



Special Executive Report

S-6330

July 25, 2012

CME S&P GSCI Enhanced Excess Return Index Swaps to be listed for clearing

Pending CFTC notification, effective for the trade date of Monday, August 6, 2012, CME cleared swap contracts will be listed on CME ClearPort for S&P GSCI Enhanced Excess Return Index.

Specifications and Rules

The following are the contract specifications for these products:

Description	S&P GSCI Enhanced Excess Return Index
Symbol	RRE
Contract Multiplier	\$100
Price Quotation	Index points
Minimum Fluctuation	\$0.0001 (\$0.01 per contract)
Trading Hours (Central Time)	CME Clearport: SUN-FRI 17:00-16:15 with a 45 minute break each day beginning at 16:15
Final Settlement	Official closing quotation from S&P
Termination of Trading	Last business day of the contract month
Contract Months	5 March quarterly and 2 serial months (September 2012 is initial contract month)
Position Limits	10,000 contracts position accountability

The rules for trading these swaps are attached.

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CME Chapter 415B

S&P GSCI™ Enhanced ER Index Swaps (Cleared OTC)

415B00. SCOPE OF CHAPTER

This chapter is limited in application to the clearing of S&P GSCI™ Enhanced ER Index Swaps (hereafter also referred to as "S&P GSCI™ Enhanced ER Swaps") where the parties to the transaction are "eligible contract participants" as defined in Section 1a(12) of the Commodity Exchange Act and have obtained the licenses required by Standard & Poor's with respect to such transactions. The identities of all parties to transactions in S&P GSCI™ Enhanced ER Swaps shall be disclosed on an annual basis by CME to Standard & Poor's for the sole purpose of enabling Standard and Poor's to confirm that the parties have obtained the licenses required by Standard and Poor's. Transactions in S&P GSCI™ Enhanced ER Swaps shall also be subject to the general rules of the Exchange insofar as applicable. The clearing and settlement of transactions in S&P GSCI™ Enhanced ER Swaps shall also be subject to the provisions of Chapter 8-F of the CME Rulebook.

415B01. CONTRACT SPECIFICATIONS

415B01.A. Unit of Clearing

The unit of clearing shall be \$100.00 times the S&P GSCI™ Enhanced ER Index.

415B01.B. Hours for Clearing Entry

The Exchange shall determine the hours during which S&P GSCI™ Enhanced ER Swaps may be submitted to the Clearing House.

Positions shall be initiated or closed out using off-exchange transactions.

415B01.C. Minimum Price Increments

Prices shall be quoted in terms of the S&P GSCI™ Enhanced ER Index. The minimum fluctuation shall be 0.0001 index points, equivalent to \$0.01 per contract. Contracts shall not be cleared on any other price basis.

415B01.D. Months Cleared

Clearing of S&P GSCI™ Enhanced ER Swaps shall be conducted in such months as may be determined by the Exchange.

415B01.E. Position Accountability

Position accountability, as defined in Rule 560, will apply to cleared transactions in S&P GSCI™ ER Swaps.

415B01.F. Last Day of Clearing

The last day of clearing of S&P GSCI™ Enhanced ER Swaps shall be the final settlement day as prescribed in Rule 415B05.

415B01.G. Reserved

415B02. SETTLEMENT

Settlement against S&P GSCI™ Enhanced ER Swaps must be made through the Clearing House. Settlement under these rules shall be on the final settlement day (as described in Rule 415B05.) and shall be accomplished by cash settlement as hereinafter provided.

Clearing members holding open positions in an S&P GSCI™ Enhanced ER Swaps contract at the time of termination of clearing shall make payment to and receive payment through the Clearing House in accordance with normal variation settlement procedures based on a settlement price equal to the final settlement price (as described in Rule 415B03.).

415B03. FINAL SETTLEMENT PRICE

Final settlement shall be based on the official settlement of the S&P GSCI™ Enhanced ER Index, subject to adjustment in accordance with the Market Disruption Event provisions as described below. Payment will be on the second business day following the date on which the official settlement of the Index is determined, unless postponed due to a Market Disruption Event.

Market Disruption Event

"Market Disruption Event" ("MDE") shall mean (a) a contract included in the Index remains at a "limit price", which means that the price for such contract for a day has increased or decreased from the previous day's settlement price by the maximum amount permitted under applicable trading facility rules, during the entire closing range, irrespective of whether that contract is settled by the applicable trading facility at the "limit price" or another price, (b) failure by the applicable trading facility or other price source to announce or publish the settlement price for any contract included in the Index, or (c) trading in any contract included in the Index is suspended or interrupted subsequent to the opening of trading and trading in such contract does not recommence at least ten (10) minutes prior to the regular scheduled close of trading in such contract on the relevant trading facility.

If a Market Disruption Event relating to one or more of the contracts underlying the Index (each an "index contract") occurs on any day relevant to calculating the settlement of the contract, the settlement of the contract will be calculated by using a price (i) for each index contract that is not affected by a Market Disruption Event on such date, the settlement price of such index contract on such date and (ii) for each index contract that is affected by a Market Disruption Event on such date, the settlement price of such index contract on the first succeeding trading day on which no Market Disruption Event is existing with respect to such index contract; provided that, if a Market Disruption Event occurs with respect to such index contract for eight trading days, the settlement price for such index contract shall be determined by the Exchange notwithstanding that a Market Disruption Event does or does not exist on such following Trading Day for such affected index contract.

Trading Day means a day when:

- 1) The Index Sponsor is open for business and the Index is calculated and published by the Index Sponsor;
- 2) All trading facilities on which contracts are traded for the commodities included in the Index are open for trading, provided however that upon a calculation pursuant to sub-clause (ii) of the second paragraph of the section headed "Market Disruption Event" above, only the trading facility on which the relevant index contract that is affected by a Market Disruption Event is traded is required to be open for trading.

Business Day means:

Any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which banking institutions are authorized or required by law or regulation to close in the City of New York or London.

415B04. RESERVED

415B05. FINAL SETTLEMENT DAY

The final settlement day shall be defined as the last business day of the contract month, or if the S&P GSCI™ Enhanced ER Index is not published for that day, the first preceding business day for which the S&P GSCI™ Enhanced ER Index was published.

415B06. DISPUTES

All disputes between interested parties may be settled by arbitration as provided in the Rules.
(End of Chapter 415B)

INTERPRETATIONS & SPECIAL NOTICES RELATING TO CHAPTER 415B

Standard & Poor's, a division of the McGraw–Hill Companies, Inc. ("S&P"), licenses the Exchange to use various S&P commodity indices ("S&P Commodity Indices") in connection with the clearing and trading of swaps contracts, futures contracts and options on futures contracts based upon such indices. S&P shall have no liability for damages, claims, losses or expenses caused by any errors or delays in calculating or disseminating the S&P Commodity Indices. Standard & Poor's, a division of the McGraw–Hill Companies, Inc. ("S&P"), does not guarantee the accuracy and/or completeness of the S&P Commodity Indices or any data included therein. S&P makes no warranty, express or implied, as to the results to be obtained by any person or any entity from the use of the S&P Commodity Indices or any data included therein in connection with the trading of futures contracts, options on futures contracts and any other use. S&P makes no express or implied warranties, and expressly disclaims all warranties of merchantability or fitness for a particular purpose or use with respect to the S&P Commodity Indices or any data included therein. Without limiting any of the foregoing, in no event shall S&P have any liability for any special, punitive, indirect or consequential damages (including lost profits), even if notified of the possibility of such damages.

INTERPRETATIONS AND SPECIAL NOTICES RELATING TO CHAPTER 5-CME Rules POSITION LIMIT AND REPORTABLE LEVEL TABLE (additions underlined)

CONTRACT NAME	Options	SCALE-DOWN SPOT MONTH	SCALE-DOWN SPOT MONTH	SPOT MONTH	SINGLE MONTH	ALL MONTHS COMBINED	POSITION ACCOUNT-ABILITY	REPORTABLE FUT LEVEL	REPORTABLE OPT LEVEL
CME Commodities									
S&P GSCI ER Index Swaps							10,000	1	
<u>S&P GSCI</u> <u>Enhanced</u> <u>ER Index</u> Swaps							<u>10,000</u>	1	