

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 18-211 (1 of 2)

Organization: Chicago Mercantile Exchange Inc. ("CME")

Filing as a: DCM SEF DCO SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 05/10/18 **Filing Description:** Amendments to the CME and CBOT Fertilizer Futures and Swaps Daily Settlement Procedure Document

SPECIFY FILING TYPE

Please note only ONE choice allowed per Submission.

Organization Rules and Rule Amendments

- | | | |
|-------------------------------------|-------------------------------------|------------|
| <input checked="" type="checkbox"/> | Certification | § 40.6(a) |
| <input type="checkbox"/> | Approval | § 40.5(a) |
| <input type="checkbox"/> | Notification | § 40.6(d) |
| <input type="checkbox"/> | Advance Notice of SIDCO Rule Change | § 40.10(a) |
| <input type="checkbox"/> | SIDCO Emergency Rule Change | § 40.10(h) |

Rule Numbers: See filing.

New Product

Please note only ONE product per Submission.

- | | | |
|--------------------------|---------------------------------------|------------|
| <input type="checkbox"/> | Certification | § 40.2(a) |
| <input type="checkbox"/> | Certification Security Futures | § 41.23(a) |
| <input type="checkbox"/> | Certification Swap Class | § 40.2(d) |
| <input type="checkbox"/> | Approval | § 40.3(a) |
| <input type="checkbox"/> | Approval Security Futures | § 41.23(b) |
| <input type="checkbox"/> | Novel Derivative Product Notification | § 40.12(a) |
| <input type="checkbox"/> | Swap Submission | § 39.5 |

Official Product Name:

Product Terms and Conditions (product related Rules and Rule Amendments)

- | | | |
|--------------------------|---|----------------------|
| <input type="checkbox"/> | Certification | § 40.6(a) |
| <input type="checkbox"/> | Certification Made Available to Trade Determination | § 40.6(a) |
| <input type="checkbox"/> | Certification Security Futures | § 41.24(a) |
| <input type="checkbox"/> | Delisting (No Open Interest) | § 40.6(a) |
| <input type="checkbox"/> | Approval | § 40.5(a) |
| <input type="checkbox"/> | Approval Made Available to Trade Determination | § 40.5(a) |
| <input type="checkbox"/> | Approval Security Futures | § 41.24(c) |
| <input type="checkbox"/> | Approval Amendments to enumerated agricultural products | § 40.4(a), § 40.5(a) |
| <input type="checkbox"/> | "Non-Material Agricultural Rule Change" | § 40.4(b)(5) |
| <input type="checkbox"/> | Notification | § 40.6(d) |

Official Name(s) of Product(s) Affected:

Rule Numbers:

May 10, 2018

VIA ELECTRONIC PORTAL

Mr. Christopher J. Kirkpatrick
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). Amendments to the CME and CBOT Fertilizer Futures and Swaps Daily Settlement Procedure Document.
CME Submission No. 18-211 (1 of 2)**

Dear Mr. Kirkpatrick:

Chicago Mercantile Exchange Inc., a derivatives clearing organization (“CME”) and The Board of Trade of the City of Chicago, Inc., a designated contract market (“CBOT”) (collectively, the “Exchanges”) hereby notify the Commodity Futures Trading Commission (“CFTC” or “Commission”) that they are self-certifying amendments to the Fertilizer Futures and Swaps Daily Settlement Procedure Document relating to seven (7) fertilizer contracts noted below effective on Thursday, May 24, 2018 for trade date Friday, May 25, 2018.

Urea FOB US Gulf Coast Swaps (Rulebook Chapter: 45; Commodity Code: UFN)

Urea FOB Egypt Swaps (Rulebook Chapter: 50; Commodity Code: UFG)

Urea FOB Yuzhny Swaps (Rulebook Chapter: 49; Commodity Code: UFZ)

UAN FOB NOLA Swaps (Rulebook Chapter: 46; Commodity Code: UFU)

DAP FOB Tampa Swaps (Rulebook Chapter: 47; Commodity Code: DFT)

DAP FOB NOLA Swaps (Rulebook Chapter: 48; Commodity Code: DFL)

Urea FOB Middle East Futures (Rulebook Chapter: 44; Commodity Code: UME)

The Exchanges currently accept broker quotes up until 3:30 p.m. Central Time/CT, and are amending the deadline to 2:30 p.m. CT. This change is supported by the brokers that provide quotes to the Exchange to settle the aforementioned contracts on a daily basis, and, currently, these quotes are always received significantly before 3:30 p.m. CT. The amendments harmonize the time at which the brokers submit their quotes, leading to a more holistic look at the market at any given time. In addition, the amendments allow the daily settlement to be calculated and verified earlier in the day.

The Exchanges reviewed the derivatives clearing organization and designated contract market core principles (“Core Principles”) as set forth in the Commodity Exchange Act (“CEA” or “Act”) and identified that the following Core Principles may be impacted by this initiative as follows:

- **Recordkeeping (DCO)**: CME will make publicly available the details of the revision herein by updating the daily settlement details on the website.
- **Daily Publication of Trading Information (DCM)**: CBOT, in amending the deadline for quotes, is ensuring that the same market is being assessed by all brokers at the same time and is allowing the settlement price to be determined and verified earlier in the day.

- **Availability of General Information (DCM)**: CBOT will make publicly available the details of the revision and will update the daily settlement details on the website.

Pursuant to Section 5c(c) of the Act and CFTC Regulations 40.6(a), the Exchanges hereby certify that the amendments to the Fertilizer Futures and Swaps Settlement Procedure Document comply with the Act, including regulations under the Act. There were no substantive opposing views to the proposal.

The Exchanges certify that this submission has been concurrently posted on the Exchanges' website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

Should you have any questions concerning the above, please contact the undersigned at 212-299-2200 or via e-mail at CMEGSubmissionInquiry@cmegroup.com.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit A – Fertilizer Futures and Swaps Daily Settlement Procedure Document (blackline format)

Exhibit A

(additions underlined, deletions ~~overstruck~~)

Fertilizer Futures & Swaps Daily Settlement Procedure

Normal Daily Settlement Procedure

Daily settlements of Urea FOB US Gulf Coast (UFN), Urea FOB Egypt (UFG), Urea FOB Yuzhny (UFZ), UAN FOB NOLA (UFU), DAP FOB Tampa (DFT), DAP FOB NOLA (DFL) swaps, and Urea FOB Middle East (UME) futures are determined by CME Group staff based on the following approach:

Tier 1: All relevant market data available at ~~15:30 CT~~ 14:30 CT will be used to derive a settlement in each contract month.

Tier 2: If no relevant information is received by ~~15:30 CT~~ 14:30 CT, then the contract month settles to the prior-day settlement price.

Note: In the event the aforementioned calculations described in this advisory cannot be made or if CME Group staff, in its sole discretion, determines that anomalous activity yields results that are not representative of the fair value of the contract, the staff may determine an alternative settlement price.