



## Special Executive Report

S-7607

March 18, 2016

### Amendments to the Midsize Options on Class III Milk Futures, Options on Cash-Settled Butter Futures, and Options on Cheese Futures Contracts

Effective Sunday, April 3, 2016 for trade date Monday, April 4, 2016, and pending all relevant CFTC regulatory review periods, Chicago Mercantile Exchange Inc. ("CME" or "Exchange") will list the existing Midsize Options on Class III Milk Futures contract for trading on the CME Globex electronic trading platform as noted in Table 1 below. Also at this time, CME will avail the existing Options on Cash Settled Cheese, Options on Cash Settled Butter Futures and Midsize Options on Class III Milk Futures contracts for submission for clearing via CME ClearPort platform as also noted in Table 1 below.

Amendments to CME Rule 588.H. ("Globex Non-Reviewable Trading Ranges") are provided in Appendix A. Exchange fees pertinent to the actions described herein are provided in Appendix B.

CME Globex hours: Sunday – Friday 5:00 p.m. – 1:55 p.m. Chicago Time/CT with a 60-minute break each day beginning at 4:00 p.m. CT.

CME ClearPort hours: Sunday - 5:00 p.m. - 4:00 p.m. CT with a 60-minute break each day beginning at 4:00 p.m. CT.

**Table 1**

Contract Title	CME Rulebook Chapter	CME Globex and CME ClearPort Code	Current Venues	Venues as of April 4, 2016	CME Trading Floor/CME Globex/CME ClearPort Listing Schedule
Midsize Options on Class III Milk Futures	52B	JQ	CME Trading Floor	CME Trading Floor/CME Globex/CME ClearPort	24 Consecutive Months
Options on Cash Settled Butter Futures	56A	CB	CME Trading Floor/CME Globex	CME Trading Floor/ CME Globex/CME ClearPort	24 Consecutive Months
Options on Cheese Futures	60A	CSC	CME Trading Floor/ CME Globex	CME Trading Floor/CME Globex/CME ClearPort	24 Consecutive Months

Appendix A: CME Rule 588.H. (blackline format)

Appendix B: Appendix C: Exchange Fees

## Appendix A

### CME Rule 588.H. – (“Globex Non-Reviewable Trading Ranges”) (additions are underscored)

Instrument	Globex Non-Reviewable Ranges (NRR)	Bid/Ask Reasonability
<u>Midsize Options on Class III Milk Futures</u>	<u>The greater of 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>	<u>The greater of the delta times the underlying futures' non-reviewable range or 20% of the fair value premium up to the underlying futures' non-reviewable range with a minimum reasonability of \$0.005</u>

## Appendix B

### Exchange Fees

	Clearing	CME Globex/ CME ClearPort	EFP/EFR Surcharge
Individual Equity Members/Clearing Members/Rule 106.J Equity Member Firms/ Rule 106.I Members/Rule 106.S Member Approved Funds	\$0.15	\$0.36	\$1.75
Rule 106.D Lessees / Rule 106.F Employees Rule 106.R Electronic Corporate Member	\$0.31	\$0.36	\$1.75
<b>(Reduced rates for Globex Transactions Only)</b>	\$0.49	\$0.32	\$1.75
Rule 106.H and 106.N Firms	\$0.49	\$0.32	\$1.75
International Incentive Program (IIP) Participants International Volume Incentive Program (IVIP) Participants			
<b>(Reduced rates for Globex Transactions Only)</b>	\$0.49	\$0.32	\$1.75
Central Bank Incentive Program (CBIP) Participants Emerging Markets Bank Incentive Program (EMBIP) Participants Latin American Fund Manager Incentive Program (FMIP) Participants			
Latin American Proprietary Trading Incentive Program (LAPTIP) Participants			
<b>(Reduced rates for Globex Transactions Only)</b>	\$0.49	\$1.01	\$1.75
Latin American Commercial Incentive Program (LACIP) Participants			
<b>(Reduced rates for Globex Transactions for Agricultural Products)</b>	\$0.49	\$1.01	\$1.75

**Only)**

CTA/Hedge Fund Incentive Program Participants	\$0.69	\$1.34	\$1.75
CBOE Members	\$0.69	\$1.34	\$1.75
Members Trading Outside of Division			
<b>(Reduced Globex Fee rates during ETH only)</b>	\$0.69	\$0.36	\$1.75
Customers of Member Firms (Non-Members)	\$0.69	\$1.34	\$1.75

Questions regarding this Special Executive Report may be directed to Candice Lucas, Director, Ag Commodity BLM at 312-930-3365, [Candice.Lucas@cmegroup.com](mailto:Candice.Lucas@cmegroup.com), or Charles Piszczor, Director, Commodity Research & Product Development, at 312-930-4536, [Charles.Piszczor@cmegroup.com](mailto:Charles.Piszczor@cmegroup.com).

For media inquiries concerning this Special Executive Report, please contact CME Group Corporate Communications at 312-930-3434 or [news@cmegroup.com](mailto:news@cmegroup.com).