

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 21-289

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

Filing as a: DCM SEF DCO SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): June 16, 2021 Filing Description: Modifications to the FX Emerging Markets Liquidity Provider 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

June 16, 2021

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 FX Emerging Markets Liquidity Provider Program
CME Submission No. 21-289**

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 FX Emerging Markets Liquidity Provider Program ("Program"). The modifications to the Program will become effective on July 1, 2021.

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. 21-289 in any related correspondence.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit 1

EXHIBIT 1

FX Emerging Markets Liquidity Provider Program

Program Purpose

The purpose of the Program is to incentivize participants to enhance liquidity in the products listed below for our global client base. A more liquid contract benefits all participants in the market.

Product Scope

Indian Rupee/USD Futures (“SIR”), Standard-Size USD/Offshore RMB (CNH) Futures (“CNH”), Chinese Renminbi/USD Futures (“RMB”), Korean Won Futures (“KRW”), Norwegian Krone Futures (“UN”), Swedish Krona Futures (“SE”), Euro/Norwegian Krone Futures (“CN”), Euro/Swedish Krona Futures (“KE”), and Mexican Peso Futures (“MP”) traded on the CME Globex Platform or submitted for clearing through CME ClearPort (collectively, the “Products”).

Eligible Participants

There is no limit to the number of participants that may participate in the Program. Participants may be CME members or non-members. Participants may not concurrently participate in this Program and another program specifically targeting and incentivizing the Products. Participants in the following incentive programs are eligible to participate: International Incentive Program, International Cross-Asset Volume Incentive Program, Central Bank Incentive Program, Emerging Markets Bank Incentive Program, Latin America Fund Manager Incentive Program, and CME Commodity Trading Advisors/Hedge Fund Incentive Program.

Program Term

Start date is February 1, 2020. End date is ~~June 30, 2021~~ July 31, 2022.

Hours

N/A

Incentives*

Upon meeting all requirements, as determined by the Exchange, participants will receive predetermined incentives in the Products.

CNH & RMB Incentives

(1) July 1, 2021 – July 31, 2022: Retail brokers and FCMs using omnibus accounts will receive a 25% fee discount for all Globex, EFP, and block volume traded in the applicable Products.

(2) July 1, 2021 – September 30, 2021: Participants (excluding retail brokers and FCMs referenced above) will receive a 50% fee discount for all Globex, EFP, and block volume traded in the applicable Products.

(3) Beginning October 1, 2021: Participants (excluding retail brokers and FCMs referenced above) meeting a minimum average daily volume (“ADV”) of at least 15 round-turns in the previous full calendar quarter will receive a 50% fee discount for all Globex, EFP, and block

volume traded in the applicable Products in the following quarter. Participants that do not meet the minimum ADV will receive a 25% fee discount.

SIR & KRW Incentives

(1) July 1, 2021 – July 31, 2022: Retail brokers and FCMs using omnibus accounts will receive a 25% fee discount for all Globex, EFP, and block volume traded in the applicable Products.

(2) July 1, 2021 – September 30, 2021: Participants (excluding retail brokers and FCMs referenced above) will receive a 50% fee discount for all Globex, EFP, and block volume traded in the applicable Products.

(3) Beginning October 1, 2021: Participants (excluding retail brokers and FCMs referenced above) meeting a minimum ADV of at least 15 round-turns in the previous full calendar quarter will receive a 50% fee discount for all Globex, EFP, and block volume traded in the applicable Products in the following quarter. Participants that do not meet the minimum ADV will receive a 25% fee discount.

*July 2022 discounts will be based on ADV from the prior full three (3) calendar months.

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.