

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 14-542

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 10, 2014 Filing Description: Extension of the CME Livestock, Dairy, and Forestry Futures Volume Discount 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.

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|--------------------------|---------------------------------------|------------|
| <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 10, 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: Extension of the CME Livestock, Dairy, and Forestry Futures Volume Discount Program
CME Submission No. 14-542**

Dear Mr. Kirkpatrick:

Chicago Mercantile Exchange Inc. ("CME" or "Exchange") hereby notifies the Commodity Futures Trading Commission ("CFTC" or "Commission") that it plans to extend the CME Livestock, Dairy, and Forestry Futures Volume Discount Program ("Program"). The Program extension will become effective on January 1, 2015.

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, the Exchange's 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 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. The Program does 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 Exchange rules includes prohibitions against fraudulent, non-competitive, unfair or abusive practices. The Program is subject to these rules.

CME certifies that the Program complies with the CEA and the regulations thereunder. There were no substantive opposing views to the extension of 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. 14-542 in any related correspondence.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit 1

EXHIBIT 1

CME Livestock, Dairy, and Forestry Futures Volume Discount Program

Program Purpose

The purpose of the Program is to incentivize higher levels of volume contribution in the products listed below on the CME Globex® Platform. The resulting increase in central limit order book liquidity benefits all participant segments in the market.

Product Scope

Live Cattle futures, Feeder Cattle futures, Lean Hog futures, Class III Milk futures, Cash-Settled Cheese futures, Dry Whey futures, Class IV Milk futures, Cash-Settled Butter futures, Non-fat Dry Milk futures and Lumber futures that are traded on the Globex® Platform ("Products").

Eligible Participants

There is no limit to the amount of participants that may be selected in the Program. Participants must be a:

1. CME Individual Equity Member or Rule 106.D Lessees Member ("Individual Participant"), or
2. CME Clearing Member Firm, Rule 106.J Equity Member Firm, Rule 106.I Member Firm or Rule 106.S Member Approved Fund ("Participating Firm").

Additionally,

- For an Individual Participant, accumulation of trades will be per Trading Account under a single Bill Firm, and joint accounts between Equity and Lessee Members will also be eligible for the incentives below.
- For a Participating Firm, accumulation of trades will be aggregated by account owner(s) across accounts within a single Bill Firm. Clearing Member accounts and their related Rule 106.I Member(s) are treated as one for purposes of calculating the incentives below. Family of Hedge Fund Accounts (accounts registered to 106.S Member Approved Fund) are accumulated with their related Equity Corporate Member.

Program Term

Start date is January, 1 2012. 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

Participants will be eligible to receive the following incentives:

Progressive Volume Discounts. Participants will be eligible to receive progressive discounts for Globex execution fees charged in electronic trades in the Products executed on Globex. The applicable discount

per side traded will be based on the participant's combined average daily volume ("ADV") in the Products executed on Globex measured over a given calendar month in accordance with the following tables:

Individual Participants:

Progressive Volume Tiers (in sides) For Executed Trades in the Products on Globex®	Amount Discounted Per Side
Between 1-350 sides	\$0.00
Between 351-600 sides	\$0.11
Between 601-800 sides	\$0.21
Exceeds 800 sides	\$0.31

Participating Firms:

Progressive Volume Tiers (in sides) For Executed Trades in the Products on Globex®	Amount Discounted Per Side
Between 0-800 sides	\$0.00
Between 801-1500 sides	\$0.11
Between 1501-2500 sides	\$0.21
Exceeds 2500 sides	\$0.31

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 of the Program.