

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 17-540 (1 of 4)

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 13, 2017 Filing Description: Modifications to the APAC FCM 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: 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:



Christopher Bowen
Managing Director and Chief Regulatory Counsel
Legal Department

December 13, 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 APAC FCM Incentive Program
CME Submission No. 17-540 (1 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 plans to modify the APAC FCM Incentive 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 Exchanges 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, and Recordkeeping.

The Program 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 activity in the Program's products to prevent manipulative trading and market abuse. Additionally, the Exchanges have implemented systems to track Program participants' volume to ensure proper distribution of earned incentives. The Program does not affect the Exchanges' order execution. Participants in the Program will be selected by Exchanges' staff using criteria as set forth in Exhibit 1. Each of the Exchanges' respective rules includes prohibitions against fraudulent, non-competitive, unfair or abusive practices. All participants must execute a contractual agreement with the Exchanges' in which each participant expressly agrees to comply with, and be subject to, applicable regulations and applicable 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.

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 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. 17-540 in any related correspondence.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit 1

EXHIBIT 1

APAC FCM Incentive Program

Program Purpose

The purpose of the Program is to incentivize participants to educate their customers about the benefits of trading the Exchanges' products and centralized clearing, ultimately providing additional liquidity to the marketplace. A more liquid contract benefits all participants in the market.

Product Scope

All CME, CBOT, NYMEX, and COMEX products that are traded on the Globex Platform, excluding Bitcoin futures ("Products").

Eligible Participants

There is no limit to the number of firms that can participate in the Program. All approved CME, CBOT, NYMEX, and COMEX non-members may participate. Participants must offer the full range of CME, CBOT, NYMEX, and COMEX Products, excluding Bitcoin futures. Participants must have at least one (1) full calendar year of trading activity in order to be eligible for the Program. Participants must also complete the APAC FCM Incentive Program application to be eligible for the Program. Notwithstanding the forgoing, the Exchanges may add or subtract from the aforementioned criteria as they deem necessary.

Program Term

Start date is October 6, 2016. End date is ~~March 31, 2018~~ April 30, 2019.

Hours

N/A

Obligations

Once accepted into the Program, participants must perform futures/options-specific educational, advertising, and/or marketing campaigns or events which highlight CME, CBOT, NYMEX, and/or COMEX Products, excluding Bitcoin futures.

Incentives

Upon meeting all eligibility requirements and obligations, as determined by the Exchange, participants may be eligible to receive predetermined incentives.

Monitoring and Termination of Status

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