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January 10, 2025

**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 International Incentive Program  
CBOT Submission No. 25-042 (2 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 International Incentive Program ("Program" or "IIP"). The modifications to the Program will become effective on February 1, 2025.

Exhibit 1 sets forth the terms of the 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, the Exchanges' staff identified the following Core Principles as potentially being impacted: Monitoring of Trading, Execution of Transactions, Protection of Market Participants, Compliance with Rules, Availability of General Information, and Recordkeeping.

The Program does not incentivize manipulative trading or market abuse and 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 trading in the products under the Program to prevent manipulative trading and market abuse. The incentives in the Program do not impact the Exchanges' order execution. Participants in the Program will be selected by the Exchanges' staff using criteria as further stated in Exhibit 1. Chapter 4 of the Exchanges' rules includes prohibitions against fraudulent, non-competitive, unfair or abusive practices. The Program is subject to these rules. The Program is subject to the Exchanges' record retention policies which comply with the CEA.

CME, CBOT, 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 [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).

Sincerely,

/s/ Timothy Elliott  
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit 1

# EXHIBIT 1

## INTERNATIONAL INCENTIVE PROGRAM

### Program Purpose

The purpose of this Program is to incentivize proprietary trading firms located outside North America to trade the products listed below. The resulting increase in liquidity in the products listed below benefits all participant segments in the market.

### Product Scope

Certain CME, CBOT, NYMEX, and COMEX products available for trading on the CME Globex® Platform, and all open outcry transactions for CME Interest Rate options (“Products”).

### Eligible Participants

There is no limit to the number of participants that may be selected in the Program. All approved CME, CBOT, NYMEX and COMEX non-members may participate. Only proprietary trading firms located outside of North America and traders located outside of North America are eligible.

~~To qualify as a proprietary trading firm under IIP a firm must:~~

~~Be a legal entity that trades its own capital. Trading funds must be exclusively firm funds and all trading must be done in the firm's accounts. Further, to qualify for IIP, a proprietary trading firm must meet the following criteria:~~

- ~~• All trading must be done in proprietary trading accounts held in the name of the firm.~~
- ~~• All trading must be done electronically by owners, employees or contractors of the firm.~~
- ~~• Only the firm's capital can be at risk of loss; that is, no traders may make any trading capital contributions or payments to the firm nor have any capital at risk in connection with their trading of the firm's proprietary accounts.~~
- ~~• All trading must be solely for the benefit of the firm. No other individuals or entities can have any ownership interest in these accounts.~~
- ~~• All funds contributed to and traded under the firm are subject to loss from any and all trading activity of the firm.~~
- ~~• All profits and losses of the account are booked to income of the firm.~~
- ~~• Net profits of the account after the distribution of trader incentives and deduction of expenses are taxed to the firm.~~

### Program Term

Start date is December 16, 2011. End date is ~~January 31, 2025~~ January 31, 2026, or the date on which the Exchanges determine to modify, extend, or terminate the Program. Participants will be given notice of any changes to the Program Term.

### Hours

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

## **Obligations**

For continued eligibility and incentive qualification, IIP participants must maintain a combined average daily volume (“ADV”) in the Products of 250 contracts (sides) measured over a given calendar quarter. Micro E-mini Equity Index products will be excluded from this ADV requirement.

## **Incentives**

Upon meeting all obligations, as determined by the Exchanges, participants will receive the following incentives:

1. *Fee Discounts*: Participants will be eligible to receive fee discounts for the Products in accordance with the following tables:

<b>Product Category</b>	<b>IIP All-in Fees (Per Side)</b>
<b>CME Globex® Only</b>	
<b>CME Products</b>	
Agricultural – Futures <sup>1</sup>	\$0.89
Agricultural – Options <sup>1</sup>	\$0.89
Lumber Futures	\$0.82
Full Size Foreign Exchange – Futures* (excluding FX Link)	\$0.54
Full Size Foreign Exchange – Futures via FX Link	\$0.60
Foreign Exchange – Options*	\$0.54
E-mini Foreign Exchange Contracts*	\$0.54
E-micro Foreign Exchange Contracts	\$0.15
Full Size Equity Index – Futures	\$1.10
E-mini Equity Index – Futures* (Outrights & Spreads excluding Dividend Index Futures)	\$0.75
E-mini Equity Index – Options*	\$0.50
Case Schiller Housing Index – Futures* (Outrights & Spreads)	\$0.75
Micro E-Mini Equity Index – Futures	\$0.18
Micro E-mini Equity Index – Options (Outrights & Spreads)	\$0.10
Nikkei/TOPIX Futures (Outrights & Spreads)	\$1.10
Interest Rate Futures* (Front Months, Back Months, & Bundles)	\$0.50
Interest Rate Futures (Cross-Currency Basis)	\$0.80
Interest Rate Options*	\$0.50
<b>CBOT Products</b>	
Full Size Agricultural Futures Contracts <sup>1</sup>	\$1.11
Full Size Agricultural Options	\$1.11
Mini Agricultural Contracts	\$0.90
ICS & CS Agricultural Options	\$2.06
E-mini Dow/DJ U.S. Real Estate	\$0.75
Micro E-Mini Dow Futures	\$0.18
Eris Swap Futures	\$0.50
Micro Treasury Yield Futures	\$0.21
TBA Futures	\$0.50
U.S. Treasury Futures	\$0.54
U.S. Treasury Options	\$0.54

<b>Product Category</b>	<b>IIP All-in Fees (Per Side)</b>
<b>CME Globex® Only</b>	
Fed Fund Products	\$0.49
MAC Swap Futures	\$0.49

<b>Product Category</b>	<b>IIP All-in Fees (Per Side)</b>
<b>CME Globex® Only</b>	
<b>NYMEX Products</b>	
Henry Hub Natural Gas Look-Alike Last Day Financial Futures (HH) <sup>1</sup>	\$0.90
Henry Hub Natural Gas Look-Alike Options (LN)	\$0.90
Henry Hub Natural Gas Futures (NG) <sup>1</sup>	\$0.90
Henry Hub Natural Gas Options (ON)	\$0.90
Light Sweet Crude Oil (WTI) Futures (CL) <sup>1</sup>	\$0.90
Light Sweet Crude Oil Options (LO)	\$0.90
NY Harbor ULSD Futures (HO) <sup>1</sup>	\$0.90
RBOB Gasoline Futures (RB) <sup>1</sup>	\$0.90
Natural Gas Weekly Financial Option (LN1 - LN5)	\$0.95
Crude Oil Friday Weekly Option (LO1 - LO5)	\$0.95
Crude Oil Monday Weekly Option (ML1 - ML5)	\$0.95
Crude Oil Wednesday Weekly Option (WL1 - WL5)	\$0.95
<del>E-mini Crude Oil Futures (QM)</del>	<del>\$0.88</del>
<del>E-mini Natural Gas Futures (QG)</del>	<del>\$0.45</del>
NYMEX Metals (PL, PA) <sup>1</sup>	\$1.00
<b>COMEX Products - Futures Only</b>	
Core Metal (GC, SI, HG) <sup>1</sup>	\$1.00
<del>E-micro Gold (MGC)<sup>±</sup></del>	<del>\$0.20</del>
<del>1,000 oz. Silver (SIL)</del>	<del>\$0.40</del>
Shanghai Gold (SGC, SGU)	\$1.00
Gold (Enhanced Delivery) Futures (4GC)	\$1.00

<b>Product Category</b>	<b>IIP All-in Fees (Per Side)</b>
<b>Pit Trading</b>	
<b>CME Products</b>	
Interest Rate Options*	\$0.50

<sup>1</sup>For the products denoted with a <sup>1</sup> above, Globex TAS transactions will be excluded from the Program.

\*The products denoted with an asterisk above will be eligible for the additional CME Products Progressive Volume Discount Incentives listed in #2 below.

2. *CME Products Progressive Volume Discount Incentives*: Subject to the restrictions set forth in #3 below, participants in the Program that maintain a monthly an ADV of 5,000 combined contract sides traded in the respective CME Products denoted above are eligible to receive progressive volume fee discounts in those Products as set forth below.

CME Products for IIP – Fee Discounts				
Tier Structure	Interest Rates	FX	E-Mini Equity Futures	E-Mini Equity Options
0 – 5,000	No Discount	No Discount	No Discount	No Discount
5,001+	\$0.25	\$0.17	\$0.25	\$0.13

3. **Restrictions:** Participants may choose to participate in the Program on a Product Group by Product Group basis but must select which Product Groups they want to include under the Program when submitting their initial application. Participants may not receive incentives under the IVIP for volumes in Products counted toward this Program.

### **Monitoring and Termination of Status**

The Exchanges shall monitor trading activity and participants' performance and shall retain the right to revoke participant status if it concludes from review that a participant no longer meets the eligibility requirements or fails to meet the obligations of the Program.

If a participant does not meet the minimum volume requirements during any one (1) calendar quarter of the Program, the participant will still be eligible to receive the incentives for that applicable quarter. In order to continue to receive the incentives, participants must meet the minimum volume requirements for all subsequent calendar quarters.