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May 20, 2011

**VIA E-MAIL**

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

**Re: Rule Certification. Commodity Exchange, Inc. Submission# 11-200: Notification Regarding an Amendment to Strike Price Listing Rule for Silver Option Contract Listed on CME Globex®, NYMEX Trading Floor and CME ClearPort®**

Dear Mr. Stawick:

The Commodity Exchange, Inc. ("COMEX" or "Exchange") is notifying the Commodity Futures Trading Commission ("CFTC" or "Commission") that it is self-certifying an amendment to Rule 116.03 ("Strike Prices") in order to expand strike prices for the Silver Option contract (Chapter 116; code SO), listed on CME Globex and the NYMEX trading floor and for submission for clearing through CME ClearPort.

The proposed amendment, presented below in blackline format, intends to offer additional out-of-the-money strike prices based on the level of futures prices. Specifically, intervals would be divided for the first three months and all other months. For the first three months, the intervals would be set at \$.05 with additional strike prices at \$.25 intervals above and below the \$.05 intervals, regardless of the price. For all other months, the strike prices would be set at \$.10 with additional strike prices at \$.25 above or below the \$.10 intervals if the price is greater than \$25.00/troy ounce. If the price is less than \$25.00/troy ounce, the intervals would be set at \$.05 with additional strike prices at \$.25 above or below the \$.05 intervals.

(underline indicates addition; strikethrough indicates deletion)

**116.03.**

**STRIKE PRICES**

(a) For the first three (3) trading months, sStrike prices for silver option contracts shall be in the following increments per troy ounce of silver for an interval of five cents (\$.05). Trading in puts and calls on the first day of a new option contract month shall be at the following twenty strike prices: (i) the previous day's settlement price for silver futures contracts in the corresponding delivery month rounded off to the nearest strike price unless such settlement price is precisely midway between two strike prices, in which case it shall be rounded off to the higher price; (ii) the twenty strike prices which are twenty increments higher than the strike price described in (i) of this Rule 116.03(a); and (iii) the twenty strike prices which are twenty increments lower than the strike price described in (i) of this Rule 116.03(a). ~~t~~—Thereafter, additional strike prices are added such that there will be at least twenty strike price increments above and below the at-the-money option; (iv) an additional ten strike prices for both call and put options will be listed at \$.25 increments above the highest five cent increment as described in (ii) of this Rule 116.03 (a), beginning with the first available such strike that is evenly divisible by \$.25; and (v) an additional ten strike prices for both call and put options will be listed at \$.25 increments below the lowest five-cent increment as described in (iii) of this Rule 116.03(a), beginning with the first available such strike that is evenly divisible by \$.25.

(b) For all other trading months, if the underlying futures price is less than \$25.00 per ounce, strike prices shall be the same as in Rule 116.03 (a). If the underlying futures price is greater than \$25.00 per ounce, strike prices for silver option contracts shall be in the following increments per troy ounce of silver at an interval of ten cents (\$.10). Trading in puts and calls on the first day of a new option contract month shall be at the following twenty strike prices: (i) the previous day's settlement price for silver futures contracts in the corresponding delivery month rounded off to the nearest \$.10

strike price unless such settlement price is precisely midway between two strike prices, in which case it shall be rounded off to the higher price; (ii) the twenty strike prices which are twenty \$.10 increments higher than the strike price described in (i) of this Rule 116.03(b); (iii) the twenty \$.10 strike prices which are twenty increments lower than the strike price described in (i) of this Rule 116.03(b); (iv) an additional ten strike prices for both call and put options will be listed at \$.25 increments above the highest \$.10 increment as described in (ii) of this Rule 116.03 (b) beginning with the first available such strike that is evenly divisible by \$.25; and (v) an additional ten strike prices for both call and put options will be listed at \$.25 increments below the lowest \$.10 increment as described in (iii) of this Rule 116.03(b), beginning with the first available such strike that is evenly divisible by \$.25.

(c) Notwithstanding the provisions of sections (a) and (b) of this Rule 116.03, if the Exchange determines that trading in silver option contracts will be facilitated thereby, the Exchange may, by resolution, change the increments between strike prices, the number of strike prices which shall be traded on the first day in any new option contract month, the price of the silver futures contract at which a new strike price will be introduced, or the period preceding the expiration of a silver option contract in which no new strike prices may be introduced.

(d) In addition to strike prices authorized pursuant to other sections of this Rule 116.03, the Exchange may direct that additional strike prices be added.

Pursuant to Section 5c(c) of the Commodity Exchange Act ("Act") and CFTC Rule 40.6, the Exchange hereby certifies that the amendment complies with the Act, including regulations under the Act. There were no substantive opposing views to this proposal. This change will become effective on Sunday, June 19, 2011 for trade date Monday, June 20, 2011.

Should you have any questions concerning the above, please contact Bob Biolsi at (212) 299-2610, [bob.biolsi@cmegroup.com](mailto:bob.biolsi@cmegroup.com) or the undersigned at (212) 299-2207, (347) 463-5347 or [felix.khalatnikov@cmegroup.com](mailto:felix.khalatnikov@cmegroup.com).

Sincerely,

/s/ Felix Khalatnikov  
Dir & Assoc General Counsel