

**24-512 (2 of 2): Modifications to the E-mini Equity Index Futures Trade Marker at Close (“TMAC”) Market Maker Program**



Timothy Elliott  
Managing Director and Chief Regulatory Counsel  
Legal Department

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**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 E-mini Equity Index Futures Trade Marker at Close (“TMAC”) Market Maker Program  
CBOT Submission No. 24-512 (2 of 2)**

Dear Mr. Kirkpatrick:

Chicago Mercantile Exchange Inc. (“CME”) and The Board of Trade of the City of Chicago, Inc. (“CBOT”) (collectively, the “Exchanges”) hereby notify the Commodity Futures Trading Commission (“CFTC” or “Commission”) of plans to modify the E-mini Equity Index Futures TMAC Market Maker Program (“Program”). The modifications to the Program will become effective on February 1, 2025.

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” or “Act”). 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, Availability of General Information, 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’ market regulation staff will monitor trading in the Program’s products to prevent manipulative trading and market abuse. Additionally, the Exchanges have implemented systems to track Program participants’ obligations to ensure proper distribution of earned incentives. The incentives in the Program do not impact the Exchanges’ order execution. Participants in the Program will be selected by Exchange 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. 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 Exchanges 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 CME Group 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

## E-mini Equity Index Futures TMAC Market Maker Program

### Program Purpose

The purpose of this Program is to support the development of consistent two-sided quote markets on the CME Globex Platform (“Globex”) for the products listed below. The resulting increase in central limit order book liquidity benefits all participant segments in the market.

### Product Scope

TMAC on E-mini S&P 500 Index Futures (“ESX”), TMAC on E-mini Nasdaq 100 Index Futures (“NQX”), TMAC on E-mini Russell 2000 Index Futures (“RTX”), and TMAC on CBOT E-mini Dow Jones Industrial Average Index Futures (\$5 Multiplier) (“YMX”) that are traded on Globex (“Products”).

### Eligible Participants

The Exchanges may designate up to seven (7) participants in the Program. Participants must be CME and/or CBOT members ~~proprietary trading firms~~. Potential participants are required to submit an application/bid sheet to the Exchanges as part of a competitive application process which is used to determine eligibility. In determining whether or not a prospective participant is selected to participate in the Program, Exchange staff may take into account a variety of factors including the strength of the quoting obligations the prospective participant is willing to commit to provide, whether Exchange staff believes that the prospective participant can maintain such obligations, and historical volume trading similar contracts. The Exchanges may, from time to time, add or subtract from the aforementioned requirements as they deem necessary.

### Program Term

Start date is July 31, 2023. End date is ~~January 31, 2025~~ January 31, 2026, or the date on which the Exchange determines to modify, extend, or terminate the Program. Participants will be given notice of any changes to the Program Term.

### Hours

8:30AM – 3:00PM CT.

### Obligations

In order to be eligible to receive the incentives, participants must quote two-sided markets in the applicable Products, at predetermined average bid/ask spreads and minimum quote sizes during a certain percentage of time-in-market.

### Incentives

Upon meeting all obligations, as determined by the Exchanges, participants may be eligible to receive predetermined incentives.

### **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.