

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 21-497

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 17, 2021 Filing Description: Modifications to the Cryptocurrency Futures and Options Block and EFRP 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:

November 17, 2021

VIA ELECTRONIC PORTAL

Christopher J. Kirkpatrick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20581

**RE: Modifications to the Cryptocurrency Futures and Options Block and EFRP Program
CME Submission No. 21-497**

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 Cryptocurrency Futures and Options Block and EFRP Program ("Program"). The modifications to the Program will become effective on December 6, 2021.

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

CME 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, Availability of General Information, and Recordkeeping.

The Program does not incentivize manipulative trading or market abuse or impact the Exchange's ability to perform its trade practice and market surveillance obligations under the CEA. The Exchange's market regulation staff will monitor trading in the Program's products to prevent manipulative trading and market abuse. Additionally, CME has implemented systems to track Program participants' volume to ensure proper distribution of earned incentives. The products included in this Program are listed for trading in the open and competitive market. The incentives under the Program do not adversely impact price discovery in the centralized market. Specifically, incentives under the Program are only available to brokers that submit previously matched third-party trades in the relevant products. The parties to a trade have discretion to select the venue. Brokers earn incentives after venue selection is made. Principals who submit trades or execute orders for their own account or a proprietary account are not eligible for incentives under the Program. Thus, the Program does not influence the choice made by the principals regarding the execution venue. Participants in the Program will be selected by CME staff using criteria set forth in Exhibit 1. Chapter 4 of the CME rules includes prohibitions against fraudulent, non-competitive, unfair or abusive practices. The Program is subject to these rules and CME records retention policies that 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.

CME certifies that this submission has been concurrently posted on the CME 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 CME Submission No. 21-497 in any related correspondence.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit 1

EXHIBIT 1

Cryptocurrency Futures and Options Block and EFRP Program

Program Purpose

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

Product Scope

Ether futures, Micro Ether futures, Bitcoin futures and options, and Micro Bitcoin futures (“Products”).

Eligible Participants

There is no limit to the number of participants that may participate in the Program. The Program is open to all registered brokers that facilitate matched trades via CME ClearPort or CME Direct.

Program Term

Start date is February 18, 2020. End date is July 31, 2022.

Hours

N/A

Incentives

Ether Fee Credits: Participants will receive \$0.50 per lot for all ex-pit trades, including blocks, block spreads, BTIC blocks, EFRPs, and EOOs, submitted via CME ClearPort or CME Direct.

Micro Ether Fee Credits: Participants will receive \$0.04 per lot for all ex-pit trades, including blocks, block spreads, BTIC blocks, EFRPs, and EOOs, submitted via CME ClearPort or CME Direct.

Bitcoin Fee Credits: Participants will receive \$0.75 per lot for all ex-pit trades, including blocks, block spreads, BTIC blocks, EFRPs, and EOOs, submitted via CME ClearPort or CME Direct.

Micro Bitcoin Fee Credits: Participants will receive \$0.40 per lot for all ex-pit trades, including blocks, block spreads, BTIC blocks, EFRPs, and EOOs, submitted via CME ClearPort or CME Direct.

Monitoring and Termination of Status

The Exchange shall monitor trading activity and participants’ performance and shall retain the right to revoke participant status in the Program if it concludes from review that a participant no longer meets the requirements of the Program.