

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 20-534

Organization: The Board of Trade of the City of Chicago, Inc. ("CBOT")

Filing as a: DCM SEF DCO SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): December 21, 2020 Filing Description: Modifications to the CBOT Market Maker Program for Deferred 30-Day Federal Fund Futures

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 21, 2020

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 CBOT Market Maker Program for Deferred 30-Day Federal Fund Futures
CBOT Submission No. 20-534**

Dear Mr. Kirkpatrick:

The Board of Trade of the City of Chicago, Inc. ("CBOT" or "Exchange") hereby notifies the Commodity Futures Trading Commission ("CFTC" or "Commission") of modifications to the CBOT Market Maker Program for Deferred 30-Day Federal Fund Futures ("Program"). The modifications to the Program will become effective on February 1, 2021.

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

CBOT reviewed the designated contract market core principles ("Core Principles") as set forth in the Commodity Exchange Act ("CEA"). During the review, CBOT 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 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 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 CBOT 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 CBOT rules. The Program is subject to the Exchange's record retention policies which comply with the CEA.

CBOT certifies that the Program complies with the CEA and the regulations thereunder. There were no substantive opposing views to 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 CBOT Submission No. 20-534 in any related correspondence.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit 1

EXHIBIT 1

Market Maker Program for CBOT Deferred 30-Day Federal Fund Futures

Program Purpose

The purpose of the Program is to improve liquidity in deferred Federal Funds futures by providing incentives to designated Program participants who satisfy Program quoting obligations. A more liquid contract benefits all participants in the market.

Product Scope

CBOT Deferred 30-Day Federal Fund Futures traded on Globex® (“Products”).

Eligible Participants

The Exchange may designate up to nine (9) participants in the Program. Participants must be CBOT members. New participants are required to submit a Bid Sheet to the Exchange which is used to determine eligibility. Exchange staff will use a variety of factors in determining whether or not a prospective market maker is selected to participate in the Program, including past performance in Deferred 30-Day Federal Fund futures and the ability to commit to and maintain at least the required quoting obligations. Notwithstanding the foregoing, the Exchange may, from time to time, add to or subtract from the factors listed above as it deems necessary.

Program Term

Start date is February 1, 2008. End date is ~~January 31, 2021~~ January 31, 2022.

Hours

Regular Trading Hours (RTH), 7:00AM – 4:00PM (CST).

Obligations

In order to be eligible to receive Program incentives, Program participants must select and comply with two (2) sets of Exchange-defined quoting obligations set forth in Quoting Buckets 1-6 below. Participants must select at least one (1) Quoting Bucket for outright contracts. Participants may also choose Quoting Bucket 7 for Federal Fund Strips as a third obligation set. Participants must quote each of the obligations during 65% of RTH.

Quoting Bucket 1: Outrights in Months 6-9

Month	Max Spread	Min Quantity
Month 6	1.00	50
Month 7	1.00	50
Month 8	1.00	50
Month 9	1.00	50

Quoting Bucket 2: Outrights in Months 10-13

Month	Max Spread	Min Quantity
Month 10	1.00	40
Month 11	1.00	40
Month 12	1.00	40
Month 13	1.00	40

Quoting Bucket 3: Outrights in Months 14-17

Month	Max Spread	Min Quantity
Month 14	1.00	20
Month 15	1.00	20
Month 16	1.00	20
Month 17	1.00	20

Quoting Bucket 4: Spreads in Months 5-10

	Max Spread	Min Quantity
Months 5-6	0.50	150
Months 6-7	0.50	150
Months 7-8	0.50	150
Months 8-9	0.50	150
Months 9-10	0.50	150

Quoting Bucket 5: Spreads in Months 10-15

	Max Spread	Min Quantity
Months 10-11	1.00	125
Months 11-12	1.00	125
Months 12-13	1.00	125
Months 13-14	1.00	125
Months 14-15	1.00	125

Quoting Bucket 6: Spreads in Months 15-20

	Max Spread	Min Quantity
Months 15-16	1.00	50
Months 16-17	1.00	50
Months 17-18	1.00	50
Months 18-19	1.00	50
Months 19-20	1.00	50

Quoting Bucket 7: Federal Fund Strips

	Max Spread	Min Quantity
Year 1 FF Strip	0.75	15
Year 2 FF Strip	1.00	5

Extreme Events Clause: If 10-Year CME Group Volatility Index (CVOL) is 105 or greater for at least three (3) days in a given calendar month, the obligations below may be implemented. Participants will be given notice that the Extreme Events Clause has taken effect.

- (i) Bid/Ask Spread: Increased by 2X
- (ii) Size: Decreased by 0.5X (rounded up)

Holiday Quoting Schedule: There will be no quoting obligations on the dates listed below. The Holiday Quoting Schedule may be adjusted by the Exchange. Participants will be given notice of any adjustments to the Holiday Quoting Schedule.

Date	Name of Holiday
10/12/2020	Columbus Day
11/11/2020	Veteran's Day
11/26/2020	Thanksgiving
11/27/2020	Post-Thanksgiving
12/24/2020	Christmas Eve
12/25/2020	Christmas
1/1/2021	New Year's Day
1/18/2021	Martin Luther King, Jr. Day
2/15/2021	Presidents' Day
4/2/2021	Good Friday
5/31/2021	Memorial Day
7/5/2021	Independence Day (Observed)
9/6/2021	Labor Day
10/11/2021	Columbus Day
11/11/2021	Veteran's Day
11/25/2021	Thanksgiving
11/26/2021	Day After Thanksgiving
12/24/2021	Christmas Eve
12/27/2021	Christmas (Observed)
1/1/2022	New Year's Day
1/17/2022	Birthday of Martin Luther King, Jr.

Program Incentives

Quoting Buckets 1-6 Fee Discounts: Upon meeting the quoting obligations, as determined by the Exchange, Program participants will receive fee discounts of \$0.07 per side for all volume traded on Globex® in contract Months 6 and beyond.

Quoting Bucket 7 Fee Discounts: Upon meeting the Quoting Bucket 7 obligations, as determined by the Exchange, Program participants will receive an additional fee discount of \$0.05 per side for all volume traded on Globex® in contract Months 6 and beyond.

Fee Credits: Program participants meeting the obligations for two (2) Quoting Buckets and Quoting Bucket 7, as determined by the Exchange, will receive fee credits of \$0.10 per side on Federal Fund futures strips volume, capped at \$10,000 per month, per participant.

Monitoring and Termination of Status

If the Exchange determines that a participant has not met its quoting obligations during two (2) calendar months over the course of the Program, but is within twenty percent (20%) of the time-in-market obligations, the participant will be eligible to receive the incentives for each applicable month.

If the Exchange determines that a participant has not met its quoting obligations during one (1) additional calendar month, the participant will be eligible to receive all incentives for that applicable month. Excluding the aforementioned time-in-market leniency, participants must meet quoting obligations for all subsequent months in order to continue to receive the incentives.

Upon utilizing the exceptions set forth above, participants that fail to meet quoting obligations in any additional month may be removed from the Program.