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OFFICE OF THE SECRETARIAT

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April 14, 2009

Mr. David Stawick  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21<sup>st</sup> Street, NW  
Washington, DC 20581

**RE: CME E-mini S&P MidCap 400 and E-mini S&P SmallCap 600  
Market Making Program  
CME Submission No. 09-050**

Dear Mr. Stawick:

Chicago Mercantile Exchange Inc. ("CME") hereby notifies the Commission that it has approved the extension of a market maker program that expired on March 31, 2008. The attached market maker program began on April 1, 2008 and is for the CME E-mini S&P MidCap 400 and E-mini S&P SmallCap 600 futures contracts.

CME certifies that this program complies with the Commodity Exchange Act and the regulations thereunder.

If you have any questions regarding this matter, please call me at (312) 648-5422.

Sincerely,

/S/ Stephen M. Szarmack  
Director and Associate General Counsel



A CME/Chicago Board of Trade/NYMEX Company

## E-mini S&P MidCap 400 and E-mini S&P SmallCap 600 Market Making Program Description

### Eligible Participants

- Market makers must be a Chicago Mercantile Exchange member, lessee or trade a proprietary account at a member firm.
- CME may designate, in its sole discretion, a limited number of E-mini S&P MidCap 400 (EMD) and E-mini S&P SmallCap 600 (SMC) Market Makers. The number of Market Makers will initially be set at up to 15. Current participants will automatically be admitted unless they opt out.

### Market Maker Obligations

- Continuous market posting. Each market maker will be required to post two-sided markets in E-mini S&P MidCap 400 and E-mini S&P SmallCap 600 futures in the lead-month contract and two-sided markets in the calendar spread during the roll under normal market conditions for designated hours between 8:30 a.m. and 3:15 p.m. Chicago time each business day.
- Account maintenance. For audit purposes, the Market Maker must identify to CME Group a proprietary account or accounts (the "Market Making Account") through which all market-making activity under this Program shall be conducted.
  - Market makers must also designate a **single** FIX ID or CME Globex user ID per trading location for market making activity.

### Market Maker Overview of Program

- Requirements
  - Provide two-sided markets in both the E-mini S&P MidCap 400 and E-mini S&P SmallCap 600 futures – outrights and roll markets
    - Combined ADV for E-mini S&P MidCap 400 and E-mini S&P SmallCap 600 Futures must be 30,000 or greater for activation of bonus pool
    - E-mini S&P SmallCap 600 futures must average 300 contracts per day on a Monthly basis for bonus pool to be activated
  - Incentives – Good through December 2010, with staff's discretion to extend through 2011.
  - CME Clearing and CME Globex fees waived for top 10 Market Makers in the E-mini S&P MidCap 400 futures – measured monthly, applied retroactively.
  - CME Clearing and CME Globex fees waived for all Market Makers in the E-mini S&P SmallCap 600.
  - Eligible for revenue sharing measured on a monthly basis:
    - Must be in top 5 for volume for both the EMD and SMC
    - Must be 5% of total market maker volume in each product
    - Top 5 Market Maker firms, measured by volume on a monthly basis, participate in the pool, on a pro-rata basis

### Monitoring and Termination of Status

- CME Group will monitor market-making activity on an ongoing basis, and retains the right to revoke market-making status if CME Group concludes from its review that a Program participant is not complying with the market-making obligations of the Program.

### **Questions about the Program**

- Please contact Brett Vietmeier, Director, CME Group Equity Products at (312) 930-3394.