

**SUBMISSION COVER SHEET**

**IMPORTANT:** Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 22-255 (2 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): 07/19/22 Filing Description: Derived Block Eligibility and Decrease of the Minimum Price Increment for E-mini Nasdaq Biotechnology Index Futures for Transactions Submitted for Clearing via CME ClearPort

**SPECIFY FILING TYPE**

Please note only ONE choice allowed per Submission.

**Organization Rules and Rule Amendments**

- Certification § 40.6(a)
- Approval § 40.5(a)
- Notification § 40.6(d)
- Advance Notice of SIDCO Rule Change § 40.10(a)
- SIDCO Emergency Rule Change § 40.10(h)

**Rule Numbers:**

**New Product**

Please note only ONE product per Submission.

- Certification § 40.2(a)
- Certification Security Futures § 41.23(a)
- Certification Swap Class § 40.2(d)
- Approval § 40.3(a)
- Approval Security Futures § 41.23(b)
- Novel Derivative Product Notification § 40.12(a)
- Swap Submission § 39.5

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

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

Official Name(s) of Product(s) Affected: See filing.

Rule Numbers: See filing.

July 19, 2022

**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) Certification. Derived Block Eligibility and Decrease of the Minimum Price Increment for E-mini Nasdaq Biotechnology Index Futures for Transactions Submitted for Clearing via CME ClearPort.  
 CME Submission No. 22-255 (2 of 2)**

Dear Mr. Kirkpatrick:

Chicago Mercantile Exchange Inc. (“CME” or “Exchange”) certifies to the Commodity Futures Trading Commission (“CFTC” or “Commission”) enabling derived block functionality and decreasing the minimum price increment for transactions submitted for clearing via CME ClearPort for the E-mini Nasdaq Biotechnology Index Futures contract (the “Contract”) effective Sunday, August 7, 2022 for trade date Monday, August 8, 2022, as more specifically described in the table below.

Contract Title	CME Globex/ CME ClearPort Code	Rulebook Chapter	Current Minimum Price Increment CME Globex (unchanged)	Current Minimum Price Increment CME ClearPort	Decreased Minimum Price Increment CME ClearPort
E-mini™ Nasdaq® Biotechnology Index Futures	BIO/BQ	CME 360	0.50	0.50	<b><u>0.01</u></b>

In order to enable derived block eligibility of the Contract, the Exchange is concurrently implementing amendments to CME Rule 36002.C. (“Price Increments”) of CME Chapter 360 (“E-mini™ Nasdaq® Biotechnology Index Futures”) to decrease the minimum price fluctuation for transactions submitted for clearing via CME ClearPort (the “Rule Amendments”).

Exhibit A below provides amendments to CME Rule 36002.C. In blackline format.

The Exchange is implementing the Rule Amendments to better accommodate market participants with transactions of large quantities.

The Exchange reviewed the designated contract market core principles (“Core Principles”) as set forth in the Commodity Exchange Act (“CEA” or “Act”) and identified that the Rule Amendments may have some bearing on the following Core Principles:

**Availability of General Information:** The Exchange will release a Special Executive Report (“SER”) regarding the Rule Amendments. The SER will also be posted on the CME Group website.

**Daily Publication of Trading Information:** CME will continue to publish contract trading volumes, open interest levels, and price information daily on its website and through quote vendors for the Contract.

**Prevention of Market Disruption:** Trading in the Contract will continue to be subject to the rules of the Exchange, which include prohibitions on manipulation, price distortion, and disruption to the cash settlement process.

**Compliance with Rules:** The Exchange will continue its normal practice to establish, monitor, and enforce compliance with the rules of the Contract, including the reduction of the minimum price increment for the Contract.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.6(a), the Exchange hereby certifies that the Rule Amendments comply with the Act, including regulations under the Act. There were no substantive opposing views to the proposal.

The Exchange certifies that this submission has been concurrently posted on the CME Group 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](mailto:CMEGSubmissionInquiry@cmegroup.com).

Sincerely,

/s/ Christopher Bowen  
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit A - Amendments to CME Rule 36002.C. ("Price Increments") (blackline format)

## Exhibit A

### **CME Rulebook** (additions underscored)

#### **Chapter 360** **E-mini™ Nasdaq® Biotechnology Index Futures**

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#### **36002. TRADING SPECIFICATIONS**

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##### **36002.C. Price Increments<sup>1</sup>**

Bids and offers shall be quoted in Index points. The minimum price increment shall be 0.50 Index points, equal to \$12.50 per contract, for trades executed on CME Globex electronic trading platform, except for intermonth spreads executed pursuant to Rule 542.A., for which the minimum price increment shall be 0.05 Index points, equal to \$1.25 per intermonth spread. For transactions submitted for clearing via CME ClearPort, the minimum price increment shall be 0.01 Index points, equal to \$0.25 per contract.

[Remainder of Rule unchanged.]

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<sup>1</sup> See Rule 36006.C. (BTIC Orders Minimum Price Increment) for information on the minimum price increment or Tick Size for BTIC Transactions. BTIC trades that are completed are based on the closing stock index value, and will be cleared in price increments of 0.01 index points, because the underlying stock index is reported to a two decimal place level precision.