

**SUBMISSION COVER SHEET**

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

Registered Entity Identifier Code (optional): 14-433 (2 of 4)

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 15, 2014 Filing Description: Modifications to Central Bank Incentive 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: N/A

**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:

October 15, 2014

**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 Central Bank Incentive Program  
CBOT Submission No. 14-433 (2 of 4)**

Dear Mr. Kirkpatrick:

Chicago Mercantile Exchange Inc. ("CME"), The Board of Trade of the City of Chicago, Inc. ("CBOT"), New York Mercantile Exchange, Inc. ("NYMEX"), and Commodity Exchange, Inc. ("COMEX") (collectively, the "Exchanges") hereby notify the Commodity Futures Trading Commission ("CFTC" or "Commission") of modifications to the Central Bank Incentive Program ("Program"). The modifications to the Program will become effective on January 1, 2015.

Exhibit 1 sets forth the terms of the Program. Modifications appear below with additions underlined 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, the Exchanges' staff identified the following Core Principles as potentially being impacted; Prevention of Market Disruption, Execution of Transactions, Protection of Market Participants and Compliance with Rules and Record Keeping.

The Program's incentive structure does not impact the Exchanges' ability to perform their trade practice and market surveillance obligations under the CEA. The Exchanges' market regulation staff will monitor trading in the Program's products to prevent manipulative trading and market abuse. The incentives in the proposed Program do not impact the Exchanges' order execution. Participants in the Program will be selected by the 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 Program is subject to the Exchanges' record retention policies which comply with the CEA.

The Exchanges certify that the Program complies with the CEA and the regulations thereunder. There were no substantive opposing views to this Program or the proposed modifications.

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 contact Tim Elliott at 312-466-7478 or via e-mail at [tim.elliott@cmegroup.com](mailto:tim.elliott@cmegroup.com), or contact me at 212-299-2200. Please reference our CBOT Submission No. 14-433 (2 of 4) in any related correspondence.

Sincerely,

/s/ Christopher Bowen  
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit 1

# EXHIBIT 1

## CENTRAL BANK INCENTIVE PROGRAM

### Program Purpose

The purpose of this Program is to incentivize Central Banks located outside of the United States to trade the products listed below on the CME Globex® Platform. The resulting increase in liquidity in the products listed below benefits all participant segments in the market.

### Product Scope

All CME, CBOT, and NYMEX futures and options contracts available for trading on the CME Globex Platform, and all COMEX futures products available for trading on the CME Globex® Platform (“Products”).

### Eligible Participants

There is no limit to the number of participants that may participate in the Program. All non-U.S. central banks, multilateral development banks, multilateral financial institutions, sub-regional banks, aid coordination groups, and international organizations of central banks may apply for participation.

### Program Term

Start date is July 1, 2013. End date is ~~December 31, 2014~~ December 31, 2015.

### Hours

The incentives will apply to all trades made in the Products regardless of the execution time.

### Program Incentives

Once accepted into the Program, participants will be eligible to receive the following incentives:

*Fee Discounts.* Participants will be eligible to receive discounted transaction fees for the Products traded on Globex in accordance with the following table:

Product Category (For Executed trades on Globex only)	Central Bank Incentive Program Participant fees (per side)
<b>CME Products</b>	
E-mini Equity Index – Futures	\$0.76
E-mini Equity Index – Options	\$0.445
Full Size Equity Index Contracts – Futures	\$1.55
Full Size Equity Index Contracts – Options	\$1.50
E-micro Equity Index Contracts	\$0.50

Interest Rate Contracts	\$0.44
Fixed Income Index Products	<u>\$0.59</u>
<u>2-Year Eurodollar Bundle Futures</u>	<u>\$3.52</u>
<u>3-Year Eurodollar Bundle Futures</u>	<u>\$5.28</u>
<u>5-Year Eurodollar Bundle Futures</u>	<u>\$8.80</u>
<u>2-Year Eurodollar Bundle Options</u>	<u>\$2.89</u>
<u>3-Year Eurodollar Bundle Options</u>	<u>\$4.22</u>
<u>5-Year Eurodollar Bundle Options</u>	<u>\$6.87</u>
Full Size Foreign Exchange – Futures	\$1.00
Foreign Exchange – Options	\$1.00
E-mini Foreign Exchange Contracts	\$0.54
E-micro Foreign Exchange Contracts	\$0.10
<u>Foreign Exchange Variance Futures</u>	<u>\$0.07</u>
Agricultural Contracts – Futures	\$1.50
Agricultural Contracts – Options	\$0.81
Weather Contracts	\$0.245
<b>CBOT Products</b>	
Mini Equity Contracts*	\$0.75
Full Size Equity Index Contracts	\$0.90
<u>\$25 Dow Futures</u>	<u>\$0.90</u>
<u>\$10 Dow Contracts</u>	<u>\$0.57</u>
<u>Mini \$5 Dow Contracts</u>	<u>\$0.75</u>
<u>DJ U.S. Real Estate Index Futures</u>	<u>\$0.75</u>
U.S. Treasury Futures	<del>\$0.44</del> <u>\$0.49</u>
U.S. Treasury Options	<del>\$0.44</del> <u>\$0.49</u>
Other Financial Contracts	<del>\$0.44</del> <u>\$0.49</u>
<u>Deliverable Interest Rate Swap Futures</u>	<u>\$0.49</u>
Full Size Agricultural Contracts	<del>\$1.35</del> <u>\$1.45</u>
Mini Agricultural Contracts	<del>\$0.81</del> <u>\$0.90</u>

ICS & CS Agricultural Options Contracts	\$ <u>2.06</u>
<b>NYMEX Products</b>	
Energy Contracts (Physicals) on CME Globex	<del>\$1.00</del> <u>\$1.10</u>
<b>COMEX Products</b>	
Metals Futures Contracts (Physicals) on CME Globex	<del>\$1.00</del> <u>\$1.10</u>

\* For CBOT Mini Dow product only

### **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 it concludes from review that a Program participant no longer meets the eligibility requirements or fails to meet the obligations of the Program.