

# SUBMISSION COVER SHEET

Registered Entity Identifier Code (optional) 13-200

Date: May 31, 2013

**IMPORTANT: CHECK BOX IF CONFIDENTIAL TREATMENT IS REQUESTED.**

## ORGANIZATION

Commodity Exchange, Inc.

## FILING AS A:



DCM



SEF



DCO



SDR



ECM/SPDC

## TYPE OF FILING

### • Rules and Rule Amendments



Certification under § 40.6 (a) or § 41.24 (a)



“Non-Material Agricultural Rule Change” under § 40.4 (b)(5)



Notification under § 40.6 (d)



Request for Approval under § 40.4 (a) or § 40.5 (a)



Advance Notice of SIDCO Rule Change under § 40.10 (a)

### • Products



Certification under § 39.5(b), § 40.2 (a), or § 41.23 (a)



Swap Class Certification under § 40.2 (d)



Request for Approval under § 40.3 (a)



Novel Derivative Product Notification under § 40.12 (a)

## RULE NUMBERS

N/A

## DESCRIPTION

1000oz Silver Futures Fee Discount Program

May 31, 2013

**VIA E-MAIL**

Ms. Melissa Jurgens  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, N.W.  
Washington, D.C. 20581

**RE: Implementation of the 1000oz Silver Futures Fee Discount Program  
COMEX Submission No. 13-200**

Dear Ms. Jurgens:

Commodity Exchange, Inc. ("COMEX" or the "Exchange") hereby notifies the Commodity Futures Trading Commission ("Commission") that it plans to implement a fee discount program in support of COMEX 1000oz Silver Futures Contracts ("Program"). The proposed Program will become effective on June 17, 2013.

Exhibit 1 sets forth the terms of the proposed Program.

COMEX business staff responsible for the proposed Program and the COMEX legal department collectively reviewed the designated contract market core principles ("Core Principles") as set forth in the Commodities Exchange Act ("CEA"). During the review, COMEX staff identified the following Core Principles as potentially being impacted; Prevention of Market Disruption, Execution of Transactions, Protection of Market Participants and Compliance with Rules.

The proposed Program's incentive structure as set forth in the Exhibit 1 below is such that it does not incentivize manipulative trading or market abuse and will not impact the Exchange's ability to perform its trade practice and market surveillance obligations under the CEA. COMEX's market regulation staff will continue to monitor trading in the Program's products to prevent manipulative trading and market abuse. Additionally, the Exchange has implemented systems to track Program participants' volume to ensure proper distribution of earned incentives. The proposed Program does not impact the Exchange's order execution. As further stated in Exhibit 1, all market participants that trade the Program's products will be entitled to participate. Chapter 4 of the Exchange rules includes prohibitions against fraudulent, non-competitive, unfair or abusive practices. The Program will be subject to these Rules.

COMEX 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 contact Robert Lev at 312-930-3019 or via e-mail at [robert.lev@cmegroup.com](mailto:robert.lev@cmegroup.com), or contact me at 212-299-2200. Please reference our COMEX Submission No. 13-200 in any related correspondence.

Sincerely,

/s/ Christopher Bowen  
Managing Director, Chief Regulatory Counsel

Attachment: Exhibit 1

# EXHIBIT 1

## 1000oz Silver Futures Fee Discount Program

### Program Purpose

The purpose of the Program is to incentivize additional liquidity in the products listed below. A more liquid contract benefits all participants in the market.

### Product Scope

1000oz Silver Futures that are traded on the CME Globex Platform ("Products").

### Eligible Participants

There is no limit to the number of participants in the Program. All participants that trade the Products and register their accounts with the Exchange may participate in the Program.

### Program Term

Start date is June 17, 2013. End date is May 31, 2015.

### Hours

N/A

### Program Incentives

1. Progressive Discounted Fees: During each calendar month, participants' respective monthly volume in the Products exceeding 99 contract sides will be discounted for both the day trading rate and overnight rate in accordance with the following:

1000 oz Silver Contract			
	Member		Non-Member
	Day	Overnight	Day/Overnight
< 100 monthly sides	\$ 0.20	\$ 0.40	\$ 0.80
100 sides or greater	\$ 0.20	\$ 0.30	\$ 0.40

2. Fee Credits: During each calendar month, for every five (5) contracts traded in the Products by each respective participant exceeding 100 contract sides, the applicable participant will receive a fee credit equaling the fees charged for trading one (1) NYMEX 5000oz Silver Futures contract in accordance with the following:

Credits for 5000 oz Silver Contract		
Member		Non-Member
Day	Overnight	Day/Overnight
\$ 0.45	\$ 0.70	\$ 0.90
based on average rate		

### Monitoring and Termination of Status

The Exchange shall monitor trading activity retain the right to revoke Program participant status if it concludes from review that a Program participant no longer meets the eligibility requirements of the Program.