

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 22-132

Organization: Chicago Mercantile Exchange Inc. ("CME")

Filing as a: DCM SEF DCO SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): March 24, 2022 Filing Description: Modifications to the E-mini Equity Index Options ETH Discount Program

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.

- | | | |
|--------------------------|---------------------------------------|------------|
| <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

March 24, 2022

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 E-mini Equity Index Options ETH Discount Program
CME Submission No. 22-132**

Dear Mr. Kirkpatrick:

Chicago Mercantile Exchange Inc. (“CME” or “Exchange”) hereby notifies the Commodity Futures Trading Commission (“CFTC” or “Commission”) of plans to modify the E-mini Equity Index Options ETH Discount Program (“Program”). The modifications to the Program will become effective on April 25, 2022.

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

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

The Program does not impact the Exchange’s ability to perform its trade practice and market surveillance obligations under the CEA. Exchange staff will monitor trading in the Program’s products to prevent manipulative trading and market abuse. Additionally, CME has implemented systems to track Program participants’ volume to ensure proper distribution of earned incentives. The Program does not impact the Exchange’s order execution. Participants in the Program will be selected by CME staff using criteria as further stated in Exhibit 1. Chapter 4 of the CME rules includes prohibitions against fraudulent, non-competitive, unfair, or abusive practices. The Program is subject to these rules and CME records retention policies that comply with the CEA.

CME 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 CME Submission No. 22-132 in any related correspondence.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit 1

EXHIBIT 1

E-mini Equity Index Options ETH Discount Program

Program Purpose

The purpose of this Program is to incentivize participants to support E-mini Equity Index Options products during extended trading hours ("ETH"). A more liquid contract on the central limit order book benefits all participants in the marketplace.

Product Scope

~~E-mini S&P 500 Options ("ES"), E-mini S&P 500 EOM Options ("EW"), E-mini S&P 500 Monday Weekly Options ("E1A" — "E5A"), E-mini S&P 500 Wednesday Weekly Options ("E1C" — "E5C"), E-mini S&P 500 Weekly Options ("EW1" — "EW4"), E-mini Nasdaq-100 Options ("NQ"), E-mini Nasdaq-100 End-of-Month Options ("QNE"), E-mini Nasdaq-100 Weekly Options ("QN1" — "QN4"), E-mini Russell 2000 Options ("RTO"), E-mini Russell 2000 EOM Options ("RTM"), E-mini Russell 2000 Weekly Options ("R1E" — "R4E"), E-mini S&P 400 Options ("ME"), Weekly Options on E-mini Standard & Poors MidCap 400 Stock Price Index Futures ("ME3"), E-mini S&P 600 SmallCap Options ("SMC"), E-mini Nasdaq-100 Monday Weekly Options ("Q1A" — "Q5A"), and E-mini Nasdaq-100 Wednesday Weekly Options ("Q1C" — "Q5C"); E-mini Russell 2000 Monday Weekly Options ("R1A" — "R5A"), and E-mini Russell 2000 Wednesday Weekly Options ("R1C" — "R5C")~~ All E-mini Options that are traded on Globex® ("Products").

Eligible Participants

There is no limit to the number of participants in the Program. Participants must be CME members designated as a proprietary trading firm. Participants must have traded less than 5,000 average daily volume ("ADV") (sides) in the Products during ETH over the previous full half calendar year.

Program Term

Start date is November 1, 2019. End date is October 31, 2022.

Hours

5:00PM to 8:00AM CT ("ETH").

Obligations

In order to be eligible to receive the incentives, participants must meet predetermined volume thresholds in the Products.

Incentives

Upon meeting all obligations, as determined by the Exchange, participants may be eligible to receive predetermined incentives.

Monitoring and Termination of Status

The Exchange shall monitor trading activity and participants' performance and retains the right to revoke participant status if it concludes from review that a participant no longer meets the requirements of the Program.