

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 18-173 (1 of 3)

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

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

Please note - only ONE choice allowed.

Filing Date: 05/24/2018 **Filing Description:** Initial Listing of the Three-Month Eurodollar Mid-Curve Options Contract, the Six-Month Eurodollar Mid-Curve Options Contract, and the Nine-Month Eurodollar Mid-Curve Options Contract

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 checked="" 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: 452A

May 24, 2018

VIA ELECTRONIC PORTAL

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

Re: CFTC Regulation 40.2(a) Certification. Initial Listing of the Three-Month Eurodollar Mid-Curve Options Contract, the Six-Month Eurodollar Mid-Curve Options Contract, and the Nine-Month Eurodollar Mid-Curve Options Contract. CME Submission No. 18-173

Dear Mr. Kirkpatrick:

Chicago Mercantile Exchange Inc. (“CME” or “Exchange”) hereby notifies the Commodity Futures Trading Commission (“CFTC”) that it is self-certifying the initial listing of the Three-Month Eurodollar Mid-Curve Option Contract, the Six-Month Eurodollar Mid-Curve Option Contract, and the Nine-Month Eurodollar Mid-Curve Option Contract (a “Contract” individually, and the “Contracts” collectively). The Contracts will be available to market participants on the CME Globex electronic trading platform (“CME Globex”) and in open outcry and for submission for clearing via CME ClearPort on Sunday, June 10, 2018, for trade date Monday, June 11, 2018.

Contract Title	Commodity Code
Three-Month Eurodollar Mid-Curve Options	TE2
Six-Month Eurodollar Mid-Curve Options	TE3
Nine-Month Eurodollar Mid-Curve Options	TE4

In what follows, Section 1 summarizes Contract specifications, and Section 2 addresses compliance of Contract terms and conditions with the applicable core principles for designated contract markets (“Core Principles”) as set forth in the Commodity Exchange Act (the “Act”).

Additional non-substantive, administrative amendments are being made to CME Rulebook Chapter 452A.

Exhibits A and B display enabling amendments to CME Rulebook Chapter 452A (“Options on Three-Month Eurodollar Futures”) in black-line and clean form, respectively. Exhibit C addresses the applicable position limits and reportable positions levels pursuant to CME Rulebook Chapter 5. Exhibit D presents the applicable CME Globex non-reviewable trading ranges pursuant to CME Rule 588.H., and Exhibit E gives the pertinent special price fluctuation limits pursuant to CME Rule 589. Exhibit F sets forth the Exchange fees applicable to trading and clearing the Contracts.

Section 1 – Contract Specifications

In all respects, other than the CME Three-Month Eurodollar Futures contracts into which they are specified to be exercisable, the Six-Month Eurodollar Mid-Curve Options and the Nine-Month Eurodollar Mid-Curve

Options will mirror the contract specifications of extant CME Eurodollar Mid-Curve Option contracts. Contract specifications are summarized below in Exhibit 1.

The Three-Month Eurodollar Mid-Curve Option contract will share all specifications of extant CME Eurodollar Mid-Curve Option contracts, with the exception that any Three-Month Eurodollar Mid-Curve Options contract will be subject to a reduced minimum price fluctuation of 0.0025 IMM index points when it trades at a premium not greater than 0.05 IMM Index points. At all other times the minimum price fluctuation will be 0.005 IMM Index points.

The underlying futures contracts for the Contracts shall be as follows:

Three-Month Mid-Curve Options

Three-Month Mid-Curve Options in the March Quarterly Cycle (“Quarterly Three-Month Mid-Curve Options”)

For Three-Month Mid-Curve Options that expire in any month in the March quarterly cycle, (*i.e.*, March, June, September, or December), the underlying futures contract is the futures contract that expires 3 calendar months after the month in which such options expire.

Three-Month Mid-Curve Options Not in the March Quarterly Cycle (“Serial Three-Month Mid-Curve Options”)

For Serial Three-Month Mid-Curve Options that expire in any month other than those in the March quarterly cycle, (*i.e.*, January, February, April, May, July, August, October, or November), the underlying futures contract is the futures contract that expires 3 calendar months after the next March quarterly month that is nearest to the expiration of such options. For example, for a given year, the underlying futures contract for the Serial Three-Month Mid-Curve Options that expire in January or February is the June futures contract.

Six-Month Mid-Curve Options

Six-Month Mid-Curve Options in the March Quarterly Cycle (“Quarterly Six-Month Mid-Curve Options”)

For Six-Month Mid-Curve Options that expire in any month in the March quarterly cycle, the underlying futures contract is the futures contract that expires 6 calendar months after the month in which such options expire.

Six-Month Mid-Curve Options Not in the March Quarterly Cycle (“Serial Six-Month Mid-Curve Options”)

For Serial Six-Month Mid-Curve Options that expire in any month other than those in the March quarterly cycle, the underlying futures contract is the futures contract that expires 6 calendar months after the next March quarterly month that is nearest to the expiration of such options. For example, for a given year, the underlying futures contract for the Serial Six-Month Mid-Curve Options that expire in January or February is the September futures contract.

Nine-Month Mid-Curve Options

Nine-Month Mid-Curve Options in the March Quarterly Cycle (“Quarterly Nine-Month Mid-Curve Options”)

For Nine-Month Mid-Curve Options that expire in any month in the March quarterly cycle, the underlying futures contract is the futures contract that expires 9 calendar months after the month in which such options expire.

Nine-Month Mid-Curve Options Not in the March Quarterly Cycle (“Serial Nine-Month Mid-Curve Options”)

For Serial Nine-Month Mid-Curve Options that expire in any month other than those in the March quarterly cycle, the underlying futures contract is the futures contract that expires 9 calendar months after the next March quarterly month that is nearest to the expiration of such options. For example,

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for a given year, the underlying futures contract for the Nine-Month Mid-Curve Options that expire in January or February is the December futures contract.

Exhibit 1 -- Contract Specifications

All times of day are Chicago Time ("CT") unless otherwise noted.

Minimum Price Increment	<p><i>Three-Month Eurodollar Mid-Curve Option Contract:</i> Where any such option trades at a premium not greater than 0.05 IMM Index points, the minimum price fluctuation shall be 0.0025 IMM Index points (equal to \$6.25 per contract). Where any such option trades at a premium greater than 0.05 IMM Index points, the minimum price fluctuation shall be 0.005 IMM Index points (equal to \$12.50 per option contract).</p> <p><i>Six-Month Eurodollar Mid-Curve Option and Nine-Month Eurodollar Mid-Curve Option Contracts:</i> 0.005 IMM Index points (½ basis point per annum) equal to \$12.50 per contract</p> <p><i>Cabinet Trades:</i> Any option may trade at a price of 0.0025 IMM Index points, whether or not such trade results in liquidation of positions for both parties to the trade.</p>
Expiration Months	Nearest March Quarterly months and nearest 2 Serial (non-March Quarterly) months.
Termination of Trading	<p><i>Last Day of Trading:</i> Friday immediately preceding third Wednesday of option expiration month. <i>Termination of Trading:</i> Close of CME Globex trading on Last Day of Trading.</p>
Expiration and Exercise	<p>Options are American Style and may be exercised by presentation of an exercise notice to the Clearing House by 7pm on any business day that such options are traded.</p> <p>Any option not exercised prior to its termination of trading automatically expires at 7pm CT on its Last Day of Trading.</p> <p>In the absence of contrary instruction, a call (put) option that expires in the money shall expire by physical exercise into a long (short) position in the option's specified underlying Three-Month Eurodollar Futures contract, and a call (put) option that expires at the money or out of the money shall be abandoned.</p>
Trading Venues and Hours	<p><i>CME Globex and CME ClearPort:</i> 5pm to 4pm CT, Sun-Fri. <i>Open Outcry:</i> 7:20am to 2pm CT, Mon-Fri</p>
Block Trade Minima	<p><i>ATH:</i> 2,500 contracts <i>ETH:</i> 5,000 contracts <i>RTH:</i> 10,000 contracts</p>
CME Globex Matching Algorithm	Allocation (Q Algorithm, Threshold Pro-Rata with LMM)
Commodity Code	<p>Three-Month Eurodollar Mid-Curve Options: TE2 Six-Month Eurodollar Mid-Curve Options: TE3 Nine-Month Eurodollar Mid-Curve Options: TE4</p>

Section 2 -- Compliance with Core Principles

The Exchange has reviewed the Core Principles as set forth in the Act and has identified that the new product terms and conditions certified herein may bear upon the following Core Principles:

Core Principle 2 – Compliance with Rules

Trading in the Contracts shall be subject to:

- CME Rulebook Chapter 4, which includes prohibitions against fraudulent, noncompetitive, unfair, and abusive practices;
- the Exchange's trade practice rules, the majority of which are contained in Chapter 5 and Chapter 8 of the Rulebook; and
- monitoring and surveillance by CME Group's Market Regulation Department, which has the authority to exercise its investigatory and enforcement power where potential rule violations are identified.

Core Principle 3 – Contracts Not Readily Subject to Manipulation

The Contracts are a straightforward extension of the Exchange's established Eurodollar futures and options suite, which operates with sufficient integrity to deflect attempted cornering, manipulation, crowding, or exertion of undue influence upon final settlement of expiring Contracts.

Core Principle 4 – Prevention of Market Disruption

Trading in the Contracts shall be subject to CME Rulebook Chapters 4 and 7, which include prohibitions on manipulation, price distortion, and disruption to the expiration process. As with any product listed for trading on a CME Group designated contract market, futures trading activity shall be subject to monitoring and surveillance by CME Group's Market Regulation Department.

Core Principle 5 – Position Limits or Accountability

The Contracts will be subject to the same position limits that currently apply to all Eurodollar Mid-Curve Options.

Three-Month Mid-Curve Options, Six-Month Mid-Curve Options, and Nine-Month Mid-Curve Options will be subject to a Position Reporting Level of 25 contracts, a Single-Month Position Accountability Level of 10,000 net futures contract equivalents, and an All-Month Position Accountability Level of 10,000 net futures contract equivalents.

Core Principle 7 – Availability of General Information

The Exchange shall disseminate a Special Executive Report ("SER") that sets forth information regarding the specifications, terms, and conditions of the Contracts. The SER will also be available on the CME Group website.

Core Principle 8 – Daily Publication of Trading Information

The Exchange shall publish trading volumes, open interest levels, and price information for the Contracts daily on its website and through quote vendors.

Core Principle 9 – Execution of Transactions

The Contracts will be listed for trading on CME Globex and in open outcry and for clearing through CME ClearPort. CME Globex provides for competitive and open execution of transactions, and affords the benefits of reliability and global connectivity.

Core Principle 10 – Trade Information

All requisite trade information shall be included in the audit trail and will suffice for the Market Regulation Department to monitor for market abuse.

Core Principle 11 – Financial Integrity of Contracts

The Contracts shall be cleared by CME Clearing, which is registered with the Commission as a derivatives clearing organization, and which is subject to all CFTC regulations related thereto.

Core Principle 12 – Protection of Markets and Market Participants

CME Rulebook Chapters 4 and 5 set forth multiple strictures that preclude intermediaries from disadvantaging their customers. These Rules apply to trading in all of the Exchange’s competitive trading venues and will apply to transactions in the Contracts.

Core Principle 13 – Disciplinary Procedures

CME Rulebook Chapter 4 provides for the Exchange to discipline, suspend, or expel members or market participants who violate the rules of the Exchange. Trading in the Contracts shall be subject to these provisions. The Exchange’s Market Regulation Department has the authority to exercise its powers of enforcement in the event that rule violations in the Contracts are identified.

Core Principle 14 – Dispute Resolution

Disputes in respect of the Contracts shall be subject to the arbitration provisions set forth in CME Rulebook Chapter 6, which allow all nonmembers to submit to arbitration claims for financial loss resulting from transactions on the Exchange. Pursuant to these provisions, any member named as a respondent in any such claim submitted by a nonmember is required to participate in arbitration proceedings. Additionally, the Exchange requires members to resolve via arbitration all disputes concerning transactions on the Exchange.

The Exchange certifies that the Contracts comply with the Act, including all regulations thereunder. 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-fillings.html>. Should you have any questions concerning the above, please contact the undersigned at (212) 299-2200 or CMESubmissionInquiry@cmegroup.com.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

- Attachments: Exhibit A CME Rulebook Chapter 452A (blackline format)
- Exhibit B CME Rulebook Chapter 452A (clean)
- Exhibit C Position Limit, Position Accountability, and Reportable Level Table, CME Rulebook Chapter 5 (attached under separate cover)
- Exhibit D CME Rule 588.H. – (“Globex Non-Reviewable Trading Ranges”) Table
- Exhibit E CME Rule 589. Special Price Fluctuation Limits and Daily Price Limits Table
- Exhibit F Exchange Fees

Exhibit A

CME Rulebook Chapter 452A Options on Three-Month Eurodollar Futures

(Additions are underlined, and deletions are ~~struck through~~.)

452A00. SCOPE OF CHAPTER

This chapter is limited in application to options on Three-Month Eurodollar futures (“options”). In addition to this chapter, options ~~on Three-Month Eurodollar futures~~ shall be subject to the general rules and regulations of the Exchange insofar as applicable.

~~For purposes of this chapter, unless otherwise specified, times referred~~ referenced herein shall refer to and indicate Chicago time.

452A01. OPTIONS CHARACTERISTICS

452A01.A. Contract Months and Trading Hours

Options shall be listed for ~~expiration on such dates~~contract months and shall be scheduled for trading during such hours as may be determined by the Exchange.

452A01.B. Trading Unit

The trading unit shall be an option to buy in the case of the call, or to sell in the case of the put, one Three-Month Eurodollar futures contract ~~as specified in~~ (Chapter 452).

452A01.C. Minimum Fluctuations

The price of an option shall be quoted in IMM Index points corresponding to such option's underlying futures contract (Rule 452A01.D.). Pursuant to Rules 45202.C., each 0.01 IMM Index point signifies one (1) basis point per annum of interest rate exposure in such ~~Underlying Futures Contract's~~ Trading Unit (Rule 45202.B.), and is equal to \$25 per option contract. For example, an option contract price of 0.35 IMM Index points represents \$875 (equal to 35 basis points x \$25 per basis point per option contract).

Minimum price fluctuations shall be as follows –

1. Quarterly Standard Options (Rule 452A01.D.1.) Expiring in the Nearest March Quarterly Month

Where such options are for the next nearest monthly option expiration date, the minimum price fluctuation shall be 0.0025 IMM Index points (equal to \$6.25 per option contract).

Where such options are not for the next nearest monthly option expiration date, then:

Where any such option trades outright at a premium not greater than 0.05 IMM Index points, the minimum price fluctuation shall be 0.0025 IMM Index points (equal to \$6.25 per option contract).

Where any such option trades outright at a premium greater than 0.05 IMM Index points, the minimum price fluctuation shall be 0.005 IMM Index points (equal to \$12.50 per option contract).

2. Quarterly Standard Options (Rule 452A01.D.1.) Expiring in the Second-Nearest March Quarterly Month, Serial Options (Rule 452A01.D.2.), and Three-Month Mid-Curve Options (Rule 452A01.D.8.)

Where any such option trades outright at a premium not greater than 0.05 IMM Index points, the minimum price fluctuation shall be 0.0025 IMM Index points (equal to \$6.25 per option contract).

Where any such option trades outright at a premium greater than 0.05 IMM Index points, the minimum price fluctuation shall be 0.005 IMM Index points (equal to \$12.50 per option contract).

3. All Other Quarterly Standard Options (Rule 452A01.D.1.) and All Other Mid-Curve Options (Rules 452A01.D.3. through 452A01.D.7., 452A01.D.9., and 452A01.D.10.)

For all Quarterly Standard options other than those that expire in the nearest March Quarterly month or the second-nearest March Quarterly month, and for all Mid-Curve options other than Three-Month Mid-Curve options, the minimum price fluctuation shall be 0.005 IMM Index points (equal to \$12.50 per option contract), provided that trade may occur at a price level of 0.0025 IMM Index point (equal to \$6.25 per option contract), whether or not such trade results in liquidation of positions for both parties to such trade.

~~Any option spread or combination that comprises one or more such Other Quarterly Options or Mid-Curve Options shall trade in minimum price increments of 0.005 IMM Index points.~~

4. Option Spreads and Combinations

All option spreads and combinations shall trade in minimum price increments of 0.005 IMM Index points, subject to the following exceptions:

- (a) An option spread or combination may trade in minimum price increments of 0.0025 IMM Index points if (i) such option spread or combination comprises only Quarterly Standard Options Expiring in the Nearest March Quarterly Month (Rule 452A01.C.1.), and (ii) all such options are for the nearest monthly option expiration date.
- (b) An option spread or combination may trade in minimum price increments of 0.0025 IMM Index points if such option spread or combination (i) trades at a net premium not greater than 0.05 IMM Index points and not less than -0.05 IMM Index points and (ii) comprises only such options as are specified in Rule 452A01.C.1. and/or 452A01.C.2. ~~Quarterly Options Expiring in the Nearest March Quarterly Month (Rule 452A01.C.1.) and/or Quarterly Options Expiring in the Second-Nearest March Quarterly Month (Rule 452A01.C.2.) and/or Serial options (Rule 452A01.C.2.)~~

For the avoidance of doubt, any option spread or combination that comprises one or more options specified in Rule 452A01.C.3. shall trade in minimum price increments of 0.005 IMM Index points.

For the purpose of Rule 813 for Settlement Prices, the minimum price fluctuation for all options shall be 0.0025 IMM Index point (equal to \$6.25 per option contract).

Where the price of an option is quoted in volatility terms, the minimum fluctuation shall be 0.05 percent.

452A01.D. Underlying Futures Contracts

1. Options in the March Quarterly Cycle (“Quarterly Standard Options”)

For options that expire in any month in the March quarterly cycle (i.e., March, June, September, and December), except for those Mid-Curve options specified in Paragraphs 3, 4, 5, 6, 7, 8, 9, or 10 of this Rule, the underlying futures contract is ~~the futures contract~~ for the month in which such options expire ~~the option expires~~. For example, for a given year, the underlying futures contract for an option that expires in March is the March futures contract.

2. Options Not in the March Quarterly Cycle (“Serial Options”)

For options that expire in any months other than those in the March quarterly cycle, (i.e., January, February, April, May, July, August, October, and November), except for those Mid-Curve options specified in Paragraphs 3, 4, 5, 6, 7, 8, 9, or 10 of this Rule, the underlying futures contract is for the next futures contract month in the March quarterly cycle that is nearest the expiration of such the options. For example, for a given year, the underlying futures contract for such options that expire in January or February is the March futures contract.

3. One-Year Mid-Curve Options

One-Year Mid-Curve Options in the March Quarterly Cycle (“Quarterly One-Year Mid-Curve Options”)

For One-Year Mid-Curve options that expire in any month in the March quarterly cycle, ~~(i.e., March, June, September, and December)~~, the underlying futures contract is the futures contract that expires 12 calendar months after the month in which the such options expires.

One-Year Mid-Curve Options Not in the March Quarterly Cycle (“Serial One-Year Mid-Curve Options”)
For Serial One-Year Mid-Curve Options that expire in any months other than those in the March quarterly cycle, ~~(i.e. January, February, April, May, July, August, October, and November)~~, the underlying futures contract is the futures contract that expires 12 calendar months from the next March quarterly month that is nearest to the expiration of such ~~the~~ options. For example, the underlying futures contract for the Serial One-Year Mid-Curve options that expire in January or February of a given year is the March futures contract ~~in the next calendar~~ that expires one year hence.

Weekly One-Year Mid-Curve Options

For Weekly One-Year Mid-Curve Options, the underlying futures contract is the futures contract that expires 12 calendar months from the next March quarterly month that is nearest to the expiration of ~~the~~ such options.

4. Two-Year Mid-Curve Options

Two-Year Mid-Curve Options in the March Quarterly Cycle (“Quarterly Two-Year Mid-Curve Options”)

For Two-Year Mid-Curve options that expire in any month in the March quarterly cycle, ~~(i.e. March, June, September, and December)~~, the underlying futures contract is the futures contract that expires 24 calendar months after the month in which ~~the~~ such options expires.

Two-Year Mid-Curve Options Not in the March Quarterly Cycle (“Serial Two-Year Mid-Curve Options”)

For Serial Two-Year Mid-Curve Options that expire in any months other than those in the March quarterly cycle, ~~(i.e. January, February, April, May, July, August, October, and November)~~, the underlying futures contract is the futures contract that expires 24 calendar months from the next March quarterly month that is nearest to the expiration of such ~~the~~ options. For example, the underlying futures contract for the Serial Two-Year Mid-Curve options that expire in January or February of a given year is the March futures contract that expires ~~in two calendar years~~ two years hence.

Weekly Two-Year Mid-Curve Options

For Weekly Two-Year Mid-Curve Options, the underlying futures contract is the futures contract that expires 24 calendar months from the next March quarterly month that is nearest to the expiration of ~~the~~ such options.

5. Three-Year Mid-Curve Options

Three-Year Mid-Curve Options in the March Quarterly Cycle (“Quarterly Three-Year Mid-Curve Options”)

For Three-Year Mid-Curve options that expire in any month in the March quarterly cycle, ~~(i.e. March, June, September, and December)~~, the underlying futures contract is the futures contract that expires 36 calendar months after the month in which ~~the~~ such options expires.

Three-Year Mid-Curve Options Not in the March Quarterly Cycle (“Serial Three-Year Mid-Curve Options”)

For Serial Three-Year Mid-Curve Options that expire in any months other than those in the March quarterly cycle, ~~(i.e. January, February, April, May, July, August, October, and November)~~, the underlying futures contract is the futures contract that expires 36 calendar months from the next March quarterly month that is nearest to the expiration of such ~~the~~ options. For example, the underlying futures contract for the Serial Three-Year Mid-Curve options that expire in January or February of a given year is the March futures contract that expires ~~in three calendar years~~ three years hence.

Weekly Three-Year Mid-Curve Options

For Weekly Three-Year Mid-Curve Options, the underlying futures contract is the futures contract that expires 36 calendar months from the next March quarterly month that is nearest to the expiration of ~~the~~ such options.

6. Four-Year Mid-Curve Options

Four-Year Mid-Curve Options in the March Quarterly Cycle: (“Quarterly Four-Year Mid-Curve Options”)

For Four-Year Mid-Curve options that expire in any month in the March quarterly cycle, (i.e. March,

June, September, and December), the underlying futures contract is the futures contract that expires 48 calendar months after the month in which ~~the~~ such options expires.

Four-Year Mid-Curve Options Not in the March Quarterly Cycle: (“Serial Four-Year Mid-Curve Options”)

For Serial Four-Year Mid-Curve Options that expire in any months other than those in the March quarterly cycle, (i.e. January, February, April, May, July, August, October, and November), the underlying futures contract is the futures contract that expires 48 calendar months from the next March quarterly month that is nearest to the expiration of such the options. For example, the underlying futures contract for the Serial Four-Year Mid-Curve options that expire in January or February of a given year is the March futures contract that expires ~~in four calendar years~~ four years hence.

Weekly Four-Year Mid-Curve Options

For Weekly Four-Year Mid-Curve Options, the underlying futures contract is the futures contract that expires 48 calendar months from the next March quarterly month that is nearest to the expiration of ~~the~~ such options.

7. Five-Year Mid-Curve Options

Five-Year Mid-Curve Options in the March Quarterly Cycle: (“Quarterly Five-Year Mid-Curve Options”)

For Five-Year Mid-Curve options that expire in any month in the March quarterly cycle, (i.e. March, June, September, and December), the underlying futures contract is the futures contract that expires 60 calendar months after the month in which ~~the~~ such options expires.

Five-Year Mid-Curve Options Not in the March Quarterly Cycle: (“Serial Five-Year Mid-Curve Options”)

For Serial Five-Year Mid-Curve Options that expire in any months other than those in the March quarterly cycle, (i.e. January, February, April, May, July, August, October, and November), the underlying futures contract is the futures contract that expires 60 calendar months from the next March quarterly month that is nearest to the expiration of such the options. For example, the underlying futures contract for the Serial Five-Year Mid-Curve options that expire in January or February of a given year is the March futures contract that expires ~~in ve calendar years~~ five years hence.

Weekly Five-Year Mid-Curve Options

For Weekly Five-Year Mid-Curve Options, the underlying futures contract is the futures contract that expires 60 calendar months from the next March quarterly month that is nearest to the expiration of ~~the~~ such options.

8. Three-Month Mid-Curve Options

Three-Month Mid-Curve Options in the March Quarterly Cycle (“Quarterly Three-Month Mid-Curve Options”)

For Three-Month Mid-Curve options that expire in any month in the March quarterly cycle, the underlying futures contract is the futures contract that expires 3 calendar months after the month in which such options expire.

Three-Month Mid-Curve Options Not in the March Quarterly Cycle (“Serial Three-Month Mid-Curve Options”)

For Serial Three-Month Mid-Curve Options that expire in any month other than those in the March quarterly cycle, the underlying futures contract is the futures contract that expires 3 calendar months from the next March quarterly month that is nearest to the expiration of such options. For example, for a given year, the underlying futures contract for the Serial Three-Month Mid-Curve options that expire in January or February is the June futures contract.

9. Six-Month Mid-Curve Options

Six-Month Mid-Curve Options in the March Quarterly Cycle (“Quarterly Six-Month Mid-Curve Options”)

For Six-Month Mid-Curve options that expire in any month in the March quarterly cycle, the underlying futures contract is the futures contract that expires 6 calendar months after the month in which such options expire.

Six-Month Mid-Curve Options Not in the March Quarterly Cycle ("Serial Six-Month Mid-Curve Options")

For Serial Six-Month Mid-Curve Options that expire in any month other than those in the March quarterly cycle, the underlying futures contract is the futures contract that expires 6 calendar months from the next March quarterly month that is nearest to the expiration of such options. For example, for a given year, the underlying futures contract for the Serial Six-Month Mid-Curve options that expire in January or February is the September futures contract.

10. Nine-Month Mid-Curve Options

Nine-Month Mid-Curve Options in the March Quarterly Cycle ("Quarterly Nine-Month Mid-Curve Options")

For Nine-Month Mid-Curve options that expire in any month in the March quarterly cycle, the underlying futures contract is the futures contract that expires 9 calendar months after the month in which such options expire.

Nine-Month Mid-Curve Options Not in the March Quarterly Cycle ("Serial Nine-Month Mid-Curve Options")

For Serial Nine-Month Mid-Curve Options that expire in any month other than those in the March quarterly cycle, the underlying futures contract is the futures contract that expires 9 calendar months from the next March quarterly month that is nearest to the expiration of such options. For example, for a given year, the underlying futures contract for the Serial Nine-Month Mid-Curve options that expire in January or February is the December futures contract.

452A01.E. Exercise Prices

1. Twenty-Five Point Exercise Prices

~~For options for a given expiration date that are exercisable into a given underlying futures contract, e~~Exercise prices shall be stated in terms of the IMM Index for such underlying the Eurodollar futures contract that is deliverable upon exercise of the option and shall be stated in intervals whose last two digits are 00, 25, 50, and/or 75 ("twenty-five point exercise prices") for all IMM Index levels, e.g., 88.00, 88.25, 88.50, 88.75, etc.

~~For Options in the March Quarterly Cycle, Options Not in the March Quarterly Cycle, and all Mid-Curve Options, at the commencement of trading in a contract expiration For options for a given expiration date that are exercisable into a given underlying futures contract, t~~The Exchange shall list put and call options for trading at the exercise price that is nearest the previous day's settlement price of the respective such underlying futures contract ("at-the-money exercise price") and at all All eligible exercise prices in a range of from 5.50 IMM Index points above and to 5.50 IMM Index points below the such at-the-money exercise price that is nearest the futures price shall be listed for trading. Thereafter until termination of trading in such options, the Exchange shall ensure that put and call options are listed add for trading on each day at all eligible exercise prices in a range of from 5.50 IMM Index points above and to 5.50 IMM Index points below the at-the-money exercise price nearest the previous day's settlement price for such underlying futures contract. New options may be listed for trading up to and including the termination of trading.

2. Special Listings of 12.5 Point Exercise Prices

~~For options for a given expiration date that are exercisable into a given underlying futures contract, a~~Additional exercise prices shall be stated in intervals whose last three digits are 12.5, 37.5, 62.5, and/or 87.5 ("twelve and a half point 12.5 point exercise prices") for all IMM Index levels, e.g., 93.125, 93.375, 93.625, 93.875, etc.

~~For Options in the March Quarterly Cycle, Options Not in the March Quarterly Cycle, and all Mid-Curve Options t~~Until termination of trading in such options, the Exchange shall ensure that list put and call options are listed for trading on each day at all such with a 12.5 point exercise prices in a range of from 1.50 IMM Index points above and to 1.50 IMM Index points below the at-the-money exercise price for such exercise price [nearest the previous day's settlement price of the underlying futures contract month.

3. Dynamically-Listed Exercise Prices

Upon demand and at the discretion of the Exchange, a new option contract with an out-of-current-

range exercise price may be added, on an as-soon-as-possible basis, *provided that* the last two digits of the exercise price of such newly added option contract must be 00, 25, 50, or 75 (e.g., 88.00, 88.25, 88.50, 88.75).

The Exchange may modify the provisions governing the establishment of exercise prices as it deems appropriate.

452A01.F. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion. Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

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.H.-I. [Reserved]

452A01.J. Termination of Trading

1. ~~Options in the March Quarterly Cycle (“Quarterly Standard Options”)~~

~~For options in the March quarterly cycle, except for those Mid-Curve options specified in Paragraph 3 of this Rule, trading in any Quarterly Standard Option shall terminate at the same date and time as the underlying futures contract for such Quarterly Standard Options.~~

2. ~~Options Not in the March Quarterly Cycle (“Serial Options”)~~

~~For options not in the March quarterly cycle, except for those Mid-Curve options specified in Paragraph 3 of this Rule, trading in any Serial Option shall terminate at the close of trading on the Friday preceding the third Wednesday of the contract month in which such option expires. If the foregoing date for termination such Friday is a scheduled Exchange holiday, options then trading shall terminate on the immediately preceding Business Day. In the event that the underlying futures market for such Serial Option does not open on the scheduled Serial option expiration day scheduled for termination of trading in such option, then trading in such option expiration shall be extended to the next day on which the underlying futures market is open for trading.~~

3. Mid-Curve Options

Trading in any Quarterly Mid-Curve Option or any Serial Mid-Curve option shall terminate at the close of trading on the Friday preceding the third Wednesday of the calendar month in which such option expires containing the Mid-Curve option expiration. If such Friday the foregoing date for termination is a scheduled Exchange holiday, option then trading shall terminate on the immediately preceding Business Day. In the event that the underlying futures market for such Mid-Curve option does not open on the scheduled Mid-Curve option expiration day scheduled for trading in such option, then trading in such option expiration shall be extended to the next day on which the underlying futures market is open for trading.

Trading in Weekly Mid-Curve options shall terminate at the close of trading on those Fridays that are not also scheduled for termination of trading of in Quarterly Mid-Curve Options or Serial Mid-Curve Options. If the foregoing date for termination such Friday is a scheduled Exchange holiday, then trading in Weekly Mid-Curve options shall terminate on the immediately preceding Business Day. In the event that the underlying futures market for any such Weekly Mid-Curve option does not open on the scheduled Mid-Curve option expiration day scheduled for termination of trading in such option, then trading in such option expiration shall be extended to the next day on which the underlying futures market is open for trading.

452A01.K. [Reserved]

452A02. EXERCISE AND ASSIGNMENT

In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the exercise of Eurodollar options.

452A02.A. Exercise of Option by Buyer

An option may be exercised by the buyer on any Business Day that the option is traded. To exercise an option, the clearing member representing the buyer shall present an exercise notice to the Clearing House by 7:00 p.m. on the day of exercise.

An option that is in the money and has not been liquidated or exercised prior to the termination of trading in such option shall be exercised automatically, in the absence of contrary instructions delivered to the Clearing House by no later than 7:00 p.m. on the last day of trading day of expiration by the clearing member representing the option buyer, ~~be exercised automatically~~. An option is in the money if the settlement price of the underlying futures contract at the termination of trading lies above the exercise price in the case of a call, or lies below the exercise price in the case of a put.

Corrections to option exercises may be accepted by the Clearing House after the 7:00 p.m. deadline and up to the beginning of final option expiration processing, provided that such corrections are necessary due to; (1) a bona fide clerical error, (2) an unreconciled Exchange option transaction(s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to the deadline. The decision whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.

452A02.B. Assignment

Exercise notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members with open short positions in the same series. A clearing member to which an exercise notice is assigned shall be notified thereof as soon as practicable after such notice is assigned by the Clearing House, but not later than 45 minutes before the opening of Regular Trading Hours in the underlying futures contract on the following Business Day.

The clearing member assigned an exercise notice shall be assigned a short position in the underlying futures contract if a call is exercised or a long position if a put is exercised. The clearing member representing the option buyer shall be assigned a long position in the underlying futures contract if a call is exercised and a short position if a put is exercised.

All such futures positions shall be assigned at a price equal to the exercise price of the option and shall be marked to market in accordance with Rule 814 on the Trading Day of acceptance by the Clearing House of the exercise notice.

452A03. [RESERVED]

(End Chapter 452A)

INTERPRETATIONS & SPECIAL NOTICES RELATING TO CHAPTER 452A

RULE 452A01.D. INTERPRETATION

(Special Executive Report S-2075, January 30, 1989. Revised in S.E.R. S-2735, December 6, 1993)

452A01.D. can be interpreted as follows:

~~At the commencement of trading in a contract expiration, the Exchange will list put and call options at the eligible exercise price that is nearest the previous day's settlement price of the underlying futures contract. An exercise price is "eligible" if it is in increments of .25 IMM Index points from even number IMM Index levels, such as 91.00 and falls within the appropriate range of IMM Index points of the eligible exercise price nearest the previous day's settlement as determined by time to expiration for the option contract expiration. An eligible exercise price is "nearest" when it is 12 basis points or closer to the adjacent eligible exercise price.~~

~~The listing procedure of exercise prices above and below the exercise price nearest to the previous day's settlement price of the underlying futures contract month is affected by the time to expiration of the individual option contract expiration. If the Exchange listing cycle specifies that eight March quarterly contract months (except Mid-Curve options) will be listed normally and that the newly listed deferred quarterly contract month will be listed on the Business Day following the expiration of the nearby quarterly contract month, then~~

normally, new quarterly contract month listings will be added that have more than 15 complete calendar months to termination. Therefore, on Day 1, according to Rule 452A01.D., exercise prices will be added in a range of 2.25 IMM Index points above and below the exercise price nearest to the previous day's settlement price of the underlying futures contract expiration. (See Example 1(a).) Thereafter, the addition of exercise prices will be affected by the movement of the underlying futures settlement price and the relative time to expiration of the option contract expiration. (See Example 1(b).) The following examples illustrate the listing procedure for the September '91 Eurodollar (ED) options contract month that expires on September 16, 1991.

(a) Exercise Prices Listed on Day 1:

94.50	92.75	91.25
94.25	92.50	91.00
94.00	92.25	90.75
93.75	92.00	90.50
93.50	91.75	90.25
93.25	91.50	90.00
93.00		

(b) Thereafter, the addition of exercise prices is affected by the time to expiration of the option, the underlying futures settlement price, and the option contract expiration exercise prices already listed.

(1) Time to expiration is more than 15 complete calendar months away. For example, from

September 19, 1989 through May 31, 1990, for the September '91 quarterly contract month expiring on September 16, 1991, all eligible exercise prices in a range of 2.25 IMM Index points above and below the exercise price nearest the previous day's settlement price are added.

(i) If highest listed exercise price is 94.50, then the next new higher exercise price of 94.75 would be added when the underlying futures settled at or above 92.38.

(ii) If lowest listed exercise price is 90.00, then the next new lower exercise price of 89.75 would be added when the underlying futures settled at or below 92.12.

(2) Time to expiration is more than 12 up to and including 15 complete calendar months away. For example, from June 1, 1990 through August 31, 1990, for the September '91 quarterly contract month expiring on September 16, 1991, all eligible exercise prices in a range of 1.75 IMM Index points above and below the exercise price nearest the previous day's settlement price are added.

(i) If highest listed exercise price is 94.50, then the next new higher exercise price of 94.75 would be added when the underlying futures settled at or above 92.88.

(ii) If lowest listed exercise price is 90.00, then the next new lower exercise price of 89.75 would be added when the underlying futures settled at or below 91.62.

(3) Time to expiration is up to and including 12 complete calendar months away. For example, from September 1, 1990 through September 6, 1991, for the September '91 quarterly contract month expiring on September 16, 1991, all eligible exercise prices in a range of 1.50 IMM Index points above and below the exercise price nearest the previous day's settlement price are added.

(i) If highest listed exercise price is 94.50, then the next new higher exercise price of 94.75 would be added when the underlying futures settled at or above 93.13.

(ii) If lowest listed exercise price is 90.00, then the next new lower exercise price of 89.75 would be added when the underlying futures settled at or below 91.37.

Example 2 - September '91 ED futures settles at 92.25 on Monday, September 18, 1989. On Tuesday, September 19, 1989, with time to expiration of the quarterly option contract month falling in the range of more than 15 complete calendar months away, exercise prices in a range of 2.25 IMM Index points above and below the exercise price nearest the settlement price of the underlying futures contract on the previous day are added.

(a) Exercise prices listed on Day 1:

94.50	92.75	91.25
94.25	92.50	91.00
94.00	92.25	90.75
93.75	92.00	90.50
93.50	91.75	90.25
93.25	91.50	90.00
93.00		

~~(b) Thereafter, the same procedures would apply as for Example 1(b) (1-3).
The corresponding strike listing procedures also apply to Mid-Curve options. In each case, the Mid-Curve option strike listings depend on the given Mid-Curve option's underlying futures contract, the option's time to expiration, and the strikes already listed for that Mid-Curve option contract.~~

Exhibit B

(clean)

CME Rulebook Chapter 452A Options on Three-Month Eurodollar Futures

452A00. SCOPE OF CHAPTER

This chapter is limited in application to options on Three-Month Eurodollar futures (“options”). In addition to this chapter, options shall be subject to the general rules and regulations of the Exchange insofar as applicable.

Unless otherwise specified, times referenced herein shall refer to and indicate Chicago time.

452A01. OPTION CHARACTERISTICS

452A01.A. Contract Months and Trading Hours

Options shall be listed for expiration on such dates and shall be scheduled for trading during such hours as may be determined by the Exchange.

452A01.B. Trading Unit

The trading unit shall be an option to buy in the case of the call, or to sell in the case of the put, one Three-Month Eurodollar futures contract (Chapter 452).

452A01.C. Minimum Fluctuations

The price of an option shall be quoted in IMM Index points corresponding to such option’s underlying futures contract (Rule 452A01.D.). Pursuant to Rules 45202.C., each 0.01 IMM Index point signifies one (1) basis point per annum of interest rate exposure in such underlying futures contract’s Trading Unit (Rule 45202.B.), and is equal to \$25 per option contract. For example, an option contract price of 0.35 IMM Index points represents \$875 (equal to 35 basis points x \$25 per basis point per option contract).

Minimum price fluctuations shall be as follows –

1. Quarterly Standard Options (Rule 452A01.D.1.) Expiring in the Nearest March Quarterly Month

Where such options are for the next nearest monthly option expiration date, the minimum price fluctuation shall be 0.0025 IMM Index points (equal to \$6.25 per option contract).

Where such options are not for the next nearest monthly option expiration date, then:

Where any such option trades outright at a premium not greater than 0.05 IMM Index points, the minimum price fluctuation shall be 0.0025 IMM Index points (equal to \$6.25 per option contract).

Where any such option trades outright at a premium greater than 0.05 IMM Index points, the minimum price fluctuation shall be 0.005 IMM Index points (equal to \$12.50 per option contract).

2. Quarterly Standard Options (Rule 452A01.D.1.) Expiring in the Second-Nearest March Quarterly Month, Serial Options (Rule 452A01.D.2.), and Three-Month Mid-Curve Options (Rule 452A01.D.8.)

Where any such option trades outright at a premium not greater than 0.05 IMM Index points, the minimum price fluctuation shall be 0.0025 IMM Index points (equal to \$6.25 per option contract).

Where any such option trades outright at a premium greater than 0.05 IMM Index points, the minimum price fluctuation shall be 0.005 IMM Index points (equal to \$12.50 per option contract).

3. All Other Quarterly Standard Options (Rule 452A01.D.1.) and All Other Mid-Curve Options (Rules 452A01.D.3. through 452A01.D.7., 452A01.D.9., and 452A01.D.10.)

For all Quarterly Standard options other than those that expire in the nearest March Quarterly month or the second-nearest March Quarterly month, and for all Mid-Curve options other than Three-Month Mid-Curve options, the minimum price fluctuation shall be 0.005 IMM Index points (equal to \$12.50 per option contract), provided that trade may occur at a price level of 0.0025 IMM Index point (equal

to \$6.25 per option contract), whether or not such trade results in liquidation of positions for both parties to such trade.

4. Option Spreads and Combinations

All option spreads and combinations shall trade in minimum price increments of 0.005 IMM Index points, subject to the following exceptions:

- (a) An option spread or combination may trade in minimum price increments of 0.0025 IMM Index points if (i) such option spread or combination comprises only Quarterly Standard Options Expiring in the Nearest March Quarterly Month (Rule 452A01.C.1.), and (ii) all such options are for the nearest monthly option expiration date.
- (b) An option spread or combination may trade in minimum price increments of 0.0025 IMM Index points if such option spread or combination (i) trades at a net premium not greater than 0.05 IMM Index points and not less than -0.05 IMM Index points and (ii) comprises only such options as are specified in Rule 452A01.C.1. and/or 452A01.C.2.

For the avoidance of doubt, any option spread or combination that comprises one or more options specified in Rule 452A01.C.3. shall trade in minimum price increments of 0.005 IMM Index points.

For the purpose of Rule 813 for Settlement Prices, the minimum price fluctuation for all options shall be 0.0025 IMM Index point (equal to \$6.25 per option contract).

Where the price of an option is quoted in volatility terms, the minimum fluctuation shall be 0.05 percent.

452A01.D. Underlying Futures Contracts

1. Options in the March Quarterly Cycle (“Quarterly Standard Options”)

For options that expire in any month in the March quarterly cycle (i.e., March, June, September, and December), except for those Mid-Curve options specified in Paragraphs 3, 4, 5, 6, 7, 8, 9, or 10 of this Rule, the underlying futures contract is for the month in which such options expire. For example, for a given year, the underlying futures contract for an option that expires in March is the March futures contract.

2. Options Not in the March Quarterly Cycle (“Serial Options”)

For options that expire in any month other than those in the March quarterly cycle, (i.e., January, February, April, May, July, August, October, and November), except for those Mid-Curve options specified in Paragraphs 3, 4, 5, 6, 7, 8, 9, or 10 of this Rule, the underlying futures contract is for the next month in the March quarterly cycle that is nearest the expiration of such options. For example, for a given year, the underlying futures contract for such options that expire in January or February is the March futures contract.

3. One-Year Mid-Curve Options

One-Year Mid-Curve Options in the March Quarterly Cycle (“Quarterly One-Year Mid-Curve Options”)

For One-Year Mid-Curve options that expire in any month in the March quarterly cycle, the underlying futures contract is the futures contract that expires 12 calendar months after the month in which such options expire.

One-Year Mid-Curve Options Not in the March Quarterly Cycle (“Serial One-Year Mid-Curve Options”)

For Serial One-Year Mid-Curve Options that expire in any month other than those in the March quarterly cycle, the underlying futures contract is the futures contract that expires 12 calendar months from the next March quarterly month that is nearest to the expiration of such options. For example, the underlying futures contract for the Serial One-Year Mid-Curve options that expire in January or February of a given year is the March futures contract that expires one year hence.

Weekly One-Year Mid-Curve Options

For Weekly One-Year Mid-Curve Options, the underlying futures contract is the futures contract that expires 12 calendar months from the next March quarterly month that is nearest to the expiration of such options.

4. Two-Year Mid-Curve Options

Two-Year Mid-Curve Options in the March Quarterly Cycle (“Quarterly Two-Year Mid-Curve Options”)

For Two-Year Mid-Curve options that expire in any month in the March quarterly cycle, the underlying futures contract is the futures contract that expires 24 calendar months after the month in which such options expire.

Two-Year Mid-Curve Options Not in the March Quarterly Cycle (“Serial Two-Year Mid-Curve Options”)

For Serial Two-Year Mid-Curve Options that expire in any month other than those in the March quarterly cycle, the underlying futures contract is the futures contract that expires 24 calendar months from the next March quarterly month that is nearest to the expiration of such options. For example, the underlying futures contract for the Serial Two-Year Mid-Curve options that expire in January or February of a given year is the March futures contract that expires two years hence.

Weekly Two-Year Mid-Curve Options

For Weekly Two-Year Mid-Curve Options, the underlying futures contract is the futures contract that expires 24 calendar months from the next March quarterly month that is nearest to the expiration of such options.

5. Three-Year Mid-Curve Options

Three-Year Mid-Curve Options in the March Quarterly Cycle (“Quarterly Three-Year Mid-Curve Options”)

For Three-Year Mid-Curve options that expire in any month in the March quarterly cycle, the underlying futures contract is the futures contract that expires 36 calendar months after the month in which such options expire.

Three-Year Mid-Curve Options Not in the March Quarterly Cycle (“Serial Three-Year Mid-Curve Options”)

For Serial Three-Year Mid-Curve Options that expire in any month other than those in the March quarterly cycle, the underlying futures contract is the futures contract that expires 36 calendar months from the next March quarterly month that is nearest to the expiration of such options. For example, the underlying futures contract for the Serial Three-Year Mid-Curve options that expire in January or February of a given year is the March futures contract that expires three years hence.

Weekly Three-Year Mid-Curve Options

For Weekly Three-Year Mid-Curve Options, the underlying futures contract is the futures contract that expires 36 calendar months from the next March quarterly month that is nearest to the expiration of such options.

6. Four-Year Mid-Curve Options

Four-Year Mid-Curve Options in the March Quarterly Cycle (“Quarterly Four-Year Mid-Curve Options”)

For Four-Year Mid-Curve options that expire in any month in the March quarterly cycle, the underlying futures contract is the futures contract that expires 48 calendar months after the month in which such options expire.

Four-Year Mid-Curve Options Not in the March Quarterly Cycle (“Serial Four-Year Mid-Curve Options”)

For Serial Four-Year Mid-Curve Options that expire in any month other than those in the March quarterly cycle, the underlying futures contract is the futures contract that expires 48 calendar months from the next March quarterly month that is nearest to the expiration of such options. For example, the underlying futures contract for the Serial Four-Year Mid-Curve options that expire in January or February of a given year is the March futures contract that expires four years hence.

Weekly Four-Year Mid-Curve Options

For Weekly Four-Year Mid-Curve Options, the underlying futures contract is the futures contract that expires 48 calendar months from the next March quarterly month that is nearest to the expiration of

such options.

7. Five-Year Mid-Curve Options

Five-Year Mid-Curve Options in the March Quarterly Cycle (“Quarterly Five-Year Mid-Curve Options”)

For Five-Year Mid-Curve options that expire in any month in the March quarterly cycle, the underlying futures contract is the futures contract that expires 60 calendar months after the month in which such options expire.

Five-Year Mid-Curve Options Not in the March Quarterly Cycle (“Serial Five-Year Mid-Curve Options”)

For Serial Five-Year Mid-Curve Options that expire in any month other than those in the March quarterly cycle, the underlying futures contract is the futures contract that expires 60 calendar months from the next March quarterly month that is nearest to the expiration of such options. For example, the underlying futures contract for the Serial Five-Year Mid-Curve options that expire in January or February of a given year is the March futures contract that expires five years hence.

Weekly Five-Year Mid-Curve Options

For Weekly Five-Year Mid-Curve Options, the underlying futures contract is the futures contract that expires 60 calendar months from the next March quarterly month that is nearest to the expiration of such options.

8. Three-Month Mid-Curve Options

Three-Month Mid-Curve Options in the March Quarterly Cycle (“Quarterly Three-Month Mid-Curve Options”)

For Three-Month Mid-Curve options that expire in any month in the March quarterly cycle, the underlying futures contract is the futures contract that expires 3 calendar months after the month in which such options expire.

Three-Month Mid-Curve Options Not in the March Quarterly Cycle (“Serial Three-Month Mid-Curve Options”)

For Serial Three-Month Mid-Curve Options that expire in any month other than those in the March quarterly cycle, the underlying futures contract is the futures contract that expires 3 calendar months from the next March quarterly month that is nearest to the expiration of such options. For example, for a given year, the underlying futures contract for the Serial Three-Month Mid-Curve options that expire in January or February is the June futures contract.

9. Six-Month Mid-Curve Options

Six-Month Mid-Curve Options in the March Quarterly Cycle (“Quarterly Six-Month Mid-Curve Options”)

For Six-Month Mid-Curve options that expire in any month in the March quarterly cycle, the underlying futures contract is the futures contract that expires 6 calendar months after the month in which such options expire.

Six-Month Mid-Curve Options Not in the March Quarterly Cycle (“Serial Six-Month Mid-Curve Options”)

For Serial Six-Month Mid-Curve Options that expire in any month other than those in the March quarterly cycle, the underlying futures contract is the futures contract that expires 6 calendar months from the next March quarterly month that is nearest to the expiration of such options. For example, for a given year, the underlying futures contract for the Serial Six-Month Mid-Curve options that expire in January or February is the September futures contract.

10. Nine-Month Mid-Curve Options

Nine-Month Mid-Curve Options in the March Quarterly Cycle (“Quarterly Nine-Month Mid-Curve Options”)

For Nine-Month Mid-Curve options that expire in any month in the March quarterly cycle, the underlying futures contract is the futures contract that expires 9 calendar months after the month in which such options expire.

Nine-Month Mid-Curve Options Not in the March Quarterly Cycle (“Serial Nine-Month Mid-Curve Options”)

For Serial Nine-Month Mid-Curve Options that expire in any month other than those in the March quarterly cycle, the underlying futures contract is the futures contract that expires 9 calendar months

from the next March quarterly month that is nearest to the expiration of such options. For example, for a given year, the underlying futures contract for the Serial Nine-Month Mid-Curve options that expire in January or February is the December futures contract.

452A01.E. Exercise Prices

1. Twenty-Five Point Exercise Prices

For options for a given expiration date that are exercisable into a given underlying futures contract, exercise prices shall be stated in terms of the IMM Index for such underlying futures contract and shall be stated in intervals whose last two digits are 00, 25, 50, or 75 (“twenty-five point exercise prices”) for all IMM Index levels, e.g., 88.00, 88.25, 88.50, 88.75.

The Exchange shall list put and call options for trading at the exercise price that is nearest the previous day's settlement price of such underlying futures contract (“at-the-money exercise price”) and at all eligible exercise prices in a range from 5.50 IMM Index points above to 5.50 IMM Index points below such at-the-money exercise price. Thereafter until termination of trading in such options, the Exchange shall ensure that put and call options are listed for trading on each day at all eligible exercise prices in a range from 5.50 IMM Index points above to 5.50 IMM Index points below the at-the-money exercise price for such underlying futures contract. New options may be listed for trading up to and including the termination of trading.

2. Special Listings of 12.5 Point Exercise Prices

For options for a given expiration date that are exercisable into a given underlying futures contract, additional exercise prices shall be stated in intervals whose last three digits are 12.5, 37.5, 62.5, or 87.5 (“12.5 point exercise prices”) for all IMM Index levels, e.g., 93.125, 93.375, 93.625, 93.875.

Until termination of trading in such options, the Exchange shall ensure that put and call options are listed for trading on each day at all such 12.5 point exercise prices in a range from 1.50 IMM Index points above to 1.50 IMM Index points below the at-the-money exercise price for such underlying futures contract.

3. Dynamically-Listed Exercise Prices

Upon demand and at the discretion of the Exchange, a new option contract with an out-of-current-range exercise price may be added, on an as-soon-as-possible basis, *provided that* the last two digits of the exercise price of such newly added option contract must be 00, 25, 50, or 75 (e.g., 88.00, 88.25, 88.50, 88.75).

The Exchange may modify the provisions governing the establishment of exercise prices as it deems appropriate.

452A01.F. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion. Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

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.H.-I. [Reserved]

452A01.J. Termination of Trading

1. Quarterly Standard Options

Trading in any Quarterly Standard Option shall terminate at the same date and time as the underlying futures contract for such Quarterly Standard Option.

2. Serial Options

Trading in any Serial Option shall terminate at the close of trading on the Friday preceding the third

Wednesday of the month in which such option expires. If such Friday is a scheduled Exchange holiday, then trading shall terminate on the immediately preceding Business Day. In the event that the underlying futures market for such Serial Option does not open on the day scheduled for termination of trading in such option, then trading in such option shall be extended to the next day on which the underlying futures market is open for trading.

3. Mid-Curve Options

Trading in any Quarterly Mid-Curve Option or any Serial Mid-Curve option shall terminate at the close of trading on the Friday preceding the third Wednesday of the calendar month in which such option expires. If such Friday is a scheduled Exchange holiday, then trading shall terminate on the immediately preceding Business Day. In the event that the underlying futures market for such Mid-Curve option does not open on the day scheduled for termination of trading in such option, then trading in such option shall be extended to the next day on which the underlying futures market is open for trading.

Trading in Weekly Mid-Curve options shall terminate at the close of trading on those Fridays that are not also scheduled for termination of trading in Quarterly Mid-Curve Options or Serial Mid-Curve Options. If such Friday is a scheduled Exchange holiday, then trading in Weekly Mid-Curve options shall terminate on the immediately preceding Business Day. In the event that the underlying futures market for any such Weekly Mid-Curve option does not open on the day scheduled for termination of trading in such option, then trading in such option shall be extended to the next day on which the underlying futures market is open for trading.

452A01.K. [Reserved]

452A02. EXERCISE AND ASSIGNMENT

In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the exercise of Eurodollar options.

452A02.A. Exercise of Option by Buyer

An option may be exercised by the buyer on any Business Day that the option is traded. To exercise an option, the clearing member representing the buyer shall present an exercise notice to the Clearing House by 7:00 p.m. on the day of exercise.

An option that is in the money and has not been liquidated or exercised prior to the termination of trading in such option shall be exercised automatically, in the absence of contrary instructions delivered to the Clearing House no later than 7:00 p.m. on the last day of trading by the clearing member representing the option buyer. An option is in the money if the settlement price of the underlying futures contract at the termination of trading lies above the exercise price in the case of a call, or lies below the exercise price in the case of a put.

Corrections to option exercises may be accepted by the Clearing House after the 7:00 p.m. deadline and up to the beginning of final option expiration processing, provided that such corrections are necessary due to; (1) a bona fide clerical error, (2) an unreconciled Exchange option transaction(s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to the deadline. The decision whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.

452A02.B. Assignment

Exercise notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members with open short positions in the same series. A clearing member to which an exercise notice is assigned shall be notified thereof as soon as practicable after such notice is assigned by the Clearing House, but not later than 45 minutes before the opening of Regular Trading Hours in the underlying futures contract on the following Business Day.

The clearing member assigned an exercise notice shall be assigned a short position in the underlying futures contract if a call is exercised or a long position if a put is exercised. The clearing member representing the option buyer shall be assigned a long position in the underlying futures contract if a call is exercised and a short position if a put is exercised.

All such futures positions shall be assigned at a price equal to the exercise price of the option and shall be marked to market in accordance with Rule 814 on the Trading Day of acceptance by the Clearing House of the exercise notice.

452A03. [RESERVED]

(End Chapter 452A)

Exhibit C

**CME Rulebook Chapter 5
Interpretations and Special Notices Relating to Chapter 5 –
Position Limit, Position Accountability, and Reportable Level Table**

(attached under separate cover)

Exhibit D

CME Rulebook Chapter 5 Rule 588.H. (“Globex Non-Reviewable Trading Ranges”) Table

(Additions are underlined.)

Instrument Name	Globex Symbol	Bid/Ask Reasonability	Non-Reviewable Range (NRR)
<u>Eurodollar 3-Month Mid-Curve Options</u>	<u>TE1</u>	<u>2 minimum ticks</u>	<u>The greater of the delta times the underlying futures’ non-reviewable range or 20% of the fair value premium up to the underlying futures’ non-reviewable range with a minimum reasonability of 1 basis point</u>
<u>Eurodollar 6-Month Mid-Curve Options</u>	<u>TE3</u>	<u>2 minimum ticks</u>	<u>The greater of the delta times the underlying futures’ non-reviewable range or 20% of the fair value premium up to the underlying futures’ non-reviewable range with a minimum reasonability of 1 basis point</u>
<u>Eurodollar 9-Month Mid-Curve Options</u>	<u>TE4</u>	<u>2 minimum ticks</u>	<u>The greater of the delta times the underlying futures’ non-reviewable range or 20% of the fair value premium up to the underlying futures’ non-reviewable range with a minimum reasonability of 1 basis point</u>

Exhibit E

CME Rulebook Chapter 5 CME Rule 589. Special Price Fluctuation Limits and Daily Price Limits Table

(Additions are underlined.)

Extended Trading Hours (ETH) (17:00 – 7:20 Central Time)

Product	Rulebook Chapter	Commodity Code	Primary/Associated	Associated With	Base in Real Economic Value	Level 1	Level 2	Level 3	Level 4	Level 5
<u>Eurodollar 3-Month Mid-Curve Options</u>	<u>452A</u>	<u>TE1</u>	<u>Associated</u>	<u>GE</u>						<u>No Limit</u>
<u>Eurodollar-6 Month Mid-Curve Options</u>	<u>452A</u>	<u>TE3</u>	<u>Associated</u>	<u>GE</u>						<u>No Limit</u>
<u>Eurodollar 9-Month Mid-Curve Options</u>	<u>452A</u>	<u>TE4</u>	<u>Associated</u>	<u>GE</u>						<u>No Limit</u>

Regular Trading Hours (RTH) (7:20 – 17:00 Central Time)

Product	Rulebook Chapter	Commodity Code	Primary/Associated	Associated With	Base in Real Economic Value	Level 1	Level 2	Level 3	Level 4	Level 5
<u>Eurodollar 3-Month Mid-Curve Options</u>	<u>452A</u>	<u>TE1</u>	<u>Associated</u>	<u>GE</u>						<u>No Limit</u>
<u>Eurodollar 6-Month Mid-Curve Options</u>	<u>452A</u>	<u>TE3</u>	<u>Associated</u>	<u>GE</u>						<u>No Limit</u>
<u>Eurodollar 9-Month Mid-Curve Options</u>	<u>452A</u>	<u>TE4</u>	<u>Associated</u>	<u>GE</u>						<u>No Limit</u>

Exhibit F

Exchange Fees

Fees are charged per side (both buy and sell side) per contract.	Venue/Transaction Type	Interest Rate Options Fee
Individual Members Clearing Equity Member Firms Rule 106.J Equity Member Firms & Rule 106.J Qualified Subsidiaries Rule 106.I Member Firms & Rule 106.I Qualified Affiliates Rule 106.S Member Approved Funds	Open Outcry Delivery	\$0.15
	CME Globex	\$0.22
	EFP EFR Block	\$0.34
	Exercise Assign Future From	\$0.14
Rule 106.D Lessees Rule 106.F Employees	Open Outcry Delivery	\$0.30
	CME Globex	\$0.42
	EFP EFR Block	\$0.55
	Exercise Assign Future From	\$0.35
Rule 106.R Electronic Corporate Member <i>(For other than CME Globex EFP EFR Block - See Non-Members)</i>	CME Globex	\$0.49
	EFP EFR Block	\$0.84
Rule 106.H and 106.N Firms Clearing Non-Equity Member Firms	Open Outcry Delivery	\$0.49
	CME Globex	\$0.49
	EFP EFR Block	\$0.69
	Exercise Assign Future From	\$0.54
International Incentive Program (IIP) Participants International Volume Incentive Program (IVIP) Participants	Open Outcry Delivery	\$0.50
	CME Globex	\$0.50
	EFP EFR Block	\$0.66
	Exercise Assign Future From	\$0.55
Central Bank Incentive Program (CBIP) Participants Emerging Markets Bank Incentive Program (EMBIP) Participants Latin American Fund Manager Incentive Program (FMIP) Participants <i>(For other than CME Globex EFP EFR Block - See Non-Members)</i>	CME Globex	\$0.50
	EFP EFR Block	\$0.84
Members Trading Outside of Division <i>(For other than CME Globex During ETH - See Non-Members)</i>	CME Globex - During ETH	\$0.79
Non-Members	Open Outcry Delivery	\$0.70
	CME Globex	\$0.89
	EFP EFR Block	\$0.99
	Exercise Assign Future From	\$0.69

Other CME Processing Fees	Fee
106.D Lessee/106.H Brokerage	\$0.13
106.F Employee Brokerage	\$0.13
Floor / "New" Brokerage	\$0.04
Position Adjustment/Position Transfer	\$0.10
Give-Up Surcharge	\$0.05
Facilitation Fee	\$0.40