

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 14-535 (2 of 2)

Organization: Commodity Exchange, Inc. ("COMEX")

Filing as a: DCM SEF DCO SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): December 16, 2014 **Filing Description:** Modifications to the Core Metals Products Single-Tiered Fee Rebate for High Volume Liquidity Providers

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 16, 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: Modifications to the Core Metals Products Single-Tiered Fee Rebate for High Volume Liquidity Providers
COMEX Submission No. 14-535 (2 of 2)**

Dear Mr. Kirkpatrick:

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 Core Metals Products Single-Tiered Fee Rebate for High Volume Liquidity Providers ("Program"). The modifications to the Program 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~~

The Exchanges reviewed the designated contract market core principles ("Core Principles") as set forth in the Commodity Exchange Act ("CEA"). During the review, Exchanges' 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 impact the Exchanges' ability to perform their trade practice and market surveillance obligations under the CEA and the Exchanges have implemented systems to track Program participants' volume to ensure proper distribution of earned incentives. The tiered incentives in the Program do not impact the Exchanges' order execution. Participants in the Program will be selected by Exchanges' staff using criteria as further stated in Exhibit 1. Chapter 4 of the NYMEX 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 will expressly agree to comply with and be subject to, applicable regulations and the NYMEX/COMEX rules. The Program is subject to the Exchanges record retention policies which comply with the CEA.

NYMEX and COMEX 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 CMESubmissionInquiry@cmegroup.com or contact Rachel Johnson at 312-466-4393 or via e-mail at Rachel.Johnson@cmegroup.com. Please reference our COMEX Submission No. 14-535 (2 of 2) in any related correspondence.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit 1

EXHIBIT 1

Core Metals Products Single-Tiered Fee Rebate for High Volume Liquidity Providers

Program Purpose

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

Product Scope

Gold futures, Silver futures, Copper futures, Platinum futures and Palladium futures contracts traded on the CME Globex® Platform ("Products").

Eligible Participants

There is no limit to the number of participants under the Program. Participants must be COMEX 106.J member firms or individual members. The Exchanges, in their sole discretion, will use a variety of factors in determining whether or not a prospective participant is selected to participate in the Program, including the prospective participants' overall historical volume in the Products that are traded on the CME Globex® Platform, the prospective participants' ability to commit to maintain a certain percentage of volume in the above-referenced products as resting volume, and the prospective participants' historical volume in NYMEX and COMEX metals contracts, other than those previously mentioned above. Participants in this Program may not concurrently participate in the Globex Metals Spreads Incentive Program for Highly Passive Participants or the Globex Core Metals Volume Incentive Program. The Exchanges may from time to time add or subtract from the above factors as they deem necessary.

Program Term

Start date is January 2, 2014. End date is ~~December 31, 2014~~ December 31, 2015.

Hours

N/A

Progressive Tiered Volume Incentives

Once accepted into the Program, participants will be eligible to participate in tiered volume incentives whereby participants may be charged a reduced fee rate for the Products that a participant trades on the CME Globex® Platform. The progressive tiered volume levels are predetermined by NYMEX and COMEX and are based on a participant's combined daily volume of contracts in the above-referenced products on the CME Globex® Platform measured during an applicable calendar month.

Monitoring and Termination of Status

The Exchanges 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.