



**CME Group**

A CME/Chicago Board of Trade/NYMEX Company

May 26, 2009

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

C.F.T.C.  
OFFICE OF THE SECRETARIAT  
2010 MAY 26 AM 7 47

**RE: Amendments to CME Rulebook Chapters 501 and 501A  
CME Submission No. 10-146**

Dear Mr. Stawick:

Chicago Mercantile Exchange Inc. ("CME" or "Exchange") hereby notifies the Commodity Futures Trading Commission ("Commission") of amendments to CME Rulebook Chapters 501 and 501A, which give terms and conditions for Three-Month Euroyen Futures and Options on Three-Month Euroyen Futures, respectively. Such amendments clarify and correct previous amendments to these chapters that the Exchange certified with the Commission on 28 April 2010. (See "Amendments to CME Rulebook Chapters 501 and 501A", CME Submission No. 10-114.)

As with the predecessor Submission, the rule amendments declared herein are intended to conform the terms and conditions of CME Three-Month Euroyen Futures and CME Options on Three-Month Euroyen Futures to recent changes in terms and conditions of SGX Euroyen (TIBOR) Futures and SGX Euroyen (TIBOR) Options that are listed for trading on the Singapore Exchange Ltd., as follows:

In regard to SGX Euroyen (TIBOR) Futures, Singapore Exchange Ltd. has reduced the minimum price increment from one half of  $1/100^{\text{th}}$  of one futures contract price point to one quarter of  $1/100^{\text{th}}$  of one futures contract price point, with application only to the nearest four contract delivery months in the March quarterly cycle. Accordingly, the Exchange hereby certifies that it intends to amend CME Rule 50102.C. by restoring the minimum price increment for CME Three-Month Euroyen Futures to one half of  $1/100^{\text{th}}$  of one futures contract price point from one quarter of  $1/100^{\text{th}}$  of one futures contract price point, with application only to the fifth and further-deferred contract delivery months in the March quarterly cycle.

In regard to SGX Euroyen (TIBOR) Options, Singapore Exchange Ltd. has chosen to maintain the minimum option premium increment at one half of  $1/100^{\text{th}}$  of one futures contract price point. Accordingly, the Exchange hereby certifies that it intends to amend CME Rule 501A1.C. by restoring the minimum option premium increment for CME Options on Three-Month Euroyen Futures to one half of  $1/100^{\text{th}}$  of one futures contract price point from one quarter of  $1/100^{\text{th}}$  of one futures contract price point.

The Exchange undertakes these measures to comply with the Mutual Offset Agreement ("MOS") between it and the Singapore Exchange Derivatives Trading Ltd and the Singapore Exchange Derivatives Clearing Ltd (collectively, "SGX"). As renewed most recently on October 22, 2006, the terms of the MOS:

- (a) identify Euroyen futures and companion options as "designated futures contracts", where a designated futures contract is defined to be "a futures contract or option contract the terms and conditions of which are identical in all respects on both [CME and SGX], which is traded on both [CME and SGX], and which has been designated by [CME and SGX] as a futures contract or an option contract eligible for trading pursuant to the Mutual Offset System...";
- (b) designate SGX as the "Home Exchange" for Euroyen futures; and
- (c) vest the Home Exchange with jurisdiction over the terms and conditions of any designated futures contract.

In short, any modification to terms and conditions of a designated futures contract made by the Home Exchange must be adopted by the other exchange that is party to the MOS.

CME certifies that the rule changes certified herein comply with the Commodity Exchange Act and regulations thereunder.

If you require any additional information regarding this action, please do not hesitate to contact Frederick Sturm at 312-930-1282 or via e-mail at [frederick.sturm@cmegroup.com](mailto:frederick.sturm@cmegroup.com) or me at 312-648-5422. Please reference our CME Submission No.10-146 in any related correspondence.

Sincerely,

/s/ Stephen M. Szarmack  
Regulatory Counsel

Attachment

## Text of Rule Amendments

(Additions are underlined. Deletions are [~~bracketed and overstruck~~].)

### Chapter 501 Three-Month Euroyen Futures

50102. FUTURES CALL

50102.C. Price Increments <sup>1</sup>

Bids and offers shall be quoted in terms of the IMM Index, 100.00 minus the yield on an annual basis for a 360-day year. (A deposit rate of 7.20% shall be quoted as 92.80.)

For the nearest four futures delivery months in the March, June, September, and December quarterly cycle, m~~IM~~imum fluctuations of the IMM Index shall be in multiples of .0025 (625 Japanese yen). For each .0025 increase in the IMM Index the Clearing House shall credit (625 Japanese yen per contract) to those clearing members holding open long positions and debit (625 Japanese yen per contract) from those clearing members holding open short positions. For each .0025 decrease in the IMM Index the Clearing House shall debit (625 Japanese yen per contract) from those clearing members holding open long positions and credit (625 Japanese yen per contract) to those clearing members holding open short positions.

For all other futures delivery months, minimum fluctuations of the IMM Index shall be in multiples of .005 (1,250 Japanese yen). For each .005 increase in the IMM Index the Clearing House shall credit (1,250 Japanese yen per contract) to those clearing members holding open long positions and debit (1,250 Japanese yen per contract) from those clearing members holding open short positions. For each .005 decrease in the IMM Index the Clearing House shall debit (1,250 Japanese yen per contract) from those clearing members holding open long positions and credit (1250 Japanese yen per contract) to those clearing members holding open short positions.

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<sup>1</sup> Revised June 1997; November 1997.

## Text of Rule Amendments

(Additions are underlined. Deletions are ~~bracketed and overstruck~~.)

### Chapter 501A Options on Three-Month Euroyen Futures

#### 501A01. OPTION CHARACTERISTIC

##### 501A1.C. Minimum Fluctuations <sup>2</sup>

The price of an option shall be quoted in IMM Index points. Each .01 IMM Index point (1 basis point) shall represent 2,500 Japanese yen. For example, a quote of 0.35 represents an option price of 87,500 Japanese yen (35 basis points x 2,500 Japanese yen).

The minimum fluctuation shall be .0025 IMM Index point (~~[625]~~1,250 Japanese yen~~[, also known as one-half tick]~~). Trades may also occur at a price of 300 Japanese yen, ~~[(also known as a cabinet),]~~ whether or not such trades result in the liquidation of positions for both parties to the trade.

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<sup>2</sup> Revised September 1997; November 1997.