



Special Executive Report

DATE: June 1, 2022
SER#: 8995
SUBJECT: Expansion of Listing Schedule for all Cryptocurrency Futures and Monthly Options Contracts and Amendments to the Strike Price Listing Schedule for all Cryptocurrency Options Contracts

Effective Sunday, June 26, 2022, for trade date Monday, June 27, 2022, and pending all relevant CFTC regulatory review periods, Chicago Mercantile Exchange Inc. (“CME” or “Exchange”) will expand the listing schedule for the Bitcoin Futures, Ether Futures, Micro Bitcoin Futures, Micro Ether Futures, Options on Bitcoin Futures, Monthly Options on Micro Bitcoin Futures, and Monthly Options on Micro Ether Futures contracts for trading on the CME Globex electronic trading platform (“CME Globex”) and for submission of clearing via CME ClearPort, as more specifically described in the table below.

Contract Title	Commodity Code	BTIC Code	Rulebook Chapter	Current Listing Schedule	Expanded Listing Schedule
Bitcoin Futures	BTC	BTB	350	Monthly contracts listed for 6 consecutive months and 2 additional Dec contract months. If the 6 consecutive months includes Dec, list only 1 additional Dec contract month	Monthly contracts listed for 6 consecutive months, <u>4 additional quarterly contracts, plus a second December, if not already listed</u>
Ether Futures	ETH	ETB	349		
Micro Bitcoin Futures	MBT	MIB	348		
Micro Ether Futures	MET	EMB	347		
Options on Bitcoin Futures	BTC	N/A	350A		
Monthly Options on Micro Bitcoin Futures	WM	N/A	348A	Monthly contracts listed for 2 consecutive months	Monthly contracts listed for 6 consecutive months, <u>4 additional quarterly contracts, plus a second December, if not already listed</u>
Monthly Options on Micro Ether Futures	VM	N/A	347A		

Additionally, the Exchange will amend the strike price listing rules for all Options on Bitcoin Futures, Options on Micro Bitcoin Futures, and Options on Micro Ether Futures contracts as more specifically described in the Strike Price Listing and Exercise Procedures Table (the “Table”).

In order to harmonize various rulebook chapters, the strike price listing rules shall be detailed within the Table rather than in the product rulebook chapter. This migration of the rules from the product chapter to the Table is required only for the Options on Bitcoin Futures (CME Rulebook Chapter 350A) strike rules as the Options on Micro Bitcoin Futures and Options on Micro Ether Futures strike rules are

currently located in the Table. Upon the effective date, all cryptocurrency options strike rules will be located in the Table.

Exhibit A provides amendments to Rulebook chapter 350A in blackline format. The current and amended Table may be viewed [HERE](#).

Please refer questions on this subject to:

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Exhibit A

Chapter 350A Options on Bitcoin Futures (additions underscored; deletions struck through)

350A01. OPTIONS CHARACTERISTICS

350A01.E. Exercise Prices

1. Regularly-Listed Exercise Prices

On any Business Day, and subject to Rule 350A01.A., the Exchange shall ensure that Monthly put and call options are listed for trading at all eligible exercise prices, ~~as follows:~~ set forth in the Strike Price Listing and Exercise Procedures Table.

a.—Persistent Exercise Prices

~~For Monthly options exercisable into a given Underlying Futures Contract (Rule 350A01.D.1.), the Exchange shall ensure that such put and call options are listed for trading at the 500000, 100000, 50000, 10000, 5000 and 1000 exercise price level.~~

b.—5000 Point Threshold

~~Provided that the preceding Business Day's daily settlement price of the Underlying Futures Contract (Rule 350A01.D.1.) is less than or equal to 5000 index points, the Exchange shall ensure that such put and call options are listed for trading at all exercise price levels that are integer multiples of:~~

- ~~1. 500 Index points (e.g., 4500, 5000, 5500) and that lie within a range from 100 percent below to 400 percent above the preceding Business Day's daily settlement price of the Underlying Futures Contract.~~
- ~~1. 50 Index points (e.g., 4950, 5000, 5050) and that lie within a range from 50 percent below to 100 percent above the preceding Business Day's daily settlement price of the Underlying Futures Contract.~~
- ~~2. 25 Index points (e.g., 4975, 5000, 5025) and that lie within a range from 10 percent below to 20 percent above the preceding Business Day's daily settlement price of the Underlying Futures Contract, *provided that the options are within the short-dated threshold.*~~

a.—10000 Point Threshold

~~Provided that the preceding Business Day's daily settlement price of the Underlying Futures Contract (Rule 350A01.D.1.) is less than or equal to 10000 index points, the Exchange shall ensure that such put and call options are listed for trading at all exercise price levels that are integer multiples of:~~

- ~~1. 1000 Index points (e.g., 9000, 10000, 11000) and that lie within a range from 100 percent below to 400 percent above the preceding Business Day's daily settlement price of the Underlying Futures Contract.~~
- ~~1. 100 Index points (e.g., 9900, 10000, 10100) and that lie within a range from 50 percent below to 100 percent above the preceding Business Day's daily settlement price of the Underlying Futures Contract.~~
- ~~2. 50 Index points (e.g., 9950, 10000, 10050) and that lie within a range from 10 percent below to 20 percent above the preceding Business Day's daily settlement price of the Underlying Futures Contract, *provided that the options are within the short-dated threshold.*~~

a.—50000 Point Threshold

~~Provided that the preceding Business Day's daily settlement price of the Underlying Futures Contract (Rule 350A01.D.1.) is less than or equal to 50000 index points, the Exchange shall ensure that such put and call options are listed for trading at all exercise price levels that are integer multiples of:~~

- ~~1. 5000 Index points (e.g., 45000, 50000, 55000) and that lie within a range from 100 percent below to 400 percent above the preceding Business Day's daily settlement price of the Underlying Futures Contract.~~
- ~~1. 500 Index points (e.g., 49500, 50000, 50500) and that lie within a range from 50 percent below to 100 percent above the preceding Business Day's daily settlement price of the Underlying Futures Contract.~~
- ~~2. 250 Index points (e.g., 49750, 50000, 50250) and that lie within a range from 10 percent below to 20 percent above the preceding Business Day's daily settlement price of the Underlying Futures Contract, *provided that the options are within the short-dated threshold.*~~

a.—100000 Point Threshold

Provided that the preceding Business Day's daily settlement price of the Underlying Futures Contract (Rule 350A01.D.1.) is less than or equal to 100000 index points, the Exchange shall ensure that such put and call options are listed for trading at all exercise price levels that are integer multiples of:

1. 10000 Index points (e.g., 90000, 100000, 110000) and that lie within a range from 100 percent below to 400 percent above the preceding Business Day's daily settlement price of the Underlying Futures Contract.
1. 1000 Index points (e.g., 99000, 100000, 101000) and that lie within a range from 50 percent below to 100 percent above the preceding Business Day's daily settlement price of the Underlying Futures Contract.
2. 500 Index points (e.g., 99500, 100000, 100500) and that lie within a range from 10 percent below to 20 percent above the preceding Business Day's daily settlement price of the Underlying Futures Contract, *provided that the options are within the short-dated threshold.*

a.—500000 Point Threshold

Provided that the preceding Business Day's daily settlement price of the Underlying Futures Contract (Rule 350A01.D.1.) is less than or equal to 500000 index points, the Exchange shall ensure that such put and call options are listed for trading at all exercise price levels that are integer multiples of:

1. 50000 Index points (e.g., 450000, 500000, 550000) and that lie within a range from 100 percent below to 400 percent above the preceding Business Day's daily settlement price of the Underlying Futures Contract.
1. 5000 Index points (e.g., 495000, 500000, 505000) and that lie within a range from 50 percent below to 100 percent above the preceding Business Day's daily settlement price of the Underlying Futures Contract.
2. 2500 Index points (e.g., 497500, 500000, 502500) and that lie within a range from 10 percent below to 20 percent above the preceding Business Day's daily settlement price of the Underlying Futures Contract, *provided that the options are within the short-dated threshold.*

a.—Above 500000 Point Threshold

Provided that the preceding Business Day's daily settlement price of the Underlying Futures Contract (Rule 350A01.D.1.) is above 500000 index points, the Exchange shall ensure that such put and call options are listed for trading at all exercise price levels that are integer multiples of:

1. 100000 Index points (e.g., 400000, 500000, 600000) and that lie within a range from 100 percent below to 400 percent above the preceding Business Day's daily settlement price of the Underlying Futures Contract.
1. 10000 Index points (e.g., 490000, 500000, 510000) and that lie within a range from 50 percent below to 100 percent above the preceding Business Day's daily settlement price of the Underlying Futures Contract.
2. 5000 Index points (e.g., 495000, 500000, 505000) and that lie within a range from 10 percent below to 20 percent above the preceding Business Day's daily settlement price of the Underlying Futures Contract, *provided that the options are within the short-dated threshold.*

2. Dynamically-Listed Exercise Prices

Upon demand and at the discretion of the Exchange, an option with an out-of-current-range exercise price may be listed for trading as a User-Defined Instrument, on an as-soon-as-possible basis, provided that the exercise price of such option shall be an integer multiple of 25 Index points. The Exchange may modify the provisions governing the establishment of exercise prices as it deems appropriate.

[Remainder of Rule unchanged.]