

**SUBMISSION COVER SHEET**

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

Registered Entity Identifier Code (optional): 17-510

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

Filing as a: DCM SEF DCO SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 12/20/17 Filing Description: Amendments to Five (5) European Low Sulphur Gasoil Calendar Spread Option Contracts.

**SPECIFY FILING TYPE**

Please note only ONE choice allowed per Submission.

**Organization Rules and Rule Amendments**

- Certification § 40.6(a)
- Approval § 40.5(a)
- Notification § 40.6(d)
- Advance Notice of SIDCO Rule Change § 40.10(a)
- SIDCO Emergency Rule Change § 40.10(h)

**Rule Numbers:**

**New Product**

Please note only ONE product per Submission.

- Certification § 40.2(a)
- Certification Security Futures § 41.23(a)
- Certification Swap Class § 40.2(d)
- Approval § 40.3(a)
- Approval Security Futures § 41.23(b)
- Novel Derivative Product Notification § 40.12(a)
- Swap Submission § 39.5

**Product Terms and Conditions (product related Rules and Rule Amendments)**

- Certification § 40.6(a)
- Certification Made Available to Trade Determination § 40.6(a)
- Certification Security Futures § 41.24(a)
- Delisting (No Open Interest) § 40.6(a)
- Approval § 40.5(a)
- Approval Made Available to Trade Determination § 40.5(a)
- Approval Security Futures § 41.24(c)
- Approval Amendments to enumerated agricultural products § 40.4(a), § 40.5(a)
- "Non-Material Agricultural Rule Change" § 40.4(b)(5)
- Notification § 40.6(d)

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

Rule Numbers: See filing.

December 20, 2017

**VIA ELECTRONIC PORTAL**

Mr. Christopher J. Kirkpatrick  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, N.W.  
Washington, D.C. 20581

**Re: CFTC Regulation 40.6(a) Certification. Notification Regarding Amendments to Five (5) European Low Sulphur Gasoil Calendar Spread Option Contracts  
NYMEX Submission No. 17-510**

Dear Mr. Kirkpatrick:

New York Mercantile Exchange, Inc. ("NYMEX" or "Exchange") is notifying the Commodity Futures Trading Commission ("CFTC" or "Commission") that it is self-certifying amendments to five (5) European low sulphur gasoil calendar spread option contracts. Specifically, the Exchange will amend the underlying futures, contract size, listing rule, and settlement type of five (5) European Low Sulphur Gasoil Calendar Spread Option contracts (the "Contracts") as noted in the table below (collectively, the "Rule Amendments") commencing with the January 2018 contract month and beyond. There is currently no open interest in the Contracts. In addition, effective immediately, the Exchange will suspend trading in the Contracts temporarily and until Sunday, January 7, 2018 for trade date Monday January 8, 2018.

Clearing Code	CME Globex Code	Contract Title	NYMEX Rulebook Chapter
GXA	GXA	European Low Sulphur Gasoil Calendar Spread Option (One Month)	552
GXB	GXB	European Low Sulphur Gasoil Calendar Spread Option (Two Month)	552
GXC	GXC	European Low Sulphur Gasoil Calendar Spread Option (Three Month)	552
GXM	GXM	European Low Sulphur Gasoil Calendar Spread Option (Six Month)	552
GXZ	GXZ	European Low Sulphur Gasoil Calendar Spread Option (Twelve Month)	552

Effective on Sunday, January 7, 2018 for trade date Monday, January 8, 2018, the Contracts will resume availability trading on the CME Globex electronic trading platform and for submission for clearing via CME ClearPort.

Pursuant to NYMEX Submission No. 17-426 dated November 10, 2017, the Exchange implemented amendments to the European Low Sulphur Gasoil (100mt) Bullet Futures contract. The Exchange is implementing these Rule Amendments to further align the Contracts with industry practice.

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

**Availability of General Information:** NYMEX will issue a Special Executive Report (“SER”) to the marketplace regarding these amendments. The SER will also be posted on the CME Group website.

**Contract Not Readily Subject to Manipulation:** The Contracts are not readily subject to manipulation because of its active underlying market.

**Position Limitations or Accountability:** The speculative position limits for the Contracts as demonstrated in this submission are consistent with the Commission’s guidance.

**Daily Publication of Trading Information:** NYMEX will continue to comply with this Core Principle by making public daily information on settlement prices, volume, open interest, and opening and closing ranges for the Contracts. This will be accomplished by publishing this information on a daily basis on the Exchange’s website.

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

The Exchange certifies that this submission has been concurrently posted on the Exchange’s website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

Should you have any questions concerning the above, please e-mail [CMEGSubmissionInquiry@cmegroup.com](mailto:CMEGSubmissionInquiry@cmegroup.com) or contact the undersigned at (212) 299-2200.

Sincerely,

/s/ Christopher Bowen  
Managing Director and Chief Regulatory Counsel

Attachments:	Exhibit A:	Amendment of Option Underlying Futures
	Exhibit B:	Amendment of Contract Size, Listing Rule and Settlement Type
	Exhibit C:	Position Limit, Position Accountability, and Reportable Level Table in Chapter 5 of the NYMEX Rulebook (attached under separate cover)
	Exhibit D:	Current NYMEX Rulebook Chapter 552 and Amended and Harmonized NYMEX Rulebook Chapter 552

**Exhibit A**

**Amendment of Option Underlying Futures**

<b>Current Underlying Futures Contract/Rulebook Chapter/Commodity Code</b>	<b>Underlying Futures Contract Effective January 8, 2018/Rulebook Chapter/Commodity Code</b>
European Low Sulphur Gasoil (1000mt) Bullet Futures/561/BG	European Low Sulphur Gasoil (100mt) Bullet Futures/712/7F

## Exhibit B

### Amendment of Contract Size, Listing Rule, and Settlement Type

Clearing Code	CME Globex Code	Contract Title	Rulebook Chapter	Current Contract Size (metric tons)	Contract Size (metric tons) Effective January 8, 2018	Current Settlement Type	Settlement Type Effective January 8, 2018	Current Listing Schedule	Listing Schedule Effective January 8, 2018
GXA	GXA	European Low Sulphur Gasoil Calendar Spread Option (One Month)	552	1,000	100	Physical	Financial	Monthly contracts listed for 34 consecutive months. List a new 1-month spread after the nearby expiry.	1-Month spreads listed for the current year and next 3 calendar years. List 1-Month spreads for a new calendar year following the termination of trading in the December spread of the current year.
GXB	GXB	European Low Sulphur Gasoil Calendar Spread Option (Two Month)	552	1,000	100	Physical	Financial	Monthly contracts listed for 2 consecutive months. List a new 2-month spread after the nearby expiry.	2-Month spreads listed for 12 consecutive months. List a new 2-Month spread after the nearby expiry.
GXC	GXC	European Low Sulphur Gasoil Calendar Spread Option (Three Month)	552	1,000	100	Physical	Financial	1 3-month calendar spread	3-Month spreads listed for 12 consecutive months. List a new 3-Month spread after the nearby expiry.
GXM	GXM	European Low Sulphur Gasoil Calendar Spread Option (Six Month)	552	1,000	100	Physical	Financial	2 6-month calendar spreads listed in the June, December cycle. List a new 6-month spread after the nearby expiry.	6-Month spreads listed for 13 consecutive months and the next 2 June and 2 December spreads. List a new 6-Month spread after the nearby expiry.
GXZ	GXZ	European Low Sulphur Gasoil Calendar Spread Option (Twelve Month)	552	1,000	100	Physical	Financial	1 12-month calendar spread	12-Month spreads listed for 13 consecutive months and the next 2 March, 2 June, 2 September and 2 December spreads. List a new 12-Month spread after the nearby expiry.

**Exhibit C**

**Position Limit, Position Accountability, and Reportable Level Table in Chapter 5  
of the NYMEX Rulebook**

(attached under separate cover)

## Exhibit D

### Current NYMEX Rulebook Chapter 552

#### Chapter 552

#### **European Low Sulphur Gasoil Calendar Spread Option**

##### **552.01 — EXPIRATION**

~~A European Low Sulphur Gasoil Calendar Spread Option contract on the Exchange shall expire at the close of trading one business day immediately preceding the expiration of the first expiring Low Sulphur European Low Sulphur Gasoil Bullet Futures (BG) contract in the spread.~~

##### **552.02 — TRADING UNIT**

~~A European Low Sulphur Gasoil Calendar Spread Put Option contract traded on the Exchange represents an option to assume a short position in the first expiring European Low Sulphur Gasoil Bullet Futures (BG) contract in the spread and a long position in the second expiring European Gasoil Bullet Futures (BG) contract in the spread traded on the Exchange. A European Low Sulphur Gasoil Calendar Spread Call Option represents an option to assume a long position in the first expiring European Low Sulphur Gasoil Bullet Futures (BG) contract in the spread and a short position in the second expiring European Low Sulphur Gasoil Bullet Futures (BG) contract in the spread traded on the Exchange.~~

##### **552.03 — TRADING MONTHS**

~~Trading in European Low Sulphur Gasoil Calendar Spread Option contracts shall be conducted in the months determined by the Exchange.~~

##### **552.04 — HOURS OF TRADING**

~~The hours of trading for this contract shall be determined by the Exchange.~~

##### **552.05 — EXERCISE PRICES AND CHARACTERISTICS**

~~Transactions shall be conducted for option contracts as set forth in Rule 300.20.~~

##### **552.06 — PRICES**

~~Prices shall be quoted in dollars and cents per ton and prices shall be in multiples of \$0.01 (1 cent) per ton. The minimum price increment shall be \$.01 per ton. A cabinet trade may occur at a price of \$0.001 per ton, or \$1.00 a contract, however, if it results in the liquidation of positions for both parties in the trade.~~

##### **552.07 — ABSENCE OF PRICE FLUCTUATION LIMITATIONS**

~~Trading in European Low Sulphur Gasoil Calendar Spread Option contracts shall not be subject to price fluctuation limitations.~~

## Harmonized and Amended NYMEX Rulebook Chapter 552

### **Chapter 552** **European Low Sulphur Gasoil Calendar Spread Option**

#### **552100. SCOPE OF CHAPTER**

This chapter is limited in application to put and call options on European Low Sulphur Gasoil (100mt) Bullet Futures contract. In addition to the rules of this chapter, transactions in options on European Low Sulphur Gasoil (100mt) Bullet Futures shall be subject to the general rules of the Exchange insofar as applicable.

#### **552101. OPTION CHARACTERISTICS**

The number of months open for trading at a given time shall be determined by the Exchange.

##### **552101.A. Trading Schedule**

The hours of trading for this contract shall be determined by the Exchange.

##### **552101.B. Trading Unit**

A European Low Sulphur Gasoil Calendar Spread Put Option contract traded on the Exchange represents an option to assume a short position in the first expiring European Low Sulphur Gasoil (100mt) Bullet Futures contract in the spread and a long position in the second expiring European Gasoil (100mt) Bullet Futures contract in the spread traded on the Exchange. A European Low Sulphur Gasoil Calendar Spread Call Option represents an option to assume a long position in the first expiring European Low Sulphur Gasoil (100mt) Bullet Futures contract in the spread and a short position in the second expiring European Low Sulphur Gasoil (100mt) Bullet Futures contract in the spread traded on the Exchange.

##### **552101.C. Price Increments**

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

##### **552101.D. 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.

##### **552101.E. Termination of Trading**

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

##### **552101.F. Type Option**

The option is a European-style option which can be exercised only on the expiration day.

#### **552102. EXERCISE PRICES AND CHARACTERISTICS**

Transactions shall be conducted for option contracts as set forth in Rule 300.20.