###### 45302.E. [~~Reserved~~] Special Price Fluctuation Limits

At the commencement of each trading day, the contract shall be subject to special price fluctuation limits as set forth in Rule 589 and in the Special Price Fluctuation Limits Table in the Interpretations & Special Notices Section of Chapter 5.

#### Chapter 453A Options on One-Month Eurodollar Futures

##### 453A01. OPTIONS CHARACTERISTICS

###### 453A01.G. Special Price Fluctuation Limits

At the commencement of each trading day, the contract shall be subject to special price fluctuation limits as set forth in Rule 589 and in the Special Price Fluctuation Limits Table in the Interpretations & Special Notices Section of Chapter 5.

453A01.G.H.-I. [Reserved]

#### Chapter 501 Three-Month Euroyen Futures

##### 50102. TRADING SPECIFICATIONS

###### 50102.E. [~~Reserved~~] Special Price Fluctuation Limits

At the commencement of each trading day, the contract shall be subject to special price fluctuation limits as set forth in Rule 589 and in the Special Price Fluctuation Limits Table in the Interpretations & Special Notices Section of Chapter 5.

## **Chapter 501A**

### **Options on Three-Month Euroyen Futures**

#### **501A01. OPTIONS CHARACTERISTICS**

501A01.H. ~~Reserved~~ **Special Price Fluctuation Limits**

At the commencement of each trading day, the contract shall be subject to special price fluctuation limits as set forth in Rule 589 and in the Special Price Fluctuation Limits Table in the Interpretations & Special Notices Section of Chapter 5.

## **Chapter 503**

### **Three-Month Euribor Futures**

#### **50302. TRADING SPECIFICATIONS**

50302.E. ~~Reserved~~ **Special Price Fluctuation Limits**

At the commencement of each trading day, the contract shall be subject to special price fluctuation limits as set forth in Rule 589 and in the Special Price Fluctuation Limits Table in the Interpretations & Special Notices Section of Chapter 5.

## **Chapter 454**

### **Two-Year Bundle Futures**

#### **45402. TRADING SPECIFICATIONS**

45402.E. ~~Reserved~~ **Special Price Fluctuation Limits**

At the commencement of each trading day, the contract shall be subject to special price fluctuation limits as set forth in Rule 589 and in the Special Price Fluctuation Limits Table in the Interpretations & Special Notices Section of Chapter 5.

## **Chapter 454A**

### **Options on Two-Year Bundle Futures**

#### **454A01. OPTIONS CHARACTERISTICS**

454A01.H. ~~Reserved~~ **Special Price Fluctuation Limits**

At the commencement of each trading day, the contract shall be subject to special price fluctuation limits as set forth in Rule 589 and in the Special Price Fluctuation Limits Table in the Interpretations & Special Notices Section of Chapter 5.

## **Chapter 455**

### **Three-Year Bundle Futures**

#### **45502. TRADING SPECIFICATIONS**

45502.E. ~~Reserved~~ **Special Price Fluctuation Limits**

At the commencement of each trading day, the contract shall be subject to special price fluctuation limits as set forth in Rule 589 and in the Special Price Fluctuation Limits Table in the Interpretations & Special Notices Section of Chapter 5.

**Chapter 455A**  
**Options on Three-Year Bundle Futures**

**455A01. OPTIONS CHARACTERISTICS**

455A01.H. ~~Reserved~~ **Special Price Fluctuation Limits**

At the commencement of each trading day, the contract shall be subject to special price fluctuation limits as set forth in Rule 589 and in the Special Price Fluctuation Limits Table in the Interpretations & Special Notices Section of Chapter 5.

**Proposed Rule Amendments to CME and CBOT Interest Rate Product Chapters**

**Chapter 456**  
**Five-Year Bundle Futures**

**45602. TRADING SPECIFICATIONS**

45602.E. ~~Reserved~~ **Special Price Fluctuation Limits**

At the commencement of each trading day, the contract shall be subject to special price fluctuation limits as set forth in Rule 589 and in the Special Price Fluctuation Limits Table in the Interpretations & Special Notices Section of Chapter 5.

**Chapter 456A**  
**Options on Five-Year Bundle Futures**

**456A01. OPTIONS CHARACTERISTICS**

456A01.H. ~~Reserved~~ **Special Price Fluctuation Limits**

At the commencement of each trading day, the contract shall be subject to special price fluctuation limits as set forth in Rule 589 and in the Special Price Fluctuation Limits Table in the Interpretations & Special Notices Section of Chapter 5.

**Chapter 452D**  
**Options on Three-Month Eurodollar Futures Calendar Spreads**

**452D01. OPTIONS CHARACTERISTICS**

**452D01.G. Special Price Fluctuation Limits**

At the commencement of each trading day, the contract shall be subject to special price fluctuation limits as set forth in Rule 589 and in the Special Price Fluctuation Limits Table in the Interpretations & Special Notices Section of Chapter 5.

452D01.G.H.-I. [Reserved]

**Appendix B**

**Amendments to CME Rule 589. (“Special Price Fluctuation Limits”)**

(attached under separate cover)