

**24-572: Modifications to the NYMEX Crude and Refined Futures Volume Incentive Program**



**Timothy Elliott**  
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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, DC 20581

**RE: Modifications to the NYMEX Crude and Refined Futures Volume Incentive Program  
NYMEX Submission No. 24-572**

Dear Mr. Kirkpatrick:

New York Mercantile Exchange, Inc. ("NYMEX" or "Exchange") hereby notifies the Commodity Futures Trading Commission ("CFTC" or "Commission") of plans to modify the NYMEX Crude and Refined Futures Volume Incentive 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 Exchange reviewed the designated contract market Core Principles as set forth in the Commodity Exchange Act ("CEA"). During the review, NYMEX 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 Exchange's ability to perform its trade practice and market surveillance obligations under the CEA. The Exchange's market regulation staff will monitor trading in the Program's products to prevent manipulative trading and market abuse. Additionally, NYMEX has implemented systems to track Program participants' volume to ensure proper distribution of earned incentives. The products included in this Program are listed for trading in the open and competitive market. Participants in the Program are selected by Exchange 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 expressly agree to comply with and be subject to, applicable regulations and NYMEX rules. The Program is subject to the Exchange's record retention policies which comply with the CEA.

The Exchange 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](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

## NYMEX Crude and Refined Futures Volume Incentive Program

### **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**

Crude Oil Futures (“CL”), NY Harbor ULSD Futures (“HO”), and RBOB Gasoline Futures (“RB”) that are traded on Globex® (“Products”).

### **Eligible Participants**

There is no limit to the number of participants in the Program. Participants must be NYMEX members. The Exchange, in its sole discretion, will use a variety of factors in determining whether a prospective participant is selected to participate in the Program, including the prospective participant’s overall historical volume in the Products and the prospective participant’s ability to maintain threshold volume obligations for the duration of the Program. The Exchange may from time to time add or subtract from the above factors as it deems necessary.

### **Program Term**

Start date is February 1, 2018. 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**

N/A

### **Obligations**

In order to be eligible to receive the incentives, participants must meet predetermined volume thresholds in the Products.

### **Incentives**

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

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

The Exchange shall monitor participants’ activity in the Products and retains the right to revoke participant status if it concludes from review that a participant no longer meets the eligibility criteria or obligations of the Program.