

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 17-466

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

Filing as a: DCM SEF DCO SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): November 27, 2017 Filing Description: Modifications to the Agricultural Options 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:



Christopher Bowen
Managing Director and Chief Regulatory Counsel
Legal Department

November 27, 2017

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 Agricultural Options Market Maker Program
CME Submission No. 17-466**

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 Agricultural Options Market Maker Program ("Program"). The modifications to the Program will become effective on January 1, 2018.

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"). During the review, the Exchange's 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 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 under the Program 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's staff using criteria as further stated in Exhibit 1. Chapter 4 of the Exchange's 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 rules. The Program is subject to the Exchange's record retention policies which comply with the CEA.

The Exchange 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. 17-466 in any related correspondence.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit 1

EXHIBIT 1

Agricultural Options Market Maker Program

Program Purpose

The purpose of this Program is to incentivize market participants to trade the products listed below. The resulting increase in liquidity benefits all participant segments in the market.

Product Scope

Options on the following Agricultural products that are traded on Globex:

Class III Milk, Cash-Settled Cheese, Non-fat Dry Milk, Cash-Settled Butter, Class IV Milk, and Dry Whey, ~~Corn, Soybeans, Chicago SRW Wheat, KC HRW Wheat, Soybean Meal, Soybean Oil, Live Cattle, Lean Hogs, Feeder Cattle, Weekly Options, Short-Dated New Crop ("SDNC") Corn Options, SDNC Soybean Options ("Products").~~

Eligible Participants

There is no limit to the number of participants that may participate in the Program. To be eligible for participation, a participant must be a CME or ~~CBOT~~ Member Firm or individual member within division and hold a 106 R., H., S., or J. membership.

Minimum Volume Requirements. Potential participants must meet the following Minimum Volume Requirements during the month immediately preceding entrance into the Program:

Product	Average Daily Volume ("ADV")*	% of Product ADV*
Corn	500	.5%
Soybeans	400	.5%
Chicago SRW Wheat	150	.5%
Meal/Oil	50	.5%
Live Cattle	75	.5%
Feeder Cattle	10	.5%
Lean Hogs	50	.5%
Dairy	10	.5%

*Potential participants must meet whichever metric is lower.

Program Term

Start date is January 2, 2014. End date is ~~December 31, 2017~~ January 31, 2019.

Hours

RTH and/or ETH

Obligations

Quoting Requirements. All participants will be required to quote on outright options for the first three (3) contracts (nearby and 2+ back months) months at any given time with seven (7) strikes over the ATM strike and 7 strikes below the ATM strike.

Participants must additionally be able to respond to Request-for-Quotes (“RFQ”) orders and execute spread options between 8:30 A.M. and 1:15 P.M.

PRODUCTS	QUOTING REQUIREMENTS
Corn Option Complex	(1) Quote on outright options for the first three (3) contracts months with seven (7) strikes over the ATM strike and 7 strikes below the ATM strike, and (2) Respond to RFQ orders
Soybean Complex	(1) Quote on outright options for the first three (3) contracts months with seven (7) strikes over the ATM strike and 7 strikes below the ATM strike, and (2) Respond to RFQ orders
Wheat Option Complex	(1) Quote on outright options for the first three (3) contracts months with seven (7) strikes over the ATM strike and 7 strikes below the ATM strike, and (2) Respond to RFQ orders
Soybean Meal Option Complex	(1) Quote on outright options for the first three (3) contracts months with seven (7) strikes over the ATM strike and 7 strikes below the ATM strike, and (2) Respond to RFQ orders
Soybean Oil Option Complex	(1) Quote on outright options for the first three (3) contracts months with seven (7) strikes over the ATM strike and 7 strikes below the ATM strike, and (2) Respond to RFQ orders
Feeder Cattle	(1) Quote on outright options for the first three (3) contracts months with seven (7) strikes over the ATM strike and 7 strikes below the ATM strike, and (2) Respond to RFQ orders
Live Cattle	(1) Quote on outright options for the first three (3) contracts months with seven (7) strikes over the ATM strike and 7 strikes below the ATM strike, and (2) Respond to RFQ orders
Lean Hogs	(1) Quote on outright options for the first three (3) contracts months with seven (7) strikes over the ATM strike and 7 strikes below the ATM strike, and (2) Respond to RFQ orders
Dairy Complex	(1) Quote on outright options for the first three (3) contracts months with seven (7) strikes over the ATM strike and 7 strikes below the ATM strike, and (2) Respond to RFQ orders

Incentives

Fee Discounts. Upon satisfying all Program obligations, as determined by the Exchanges, each Program participant shall be eligible to receive a percentage discount on all-in fees in accordance with the following table.

Product	Rank		
	#1	#2	#3
Corn	40%	30%	20%
Soybeans	40%	30%	20%
Wheat	75%	50%	50%
Soybean Meal	75%	50%	50%
Soybean Oil	75%	50%	50%
Live Cattle	75%	50%	50%
Lean Hogs	75%	50%	50%
Feeder Cattle	75%	50%	50%
Dairy Options	75%	50%	50%

Qualification for the fee discounts are based on ranking methodology as determined by the Exchanges, in accordance with the following table:

Product	Sub-Product	Product Weighting
Corn	-	-
-	Standard	40%
-	Weekly	30%
-	SDNC	30%
Soybeans	-	-
-	Standard	40%
-	Weekly	30%
-	SDNC	30%
Wheat	-	-
-	Standard	30%
-	Weekly	0%
-	KC Standard	70%
Meal	-	-
-	Standard	50%
-	Weekly	50%
Oil	-	-
-	Standard	50%
-	Weekly	50%
Dairy		
-	Class III	5%
-	Cash Settled Cheese	25%
-	Nonfat Dry Milk	25%
-	Cash Settled Butter	25%
-	Class IV Milk	10%
-	Dry Whey	10%

Monitoring and Termination of Status

The Exchanges shall monitor participants' activity and performance in the Products 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 obligations of the Program.