

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 19-070

Organization: The Board of Trade of the City of Chicago, Inc. ("CBOT")

Filing as a: DCM SEF DCO SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): January 15, 2019 Filing Description: Modifications to the CBOT Market Maker Program for Deferred 30-Day Federal Fund Futures

SPECIFY FILING TYPE

Please note only ONE choice allowed per Submission.

Organization Rules and Rule Amendments

- | | | |
|-------------------------------------|-------------------------------------|------------|
| <input checked="" type="checkbox"/> | Certification | § 40.6(a) |
| <input type="checkbox"/> | Approval | § 40.5(a) |
| <input type="checkbox"/> | Notification | § 40.6(d) |
| <input type="checkbox"/> | Advance Notice of SIDCO Rule Change | § 40.10(a) |
| <input type="checkbox"/> | SIDCO Emergency Rule Change | § 40.10(h) |

Rule Numbers: **Not Applicable**

New Product

Please note only ONE product per Submission.

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|--------------------------|---------------------------------------|------------|
| <input type="checkbox"/> | Certification | § 40.2(a) |
| <input type="checkbox"/> | Certification Security Futures | § 41.23(a) |
| <input type="checkbox"/> | Certification Swap Class | § 40.2(d) |
| <input type="checkbox"/> | Approval | § 40.3(a) |
| <input type="checkbox"/> | Approval Security Futures | § 41.23(b) |
| <input type="checkbox"/> | Novel Derivative Product Notification | § 40.12(a) |
| <input type="checkbox"/> | Swap Submission | § 39.5 |

Official Product Name:

Product Terms and Conditions (product related Rules and Rule Amendments)

- | | | |
|--------------------------|---|----------------------|
| <input type="checkbox"/> | Certification | § 40.6(a) |
| <input type="checkbox"/> | Certification Made Available to Trade Determination | § 40.6(a) |
| <input type="checkbox"/> | Certification Security Futures | § 41.24(a) |
| <input type="checkbox"/> | Delisting (No Open Interest) | § 40.6(a) |
| <input type="checkbox"/> | Approval | § 40.5(a) |
| <input type="checkbox"/> | Approval Made Available to Trade Determination | § 40.5(a) |
| <input type="checkbox"/> | Approval Security Futures | § 41.24(c) |
| <input type="checkbox"/> | Approval Amendments to enumerated agricultural products | § 40.4(a), § 40.5(a) |
| <input type="checkbox"/> | “Non-Material Agricultural Rule Change” | § 40.4(b)(5) |
| <input type="checkbox"/> | Notification | § 40.6(d) |

Official Name(s) of Product(s) Affected:

Rule Numbers:



Christopher Bowen
Managing Director and Chief Regulatory Counsel
Legal Department

January 15, 2019

VIA ELECTRONIC PORTAL

Christopher J. Kirkpatrick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

**RE: Modifications to the CBOT Market Maker Program for Deferred 30-Day Federal Fund Futures
CBOT Submission No. 19-070**

Dear Mr. Kirkpatrick:

The Board of Trade of the City of Chicago, Inc. ("CBOT" or "Exchange") hereby notifies the Commodity Futures Trading Commission ("CFTC" or "Commission") of modifications to the CBOT Market Maker Program for Deferred 30-Day Federal Fund Futures ("Program"). The modifications to the Program will become effective on February 1, 2019.

Exhibit 1 sets forth the terms of this Program. Modifications appear below, with additions underscored and deletions ~~overstruck~~.

CBOT reviewed the designated contract market core principles ("Core Principles") as set forth in the Commodity Exchange Act ("CEA"). During the review, CBOT staff identified the following Core Principles as potentially being impacted: Monitoring of Trading, Execution of Transactions, Protection of Market Participants, Compliance with Rules, and Recordkeeping.

The Program does not impact the Exchange's ability to perform its trade practice and market surveillance obligations under the CEA and the Exchange's market regulation staff will monitor trading in the Program's products to prevent manipulative trading and market abuse. Additionally, the Exchange has implemented systems to track Program participants' obligations to ensure proper distribution of earned incentives. The incentives in the Program do not impact the Exchange's order execution. Participants in the Program will be selected by Exchange staff using criteria as further stated in Exhibit 1. Chapter 4 of the CBOT rules includes prohibitions against fraudulent, non-competitive, unfair or abusive practices. All participants must execute a contractual agreement with the Exchange in which each participant will expressly agree to comply with and be subject to, applicable regulations and CBOT rules. The Program is subject to the Exchange's record retention policies which comply with the CEA.

CBOT certifies that the Program complies with the CEA and the regulations thereunder. There were no substantive opposing views to this Program.

The Exchange certifies that this submission has been concurrently posted on the Exchange's website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

If you require any additional information regarding this submission, please e-mail CMEGSubmissionInquiry@cmegroup.com or contact Rachel Johnson at 312-466-4393 or via e-mail at Rachel.Johnson@cmegroup.com. Please reference our CBOT Submission No. 19-070 in any related correspondence.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit 1

EXHIBIT 1

Market Maker Program for CBOT Deferred 30-Day Federal Fund Futures

Program Purpose

The purpose of the Program is to improve liquidity in deferred Federal Funds futures by providing incentives to designated Program participants who satisfy Program quoting obligations. A more liquid contract benefits all participants in the market.

Product Scope

CBOT Deferred 30-Day Federal Fund Futures traded on Globex® (“Products”).

Eligible Participants

The Exchange may designate up to nine (9) participants in the Program. Participants must be CBOT members. New participants are required to submit a Bid Sheet to the Exchange which is used to determine eligibility. Exchange staff will use a variety of factors in determining whether or not a prospective market maker is selected to participate in the Program, including past performance in Deferred 30-Day Federal Fund futures and the ability to commit to and maintain at least the required quoting obligations. Notwithstanding the foregoing, the Exchange may, from time to time, add to or subtract from the factors listed above as it deems necessary.

Program Term

Start date is February 1, 2008. End date is ~~January 31, 2019~~ January 31, 2020.

Hours

Regular Trading Hours (RTH), 7:00AM – 4:00PM (CST).

Obligations

In order to be eligible to receive Program incentives, Program participants must select and comply with two (2) sets of Exchange-defined quoting obligations such as the target obligations set forth in the Quoting Buckets below, and must quote each of the contract Months during 65% of RTH. Participants must select at least one (1) Quoting Bucket for outright contracts.

Quoting Bucket 1: Outrights in Months 6-9

Month	Max Spread	Min Quantity
Month 6	1.00	50
Month 7	1.00	50
Month 8	1.00	50
Month 9	1.00	50

Quoting Bucket 2: Outrights in Months 10-13

Month	Max Spread	Min Quantity
Month 10	1.00	40
Month 11	1.00	40
Month 12	1.00	40
Month 13	1.00	40

Quoting Bucket 3: Outrights in Months 14-17

Month	Max Spread	Min Quantity
Month 14	1.00	20
Month 15	1.00	20
Month 16	1.00	20
Month 17	1.00	20

Quoting Bucket 4: Spreads in Months 5-10

	Max Spread	Min Quantity
Months 5-6	0.50	150
Months 6-7	0.50	150
Months 7-8	0.50	150
Months 8-9	0.50	150
Months 9-10	0.50	150

Quoting Bucket 5: Spreads in Months 10-15

	Max Spread	Min Quantity
Months 10-11	1.00	125
Months 11-12	1.00	125
Months 12-13	1.00	125
Months 13-14	1.00	125
Months 14-15	1.00	125

Quoting Bucket 6: Spreads in Months 15-20

	Max Spread	Min Quantity
Months 15-16	1.00	50
Months 16-17	1.00	50
Months 17-18	1.00	50
Months 18-19	1.00	50
Months 19-20	1.00	50

Holiday Quoting Schedule: There will be no quoting obligations on Saturdays, Sundays, or the dates listed below. The Holiday Quoting Schedule may be adjusted by the Exchange. Participants will be given notice of any adjustments to the Holiday Quoting Schedule.

Holiday	Date
New Year's Day	1 January 2018
Dr. Martin Luther King, Jr.	15 January 2018
President's Day	19 February 2018
Good Friday	30 March 2018

Memorial Day	28 May 2018
Independence Day	4 July 2018
Labor Day	3 September 2018
Columbus Day	8 October 2018
Veterans Day	12 November 2018
Thanksgiving	22 November 2018
Day After Thanksgiving	23 November 2018
Christmas Eve	24 December 2018
Christmas	25 December 2018
New Year's Day	1 January 2019
Dr. Martin Luther King, Jr.	21 January 2019

<u>Date</u>	<u>Name of Holiday</u>
<u>2/18/2019</u>	<u>President's Day</u>
<u>4/19/2019</u>	<u>Good Friday</u>
<u>5/27/2019</u>	<u>Memorial Day</u>
<u>7/4/2019</u>	<u>Independence Day</u>
<u>9/2/2019</u>	<u>Labor Day</u>
<u>10/14/2019</u>	<u>Columbus Day</u>
<u>11/11/2019</u>	<u>Veteran's Day</u>
<u>11/28/2019</u>	<u>Thanksgiving</u>
<u>11/29/2019</u>	<u>Post-Thanksgiving</u>
<u>12/24/2019</u>	<u>Christmas Eve</u>
<u>12/25/2019</u>	<u>Christmas</u>
<u>1/1/2020</u>	<u>New Year's Day</u>
<u>1/20/2020</u>	<u>Martin Luther King, Jr. Day</u>

Roll Policy: Obligations will roll at the first business day of the month.

Program Incentives

Upon satisfying all Program obligations in a given month, as determined by the Exchange, Program participants will receive fee discounts of ~~\$0.10~~ \$0.07 for all volume traded on Globex® in contract Months 6 and beyond.

Monitoring and Termination of Status

If the Exchange determines that a participant has not met its quoting obligations during the participant's first month of quoting, but is within twenty percent (20%) of its contracted quoting metric, the participant will be eligible to receive the incentives for that applicable month.

Excluding a participant's first month of quoting, if a participant does not meet its quoting obligations during one (1) calendar month, but is within ten percent (10%) of its contracted quoting metric, the participant will be eligible to receive the incentives for that applicable month. Participants must meet quoting obligations for all subsequent months in order to continue to receive the Program incentives.

~~The Exchange shall monitor trading activity and participants' performance and shall retain the right to revoke Program participant status if it concludes from review that a Program participant no longer meets the eligibility requirements or fails to meet the obligations of the Program.~~

If the Exchange determines that a participant has not met its quoting obligations during two (2) calendar months over the course of the Program, but is within twenty percent (20%) of the time-in-market obligations, the participant will be eligible to receive the incentives for each applicable month.

If the Exchange determines that a participant has not met its quoting obligations during one (1) additional calendar month, the participant will be eligible to receive all incentives for that applicable month. Excluding the aforementioned time-in-market leniency, participants must meet quoting obligations for all subsequent months in order to continue to receive the incentives.

Upon utilizing the exceptions set forth above, participants that fail to meet quoting obligations in any additional month may be removed from the Program.