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OFFICE OF THE
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January 5, 2011

Mr. David Stawick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington DC 20581

RE: Section 5c(c)(1) and Regulation Section 40.6. Certification of Amendments to Termination of Trading and Final Settlement Procedures for CME Hurricane Index Seasonal and Seasonal Maximum Contracts. CME Submission No. 11-003

Dear Mr. Stawick:

In CME Submission No. 10-266 dated September 17, 2010, Chicago Mercantile Exchange Inc. ("CME" or "Exchange") submitted rule amendments to contracts based on the CME Hurricane Index ("CHI") for individual named storms, effective with Hurricane Matthew for the 2010 hurricane season.

CME also approved, and is now submitting, similar rule amendments to the Seasonal and Seasonal Maximum contracts with the new listing of contracts based on the CHI for the 2011 hurricane season:

CME Hurricane Index Seasonal Futures

- 42702.G. Termination of Trading
- 42703.A. Final Settlement Price

CME Hurricane Index Seasonal Binary Contract

- 427B02.I. Termination of Trading
- 427B03.B. Assignment

CME Hurricane Index Seasonal Maximum Futures

- 42802.G. Termination of Trading
- 42803.A. Final Settlement Price

CME Hurricane Index Seasonal Maximum Binary Contract

- 428B02.I. Termination of Trading
- 428B03.B. Assignment

CME Hurricane Index Second Event Seasonal Maximum Binary Contract

- 428C02.I. Termination of Trading
- 428C03.B. Assignment

CME Hurricane Index Seasonal Cat-In-A-Box Futures

- 43102.G. Termination of Trading
- 43103.A. Final Settlement Price

CME Hurricane Index Seasonal Cat-In-A-Box Binary Contract

- 431B02.I. Termination of Trading
- 431B03.B. Assignment

CME Hurricane Index Seasonal Maximum Cat-In-A-Box Futures

- 43202.G. Termination of Trading
- 43203.A. Final Settlement Price

CME Hurricane Index Seasonal Maximum Cat-In-A-Box Binary Contract

- 432B02.I. Termination of Trading
- 432B03.B. Assignment

CME Hurricane Index Second Event Seasonal Maximum Cat-In-A-Box Binary Contract

- 432C02.I. Termination of Trading
- 432C03.B. Assignment

All previously listed CHI-based contracts used a two-day period between the last National Hurricane Center Public forecast/advisory and termination of trading/final settlement. The aforementioned amendments to the "named storm" contract extended this to a five-day period, and were applied in September 2010 to "named storm" contracts with zero open interest.

No amendments were made to the corresponding 2010 Seasonal and Seasonal Maximum contracts because several of those contracts had open interest. Therefore, to restore consistency across all of the various hurricane contracts, the termination of trading and final settlement for all Seasonal and Seasonal Maximum contracts will be changed from the first Exchange business day that is at least two calendar days following December 31, to the first Exchange business day that is at least five calendar days following December 31. These changes will be effective with the listing of the 2011 Seasonal and Seasonal Maximum contracts, which will be listed for trading on Wednesday, January 12, 2011.

Rule amendments are presented below, with additions underlined and deletions bracketed and overstruck.

Chapter 427 CME Hurricane Index Seasonal Futures

42702. FUTURES CALL

42702.G. Termination of Trading

Futures trading shall terminate at 9:00 A.M. on the first Exchange business day that is at least [~~two~~] five calendar days following December 31.

42703. SETTLEMENT PROCEDURES

42703.A. Final Settlement Price

All futures contracts remaining open at the termination of trading shall be settled using the respective CHI Seasonal final value reported by EQECAT, using the methodology in effect on that date. For example, on January [3] 5, 2006, the 2005 Gulf Coast Seasonal contract would have been settled at 28.9 CHI index points.

**Chapter 427B
CME Hurricane Index Seasonal Binary Contract**

427B02. CONTRACT CALL

427B02.I. Termination of Trading

Trading shall terminate at 9:00 A.M. on the first Exchange business day that is at least [two] five calendar days following December 31.

427B03. EXERCISE

427B03.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 on the following business day.

The buyer of a binary contract shall receive \$10,000 if the seasonal total of the respective CHI is equal to or greater than the exercise price, and shall receive zero dollars (\$0) otherwise. The seller of a binary contract shall be obligated to pay \$10,000 if the seasonal total of the respective CHI is equal to or greater than the exercise price, and shall be obligated to pay zero dollars (\$0) otherwise.

For example, on January [3] 5, 2006, the 2005 Gulf Coast Seasonal Binary contract would have been settled at 28.9 CHI index points. Therefore, buyers of such binary contracts with exercise prices equal to or less than 28 would have received \$10,000 for each such binary contract from the sellers of each such binary contract, and buyers of such binary contracts with exercise prices of 29 or greater would have received nothing.

**Chapter 428
CME Hurricane Index Seasonal Maximum Futures**

42802. FUTURES CALL

42802.G. Termination of Trading

Futures trading shall terminate at 9:00 A.M. on the first Exchange business day that is at least [two] five calendar days following December 31.

42803. SETTLEMENT PROCEDURES

42803.A. Final Settlement Price

All futures contracts remaining open at the termination of trading shall be settled using the respective CHI Seasonal Maximum final value reported by EQECAT, using the methodology in effect on that date. For example, on January [3] 5, 2006, the 2005 Gulf Coast Seasonal Maximum contract would have been settled at 19.0 CHI index points.

**Chapter 428B
CME Hurricane Index
Seasonal Maximum Binary Contract**

428B02. CONTRACT CALL

428B02.I. Termination of Trading

Trading shall terminate at 9:00 A.M. on the first Exchange business day that is at least [two] five calendar days following December 31.

428B03. EXERCISE

428B03.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 on the following business day.

The buyer of a binary contract shall receive \$10,000 if the seasonal maximum of the respective CHI is equal to or greater than the exercise price, and shall receive zero dollars (\$0) otherwise. The seller of a binary contract shall be obligated to pay \$10,000 if the seasonal maximum of the respective CHI is equal to or greater than the exercise price, and shall be obligated to pay zero dollars (\$0) otherwise.

For example, on January [3] 5, 2006, the 2005 Gulf Coast Seasonal Maximum Binary contract would have been settled at 19.0 CHI index points. Therefore, buyers of such binary contracts with exercise prices equal to or less than 19 would have received \$10,000 for each such binary contract from the sellers of each such binary contract, and buyers of such binary contracts with exercise prices of 20 or greater would have received nothing.

**Chapter 428C
CME Hurricane Index
Second Event Seasonal Maximum Binary Contract**

428C02. CONTRACT CALL

428C02.I. Termination of Trading

Trading shall terminate at 9:00 A.M. on the first Exchange business day that is at least [two] five calendar days following December 31.

428C03. EXERCISE

428C03.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 on the following business day.

The buyer of a binary contract shall receive \$10,000 if the second event seasonal maximum of the respective CHI is equal to or greater than the exercise price, and shall receive zero dollars (\$0) otherwise. The seller of a binary contract shall be obligated to pay \$10,000 if the second event seasonal maximum of

the respective CHI is equal to or greater than the exercise price, and shall be obligated to pay zero dollars (\$0) otherwise.

For example, on January [3] 5, 2006, the 2005 Gulf Coast Second Event Seasonal Maximum Binary contract would have been settled at 9.9 CHI index points (i.e., Hurricane Rita, which made landfall after Hurricane Katrina). Therefore, buyers of such binary contracts with exercise prices equal to or less than 9 would have received \$10,000 for each such binary contract from the sellers of each such binary contract, and buyers of such binary contracts with exercise prices of 10 or greater would have received nothing.

Chapter 431 CME Hurricane Index Seasonal Cat-In-A-Box Futures

43102. FUTURES CALL

43102.G. Termination of Trading

Futures trading shall terminate at 9:00 A.M. on the first Exchange business day that is at least [two] five calendar days following December 31.

43103. SETTLEMENT PROCEDURES

43103.A. Final Settlement Price

All futures contracts remaining open at the termination of trading shall be settled using the respective CHI Seasonal Cat-In-A-Box final value reported by EQECAT, using the methodology in effect on that date. For example, on January [3] 5, 2006, the 2005 Galveston-Mobile Seasonal Cat-In- A-Box contract would have been settled at 33.3 CHI index points.

Chapter 431B CME Hurricane Index Seasonal Cat-In-A-Box Binary Contract

431B02. CONTRACT CALL

431B02.I. Termination of Trading

Trading shall terminate at 9:00 A.M. on the first Exchange business day that is at least [two] five calendar days following December 31.

431B03. EXERCISE

431B03.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 on the following business day.

The buyer of a binary contract shall receive \$10,000 if the seasonal total of the respective CHI is equal to or greater than the exercise price, and shall receive zero dollars (\$0) otherwise. The seller of a binary contract shall be obligated to pay \$10,000 if the seasonal total of the respective CHI is equal to or greater than the exercise price, and shall be obligated to pay zero dollars (\$0) otherwise.

For example, on January [3] 5, 2006, the 2005 Galveston-Mobile Seasonal Cat-In-A-Box Binary contract would have been settled at 33.3 CHI index points. Therefore, buyers of such binary contracts with exercise prices equal to or less than 33 would have received \$10,000 for each such binary contract from the sellers of each such binary contract, and buyers of such binary contracts with exercise prices of 34 or greater would have received nothing.

Chapter 432
CME Hurricane Index
Seasonal Maximum Cat-In-A-Box Futures

43202. FUTURES CALL

43202.G. Termination of Trading

Futures trading shall terminate at 9:00 A.M. on the first Exchange business day that is at least [two] five calendar days following December 31.

43203. SETTLEMENT PROCEDURES

43203.A. Final Settlement Price

All futures contracts remaining open at the termination of trading shall be settled using the respective CHI Seasonal Maximum Cat-In-A-Box final value reported by EQECAT, using the methodology in effect on that date. For example, on January [3] 5, 2006, the 2005 Galveston-Mobile Seasonal Maximum Cat-In-A-Box contract would have been settled at 22.4 CHI index points.

Chapter 432B
CME Hurricane Index Seasonal Maximum
Cat-In-A-Box Binary Contract

432B02. CONTRACT CALL

432B02.I. Termination of Trading

Trading shall terminate at 9:00 A.M. on the first Exchange business day that is at least [two] five calendar days following December 31.

432B03. EXERCISE

432B03.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 on the following business day.

The buyer of a binary contract shall receive \$10,000 if the seasonal maximum of the respective CHI is equal to or greater than the exercise price, and shall receive zero dollars (\$0) otherwise. The seller of a binary contract shall be obligated to pay \$10,000 if the seasonal maximum of the respective CHI is equal to or greater than the exercise price, and shall be obligated to pay zero dollars (\$0) otherwise.

For example, on January [3] 5, 2006, the 2005 Galveston-Mobile Seasonal Maximum Cat-In-A-Box Binary contract would have been settled at 22.4 CHI index points. Therefore, buyers of such binary contracts with exercise prices equal to or less than 22 would have received \$10,000 for each such binary contract from the

sellers of each such binary contract, and buyers of such binary contracts with exercise prices of 23 or greater would have received nothing.

Chapter 432C
CME Hurricane Index Second Event
Seasonal Maximum Cat-In-A-Box Binary Contract

432C02. CONTRACT CALL

432C02.I. Termination of Trading

Trading shall terminate at 9:00 A.M. on the first Exchange business day that is at least [two] five calendar days following December 31.

432C03. EXERCISE

432C03.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 on the following business day.

The buyer of a binary contract shall receive \$10,000 if the second event seasonal maximum of the respective CHI is equal to or greater than the exercise price, and shall receive zero dollars (\$0) otherwise. The seller of a binary contract shall be obligated to pay \$10,000 if the second event seasonal maximum of the respective CHI is equal to or greater than the exercise price, and shall be obligated to pay zero dollars (\$0) otherwise.

For example, on January [3] 5, 2006, the 2005 Galveston-Mobile Second Event Seasonal Maximum Cat-In-A-Box Binary contract would have been settled at 10.9 CHI index points (i.e., Hurricane Rita, which entered the area after Hurricane Katrina). Therefore, buyers of such binary contracts with exercise prices equal to or less than 10 would have received \$10,000 for each such binary contract from the sellers of each such binary contract, and buyers of such binary contracts with exercise prices of 11 or greater would have received nothing.

The Exchange certifies that this action complies with the Commodity Exchange Act and the regulations thereunder.

If you have any questions regarding this submission, please contact Paul Peterson at (312) 930-4587 or via e-mail at paul.peterson@cmegroup.com or me at (212) 299-2200. Please refer to CME Submission No. 11-003 in all correspondence regarding this matter.

Sincerely,

/s/ Christopher Bowen
Managing Director, Chief Regulatory Counsel