

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 21-421

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): September 15, 2021 Filing Description: Modifications to the South American Soybean Market Maker Program

SPECIFY FILING TYPE

Please note only ONE choice allowed per Submission.

Organization Rules and Rule Amendments

- Certification § 40.6(a)
- Approval § 40.5(a)
- Notification § 40.6(d)
- Advance Notice of SIDCO Rule Change § 40.10(a)
- SIDCO Emergency Rule Change § 40.10(h)

Rule Numbers: Not Applicable

New Product

Please note only ONE product per Submission.

- Certification § 40.2(a)
- Certification Security Futures § 41.23(a)
- Certification Swap Class § 40.2(d)
- Approval § 40.3(a)
- Approval Security Futures § 41.23(b)
- Novel Derivative Product Notification § 40.12(a)
- Swap Submission § 39.5

Official Product Name:

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

- Certification § 40.6(a)
- Certification Made Available to Trade Determination § 40.6(a)
- Certification Security Futures § 41.24(a)
- Delisting (No Open Interest) § 40.6(a)
- Approval § 40.5(a)
- Approval Made Available to Trade Determination § 40.5(a)
- Approval Security Futures § 41.24(c)
- Approval Amendments to enumerated agricultural products § 40.4(a), § 40.5(a)
- "Non-Material Agricultural Rule Change" § 40.4(b)(5)
- Notification § 40.6(d)

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

Rule Numbers:

September 15, 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 South American Soybean Market Maker Program
CBOT Submission No. 21-421**

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 modify the South American Soybean Market Maker Program ("Program"). The modifications to the Program will become effective on October 1, 2021.

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

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, 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 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. 21-421 in any related correspondence.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit 1

EXHIBIT 1

South American Soybean Market Maker Program

Program Purpose

The purpose of this Program is to support the development of the product listed below. The resulting increase in liquidity on the central limit order book benefits all participant segments in the market.

Product Scope

FOB Santos Soybeans Financially Settled (Platts) Futures (“SAS”) that are traded on the CME Globex Platform or cleared through CME ClearPort (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. Participants must be proprietary trading firms.

Program Term

Start date is September 21, 2020. End date is ~~September 30, 2021~~ April 30, 2022.

Hours

8:30AM – 1:15PM CT.

Obligations

*Minimum Quoting Obligations**: In order to be eligible to receive the 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.

<u>Timeframe</u>	<u>Product</u>	<u>Width (Ticks)</u>	<u>Width (Index Pts)</u>	<u>Width (USD)</u>	<u>Size (Contracts)</u>	<u>Time-in-Market</u>	<u>Time Period</u>
<u>October 1, 2021 – April 30, 2022</u>	SAS Months 1 – 2	10	2.00	\$2.00	≥ 2	70%	8:30AM – 1:15PM CT
	SAS Months 1 – 2 (February)	15	3.00	\$3.00	1	60%	8:30AM – 1:15PM CT
	SAS Months 3 – 4	10	2.00	\$2.00	1	60%	8:30AM – 1:15PM CT
	SAS Months 3 – 4 (February)	15	3.00	\$3.00	1	60%	8:30AM – 1:15PM CT
	SAS Close (Spot-4)	10	2.00	\$2.00	1	50%	1:10PM – 1:15PM CT
	SAS						

	Close (Spot-4) (February)	15	3.00	\$3.00	1	50%	1:10PM – 1:15PM CT
	SAS Month 1 Member Fee Waivers / Non- Member Fee Discounts	10	2.00	\$2.00	1	20%	8:30AM – 1:15PM CT
	SAS Month 1 Member Fee Waivers / Non- Member Fee Discounts (February)	15	3.00	\$3.00	1	20%	8:30AM – 1:15PM CT
<u>October 4, 2021 – April 30, 2022</u>	<u>SAS/ZS Spread Months 1 – 4</u>	<u>20</u>	<u>5.00</u>	<u>\$0.05</u>	<u>2</u>	<u>60%</u>	<u>8:30AM – 1:15PM CT</u>
	<u>SAS/ZS Spread Months 1 – 4 (February)</u>	<u>25</u>	<u>6.25</u>	<u>\$0.0625</u>	<u>1</u>	<u>60%</u>	<u>8:30AM – 1:15PM CT</u>

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
<u>7/5/2024</u>	<u>Independence Day (Observed)</u>
<u>9/6/2024</u>	<u>Labor Day</u>
<u>11/25/2021</u>	<u>Thanksgiving</u>
<u>12/24/2021</u>	<u>Christmas (Observed)</u>
<u>12/31/2021</u>	<u>New Year's (Observed)</u>
<u>1/17/2022</u>	<u>Birthday of Martin Luther King, Jr.</u>
<u>2/21/2022</u>	<u>Presidents' Day</u>
<u>4/15/2022</u>	<u>Good Friday</u>

Incentives

Member Fee Waivers: Upon meeting the Minimum Quoting Obligations for Member Fee Waivers, as determined by the Exchange, member participants will receive fee waivers for Globex and ClearPort transactions in the Product.

Non-Member Fee Discounts: Upon meeting the Minimum Quoting Obligations for Non-Member Fee Discounts, as determined by the Exchange, non-member participants will receive a discounted rate of \$0.26 for Globex and ClearPort transactions in the Product.

Outright Incentive Pool: Each month, all participants meeting the Minimum Quoting Obligations for Outrights set forth above will be eligible for a pro-rata portion of the Outright Incentive Pool ranked by Globex and ClearPort volume in the Product. For purposes of volume calculation, Globex passive volume for outrights will receive a weighting of 1X and block/block spread volume will receive a weighting of 3X. The top four (4) Eligible participants will receive a pro-rata portion of \$65,000 \$25,000 based on weighted volume. The Outright Incentive Pool will be capped at \$12,500 per participant, per month.

SAS/ZS Spread Incentive Pool: Each month, all participants meeting the Minimum Quoting Obligations for the SAS/ZS Spread set forth above will be eligible for a pro-rata portion of the SAS/ZS Spread Incentive Pool. For purposes of volume calculation, Globex passive volume for outrights will receive a weighting of 1X and block/block spread volume will receive a weighting of 3X. Eligible participants will receive a pro-rata portion of \$25,000 based on weighted volume. The SAS/ZS Spread Incentive Pool will be capped at \$12,500 per participant, per month.

Monthly Stipend: Each month, all participants meeting the Minimum Quoting Obligations set forth above will be ranked by Globex and ClearPort volume in the Product. For purposes of volume calculation, Globex passive volume for outrights and spreads will receive a weighting of 1X and block/block spread volume will receive a weighting of 3X. The top ~~seven (7)~~ five (5) participants will receive a stipend of \$5,000. In the event of a tie, percentage of time-in-market will determine which participant receives the stipend.

Monitoring and Termination of Status

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(s), 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~~ the incentives for that applicable month, with the exception of the Monthly Stipend. 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.