

**SUBMISSION COVER SHEET**

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

Registered Entity Identifier Code (optional): 15-537

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

Filing as a:  DCM  SEF  DCO  SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): December 2, 2015 Filing Description: Modifications to the CME FX Futures Cross Currency Liquidity 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

December 2, 2015

**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 FX Futures Cross Currency Liquidity Market Making Program  
CME Submission No. 15-537**

Dear Mr. Kirkpatrick:

Chicago Mercantile Exchange Inc. ("CME" or "Exchange") hereby notifies the Commodity Futures Trading Commission ("CFTC" or "Commission") of modifications to an existing market making program for certain Foreign Exchange ("FX") futures contracts that are traded on Globex® ("Program"). The proposed modifications to the Program will become effective on January 1, 2016.

Exhibit 1 sets forth the terms of this Program. The 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, CME staff identified the following Core Principles as potentially being impacted; Prevention of Market Disruption, Execution of Transactions, Protection of Market Participants, Compliance with Rules, and Recordkeeping.

The Program and proposed modifications 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 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 staff using criteria as further stated in Exhibit 1. Chapter 4 of the CME 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 CME rules. The Program is subject to the Exchange's record retention policies which comply with the CEA.

CME certifies that the Program and the proposed modifications to the Program comply with the CEA and the regulations thereunder. There were no substantive opposing views to this Program or the proposed modifications.

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 CME Submission No. 15-537 in any related correspondence.

Sincerely,

/s/ Christopher Bowen  
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit 1

# EXHIBIT 1

## CME FX Futures Cross Currency Liquidity Market Maker Program

### Program Purpose

The purpose of this Program is to incent market makers to enhance liquidity in the products listed below. The resulting increase in central limit order book liquidity for FX futures on the CME Globex® Platform benefits all participants segments in the marketplace.

### Product Scope

The following CME FX futures products available for trading on the Globex® Platform (“Products”):

African Rand Futures	Euro Fx/Swedish Krona Futures
Austr. Dollar/Canad. Dollar Futures	Euro Renminbi Futures
Austr. Dollar/Japan. Yen Futures	Euro Turkish Lira Futures
Austr. Dollar/New Zealand Futures	Hungarian Forint (USD) Futures
Brazilian Real Futures	Hungarian Forint/Euro Fx Futures
British Pound/Japan. Yen Futures	Israeli Shekel Futures
British Pound/Swiss Franc Futures	Japanese Yen Renminbi Futures
Canadian Dollar/Jap. Yen Futures	Korean Won Us Dollar Futures
Czech Koruna Futures	Polish Zloty Futures
Czech Koruna/Euro Futures	Polish Zloty/Euro Fx Futures
DJ CME Fx Dollar Index Futures	Russian Ruble Futures
E-Mini Euro Fx Futures	Swiss Franc/Japanese Yen Futures
E-Mini J-Yen Futures	U.S. Dollar/Norwegian Krone Futures
Euro Fx/Austr Dollar Futures	U.S. Dollar/Swedish Krona Futures
Euro Fx/BP Futures	U.S. Dollar Renminbi Futures
Euro Fx/Canadian Dollar Futures	U.S. Dollar Turkish Lira Futures
Euro Fx/JY Futures	U.S. Dollar/African Rand
Euro Fx/Norwegian Krone Futures	
Euro Fx/SF Futures	

### Eligible Participants

Up to twenty (20) participants may be selected into the Program. Participants can be CME members or non-members. Potential participants are required to submit an application/bid sheet to the Exchange which is used to determine eligibility. CME staff will use a variety of factors in determining whether or not a prospective market maker is selected to participate in the Program, including but not limited to past performance in FX Futures and the ability to commit to and maintain at least the required quoting obligations.

### Program Term

Start date is September 1, 2008. End date is ~~December 31, 2015~~ December 31, 2016.

### Hours

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

## **Obligations**

### **Quoting Requirements:**

Market makers will be required to provide two-sided electronic markets in respective Products (low liquidity currency and cross currency futures contracts) with contracted spreads, bid/ask volume and time frame. All Product activity shall be conducted through a proprietary account of the market maker.

## **Program Incentives**

Upon satisfying all Program obligations, as determined by the Exchange, each Program participant shall be eligible for the following incentive:

### **Fee Waivers:**

For each of the Products that an applicable market maker provides quoting obligations as described above, CME shall waive ~~all of a~~ the market maker's CME Globex® ~~execution and clearing~~ all-in fees for ~~trades executed through~~ activity in the Products through the market-making account(s).

## **Monitoring and Termination of Status**

The Exchange 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.