

October 24, 2013

**VIA E-MAIL**

Ms. Melissa Jurgens  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, N.W.  
Washington, D.C. 20581

**Re: CFTC Regulation §40.6(a) Certification. Amendments of Terms and Conditions for  
Options on CME Three-Month Eurodollar Futures  
CME Submission No. 13-510**

Dear Ms. Jurgens:

Chicago Mercantile Exchange Inc. ("CME" or the "Exchange") hereby certifies amendments to terms and conditions for options on Three-Month Eurodollar ("GE") futures, to enable listings of new option contracts.

In April 2005, the Exchange introduced Weekly 1-Year Mid-Curve options on GE futures (ie, options on GE futures for delivery approximately one year following expiration of such options). The rule amendments certified herein will enable the Exchange to extend, at its discretion, its listings of such Weekly Mid-Curve options to Weekly 2-Year, 3-Year, 4-Year, or 5-Year Mid-Curve options (ie, options on Eurodollar futures for delivery approximately two, three, four, or five years, respectively, following expiration of such options).

The Exchange's Research Department and Legal Department have reviewed the Core Principles for Designated Contract Markets, as set forth in the Commodity Exchange Act as amended ("CEA" or "Act"), and have determined that the amendments to contract terms and conditions certified herein bear upon on the following Core Principles:

***Core Principle 7 – Availability of General Information***

For any option contract that would be enabled for listing by the rule amendments certified herein, beginning at such time as the Exchange may determine to list such option contract for trading, the Exchange shall publish on its website information regarding contract specifications, terms, and conditions, including contract rules as amended by this certification, as well as daily trading volume, open interest, and price information for such option contract.

***Core Principle 8 – Daily Publication of Trade Information***

At such time as the Exchange may determine to list for trading any option contract for which terms and conditions are certified herein, the Exchange shall publish daily trading volume, open interest, and price information for such option contract on its website and through quote vendors.

***Core Principle 10 – Trade Information***

All requisite trade information concerning option contracts defined by the rule amendments certified herein, shall be included in the audit trail, sufficient for the Market Regulation Department to monitor for market abuse.

Subject to completion of certification of these rule amendments with the Commodity Futures Trading Commission, the Exchange intends to make them effective as of Sunday, November 17, 2013, for first trade date of Monday, November 18, 2013.

Appendix A exhibits these rule amendments in mark-up form. Appendix B displays the amended rules in clean form.

The Exchange certifies that these amendments to contract terms and conditions comply with the Act and rules thereunder, with no substantive opposing views to this proposal. The Exchange certifies, moreover, that this submission has been concurrently posted on the Exchange's website at:

<http://www.cmegroup.com/market-regulation/rule-fillings.html>

If you require any additional information regarding this action, please contact Frederick Sturm at 312-930-1282 or via email at [frederick.sturm@cmegroup.com](mailto:frederick.sturm@cmegroup.com), or contact me at 312-466-7478 or [tim.elliott@cmegroup.com](mailto:tim.elliott@cmegroup.com). Please reference our CME Submission No. 13-510 in any related correspondence.

Sincerely,

/s/ Timothy Elliott  
Executive Director and Associate General Counsel

## Appendix A

### Amendments to Rules 452A01., CME Rulebook Chapter 452A for Options on Three-Month Eurodollar Futures – Mark-up

(Additions are in **bold red underlined font**. Deletions are in ~~**bold struck-through font**~~.)

#### 452A01. OPTIONS CHARACTERISTICS

##### 452A01.A. Contract Months and Trading Hours

Options shall be listed for such contract months and scheduled for trading during such hours as may be determined by the Exchange.

##### 452A01.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 Three-Month Eurodollar futures contract as specified in Chapter 452.

##### 452A01.C. Minimum Fluctuations

The price of an option shall be quoted in IMM Index points. Each 0.01 IMM Index point (1 basis point) shall represent \$25 **per option contract**. For example, a quote of 0.35 represents an option price of \$875 (35 basis points x \$25 **per option contract**).

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

The minimum fluctuation shall be 0.0025 IMM Index point (**\$6.25 per option contract**, also known as one-quarter tick).

#### 2. All Other Contract Months

The minimum fluctuation shall be 0.005 IMM Index point (**\$12.50 per option contract**, also known as one-half tick). Trades may also occur at a price of 0.0025 IMM Index point (**\$6.25 per option contract**, 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 ~~that expire~~ ~~expiring~~ in the nearest or second nearest March quarterly **contract months (Rule 452A01.D.1.)** or the nearest or second nearest non-March quarterly contract months (**Rule 452A01.D.2.)**, ~~and that are~~ trading at a premium of no more than 0.05 IMM Index points, **may trade in increments of 0.0025 IMM index points.**

~~Further, for any option~~ spread ~~or~~ ~~and~~ combination ~~that~~ trades at a net premium of no more than 0.05 IMM Index points, **and that comprises options that expire only in** ~~and consisting of options contracts involving~~ the nearest ~~and/~~ or second nearest ~~non~~-March quarterly months (**Rule 452A01.D.1.)** ~~and/~~ or the nearest ~~and/~~ or second nearest ~~non~~-March quarterly months (**Rule 452A01.D.2.)** ~~only~~, the options **comprised with** in **such spread or** ~~the~~ combination may trade in increments of 0.0025 IMM index points.

For the purpose of Rule 813.–Settlement Prices, the minimum fluctuation shall be 0.0025 IMM Index point (**\$6.25 per option contract**, also known as one-quarter tick)

#### 3. Mid-Curve Options

The minimum fluctuation shall be 0.005 IMM Index point (**\$12.50 per option contract**, also known as one-half tick). Trades may also occur at a price of 0.0025 IMM Index point (**\$6.25 per option contract**, 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 0.0025 IMM Index point (\$6.25 per option contract, also known as one-quarter tick).

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

#### **452A01.D. Underlying Futures Contracts**

##### **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, 5, ~~and 6~~, or 7 of this Rule, 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.

##### **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, 5, and 6~~, or 7 of this Rule, 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 such~~ options that expire in January or February is the March futures contract.

##### **3. One-Year Mid-Curve Options**

###### 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~~ 12 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~~ 12 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~~ 12 calendar months from the next March quarterly month that is nearest to the expiration of the option.

##### **4. Two-Year Mid-Curve Options**

###### Two-Year Mid-Curve Options in the March Quarterly Cycle: (“Quarterly Two-Year Mid-Curve Options”)

For Two-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 ~~twenty-four~~ 24 calendar months after the month in which the option expires.

###### Two-Year Mid-Curve Options Not in the March Quarterly Cycle: (“Serial Two-Year Mid-Curve Options”)

For Serial Two-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 ~~twenty-four~~ 24 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 Two-Year Mid-Curve options that expire in January or February is the March futures contract that expires in two calendar years.

###### Weekly Two-Year Mid-Curve Options

**For Weekly Two-Year Mid-Curve Options, the underlying futures contract is the futures contract that expires 24 calendar months from the next March quarterly month that is nearest to the expiration of the option.**

## **5. Three-Year Mid-Curve Options**

Three-Year Mid-Curve Options in the March Quarterly Cycle: (“Quarterly Three-Year Mid-Curve Options”) For Three-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 ~~thirty-six~~**36** calendar months after the month in which the option expires.

Three-Year Mid-Curve Options Not in the March Quarterly Cycle: (“Serial Three-Year Mid-Curve Options”)

For Serial Three-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 ~~thirty-six~~**36** 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 Three-Year Mid-Curve options that expire in January or February is the March futures contract that expires in three calendar years.

### **Weekly Three-Year Mid-Curve Options**

**For Weekly Three-Year Mid-Curve Options, the underlying futures contract is the futures contract that expires 36 calendar months from the next March quarterly month that is nearest to the expiration of the option.**

## **6. Four-Year Mid-Curve Options**

Four-Year Mid-Curve Options in the March Quarterly Cycle: (“Quarterly Four-Year Mid-Curve Options”) For Four-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 ~~forty-eight~~**48** calendar months after the month in which the option expires.

Four-Year Mid-Curve Options Not in the March Quarterly Cycle: (“Serial Four-Year Mid-Curve Options”)

For Serial Four-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 ~~forty-eight~~**48** 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 Four-Year Mid-Curve options that expire in January or February is the March futures contract that expires in four calendar years.

### **Weekly Four-Year Mid-Curve Options**

**For Weekly Four-Year Mid-Curve Options, the underlying futures contract is the futures contract that expires 48 calendar months from the next March quarterly month that is nearest to the expiration of the option.**

## **7. Five-Year Mid-Curve Options**

Five-Year Mid-Curve Options in the March Quarterly Cycle: (“Quarterly Five-Year Mid-Curve Options”) For Five-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 ~~sixty~~**60** calendar months after the month in which the option expires.

Five-Year Mid-Curve Options Not in the March Quarterly Cycle: (“Serial Five-Year Mid-Curve Options”)

For Serial Five-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 ~~sixty~~**60** 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 Five-

Year Mid-Curve options that expire in January or February is the March futures contract that expires in five calendar years.

### **Weekly Five-Year Mid-Curve Options**

**For Weekly Five-Year Mid-Curve Options, the underlying futures contract is the futures contract that expires 60 calendar months from the next March quarterly month that is nearest to the expiration of the option.**

## **452A01.E. Exercise Prices**

### **1. Twenty-Five Point Exercise Prices**

Exercise prices shall be stated in terms of the IMM Index for the Eurodollar 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 Options in the March Quarterly Cycle, Options Not in the March Quarterly Cycle, and all Mid-Curve Options, **A**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 all 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.

### **3. Dynamically-Listed Exercise Prices**

Upon demand and at the discretion of the Exchange, a new option contract with an out-of-current-range exercise price may be added, on an as-soon-as-possible basis, *provided that* the last two digits of the exercise price of such newly added option contract must be 00, 25, 50, or 75 (e.g., 88.00, 88.25, 88.50, 88.75).

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

## **452A01.F. Position Limits, Exemptions, Position Accountability and Reportable Levels**

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion. Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

## **452A01.G.-I. [Reserved]**

## **452A01.J. Termination of Trading**

### **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 **of this Rule**, ~~options~~ trading shall terminate at the same date and time as the underlying futures contract **for such Quarterly options**.

### **2. Options Not in the March Quarterly Cycle (“Serial Options”)**

~~Options trading for contracts~~ **For options** not in the March quarterly cycle, except for those Mid-Curve options specified in Paragraph 3 **of this Rule**, ~~trading~~ 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 **for such Serial option** does not open on the scheduled **Serial option** 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 all other~~ **Trading in any Quarterly Mid-Curve option or any Serial Mid-Curve** options shall terminate at the close of trading on 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 **for such Mid-Curve option** does not open on the scheduled **Mid-Curve option** 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~~ **Weekly** 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 options. If the foregoing date for termination is a scheduled Exchange holiday, trading in ~~weekly~~ **Weekly Mid-Curve** options shall terminate on the immediately preceding Business Day. In the event that the underlying futures market **for any such Weekly Mid-Curve option** does not open on the scheduled **Mid-Curve option** expiration day, the option expiration shall be extended to the next day on which the underlying futures market is open for trading.

**452A01.K. [Reserved]**

## **Appendix B**

### **Amendments to Rules 452A01., CME Rulebook Chapter 452A for Options on Three-Month Eurodollar Futures – Clean Form**

#### **452A01. OPTIONS CHARACTERISTICS**

##### **452A01.A. Contract Months and Trading Hours**

Options shall be listed for such contract months and scheduled for trading during such hours as may be determined by the Exchange.

##### **452A01.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 Three-Month Eurodollar futures contract as specified in Chapter 452.

##### **452A01.C. Minimum Fluctuations**

The price of an option shall be quoted in IMM Index points. Each 0.01 IMM Index point (1 basis point) shall represent \$25 per option contract. For example, a quote of 0.35 represents an option price of \$875 (35 basis points x \$25 per option contract).

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

The minimum fluctuation shall be 0.0025 IMM Index point (\$6.25 per option contract, also known as one-quarter tick).

##### **2. All Other Contract Months**

The minimum fluctuation shall be 0.005 IMM Index point (\$12.50 per option contract, also known as one-half tick). Trades may also occur at a price of 0.0025 IMM Index point (\$6.25 per option contract, also known as one-quarter tick), whether or not such trades result in the liquidation of positions for both parties to the trade.

Further, options that expire in the nearest or second nearest March quarterly contract months (Rule 452A01.D.1.) or the nearest or second nearest non-March quarterly contract months (Rule 452A01.D.2.), and that are trading at a premium of no more than 0.05 IMM Index points, may trade in increments of 0.0025 IMM index points.

Further, for any option spread or combination that trades at a net premium of no more than 0.05 IMM Index points, and that comprises options that expire only in the nearest or second nearest March quarterly months (Rule 452A01.D.1.) or the nearest or second nearest non-March quarterly months (Rule 452A01.D.2.), the options comprised within such spread or combination may trade in increments of 0.0025 IMM index points.

For the purpose of Rule 813.—Settlement Prices, the minimum fluctuation shall be 0.0025 IMM Index point (\$6.25 per option contract, also known as one-quarter tick)

##### **3. Mid-Curve Options**

The minimum fluctuation shall be 0.005 IMM Index point (\$12.50 per option contract, also known as one-half tick). Trades may also occur at a price of 0.0025 IMM Index point (\$6.25 per option contract, 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 0.0025 IMM Index point (\$6.25 per option contract, also known as one-quarter tick).

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

## **452A01.D. Underlying Futures Contracts**

### **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, 5, 6, or 7 of this Rule, 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.

### **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, 5, 6, or 7 of this Rule, 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 such options that expire in January or February is the March futures contract.

### **3. One-Year Mid-Curve Options**

#### 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 12 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 12 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 12 calendar months from the next March quarterly month that is nearest to the expiration of the option.

### **4. Two-Year Mid-Curve Options**

#### Two-Year Mid-Curve Options in the March Quarterly Cycle (“Quarterly Two-Year Mid-Curve Options”)

For Two-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 24 calendar months after the month in which the option expires.

#### Two-Year Mid-Curve Options Not in the March Quarterly Cycle (“Serial Two-Year Mid-Curve Options”)

For Serial Two-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 24 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 Two-Year Mid-Curve options that expire in January or February is the March futures contract that expires in two calendar years.

#### Weekly Two-Year Mid-Curve Options

For Weekly Two-Year Mid-Curve Options, the underlying futures contract is the futures contract that expires 24 calendar months from the next March quarterly month that is nearest to the expiration of the option.

### **5. Three-Year Mid-Curve Options**

#### Three-Year Mid-Curve Options in the March Quarterly Cycle (“Quarterly Three-Year Mid-Curve Options”)

For Three-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 36 calendar months after the month in which the option expires.

Three-Year Mid-Curve Options Not in the March Quarterly Cycle (“Serial Three-Year Mid-Curve Options”)

For Serial Three-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 36 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 Three-Year Mid-Curve options that expire in January or February is the March futures contract that expires in three calendar years.

Weekly Three-Year Mid-Curve Options

For Weekly Three-Year Mid-Curve Options, the underlying futures contract is the futures contract that expires 36 calendar months from the next March quarterly month that is nearest to the expiration of the option.

## **6. Four-Year Mid-Curve Options**

Four-Year Mid-Curve Options in the March Quarterly Cycle (“Quarterly Four-Year Mid-Curve Options”)

For Four-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 48 calendar months after the month in which the option expires.

Four-Year Mid-Curve Options Not in the March Quarterly Cycle (“Serial Four-Year Mid-Curve Options”)

For Serial Four-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 48 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 Four-Year Mid-Curve options that expire in January or February is the March futures contract that expires in four calendar years.

Weekly Four-Year Mid-Curve Options

For Weekly Four-Year Mid-Curve Options, the underlying futures contract is the futures contract that expires 48 calendar months from the next March quarterly month that is nearest to the expiration of the option.

## **7. Five-Year Mid-Curve Options**

Five-Year Mid-Curve Options in the March Quarterly Cycle (“Quarterly Five-Year Mid-Curve Options”)

For Five-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 60 calendar months after the month in which the option expires.

Five-Year Mid-Curve Options Not in the March Quarterly Cycle (“Serial Five-Year Mid-Curve Options”)

For Serial Five-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 60 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 Five-Year Mid-Curve options that expire in January or February is the March futures contract that expires in five calendar years.

Weekly Five-Year Mid-Curve Options

For Weekly Five-Year Mid-Curve Options, the underlying futures contract is the futures contract that expires 60 calendar months from the next March quarterly month that is nearest to the expiration of the option.

## **452A01.E. Exercise Prices**

### **1. Twenty-Five Point Exercise Prices**

Exercise prices shall be stated in terms of the IMM Index for the Eurodollar 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 Options in the March Quarterly Cycle, Options Not in the March Quarterly Cycle, and all 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 all 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.

### **3. Dynamically-Listed Exercise Prices**

Upon demand and at the discretion of the Exchange, a new option contract with an out-of-current-range exercise price may be added, on an as-soon-as-possible basis, *provided that* the last two digits of the exercise price of such newly added option contract must be 00, 25, 50, or 75 (e.g., 88.00, 88.25, 88.50, 88.75).

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

## **452A01.F. Position Limits, Exemptions, Position Accountability and Reportable Levels**

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion. Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

## **452A01.G.-I. [Reserved]**

## **452A01.J. Termination of Trading**

### **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 of this Rule, trading shall terminate at the same date and time as the underlying futures contract for such Quarterly options.

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

For options not in the March quarterly cycle, except for those Mid-Curve options specified in Paragraph 3 of this Rule, trading 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 for such Serial option does not open on the scheduled Serial option 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**

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

**452A01.K. [Reserved]**