

**SUBMISSION COVER SHEET**

**IMPORTANT:** Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 15-181 (1 of 2)

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

Filing as a:  DCM  SEF  DCO  SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): May 14, 2015 Filing Description: Modifications to Interest Rate Portfolio Incentive 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: N/A

**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:

May 14, 2015

**VIA ELECTRONIC PORTAL**

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

**RE: Modifications to Interest Rate Portfolio Incentive Program  
CME Submission No. 15-181 (1 of 2)**

Dear Mr. Kirkpatrick:

Chicago Mercantile Exchange Inc. ("CME") and The Board of Trade of the City of Chicago, Inc. ("CBOT") (collectively, "the Exchanges"), hereby notify the Commodity Futures Trading Commission ("CFTC" or "Commission") of plans to modify the Interest Rate Portfolio Incentive Program ("Program"). The Program includes over-the-counter ("OTC") interest rate swap ("IRS") clearing at CME as a component of program participation. The modifications to the Program will become effective on June 1, 2015.

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

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

The Program's incentive structure does not incentivize manipulative trading or market abuse and does not impact the Exchanges' ability to perform trade practice and market surveillance obligations under the CEA. The Exchanges' market regulation staff will monitor all market participants that trade under the Program to prevent manipulative trading and market abuse. The incentives in the Program do not impact the Exchanges' order execution. Participants in the Program will be selected by Exchange staff using criteria as further stated in Exhibit 1. Chapter 4 of the Exchanges' rules includes prohibitions against fraudulent, non-competitive, unfair or abusive practices. The Program is subject to these rules. The Program is subject to the Exchanges' record retention policies which comply with the CEA.

The Exchanges certify that the Program and the proposed modifications comply with the CEA and the regulations thereunder. There were no substantive opposing views to this Program or the proposed modifications.

The Exchanges certify that this submission has been concurrently posted on the CME Group website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

If you require any additional information regarding this submission, please e-mail [CMESubmissionInquiry@cmegroup.com](mailto:CMESubmissionInquiry@cmegroup.com) or contact Rachel Johnson at 312-466-4393 or via e-mail at [Rachel.Johnson@cmegroup.com](mailto:Rachel.Johnson@cmegroup.com). Please reference CME Submission No. 15-181 in any related correspondence.

Sincerely,

/s/ Christopher Bowen  
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit 1

# EXHIBIT 1

## Interest Rate Portfolio Incentive Program

### Program Purpose

The purpose of this Program is to incentivize Program participants to trade certain Interest Rate futures products on the CME Globex® Platform. In addition, the Program indirectly incentivizes market participants to clear over-the-counter (“OTC”) interest rate swaps at CME. The resulting increase in liquidity benefits all participant segments in the market.

### Product Scope

All CME Eurodollar futures and CBOT Treasury futures products available for trading on the Globex® Platform (“Products”). The Program will also take into account a participant's total activity across the entire suite of CME interest rate swap products cleared by CME.

### Eligible Participants

~~CME may designate up to ten (10) participants in the Program~~ There is no limit to the number of participants that may participate in the Program. Participants must be CME or CBOT members. Exchange staff looks at a variety of factors when selecting participants including, but not limited to, historical performance in the Products and experience trading the Products. Participants in the Program may not concurrently be participating in the ~~CME Interest Rate Market Maker Program for Eurodollar Pack and Bundle Futures~~ Eurodollar Pack and Bundle Deferred Contract Liquidity Program or the CME/CBOT Asset Manager Fixed Income Incentive Program. Notwithstanding the foregoing, ~~CME~~ the Exchanges may add or subtract from the aforementioned criteria as ~~it~~ they deems necessary.

### Program Term

Start date is December 1, 2013. End date is ~~May 31, 2015~~ December 31, 2016.

### Hours

N/A

### Program Incentives

*Fee Discounts:* Upon satisfying all Program requirements, as determined by the Exchanges, Program participants may qualify for predetermined fee discounts based on the amount of volume traded in the Products on Globex® and the amount of interest rate swap volume cleared at CME.

### Monitoring and Termination of Status

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