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OFFICE OF THE SECRETARIAT

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August 18, 2010

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

**RE: CME/CBOT/NYMEX Rule 588.G.  
CME/CBOT/NYMEX Submission No. 10-193R**

Dear Mr. Stawick:

On July 8, 2010, Chicago Mercantile Exchange Inc. ("CME"), the Board of Trade of the City of Chicago, Inc. ("CBOT") and New York Mercantile Exchange, Inc. (collectively, the "Exchanges") notified the Commodity Futures Trading Commission that the Exchanges were adopting amendments to Rule 588.G. ("Trade Cancellations and Price Adjustments – Globex No Bust Ranges") to eliminate static bid/ask reasonability allowances in favor of variable bid/ask reasonability allowances focused on an option's delta and premium when reviewing options trades on CME Globex pursuant to Rule 588. The changes became effective on July 18, 2010.

The original submission inadvertently left out the reference to the "fair value" premium of the option in the Bid/Ask Reasonability column of the revised rule. This revised submission adds in the necessary references to the fair value premium as determined by the Globex Control Center ("GCC").

Bid/ask reasonability allowances are maximum width of the bid/ask range considered reasonable for use in applying the parameters necessary to establish an option's no bust range under the rule. Variable bid/ask reasonability allowances are intended to be more reflective of the risk inherent in the option, and are designed to allow for more accurate determinations by the GCC of when and to what price an option should be adjusted under the rule.

Under the new process, the bid/ask reasonability allowance is the greater of the delta risk (calculated as the delta of the option times the no bust range of the underlying futures contract) or the premium risk (calculated as 20% of the theoretical Fair Value premium of the option). As a result of the changes to the bid/ask reasonability allowances, corresponding changes were made to the options' no bust ranges.

The corrections to Rule 588.G. begin on the next page, with additions underscored.

The amendments are effective immediately.

The Exchanges certify that the amendments comply with the Act and regulations thereunder.

If you have any questions regarding the changes, please contact Giuseppe Scimeca, Associate Director, Globex Control Center, at 312.456.2391 or me at 312.648.5422. Please reference CME/CBOT/NYMEX Submission No. 10-193R in any related correspondence.

Sincerely,

/s/ Stephen M. Szarmack  
Regulatory Counsel

Rule 588.G. No Bust Ranges

[The futures contract and futures combinations sections remain unchanged.]

Option Contract	Bid/Ask Reasonability	No Bust Range
Eurodollars/Euroyen	The greater of the delta times the underlying futures no bust range or 20% of the <u>fair value</u> premium up to the underlying futures no bust range with a minimum reasonability of 1 basis point	2 minimum ticks
U.S. Treasuries (2, 5, 10 Year Notes)	The greater of the delta times 10/64ths or 20% of the <u>fair value</u> premium up to 10/64ths with a minimum reasonability of 2/64ths	20% of the premium up to 2/64ths
30 Year Bond	The greater of the delta times 12/64ths or 20% of the <u>fair value</u> premium up to 12/64ths with a minimum reasonability of 2/64ths	20% of the premium up to 2/64ths
30-Day Fed Funds	The greater of the delta times the underlying futures no bust range or 20% of the <u>fair value</u> premium up to the underlying futures no bust range with a minimum reasonability of 2 basis points	20% of the premium up to ¼ of the underlying futures no bust range
Interest Rate Swaps (5, 7, 10, 30)	The greater of the delta times the underlying futures no bust range or 20% of the <u>fair value</u> premium up to the underlying futures no bust range with a minimum reasonability of 5/64ths	20% of the premium up to ¼ of the underlying futures no bust range
3 Month Overnight Index Swaps	The greater of the delta times the underlying futures no bust range or 20% of the <u>fair value</u> premium up to the underlying futures no bust range with a minimum reasonability of 3 basis points	20% of premium up to ¼ of the underlying futures no bust range
Equities (excluding DJIA)	The greater of the delta times the underlying futures no bust range or 20% of the <u>fair value</u> premium up to the underlying futures no bust range with a minimum reasonability of 1.00 index point	20% of premium up to ¼ of the underlying futures no bust range

DJIA	The greater of the delta times the underlying futures no bust range or 20% of the <u>fair value</u> premium up to the underlying futures no bust range with a minimum reasonability of 10 index points	20% of premium up to ¼ of the underlying futures no bust range
FX	The greater of the delta times the underlying futures no bust range or 5% of the <u>fair value</u> premium up to the underlying futures no bust range with a minimum reasonability of 10 ticks	20% of premium up to ¼ of the underlying futures no bust range
Agricultural (excluding Grains, Oil & Meal)	The greater of the delta times the underlying futures no bust range or 20% of the <u>fair value</u> premium up to the underlying futures no bust range with a minimum reasonability of \$.005	20% of premium up to ¼ of the underlying futures no bust range
Grains	The greater of the delta times the underlying futures no bust range or 20% of the <u>fair value</u> premium up to the underlying futures no bust range with a minimum reasonability of \$.01	20% of premium up to ¼ of the underlying futures no bust range
Soybean Oil	The greater of the delta times the underlying futures no bust range or 20% of the <u>fair value</u> premium up to the underlying futures no bust range with a minimum reasonability of \$.0005	20% of premium up to ¼ of the underlying futures no bust range
Soybean Meal	The greater of the delta times the underlying futures no bust range or 20% of the <u>fair value</u> premium up to the underlying futures no bust range with a minimum reasonability of \$.50	20% of premium up to ¼ of the underlying futures no bust range
Non-Farm Payroll	None	None
Ethanol	The greater of the delta times the underlying futures no bust range or 20% of the <u>fair value</u> premium up to the underlying futures no bust range with a minimum reasonability of \$.02	20% of premium up to ¼ of the underlying futures no bust range
MGEX Options	The greater of the delta times the underlying futures no bust range or 20% of the <u>fair value</u> premium up to the underlying futures no bust range with a minimum reasonability of \$.01	20% of premium up to ¼ of the underlying futures no bust range
KCBT Options	The greater of the delta times the underlying futures no bust range or 20% of the <u>fair value</u> premium up to the underlying futures no bust range with a minimum reasonability of \$.01	20% of premium up to ¼ of the underlying futures no bust range
	The greater of the delta times the	

Random Length Lumber	underlying futures no bust range or 20% of the <u>fair value</u> premium up to the underlying futures no bust range with a minimum reasonability of \$2.00	20% of premium up to ¼ of the underlying futures no bust range
NYMEX Crude Oil, Cracks	The greater of the delta times the underlying futures no bust range or 20% of the <u>fair value</u> premium up to the underlying futures no bust range with a minimum reasonability of \$.10	20% of premium up to ¼ of the underlying futures no bust range
NYMEX Heating Oil	The greater of the delta time the underlying futures no bust range or 20% of the <u>fair value</u> premium up to the underlying futures no bust range with a minimum reasonability of \$.0076	20% of premium up to ¼ of the underlying futures no bust range
NYMEX RBOB	The greater of the delta times the underlying futures no bust range or 20% of the <u>fair value</u> premium up to the underlying futures no bust range with a minimum reasonability of \$.0076	20% of premium up to ¼ of the underlying futures no bust range
NYMEX Natural Gas	The greater of the delta of the underlying futures no bust range or 20% of the <u>fair value</u> premium up to the underlying futures no bust range with a minimum reasonability of \$.05	20% of premium up to ¼ of the underlying futures no bust range
COMEX Gold	The greater of the delta times the underlying futures no bust range or 20% of the <u>fair value</u> premium up to the underlying futures no bust range with a minimum reasonability of \$2.00	20% of premium up to ¼ of the underlying futures no bust range
COMEX Silver	The greater of the delta times the underlying futures no bust range or 20% of the <u>fair value</u> premium up to the underlying futures no bust range with a minimum reasonability of \$.05	20% of premium up to ¼ of the underlying futures no bust range
COMEX Copper	The greater of the delta times the underlying futures no bust range or 20% of the <u>fair value</u> premium up to the underlying futures no bust range with a minimum reasonability of \$.01	20% of premium up to ¼ of the underlying futures no bust range