

**SUBMISSION COVER SHEET**

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

Registered Entity Identifier Code (optional): 22-451

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): October 13, 2022 Filing Description: Implementation of the South American Soybean 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:

October 13, 2022

**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 South American Soybean Market Maker Program  
CBOT Submission No. 22-451**

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 South American Soybean Market Maker Program ("Program"). The proposed Program will become effective on November 1, 2022.

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, Availability of General Information, 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](mailto:CMEGSubmissionInquiry@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 our CBOT Submission No. 22-451 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 (“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 November 1, 2022. End date is April 30, 2023.

### 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.

Product	Width (Ticks)	Width (Index Pts)	Width (USD)	Size (Contracts)	Time-in-Market	Time Period (CST)
SA Soybean (1-2) – Outright	30	6.00	\$6.00	10	70%	8:30AM – 1:15PM
SA Soybean (3-4) – Outright	30	6.00	\$6.00	6	60%	8:30AM – 1:15PM
February Contract – Outright	35	7.00	\$7.00	6	60%	8:30AM – 1:15PM
March Contract – Outright	30	6.00	\$6.00	10	70%	8:30AM – 1:15PM
SA Soybeans (1) – Fee Waivers/Fee Discounts	30	6.00	\$6.00	6	20%	8:30AM – 1:15PM

*Extreme Events Clause*: If the 30-day constant maturity at-the-money (ATM) implied volatility in Soybean Futures (“ZS”) surpasses 28% for at least two (2) consecutive days in a given calendar month, the

following obligations may be implemented by the Exchange. Participants will be given notice that the Extreme Events Clause has taken effect.

- (i) Bid/Ask for All Instruments: Increased by 10 ticks
- (ii) Size for All Instruments: Decreased by 2 contracts

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
11/24/2022	Thanksgiving
12/26/2022	Christmas (Observed)
1/2/2023	New Year's (Observed)
1/16/2023	Birthday of Dr. Martin Luther King, Jr.
2/20/2023	Presidents' Day
4/7/2023	Good Friday

### **Incentives**

Member Fee Waivers: Upon meeting the Minimum Quoting Obligations for 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 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, as determined by the Exchange, will be eligible for a pro-rata portion of the Outright Incentive Pool. Eligible participants will receive a pro-rata portion of \$10,000 based on volume of block trades, spreads, and passive Globex outright in the Product.

Monthly Stipend: Each month, all participants meeting the Minimum Quoting Obligations for Outrights, as determined by the Exchange, will be ranked by volume of block trades, spreads, and passive Globex outright in the Product. The top four (4) participants will receive a stipend of \$10,000. 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 the incentives for that applicable month, with the exception of the Monthly Stipend. 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.