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May 31, 2011

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

**Re: Regulation §40.6. Amendment of CME Rules for Listing of Exercise Prices.
CME Submission No. 11-221.**

Dear Mr. Stawick,

Chicago Mercantile Exchange Inc. ("CME" or "Exchange") hereby notifies the Commission that the rules for listing exercise prices in the following options on futures contracts will be amended with regard to dynamic strike price listing capability, effective for trade date of June 6, 2011 by the addition of the wording "The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions." at the end of each of the following rules: Options on Milk Futures Rule 52A01.E-Exercise Prices, Mid-size Options on Milk Futures Rule 52B01.E-Exercise prices, Options on Non-fat Milk Futures Rule 54A01.E-Exercise Prices, Options on Milk Class IV Futures Rule 55A01.E-Exercise Prices, Options on Butter Futures Rule 56A01.E-Exercise Prices, Options on Dry Whey Futures Rule 57A01.D-Exercise Prices, Options on International Skimmed Milk Powder Futures Rule 59A01.E-Exercise Prices, Options on Cheese Futures Rule 60A01.E-Exercise Prices, Options on Live Cattle Futures Rule 101A01.E-Exercise Prices, Options on Live Cattle Futures Calendar Spreads Rule 101B01.E-Exercise Prices, Options on Feeder Cattle Futures Rule 102A01.E-Exercise Prices, Options on Frozen Pork Bellies Futures Rule 151A01.E-Exercise Prices, Options on Lean Hogs Futures Rule 152A01.E-Exercise Prices Options on Lean Hog Futures Calendar Spreads Rule 152B01.E-Exercise Prices, Options on Random Length Lumber Futures Rule 201A01.E-Exercise Prices, Options on Northern Bleached Hardwood Kraft Pulp Futures Rule 202A01.E-Exercise Prices, Options on Northern Bleached Softwood Kraft Pulp Futures Rule 203A01.E-Exercise Prices and Options on S&P GSCI Futures Rule 401A01.E-Exercise Prices. The amended rules are attached, with the addition underlined.

The Exchange certifies that this action neither violates nor is inconsistent with any provision of the Commodity Exchange Act or of the rules thereunder. This action complies with the Commodity Exchange Act and regulations thereunder.

If you require any additional information regarding this action, please do not hesitate to contact Jack Cook at 312-930-3295 or via e-mail at jack.cook@cmegroup.com or me at 212-299-2207 or via e-mail at Felix.Khalatnikov@cmegroup.com. Please reference CME Submission No. 11-221 in any related correspondence.

Sincerely,

/s/ Felix Khalatnikov
Director and Associate General Counsel

52A01.E. Exercise Prices

The exercise prices shall be stated in terms of dollars per cwt. For all contract months, exercise prices shall be at intervals of \$.25; e.g., \$11.75, \$12.00, \$12.25, etc.

At the commencement of option trading in a contract month, the Exchange shall list put and call options in a range of \$6 above and below the previous day's settlement price of the underlying futures contract. When a sale, bid, offer, or settlement price in the underlying futures contract occurs at, or passes through an exercise price, the Exchange shall list on the next trading day put and call option contracts at the next higher (or next lower) exercise price within a \$6 range above (or below) the exercise price at which or through which the underlying futures sale, bid, offer, or settlement price occurred.

New options may be listed for trading up to and including the termination of trading.

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

The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.

52B01.E. Exercise Prices

The exercise prices shall be stated in terms of dollars per cwt. For all contract months, exercise prices shall be at intervals of \$.25; e.g., \$11.75, \$12.00, \$12.25, etc.

At the commencement of option trading in a contract month, the Exchange shall list put options in a range of \$6 above and below the previous day's settlement price of the underlying futures contract. When a sale, bid, offer or settlement price in the underlying futures contract occurs at, or passes through, an exercise price, the Exchange shall list on the next trading day put and call option contracts at the next higher (or next lower) exercise price within a \$6 range above (or below) the exercise price at which or through which the underlying futures sale, bid, offer or settlement price occurred. New options may be listed for trading up to and including the termination of trading.

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

The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.

54A01.E. Exercise Prices

The exercise prices shall be stated in terms of cents per pound. For all contract months, exercise prices shall be at intervals of 2 cents; e.g., 100 cents, 102 cents, etc. In addition, for the nearest contract month, exercise prices shall be at intervals of 1 cent., as described below.

At the commencement of option trading in a contract month, the Exchange shall list put and call options in a range of 10 cents above and below the previous day's settlement price of the underlying futures contract.

When a sale, bid, offer, or settlement price in the underlying futures contract occurs at, or passes through an exercise price, the Exchange shall list on the next trading day put and call option contracts at the next higher (or next lower) exercise price within a 10 cent range above (or below) the exercise price at which or through which the underlying futures sale, bid, offer, or settlement price occurred.

When a contract month becomes the nearest contract month, the Exchange shall add exercise prices at 1 cent intervals at a range of 4 cents above and below the previous day's settlement price of the underlying futures contract. If the previous day's futures contract settlement price equals an eligible exercise price, then that exercise price shall also be listed, if not yet listed. Thereafter, when a sale, bid, offer, or settlement price in the underlying futures contract occurs at, or passes through, an odd-numbered exercise price, the Exchange shall list on the next trading day put and call options at the next higher (or next lower) exercise price within a 4 range above (or below) the exercise price at which or through which the underlying futures sale, bid, offer, or settlement price occurred.

New options may be listed for trading up to and including the termination of trading.

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

The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.

55A01.E. Exercise Prices

The exercise prices shall be stated in terms of dollars per cwt. For all contract months, exercise prices shall be at intervals of \$.25; e.g., \$11.75, \$12.00, \$12.25, etc.

At the commencement of option trading in a contract month, the Exchange shall list put and call options in a range of \$4 above and below the previous day's settlement price of the underlying futures contract. When a sale, bid, offer, or settlement price in the underlying futures contract occurs at, or passes through an exercise price, the Exchange shall list on the next trading day put and call option contracts at the next higher (or next lower) exercise price within a \$4 range above (or below) the exercise price at which or through which the underlying futures sale, bid, offer, or settlement price occurred.

New options may be listed for trading up to and including the termination of trading.

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

The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.

56A01.E. Exercise Prices

The exercise prices shall be stated in terms of cents per pound. For all contract months, exercise prices shall be at intervals of 2 cents; e.g., 100 cents, 102 cents, etc.

At the commencement of option trading in a contract month, the Exchange shall list put and call options in a range of 10 cents above and below the previous day's settlement price of the underlying futures contract.

When a sale, bid, offer, or settlement price in the underlying futures contract occurs at, or passes through an exercise price, the Exchange shall list on the next trading day put and call option contracts at the next higher (or next lower) exercise price within a 10 cent range above (or below) the exercise price at which or through which the underlying futures sale, bid, offer, or settlement price occurred.

New options may be listed for trading up to and including the termination of trading.

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

The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.

57A01.D. Exercise Prices

The exercise prices shall be stated in terms of cents per pound. For all contract months, exercise prices shall be at intervals of 1 cent; e.g., 20 cents, 21 cents, etc. In addition, for the 2 nearest contract months, some exercise prices shall be at intervals of .50 cent; e.g., 20.50 cents, 21.50 cents, as described below. At the commencement of option trading in a contract month, the Exchange shall list put and call options in a range of 5 cents above and below the previous day's settlement price of the underlying futures contract.

When a sale, bid, offer, or settlement price in the underlying futures contract occurs at, or passes through an exercise price, the Exchange shall list on the next trading day put and call option contracts at the next higher (or next lower) exercise price within a 5 cent range above (or below) the exercise price at which or through which the underlying futures sale, bid, offer, or settlement price occurred.

When a contract month becomes the second nearest contract month, the Exchange shall add exercise prices at .50 cent intervals at a range of 5 cents above and below the previous day's settlement price of the underlying futures contract. If the previous day's futures contract settlement price equals an eligible exercise price, then that exercise price shall also be listed, if not yet listed. Thereafter, when a sale, bid, offer, or settlement price in the underlying futures contract occurs at, or passes through, an exercise price within a 5 cent range above (or below) the exercise price at which or through which the underlying futures sale, bid, offer, or settlement price occurred, the Exchange shall list on the next trading day put and call options at the next higher (or next lower) exercise price within a 5 range above (or below) the exercise price at which or through which the underlying futures sale, bid, offer, or settlement price occurred.

New options may be listed for trading up to and including the termination of trading.

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

The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.

59A01.E. Exercise Prices

The exercise prices shall be stated in terms of dollars per metric tonne at intervals of \$5; e.g., \$1100, \$1105, etc.

At the commencement of option trading in a contract month, the Exchange shall list put and call options in a range of \$100 above and below the previous day's settlement price of the underlying futures contract.

When a sale, bid, offer, or settlement price in the underlying futures contract occurs at, or passes through an exercise price, the Exchange shall list on the next trading day put and call option contracts at the next higher (or next lower) exercise price within a \$100 range above (or below) the exercise price at which or through which the underlying futures sale, bid, offer, or settlement price occurred.

New options may be listed for trading up to and including the termination of trading.

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

The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.

60A01.E. Exercise Prices

The exercise prices shall be stated in terms of cents per pound. For all contract months, exercise prices shall be at intervals of \$0.025 cents; e.g., \$0.025 cents, \$0.050 cents, etc.

At the commencement of option trading in a contract month, the Exchange shall list put and call options in a range of \$0.60 above and below the previous day's settlement price of the underlying futures contract.

When a sale, bid, offer, or settlement price in the underlying futures contract occurs at, or passes through an exercise price, the Exchange shall list on the next trading day put and call option contracts at the next higher (or next lower) exercise price within a \$0.60 range above (or below) the exercise price at which or through which the underlying futures sale, bid, offer, or settlement price occurred.

New options may be listed for trading up to and including the termination of trading.

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

The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.

101A01.E. Exercise Prices

1. Options in the February Bi-Monthly Cycle

The exercise prices shall be stated in terms of cents per pound. For all contract months, exercise prices shall be at intervals of 2¢; e.g., 60¢, 62¢, 64¢, etc. In addition, for the first two contract month, some exercise prices shall also be at intervals of 1¢; e.g., 60¢, 61¢, 62¢, etc., as is described below.

At the commencement of option trading in a contract month, the Exchange shall list put and call options at intervals of 2¢ in a range 24¢ above and below the previous day's settlement price of the underlying futures contract. When a sale, bid, offer, or settlement price in the underlying futures contract occurs at, or passes through an exercise price, the Exchange shall list on the next trading day put and call options at the next higher (or next lower) exercise price within a 24¢ range above (or below) the exercise price at which or through which the underlying futures sale, bid, offer, or settlement price occurred.

When a contract becomes the second nearest contract month in the February bi-monthly cycle, the Exchange shall add exercise prices at 1¢ intervals at a range 24¢ above and below the previous day's settlement price. Thereafter, when a sale, bid, offer, or settlement price occurs at, or passes through, any exercise price, the Exchange shall on the next trading day list put and call options at the next higher (or next lower) exercise price within a 24¢ range above (or below) the exercise price through which the

underlying futures sale, bid, offer, or settlement price occurred. In addition, when a sale, bid, offer, or settlement price occurs at, or passes through, any even-numbered exercise prices; e.g., 60¢, 62¢, 64¢, the Exchange shall on the next trading day list put and call options at the next higher (or next lower) even-numbered exercise price within a 24¢ range above (or below) the exercise price through which the underlying futures sale, bid, offer, or settlement price occurred.

When a contract becomes the nearest contract month in the February bi-monthly cycle, the Exchange shall add exercise prices at 1¢ intervals within the range that exercise prices at 2¢ intervals have been listed.

New options may be listed for trading up to and including the termination of trading.

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

The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.

2. Options Not in the February Bi-Monthly Cycle

Upon demand evidenced in the respective options pit, the Exchange shall list put and call options at any exercise price listed for trading in the next February bi-monthly cycle futures options that is nearest the expiration of the option. New options may be listed for trading up to and including the termination of trading. The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.

101B01.E. Exercise Prices

The exercise prices shall be based on the price difference obtained by subtracting the deferred futures contract price from the nearer futures contract price. The exercise prices shall be stated in terms of cents per pound. For all contract months, exercise prices shall be at intervals of .50 cent; e.g., .50, 1.00, 1.50. In addition, for options involving the first two underlying futures contract months, some exercise prices shall be at intervals of .25 cent, as described below.

At the commencement of option trading in a contract month, the Exchange shall list put and call options at .50 cent intervals in a range 6¢ above and below the difference between the previous day's settlement prices of the underlying futures contracts. When a sale or settlement price in the underlying futures contracts price differential occurs at, or passes through an exercise price, the Exchange shall list on the next trading day put and call option contracts at the next higher (or next lower) exercise price within a 6¢ range above (or below) the exercise price at which or through which the sale or settlement price in the underlying futures contracts price differential occurred.

When an underlying futures contract month becomes the second nearest contract month, the Exchange shall add exercise prices at .25 cent intervals in range 6¢ above and below the difference between the previous day's settlement prices of the underlying futures contracts. When a sale or settlement price in the underlying futures contracts price differential occurs at, or passes through an exercise price, the Exchange shall list on the next trading day put and call option contracts at the next higher (or next lower) exercise price within a 6¢ range above (or below) the exercise price at which or through which the sale or settlement price in the underlying futures contracts price differential occurred.

New options may be listed for trading up to and including the termination of trading. The Exchange may modify the provisions governing the establishment of exercise prices as it deems appropriate.

The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.

102A01.E. Exercise Prices

The exercise prices shall be stated in terms of cents per pound. For all contract months, exercise prices shall be at intervals of 2¢; e.g., 60¢, 62¢, 64¢, etc. In addition, for the first two contract months, some exercise prices shall be at intervals of 1¢; e.g., 61¢, 62¢, 63¢, etc., as described below. For the expiring contract month, some exercise prices shall also be at intervals of .50¢; e.g., 60.50¢, 61.50¢, 62.50¢, etc.,

as described below.

At the commencement of option trading in a contract month, the Exchange shall list put and call options at 2¢ intervals in a range of 16¢ above and below the previous day's settlement price of the underlying futures contract. When a sale, bid, offer, or settlement price in the underlying futures contract occurs at, or passes through an exercise price, the Exchange shall list on the next trading day put and call option contracts at the next higher (or next lower) exercise price within a 16¢ range above (or below) the exercise price at which or through which the underlying futures sale, bid, offer, or settlement price occurred.

When a contract month becomes the second nearest contract month, the Exchange shall add exercise prices at 1¢ intervals at a range of 6¢ above and below the previous day's settlement price of the underlying futures contract. If the previous day's futures contract settlement price equals an eligible exercise price, then that exercise price shall also be listed, if not yet listed. Thereafter, when a sale, bid, offer, or settlement price in the underlying futures contract occurs at, or passes through, an odd-numbered exercise price, the Exchange shall list on the next trading day put and call options at the next higher (or next lower) exercise price within a 6¢ range above (or below) the exercise price at which or through which the underlying futures sale, bid, offer, or settlement price occurred.

On the first business day of the expiring contract month, the Exchange shall add exercise prices for the expiring contract at .50¢ intervals at a range 2¢ above and below the previous day's settlement price. If the previous day's futures contract settlement price equals an eligible exercise price, then that exercise price shall also be listed. Thereafter, when a sale, bid, offer, or settlement price occurs at, or passes through, a half-cent exercise price, the Exchange shall on the next trading day list put and call options at the next higher (or next lower) exercise price within a 2¢ range above (or below) the exercise price through which the underlying futures sale, bid, offer, or settlement price occurred.

New options may be listed for trading up to and including the termination of trading.

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

The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.

151A01.E. Exercise Prices

The exercise prices shall be stated in terms of cents per pound at intervals of 2¢; e.g., 60¢, 62¢, 64¢, etc.

At the commencement of option trading in a contract month, the Exchange shall list put and call options at the exercise price that is nearest the previous day's settlement price of the underlying futures contract as well as the next ten higher and the next ten lower exercise prices.

When a sale, bid or offer in the underlying futures contract occurs at, or passes through, the tenth highest (or tenth lowest) listed exercise price, put and call option contracts at the next higher (or lower) exercise price shall commence trading on the next trading day. New options may be listed for trading up to and including the termination of trading.

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

The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.

152A01.E. Exercise Prices

The exercise prices shall be stated in terms of cents per pound. For all contract months, exercise prices shall be at intervals of 2¢; e.g., 60¢, 62¢, 64¢, etc. In addition, for the first two contract months, some exercise prices shall also be at intervals of 1¢; e.g., 60¢, 61¢, 62¢, etc., as is described below.

At the commencement of option trading in a contract month, the Exchange shall list put and call options in a range 24¢ above and below the previous day's settlement price of the underlying futures contract.

When a sale, bid, offer or settlement price in the underlying futures contract occurs at, or passes through an exercise price, the Exchange shall list on the next trading day put and call option contracts at the next higher (or next lower) exercise price within a 24¢ range above (or below) the exercise price at which or through which the underlying futures sale, bid offer or settlement price occurred.

When a contract becomes the second nearest contract month, the Exchange shall add exercise prices at

1¢ intervals at a range 6¢ above and below the previous day's settlement price. Thereafter, when a sale, bid, offer, or settlement price occurs at, or passes through, any exercise price, the Exchange shall on the next trading day list put and call options at the next higher (or next lower) exercise price within a 6¢ range above (or below) the exercise price through which the underlying futures sale, bid, offer, or settlement price occurred. In addition, when a sale, bid, offer, or settlement price occurs at, or passes through, any even-numbered exercise price; e.g., 60¢, 62¢, 64¢, the Exchange shall on the next trading day list put and call options at the next higher (or next lower) even-numbered exercise price within a 24¢ range above (or below) the exercise price through which the underlying futures sale, bid, offer, or settlement price occurred. New options may be listed for trading up to and including the termination of trading.

The Board may modify the provisions governing the establishment of exercise prices as it deems appropriate, subject to the provisions of Section 5a(a)(12)(A) of the Commodity Exchange Act and CFTC regulations thereunder.

The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.

152B01.E. Exercise Prices

The exercise prices shall be based on the price difference obtained by subtracting the deferred futures contract price from the nearer futures contract price. The exercise prices shall be stated in terms of cents per pound. For all contract months, exercise prices shall be at intervals of 1 cent; e.g. 10, 11, 12. In addition, for options involving the first two underlying futures contract months, some exercise prices shall be at intervals of .50 cent, as described below.

At the commencement of option trading in a contract month, the Exchange shall list put and call options at 1 cent intervals in a range 12¢ above and below the difference between the previous day's settlement prices of the underlying futures contracts. When a sale or settlement price in the underlying futures contracts price differential occurs at, or passes through an exercise price, the Exchange shall list on the next trading day put and call option contracts at the next higher (or next lower) exercise price within a 12¢ range above (or below) the exercise price at which or through which the sale or settlement price in the underlying futures contracts price differential occurred.

When an underlying futures contract month becomes the second nearest contract month, the Exchange shall add exercise prices at .50 cent intervals in range 6¢ above and below the difference between the previous day's settlement prices of the underlying futures contracts. When a sale or settlement price in the underlying futures contracts price differential occurs at, or passes through an exercise price, the Exchange shall list on the next trading day put and call option contracts at the next higher (or next lower) exercise price within a 6¢ range above (or below) the exercise price at which or through which the sale or settlement price in the underlying futures contracts price differential occurred.

New options may be listed for trading up to and including the termination of trading. The Exchange may modify the provisions governing the establishment of exercise prices as it deems appropriate.

The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.

201A01.E. Exercise Prices

1. Options in the Regular Cycle

The exercise prices shall be stated in terms of dollars per thousand board feet at intervals of \$5, e.g., \$170, \$175, \$180, \$185, \$190, etc.

At the commencement of option trading in a contract month, the Exchange shall list put and call options at the exercise price that is nearest the previous day's settlement price of the underlying futures contract as well as the next twenty higher and the next twenty lower exercise prices.

When a sale, bid or offer in the underlying futures contract occurs at, or passes through, the twentieth highest (or twentieth lowest) listed exercise price, put and call option contracts at the next higher (or lower) exercise price shall commence trading on the next trading day. New options may be listed for trading up to and including the termination of trading.

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

The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.

2. Options Not in the Regular Cycle

Upon demand evidenced in the respective options pit, the Exchange shall list put and call options at any exercise price listed for trading in the next regular cycle futures options that is nearest the expiration of the option. New options may be listed for trading up to and including the termination of trading. The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.

202A01.E. Exercise Prices

The exercise prices shall be stated in terms of dollars per metric tonne at intervals of \$5, e.g., \$470, \$475, \$480, etc.

At the commencement of option trading in a contract month, the Exchange shall list put and call options in a range of \$100 above and below the previous day's settlement price of the underlying futures contract.

When a sale, bid or offer in the underlying futures contract occurs at, or passes through, an exercise price, put and call option contracts at the next higher (or lower) exercise price in a \$100 range shall commence trading on the next trading day. New options may be listed for trading up to and including the termination of trading.

The Board may modify the provisions governing the establishment of exercise prices as it deems appropriate, subject to the provisions of Section 5a(12) of the Commodity Exchange Act and CFTC regulations thereunder.

The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.

203A01.E. Exercise Prices

The exercise prices shall be stated in terms of dollars per metric tonne at intervals of \$5, e.g., \$470, \$475, \$480, etc.

At the commencement of option trading in a contract month, the Exchange shall list put and call options in a range of \$100 above and below the previous day's settlement price of the underlying futures contract.

When a sale, bid or offer in the underlying futures contract occurs at, or passes through, an exercise price, put and call option contracts at the next higher (or lower) exercise price in a \$100 range shall commence trading on the next trading day. New options may be listed for trading up to and including the termination of trading.

The Board may modify the provisions governing the establishment of exercise prices as it deems appropriate, subject to the provisions of Section 5a(12) of the Commodity Exchange Act and CFTC regulations thereunder.

The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.

401A01.E. Exercise Prices

The exercise prices shall be stated in terms of the S&P GSCI Commodity Index futures contract which is deliverable upon exercise of the option. For all contract months, the exercise prices shall be even numbered integers, e.g., 180, 182, 184, etc. In addition, for the nearest contract month, some exercise prices shall be at odd-number integers, e.g. 180, 181, 182, etc., as is described below.

At the commencement of option trading in a contract month the Exchange shall list all eligible exercise prices in a range of 20 index points above and below the previous day's settlement price of the underlying

futures contract. If the previous day's settlement price equals an eligible exercise price, then that exercise price shall be listed also.

When a sale, bid, offer, or settlement price in the underlying futures contract occurs at, or passes through, any exercise price, the Exchange shall list on the next trading day put and call options at the next higher (or next lower) exercise price within a 20 index point range above (or below) the exercise price at which or through which the underlying futures sale, bid, offer, or settlement price occurred. New options may be listed for trading up to and including the last day of trading.

When a contract month becomes the nearest contract month, the Exchange shall add exercise prices at an interval of odd-numbered integers in a range of 12 index points above and below the previous day's settlement price of the underlying futures contract. If the previous day's futures contract equals an eligible odd-numbered exercise price, then that exercise price shall also be listed. Thereafter, when a sale, bid, offer, or settlement price in the underlying futures contract occurs at, or passes through, an odd-numbered exercise price, the Exchange shall list on the next trading day put and call options at the next higher (or next lower) exercise price within a 12 index point range above (or below) the exercise price at which or through which the underlying futures sale, bid, offer, or settlement price occurred.

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

The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.