



C.F.T.C.
OFFICE OF THE SECRETARIAT
2010 JUL 1 PM 3 32

June 29, 2009

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

**RE: CME Chapters 451A, 452A, 456 and 502; CME Chapter 5 Table; and
CME/CBOT/NYMEX Rule 588.G.
Delisting of 13-Week U.S. Treasury Bill Options, Options on (regular, not E-
mini) 5-Year Eurodollar Futures Bundle, E-mini 5-Year Eurodollar Futures
Bundle, and 10-Year Japanese Government Bond futures
CME/CBOT/NYMEX Submission No. 10-180**

Dear Mr. Stawick:

The Chicago Mercantile Exchange Inc. ("CME"), Chicago Board of Trade, Inc. ("CBOT") and New York Mercantile Exchange, Inc. ("NYMEX") (collectively, the "Exchanges") hereby notify the Commodity Futures Trading Commission that the Exchanges will delist the following dormant interest rate futures and option contracts, effective for trade date Wednesday, June 30, 2010:

- 13-Week U.S. Treasury Bill Options
- Options on (regular, not E-mini) 5-Year Eurodollar Futures Bundle
- E-mini 5-Year Eurodollar Futures Bundle; and
- 10-Year Japanese Government Bond futures.

These aforementioned contracts achieved modest trading volumes and open interest following their respective launches. Since 2008, however, these contracts have not posted trading volume or open interest and thus have fallen dormant.

Delistment of these contracts necessitates amendments of CME Rulebook Chapters 451A, 452A, 456 and 502 and the Position Limit and Reportable Level Table in Chapter 5 of the CME Rulebook. In addition, the delistment of these contracts also necessitates amendments to CME Rule 588.G., CBOT Rule 588.G., and NYMEX Rule 588.G. regarding no bust ranges.

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

Mr. David Stawick
June 29, 2010
Page 2

If you require any additional information regarding this action, please do not hesitate to contact Daniel Grombacher at 312-634-1583 or via e-mail at daniel.grombacher@cmegroup.com, or contact me at 312-648-5422. Please reference our CME/CBOT/NYMEX Submission No. 10-180 in any related correspondence.

Sincerely,

/s/ Stephen M. Szarmack
Regulatory Counsel

Attachments

8313

Attachment 1

Chapter 451A

Options on 13-week U.S. Treasury Bills Futures

~~451A00. SCOPE OF CHAPTER~~

~~This chapter is limited in application to trading in put and call options on the 13-week (also known as "91-day" or "3-month") U.S. Treasury bill futures contract ("3-month Treasury bill options"). The procedures for trading, clearing, inspection, delivery and settlement and any other matters not specifically covered herein shall be governed by the rules of the Exchange.~~

~~451A01. OPTION CHARACTERISTICS~~

~~451A01.A. Contract Months, Trading Hours, and Trading Halts⁴~~

~~Options contracts shall be listed for such contract months and scheduled for trading during such hours, except as indicated below, as may be determined by the Board of Directors.~~

~~There shall be no trading in any three-month U.S. Treasury bill option contract when the primary futures contract for that Treasury bill contract is limit bid or offered.~~

~~For purposes of this rule, the primary futures contract shall be defined as the futures contract trading in the lead-month configuration in the pit.~~

~~For purposes of this rule during Electronic Trading Hours (ETH), the GLOBEX Control Center shall have the responsibility of determining whether the primary futures contract is limit bid or offered.~~

~~451A01.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 3-month U.S. Treasury bill futures contract as specified in Chapter 451.~~

~~451A01.C. Minimum Fluctuations²~~

~~The price of an option shall be quoted in IMM Index points. Each .01 IMM Index point (1 basis point) shall represent \$25. For example, a quote of 0.35 represents an option price of \$875 (35 basis points x \$25). The minimum fluctuation shall be .005 IMM Index points (also known as one-half tick).~~

~~If options are quoted in volatility terms, the minimum fluctuation shall be 0.05 percent.~~

~~451A01.D. Underlying Futures Contracts~~

~~1. Options in the March Quarterly Cycle~~

~~For options that expire in the March quarterly cycle (i.e., March, June, September, and December), the underlying futures contract is the futures contract for the month in which the option expires. For example, the underlying futures contract for an option that expires in March is the March futures contract.~~

¹ Revised December 2001.

² Revised December 1988; June 1992; November 1992; December 1992.

Attachment 1 (continued)

~~2. Options Not in the March Quarterly Cycle~~

~~For options that expire in 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 next futures contract in the March quarterly cycle that is nearest the expiration of the option. For example, the underlying futures contract for the options that expire in January or February is the March futures contract.~~

~~451A01.E. Exercise Prices³~~

~~1. Twenty Five Point Exercise Prices~~

~~Exercise prices shall be stated in terms of the IMM Index for the 3 month U.S. Treasury bill futures contract that is deliverable upon exercise of the option and shall be at intervals of .25 for all IMM Index levels e.g., 88.25, 88.50, 88.75, etc.~~

~~At the commencement of 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. For contract expirations whose expiration date is up to and including 12 months away, all eligible exercise prices in a range of 1.50 IMM Index points above and below the exercise price that is nearest the futures price shall be listed for trading. Thereafter, the Exchange shall add for trading all eligible exercise prices in a range of 1.50 IMM Index points above and 1.50 IMM Index points below the exercise price nearest the previous day's settlement price. For contract expirations whose expiration date is more than 12 months up to and including 15 months away, all eligible exercise prices in a range of 1.75 IMM Index points above and below the exercise price that is nearest the futures price shall be listed for trading. Thereafter, the Exchange shall add for trading all eligible exercise prices in a range of 1.75 IMM Index points above and 1.75 IMM Index points below the exercise price nearest the previous day's settlement price. For contract expirations whose expiration date is more than 15 months away, all eligible exercise prices in a range of 2.25 IMM Index points above and below the exercise price that is nearest the futures price shall be listed for trading. Thereafter, the Exchange shall add for trading all eligible exercise prices in a range of 2.25 IMM Index points above and 2.25 IMM Index points below the exercise price nearest the previous day's settlement price. 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 in the March Quarterly Cycle~~

~~For Options in the March Quarterly Cycle only, additional exercise prices shall be stated in intervals whose last three digits are 12.5, 37.5, 62.5, and 87.5 ("twelve and a half point exercise prices") for all IMM Index levels, e.g., 93.125, 93.375, 93.625, 93.875, etc.~~

~~For the nearest Options in the March Quarterly Cycle, 12.5 point exercise prices shall be listed beginning on the Exchange business day following the expiration of the last Options Not in the March Quarterly Cycle having the same underlying futures contract. The Exchange shall list put and call options at the 12.5 point exercise price that is nearest the previous day's settlement price of the~~

³ Revised December 2001.

Attachment 1 (continued)

~~underlying futures contract month and the 12.5 point exercise price above and the 12.5 point exercise price below the 12.5 point exercise price that is nearest the previous day's settlement price of the underlying futures contract.~~

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

~~451A01.F. [Reserved]~~

~~451A01.G. Position Limits~~

~~No person shall own or control a combination of options and underlying futures contracts that exceeds 5,000 futures equivalent contracts net on the same side of the market in all contract months combined.~~

~~In addition, no person shall own or control a combination of lead month options and underlying lead month futures contracts that exceeds the number of contracts that correspond to fifteen percent of the announced auction amount of the 91 day U.S. Treasury Bill auction to which the contract settles two days prior to the delivery day of the underlying futures contract.~~

~~For the purpose of this rule, the futures equivalent of an option contract is 1 times the previous business day's IOM risk factor for the option series. Also for purposes of this rule, a long call option, a short put option, and a long underlying futures contract are on the same side of the market; similarly, a short call option, a long put option, and a short underlying futures contract are on the same side of the market.~~

~~451A01.H. Accumulation of Positions~~

~~For the purposes of this rule, the positions of all accounts directly or indirectly owned or controlled by a person or persons, and the positions of all accounts of a person or persons acting pursuant to an expressed or implied agreement or understanding, and the positions of all accounts in which a person or persons have a proprietary or beneficial interest, shall be cumulated.~~

~~451A01.I. Exemptions~~

~~The foregoing position limits shall not apply to commercially appropriate risk reducing option positions defined in accordance with Regulation 1.3(z)(1) of the CFTC and meeting the requirements of Rule 559 and shall not apply to other option positions exempted pursuant to Rule 559.~~

~~451A01.J. Termination of Trading⁴~~

~~1. Options in the March Quarterly Cycle~~

~~For options in the March quarterly cycle, options trading shall terminate at the same date and time as the underlying futures contract.~~

~~2. Options Not in the March Quarterly Cycle~~

~~Options trading for contracts not in the March quarterly cycle shall terminate at the close of trading on the Friday preceding the third Wednesday of the contract month. If the foregoing date for termination is a scheduled Exchange holiday, options trading shall terminate on the immediately preceding business day. In the event that the underlying futures market does not open on the scheduled~~

⁴ Revised December 2001.

Attachment 1 (continued)

~~expiration day, the option expiration shall be extended to the next day on which the underlying futures market is open for trading.~~

~~451A01.K. — Contract Modifications~~

~~Specifications shall be fixed as of the first day of trading of a contract except that all options must conform to government regulations in force at the time of exercise. If the U.S. government, an agency or duly constituted body thereof issues an order, ruling, directive or law inconsistent with these rules, such order, ruling, directive or law shall be construed to become part of these rules and all open and new options contracts shall be subject to such governmental orders.~~

~~451A02 — EXERCISE~~

~~In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the exercise of 3 month U.S. Treasury bill options.~~

~~451A02.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 shall, in the absence of contrary instructions delivered to the Clearing House by 7:00 p.m. on the day of expiration by the clearing member representing the option buyer, be exercised automatically.~~

~~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.~~

~~451A02.B. — Assignment⁵~~

~~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~~

⁵ Revised February 1990.

Attachment 1 (continued)

~~trading day of acceptance by the Clearing House of the exercise notice.~~

~~451A03 ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES~~

~~(Refer to Rule 701. ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)~~

~~(End Chapter 451A)~~

INTERPRETATIONS & SPECIAL NOTICES RELATING TO CHAPTER 451A

~~CLARIFICATION OF NEW NON-AGRICULTURAL OPTION SPECULATIVE POSITION LIMIT RULE~~

~~(Special Executive Report S-1618, March 31, 1986)~~

~~Please note that the new non-agricultural option speculative position limit rule supersedes the speculative position rule for the underlying futures contract. Therefore, for example, a trader may hold a gross futures position that exceeds the futures position limit rule if that gross position is part of spread with options, such that the net position across options and futures is less than the applicable limit set in the option rule.~~

Attachment 2

Chapter 452A

Options on Three-month Eurodollar Futures

452A00. SCOPE OF CHAPTER

This chapter is limited in application to trading in put and call options of the Three-Month Eurodollar Time Deposit futures contract ("Eurodollar options"). The procedures for trading, clearing, inspection, delivery and settlement and any other matters not specifically covered herein shall be governed by the rules of the Exchange.

452A01. OPTION CHARACTERISTICS

452A01.A. Contract Months, Trading Hours, and Trading Halts ⁶

Options contracts shall be listed for such contract months and scheduled for trading during such hours, except as indicated below, as may be determined by the Board of Directors.

There shall be no trading in any Three-Month Eurodollar option contract when the primary futures contract for that Eurodollar contract is limit bid or offered.

For purposes of this rule, the primary futures contract shall be defined as the futures contract trading in the lead month configuration in the pit.

For purposes of this rule during Electronic Trading Hours (ETH), the GLOBEX Control Center shall have the responsibility of determining whether the primary futures contract is limit bid or offered.

452A01.B. Trading Unit ⁷

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 Eurodollar Time Deposit futures contract as specified in Chapter 452.

~~For options on 5 Year Eurodollar bundle futures (or "5 Year bundle options"), 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 5 Year Eurodollar futures bundle. A 5 Year Eurodollar futures bundle consists of 20 consecutive March Quarterly Eurodollar futures contracts.~~

452A01.C. Minimum Fluctuations ⁸

The price of an option shall be quoted in IMM Index points. Each .01 IMM Index point (1 basis point) shall represent \$25, ~~except for 5 Year bundle options as specified in Paragraph 3.~~ For example, a quote of 0.35 represents an option price of \$875 (35 basis points x \$25).

1. Contract Month Whose Underlying Futures Contract is the Nearest Expiring Futures Contract Month

The minimum fluctuation shall be .0025 IMM Index point (also known as one-

6 Revised September 1990, December 2001.

7 Revised February 1998.

8 Revised December 1988; June 1992; November 1992; December 1992; February 1994; May 1995; January 1997; March 1997; February 1998; August 1998; December 2000; June 2001; October 2001; November 2004.

Attachment 2 (continued)

quarter tick).

2. All Other Contract Months

The minimum fluctuation shall be .005 IMM Index point (also known as one-half tick). Trades may also occur at a price of .0025 IMM Index point (\$6.25, also known as one-quarter tick), whether or not such trades result in the liquidation of positions for both parties to the trade.

Further, for options expiring in the nearest or second nearest March quarterly or the nearest or second nearest non-March quarterly contract months trading at a premium of no more than .05 IMM Index points, or spread and combination trades at a net premium of no more than .05 IMM Index points and consisting of options contracts involving the nearest and/or second nearest non-March quarterly months and/or the nearest and/or second nearest March quarterly months only, the options in the combination may trade in increments of .0025 IMM index points.

For the purpose of Rule 813.—Settlement Prices, the minimum fluctuation shall be .0025 IMM Index point (\$6.25, also known as one-quarter tick) ⁹

~~3. 5-Year Bundle Options~~

~~The minimum fluctuation shall be .005 IMM Index point (\$250, also known as one-half tick).~~

~~34. MidCurve Options~~

The minimum fluctuation shall be .005 IMM Index point (\$12.50, also known as one-half tick). Trades may also occur at a price of .0025 IMM Index point (\$6.25, also known as one-quarter tick), whether or not such trades result in the liquidation of positions for both parties to the trade.

For the purpose of Rule 813—Settlement Prices, the minimum fluctuation shall be .0025 IMM Index point (\$6.25, also known as one-quarter tick). ¹⁰

If options are quoted in volatility terms, the minimum fluctuations shall be 0.05 percent.

452A01.D. Underlying Futures Contracts ¹¹

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

For options that expire in the March quarterly cycle (i.e., March, June, September, and December), except for those Mid-Curve options specified in Paragraphs 3, 4, and 5 ~~and those 5-Year bundle options specified in Paragraph 6~~, the underlying futures contract is the futures contract for the month in which the option expires. For example, the underlying futures contract for an option that expires in March is the March futures contract.

9 Adopted April 2000. Revised October 2001.

10 Revised April 2000; October 2001.

11 Effective December 1991. Revised December 1993; November 1994; February 1995; February 1998; August 2003.

Attachment 2 (continued)

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

For options that expire in 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 and 5 ~~and those 5-Year bundle options specified in Paragraph 6~~, the underlying futures contract is the next futures contract in the March quarterly cycle that is nearest the expiration of the option. For example, the underlying futures contract for the options that expire in January or February is the March futures contract.

3. One-Year Mid-Curve Options ¹²

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 the March quarterly cycle, (i.e. March, June, September, and December), the underlying futures contract is the futures contract that expires twelve calendar months after the month in which the option 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 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 twelve calendar months from the next March quarterly month that is nearest to the expiration of the option. For example, the underlying futures contract for the One-Year Mid-Curve options that expire in January or February is the March futures contract in the next calendar year.

Weekly One-Year Mid-Curve Options

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

4. Two-Year Mid-Curve Options

For Two-Year Mid-Curve options, the underlying futures contract is the futures contract that expires twenty-four calendar months after the month in which the option expires.

5. Fifth-Year MidCurve Options

For Fifth-Year Mid-Curve options, the underlying futures contract is the futures contract that expires forty-eight calendar months after the month in which the option expires.

~~6. 5-Year Bundle Options~~

~~5-Year Bundle Options in the March Quarterly Cycle:~~

~~For the 5-Year bundle option that expires in the March quarterly cycle, (i.e., March, June, September, and December), the underlying instrument is the 5-Year bundle with the nearest futures contract expiring in the same month as the option expires. For example, the underlying instrument for the December 97 5-Year bundle option is the 5-Year bundle starting with the December 97 futures contract.~~

~~5-Year Bundle Options Not in the March Quarterly Cycle:~~

Attachment 2 (continued)

~~For 5-Year bundle option that expires in months other than those in the March quarterly cycle, (i.e., January, February, April, May, July, August, October, and November), the underlying instrument is the 5-Year bundle with the nearest futures contract expiring in the March quarterly cycle that is next to the expiration of the option. For example, the underlying instrument for the 5-Year bundle option that expires in January 98 or February 98 is the 5-Year bundle futures starting with the March 98 futures contract.~~

452A01.E. Exercise Prices¹³

1. Twenty-Five Point Exercise Prices

Exercise prices shall be stated in terms of the IMM Index for the Eurodollar Time Deposit 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 75 ("twenty-five point exercise prices") for all IMM Index levels, e.g., 88.00, 88.25, 88.50, 88.75, etc. ~~For 5-Year bundle options, exercise prices shall be stated as in terms of the average price of the futures contracts in the underlying bundle.~~

For Options in the March Quarterly Cycle, Options Not in the March Quarterly Cycle, ~~5-Year Bundle Options~~ and One-Year, Two-Year and Fifth-Year Mid-Curve Options

At the commencement of trading in a contract expiration, the Exchange shall list put and call options at the exercise price that is nearest the previous day's settlement price of the respective underlying futures contract. All eligible exercise prices in a range of 5.50 IMM Index points above and below the exercise price that is nearest the futures price shall be listed for trading. Thereafter, the Exchange shall add for trading all eligible exercise prices in a range of 5.50 IMM Index points above and 5.50 IMM Index points below the exercise price nearest the previous day's settlement price. New options may be listed for trading up to and including the termination of trading.

2. Special Listings of 12.5 Point Exercise Prices

Additional exercise prices shall be stated in intervals whose last three digits are 12.5, 37.5, 62.5, and 87.5 ("twelve and a half 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 One-Year, Two-Year and Fifth-Year Mid-Curve Options, the Exchange shall list put and call options with a 12.5 point exercise price in a range of 1.50 IMM Index points above and 1.50 IMM Index points below the exercise price [nearest the previous day's settlement price of the underlying futures contract month.

The Board may modify the provisions governing the establishment of exercise prices as it deems appropriate.¹⁴

¹³ Revised April 1986; November 1986; September 1988; March 1989; July 1992; December 1993; May 1995; April 2001; August 2003; May 2004.

¹⁴ Revised September 1997; January 1998; June 1998, December 2001; June 2003.

Attachment 2 (continued)

452A01.F. Position Accountability¹⁵

A person owning or controlling a combination of options and underlying futures contracts that exceeds 10,000 futures-equivalent contracts net on the same side of the market in all contract months combined shall provide, in a timely fashion, upon request by the Exchange, information regarding the nature of the position, trading strategy, and hedging information if applicable.

For the purpose of this rule, the futures equivalent of an option contract is 1 times the previous business day's IOM risk factor for the option series. Also for purposes of this rule, a long call option, a short put option, and a long underlying futures contract are on the same side of the market; similarly, a short call option, a long put option, and a short underlying futures contract are on the same side of the market.

452A01.G. [Reserved]

452A01.H. Accumulation of Positions¹⁶

For the purposes of this rule, the positions of all accounts directly or indirectly owned or controlled by a person or persons, and the positions of all accounts of a person or persons acting pursuant to an expressed or implied agreement or understanding, and the positions of all accounts in which a person or persons have a proprietary or beneficial interest, shall be cumulated.

452A01.I. [Reserved]

452A01.J. Termination of Trading¹⁷

1. Options in the March Quarterly Cycle ("Quarterly Options")

For options in the March quarterly cycle, except for those Mid-Curve options specified in Paragraph 3 ~~and those 5 Year bundle options specified in Paragraph 4~~, options trading shall terminate at the same date and time as the underlying futures contract.

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

Options trading for contracts not in the March quarterly cycle except for those Mid-Curve options specified in Paragraph 3 ~~and those 5 Year bundle options specified in Paragraph 4~~, shall terminate at the close of trading on the Friday preceding the third Wednesday of the contract month. If the foregoing date for termination is a scheduled Exchange holiday, options trading shall terminate on the immediately preceding business day. In the event that the underlying futures market does not open on the scheduled expiration day, the option expiration shall be extended to the next day on which the underlying futures market is open for trading.

3. Mid-Curve Options

Except for the weekly One-Year Mid-Curve options, trading in One-Year, Two-Year and Fifth-Year Mid-Curve options shall terminate at the close of trading on

¹⁵ See "Interpretations & Special Notices" at the end of this chapter. Revised March 1986; March 1990; January 1992.

¹⁶ Revised September 1986.

¹⁷ Effective December 1991. Revised December 1993; April 1994; February 1995; December 2001; August 2003.

Attachment 2 (continued)

the Friday preceding the third Wednesday of the calendar month containing the Mid-Curve option expiration. If the foregoing date for termination is a scheduled Exchange holiday, options trading shall terminate on the immediately preceding business day. In the event that the underlying futures market does not open on the scheduled expiration day, the option expiration shall be extended to the next day on which the underlying futures market is open for trading.

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

~~4. 5 Year Bundle Options~~

~~Trading in 5 Year Bundle options shall terminate at the close of trading on the Friday preceding the third Wednesday of the contract month. If the foregoing date for termination is a scheduled Exchange holiday, options trading shall terminate on the immediately preceding business day. In the event that the underlying futures market does not open on the scheduled expiration day, the option expiration shall be extended to the next day on which the underlying futures market is open for trading.~~

452A01.K. Contract Modifications

Specifications shall be fixed as of the first day of trading of a contract except that all options must conform to government regulations in force at the time of exercise. If the U.S. Government, an agency or duly constituted body thereof issues an order, ruling, directive or law inconsistent with these rules, such order, ruling, directive or law shall be construed to become part of these rules and all open and new options contracts shall be subject to such government orders.

452A02. EXERCISE

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 Buyer¹⁸

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 shall, in the absence of contrary instructions delivered to the Clearing House by 7:00 p.m. on the day of expiration by the clearing member representing the option buyer, be exercised automatically.¹⁹

¹⁸ Revised July 1988.

¹⁹ 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.

Attachment 2 (continued)

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.²⁰

452A02.B. Assignment²¹

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. ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)

(End Chapter 452A)

²⁰ Adopted August 1995.

²¹ Revised February 1990.

Attachment 3

Chapter 456

~~E-mini Five Year Eurodollar Bundle Futures~~

~~45600. SCOPE OF CHAPTER~~

~~This chapter is limited in application to futures trading in E-mini Five Year Eurodollar Bundles. The procedures for trading, clearing, delivery and settlement, and any other matters not specifically covered herein shall be governed by the rules of the Exchange.~~

~~45601. COMMODITY SPECIFICATIONS~~

~~Each futures contract shall be for 20 consecutive quarterly expirations of E-mini Eurodollar Futures having a principal value of \$100,000.~~

~~45602. FUTURES CALL~~

~~45602.A. Trading Schedule~~

~~Futures contracts shall be scheduled for trading during such hours and delivery in such months as may be determined by the Board of Directors.~~

~~45602.B. Trading Unit~~

~~The size of the unit of trading shall be one each of twenty (20) consecutive quarterly expirations of E-mini Three Month Eurodollar Futures.~~

~~45602.C. Price Increments~~

~~Bids and offers shall be quoted in terms of the average price of the underlying E-mini Three Month Eurodollar Futures, e.g. 96.6225.~~

~~The minimum fluctuation of the IMM Index shall be 0.0025 (\$12.50)~~

~~For the purpose of Rule 813. Settlement Prices, the minimum fluctuation shall be .00001 IMM Index point.~~

~~45602.D. Position Accountability~~

~~A person owning or controlling more than 1,000 contracts net long or net short in all contract months combined shall provide, in a timely fashion, upon request by the Exchange, information regarding the nature of the position, trading strategy, and hedging information if applicable. For positions involving options on Three-month Eurodollar futures, this rule is superseded by the option position accountability rule.~~

~~45602.E. Accumulation of Positions~~

~~For the purposes of this rule, the positions of all accounts directly or indirectly owned or controlled by a person or persons, and the positions of all accounts of a person or persons acting pursuant to an expressed or implied agreement or understanding, and the positions of all accounts in which a person or persons have a proprietary or beneficial interest, shall be cumulated.~~

Attachment 3 (continued)

~~45602.F. [Reserved]~~

~~45602.G. Termination of Trading~~

~~Futures trading shall terminate at 4:00 p.m. on the Exchange business day prior to the termination of trading of the Eurodollar futures with the same contract month.~~

~~45602.H. Contract Modifications~~

~~Specifications shall be fixed as of the first day of trading of a contract except that all deliveries must conform to governmental regulations in force at the time of delivery. If any U.S. governmental agency or body issues an order, ruling, directive or law pertaining to the trading or delivery of Eurodollars, such order, ruling, directive or law shall be construed to take precedence and become part of these rules, and all open and new contracts shall be subjected to such government orders.~~

~~45602.I. [Reserved]~~

~~45603. SETTLEMENT PROCEDURES~~

~~Delivery under the E-mini Five Year Eurodollar Bundle futures contract shall be by exchanging the E-mini Five Year Eurodollar Bundles for the equivalent positions in the underlying Eurodollar and E-mini Eurodollar futures.~~

~~45603.A. Final Settlement Price~~

~~The final settlement price shall be the average settlement price of the twenty underlying Eurodollar futures on the day of termination of trading, rounding to the nearest 0.00001. E.g. The final settlement price of the September 2006 E-mini Five Year Eurodollar Bundle shall be the average daily settlement price of the twenty (20) consecutive quarterly expiration of the Eurodollar futures, starting with the September 2006 expiration.~~

~~45603.B. Final Settlement~~

~~Clearing members holding open positions in a Eurodollar futures contract at the time of termination of trading in that contract shall make payment to or receive payment from the Clearing House in accordance with normal variation performance bond procedures based on a settlement price equal to the final settlement price. The Clearing House shall also exchange the E-mini Five Year Eurodollar Bundle futures with the equivalent underlying E-mini Eurodollar futures. E.g. a long position of 237 contracts of the E-mini Five Year Eurodollar Bundle futures shall be extinguished and a long position of 237 contracts each of the underlying twenty consecutive expirations of E-mini Eurodollar futures shall be established.~~

~~45604. FAILURE TO PERFORM~~

~~If the clearing member with a delivery commitment fails to perform all acts required by this chapter, then that clearing member shall be deemed as failing to perform which may be punishable as a major violation. A clearing member shall be liable to the clearing member to which it was matched on the failing transaction for any loss sustained. The Board shall determine and assess losses sustained, taking into account the settlement price, interest earnings foregone, and such other factors as it deems appropriate. The Board may also assess such penalties as it deems appropriate in addition to damages.~~

Attachment 3 (continued)

~~45605. [RESERVED]~~

~~45606. ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES~~
(Refer to Rule 701. ~~ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES~~)

Attachment 4

Chapter 502

~~10-year Japanese Government Bond Futures~~

~~50200. SCOPE OF CHAPTER~~

~~This chapter is limited in application to futures trading 10 Year Japanese Government Bonds. The procedures for trading, clearing and settlement, and any other matters not specifically covered herein shall be governed by the rules of the Exchange.~~

~~50201. COMMODITY SPECIFICATIONS²²~~

~~Each futures contract shall be for 10,000,000 yen face value notional long term 10-year Japanese Government Bond with 6% coupon.~~

~~50202. FUTURES CALL~~

~~50202.A. Trading Schedule²³~~

~~Futures contracts shall be scheduled for trading during such hours and delivery in such months as may be determined by the Board of Directors.~~

~~50202.B. Trading Unit²⁴~~

~~The size of the unit of trading shall be 10,000,000 yen face value notional long term 10-year Japanese Government Bond with 6% coupon.~~

~~50202.C. Price Increments²⁵~~

~~The price of 10 Year Japanese Government Bond futures shall be quoted in points per 100 yen par value. One point equals 100,000 yen. The minimum price fluctuations of the 10 Year Japanese Government Bond shall be .01 of one point or 1,000 yen per contract.~~

~~50202.D. Position Limits²⁶~~

~~A person shall not own or control more than 25,000 contracts net long or net short in all contract months combined, except that in no event shall he own or control more than 15,000 contracts in the lead month on or after the day two weeks prior to the termination of trading. For positions involving options on 10 Year Japanese Government Bonds futures, this rule is superseded by the option speculative position limit rule.~~

~~50202.E. Accumulation of Positions~~

~~For the purposes of this rule, the positions of all accounts directly or indirectly owned or controlled by a person or persons, and the positions of all accounts of a person or persons acting pursuant to an expressed or implied agreement or understanding, and the positions of all accounts in which a person or persons have a proprietary or beneficial interest, shall be cumulated.~~

²² Revised March 2000.

²³ Revised December 2001.

²⁴ Revised March 2000.

²⁵ Revised March 2000.

²⁶ Revised March 2000.

Attachment 4 (continued)

~~50202.F. Exemptions~~

~~The foregoing position limits shall not apply to bona fide hedge positions meeting the requirements of Regulation 1.3(z)(1) of the CFTC and the rules of the Exchange, and shall not apply to other positions exempted pursuant to Rule 550, except that lead month position limits shall apply to intercommodity spread positions.~~

~~50202.G. Termination of Trading~~

~~Futures trading shall terminate one business day preceding the Tokyo Stock Exchange's (TSE) Japanese Government bond futures contract's last trading day. The Japanese Government Bond futures contract usually terminates trading on the seventh Japanese business day prior to the delivery date. The delivery date is the 20th day of the contract's calendar month.~~

~~50202.H. Contract Modifications~~

~~Specifications shall be fixed as of the first day of trading of a contract except that all deliveries must conform to government regulations in force at the time of delivery. If any U.S. governmental agency or body issues an order, ruling, directive or law pertaining to the trading, governmental auction, or delivery of Japanese Government Bonds, such order, ruling, directive or law shall be construed to take precedence and become part of these rules, and all open and new contracts shall be subject to such governmental orders.~~

~~50202.I. Price Limits and/or Trading Hours²⁷~~

~~There shall be no trading of the Japanese Government Bond futures contract during Electronic Trading Hours (ETH) at a price more than 2.00 points above or below the Reference RTH Price²⁸.~~

~~50203. SETTLEMENT PROCEDURES~~

~~Delivery under the 10 Year Japanese Government Bond futures shall be by cash settlement.~~

~~50203.A. Final Settlement Price~~

~~The final settlement price shall be the official opening price of the Tokyo Stock Exchange's (TSE) 10 Year Japanese Government bond futures contract on its last trading day.~~

~~50203.B. Final Settlement~~

~~Clearing members holding open positions in a 10 Year Japanese Government Bond futures contract at the termination of trading in that contract shall make payment to or receive payment from the Clearing House in accordance with normal variation performance bond procedures based on a settlement price equal to the final settlement price.~~

~~50203.C.1. [Reserved]~~

²⁷ Revised March 1993; November 1993; July 1999.

²⁸ For futures contracts traded exclusively on GLOBEX, the Reference RTH Price is the previous session's settlement price.

Attachment 4 (continued)

~~50204.05. [RESERVED]~~

~~50206. ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES~~

~~(Refer to Rule 701. ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)~~

~~(End Chapter 502)~~

Attachment 5

CME Chapter 5, Position Limit and Reportable Level Table

(Deletions are ~~struck through~~.)

CONTRACT NAME	OPTIONS	FIRST SCALE-DOWN SPOT MONTH	SECOND SCALE-DOWN SPOT MONTH	SPOT MONTH	SINGLE MONTH	ALL MONTHS COMBINED	POSITION ACCOUNT-ABILITY	REPORT-ABLE FUTURES LEVEL	REPORT-ABLE OPTIONS LEVEL
CME Interest Rate									
13 Week Treasury Bill	Y			15%		5,000 (A)		100	400
3 Month Eurodollar	Y						10,000 (B)	850	850
3 Month OIS	Y						10,000 (D)	25	50
3 Month Eurodollar - E-Mini							100,000 (C)	25	
5 Year Eurodollar Bundle E Mini		-	-	-	-	-	1,000	45	-
Euroyen	Y					*5,000		25	25
MidCurve Eurodollar	Y						10,000 (B)		25
One Month Eurodollar	Y						5,000	100	100
<p>*Net futures equivalents (NFE) long or short.</p> <p>(A) No more than the specified number of contracts net long or net short in all contract months combined, except that in no event shall own or control more than the numbers of contracts that correspond to fifteen percent of the announced auction amount of the 91-day U.S. Treasury Bill auction to which the contract settles in the lead month on or after the day two days prior to the delivery day.</p> <p>(B) Net Futures Equivalent Positions are combined across Eurodollar, Eurodollar E-mini, and Mid-Curve futures and options to determine Position Accountability.</p> <p>(C) 100,000 net long or short but 10,000 net futures equivalents and is combined with ED, E-mini ED, and Midcurves.</p> <p>(D) Net Futures Equivalent Positions are combined across OIS futures and options to determine Position Accountability.</p>									

Attachment 6

CME Rulebook, Chapter 5, Rule 588.G. No Bust Ranges
CBOT Rulebook, Chapter 5, Rule 588.G. No Bust Ranges
NYMEX Rulebook, Chapter 5, Rule 588.G. No Bust Ranges

(Deletions are ~~struck through~~.)

Futures Contract	No Bust Range
E-mini Eurodollar Bundle	2.5 basis points

Futures Combinations	No Bust Range
Eurodollar Combinations & E-mini Eurodollar Bundle	2.5 basis points