

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 20-278

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): June 15, 2020 Filing Description: Implementation of the 3-Year Note Futures Market Maker 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:

June 15, 2020

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: Implementation of the 3-Year Note Futures Market Maker Program
CBOT Submission No. 20-278**

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 plans to implement the 3-Year Note Futures Market Maker Program ("Program"). The proposed Program will become effective on July 13, 2020.

Exhibit 1 sets forth the terms of this Program.

The Exchange reviewed the designated contract market core principles ("Core Principles") as set forth in the Commodity Exchange Act ("CEA" or "Act"). 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 will 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. 20-278 in any related correspondence.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit 1

EXHIBIT 1

3-Year Note Futures Market Maker Program

Program Purpose

The purpose of this Program is to incent participants to build liquidity in the product listed below that is traded on the CME Globex Platform (“Globex”). A more liquid contract on the central limit order book benefits all participant segments in the market.

Product Scope

3-Year Treasury Note Futures (“Z3N”) traded on Globex (the “Product”).

Eligible Participants

There is no limit to the number of participants that may participate in the Program. Participants may be CBOT members or non-members.

Program Term

Start date is July 13, 2020. End date is January 31, 2021.

Hours

Regular Trading Hours (“RTH”), 7:00AM – 4:00PM CT.

Obligations

*Minimum Quoting Obligations**: In order to be eligible to receive Program incentives, participants must quote continuous two-sided markets in the Product at maximum bid/ask spreads and minimum quote sizes in accordance with the baseline quoting obligations listed below. Notwithstanding the foregoing, the Exchange may vary the baseline quoting obligations as it deems necessary based on ongoing evaluations of the Program.

Tier	Ticker	Width (Ticks, in 32nds)	Width (Index Pts)	Width (USD)	Size (Contracts)	Time in Market	Time Period
1 – Front Month	Z3N	0.5/32 nd	0.016	\$15.625	60	30%	RTH
2 – Front Month	Z3N	0.375/32 nd	0.012	\$11.71875	80	65%	

Holiday Quoting Schedule: There will be no quoting obligations on 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.

Date	Holiday
9/7/2020	Labor Day
10/12/2020	Columbus Day

11/11/2020	Veteran's Day
11/26/2020	Thanksgiving
11/27/2020	Day After Thanksgiving
12/24/2020	Christmas Eve
12/25/2020	Christmas
1/1/2021	New Year's Day
1/18/2021	Birthday of Martin Luther King, Jr.

Incentives

Member Fee Waivers: Upon meeting the Minimum Quoting Obligations for either Tier 1 or Tier 2, member participants will receive fee waivers for Globex trades in the Product.

Non-Member Fee Discounts: Upon meeting the Minimum Quoting Obligations for either Tier 1 or Tier 2, non-member participants will receive a discounted rate of \$0.01 for Globex trades in the Product.

Fee Credits: Upon meeting the Minimum Quoting Obligations for Tier 2, participants will be eligible to receive Fee Credits in accordance with the table below:

Date	Fee Credit (per side traded)	Cap
July 13, 2020	\$2.00	None
July 14, 2020 – July 31, 2020	\$0.40	None
August 1, 2020 and beyond	\$0.20	\$25,000 per month, per participant

Week 1 Incentive Pool (July 13, 2020 through July 17, 2020): Participants meeting the Minimum Quoting Obligations for Tier 2 during the month of July will be eligible for the Week 1 Incentive Pool. All eligible participants will be ranked by Globex volume in the Product for the week of July 13, 2020 through July 17, 2020. The top four (4) participants will receive a pro-rata distribution of \$50,000.

Monthly Stipend (July 2020 through October 2020): Upon meeting the Minimum Quoting Obligations for Tier 2, participants will be eligible for a Monthly Stipend. Each month starting July 2020 through October 2020, all eligible participants will be ranked by Globex volume in the Product. The top four (4) participants each month will receive a stipend of \$10,000 per month, per participant. The Monthly Stipend will not be pro-rated for the month of July 2020.

Monitoring

If the Exchange determines that a participant has not met its quoting obligations during one (1) calendar month over the course of the Program, but is within twenty percent (20%) of the time-in-market obligation, the participant will be eligible to receive the incentives for that 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, with the exception of the Monthly Stipend.

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