

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 20-358 (2 of 2)

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 16, 2020 Filing Description: Modifications to the CME/CBOT Interest Rate Options Give Up 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: 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

September 16, 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: Modifications to the CME/CBOT Interest Rate Options Give Up Incentive Program
CBOT Submission No. 20-358 (2 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 Options Give Up Incentive Program ("Program"). The modifications to the Program will become effective on October 1, 2020.

Exhibit 1 sets forth the terms of this 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"). During the review, Exchange 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 does not impact the Exchanges' ability to perform its trade practice and market surveillance obligations under the CEA and the Exchanges' have implemented systems to track Program participants' volume to ensure proper distribution of earned incentives. The tiered incentives in the Program do not impact the Exchanges' order execution. Participants in the program will be selected by Exchanges' 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 Exchanges certify that the Program complies with the CEA and the regulations thereunder. There were no substantive opposing views to this Program.

The Exchanges certify that this submission has been concurrently posted on the Exchanges' 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 or contact Rachel Johnson at 312-466-4393 or via e-mail at Rachel.Johnson@cmegroup.com. Please reference our CBOT Submission No. 20-358 in any related correspondence.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit 1

EXHIBIT 1

CME/CBOT INTEREST RATE OPTIONS GIVE UP INCENTIVE PROGRAM

Program Purpose

The purpose of this Program is to encourage executing brokers to increase their volume in the products listed below, enhancing market liquidity. A more liquid contract benefits all participants in the market.

Product Scope

The following ~~All CME/~~ and CBOT Interest Rate (“IR”) options products (“Products”):

~~Eurodollar options
Treasury options
Fed Funds options~~

Eligible Participants

There is no limit to the number of executing brokers who may participate ~~under~~ in the Program. Participants may be CME or CBOT members or non-members. In order to qualify for the Program, ~~potential~~ participants must have met the following criteria: (i) executed at least 750,000 interest rate option give ups in three (3) consecutive calendar months over the previous twelve (12) calendar months, and (ii) at least sixty-five (65%) of the total interest rate (futures and options) give up volume must be from interest rate options.

Program Term

Start date is January 6, 2012. End date is ~~January 31, 2021~~ February 28, 2021.

Hours

N/A

Tiered Volume Incentives

Once accepted into the Program, participants will be eligible to ~~participate in~~ receive tiered volume incentives whereby participants may be charged reduced give up surcharges for the Products. The tiered volume levels are predetermined by ~~CME/CBOT~~ the Exchanges and are based on a participant’s monthly give up volume in the Products ~~during an applicable calendar month.~~

Monitoring and Termination of Status

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