



Special Executive Report

DATE: November 19, 2015

SER#: 7521

SUBJECT: Amendments to Non-Reviewable Ranges for Options and Implied Options Traded on CME Globex

Effective December 6, 2015, for trade date December 7, 2015, and pending all relevant CFTC regulatory review periods, Chicago Mercantile Exchange Inc. ("CME"), The Board of Trade of the City of Chicago, Inc. ("CBOT"), New York Mercantile Exchange, Inc. ("NYMEX"), and Commodity Exchange, Inc. ("COMEX") (collectively, the "Exchanges") will revise Rule 588.H. ("Globex Non Reviewable Trading Ranges"). The amendments add language to the non-reviewable ranges (NRR) table contained in Rule 588.H as it relates to the Exchanges' option contracts.

The Exchanges are amending the NRR for option contracts in order to adequately protect the integrity of individual leg executions when these executions are part of an implied execution. The amendments will allow the NRR for implied eligible spreads to be the same as the NRR for the individual legs. Additionally amendments to the NRR for option contracts are being made to enhance the Exchanges' ability to make appropriate price adjustments by taking into consideration the delta of the option contract.

The amendments are provided below in blackline format.

**CME/CBOT/NYMEX/COMEX Rulebook
Chapter 5
Trading Qualifications and Practices
Rule 588.H. Globex Non-Reviewable Trading Ranges**

Contract	Globex Non-Reviewable Ranges (NRR)
All Non-Interest Rate Options	<u>The greater of the delta times the underlying futures' non-reviewable range or 20% of premium up to 1/4 of the underlying futures' non-reviewable range with a minimum of 1 tick</u>
STIR Options	<u>The greater of the delta times the underlying futures' non-reviewable range or 20% of premium up to 1/4 of the underlying futures' non-reviewable range with a minimum of 1 tick</u>
Treasury Options	<u>The greater of the delta times 10/64ths or 20% of premium up to 2/64ths with a minimum of 1 tick</u>

Options Combinations	Globex Non-Reviewable Ranges (NRR)
Implied eligible spreads	Same as the NRR of the individual legs

Please refer questions on this subject to:

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