

October 25, 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: Extension of HRW Permit Holder Incentive Program  
KCBT Submission No. 13-509**

Dear Ms. Jurgens:

The Board of Trade of Kansas City, Missouri, Inc. ("KCBT") hereby notifies the Commodity Futures Trading Commission ("Commission") that it plans to extend the HRW Permit Holder Incentive Program ("Program") in connection with the transition of KCBT products to the Board of Trade of the City of Chicago, Inc. ("CBOT"). The extension of the Program is proposed through February 28, 2014 or the date on which the KCBT contracts and open interest are migrated to CBOT in accordance with a Commission Order permitting the same. The Program is set to expire on November 30, 2013. The extension will become effective on December 1, 2013.

Exhibit 1 sets forth the terms of the Program. Modifications appear below with additions underscored and deletions ~~overstruck~~.

Exchange business staff responsible for the Program and the Exchange legal department collectively reviewed the designated contract market core principles ("Core Principles") as set forth in the Commodities Exchange Act ("CEA"). During the review, Exchange 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 extension of the Program will not impact the Exchange's ability to perform its trade practice and market surveillance obligations under the CEA. The Program does not impact the Exchange's order execution. Market participants that meet the criteria described in Exhibit 1 shall be entitled to participate. The Exchange rules include prohibitions against fraudulent, non-competitive, unfair or abusive practices. The Program is subject to these rules.

The Exchange certifies that the extension of the Program complies with the CEA and the regulations thereunder. There were no substantive opposing views to the extension of 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 Tim Elliott at 312-466-7478 or via e-mail at [Tim.Elliott@cmegroup.com](mailto:Tim.Elliott@cmegroup.com), or contact me at 212-299-2200. Please reference our KCBT Submission No. 13-509 in any related correspondence.

Sincerely,

/s/ Christopher Bowen  
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit 1

# EXHIBIT 1

## KCBT PERMIT HOLDERS WHEAT INCENTIVE PROGRAM

### Program Purpose

The purpose of this Program is to incentivize trading in the products listed below. A more liquid contract benefits the entire marketplace.

### Product Scope

KCBT hard red wheat futures and option contracts ("Products").

### Eligible Participants

There is no limit to the amount of participants in the Program. Participants must be KCBT Permit Holders (Legacy Members).

### Program Term

Start date is December 3, 2012. End date is ~~November 30, 2013~~ February 28, 2014 or the date on which the KCBT products are formally transitioned to CBOT, whichever comes first.

### Hours

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

### Program Incentives:

Participants in the Program shall be entitled to trade the Products at the following rates per contract side traded:

Exchange Fees<sup>1</sup>:

| Account Type                                   | Platform     | Exchange Fee |
|--|--------------|--------------|
| KCBT Permit Holder (Legacy Individual Members) | Open Auction | \$0.00       |
|  | Electronic   | \$0.15       |
| KCBT Permit Holder (Other Legacy Members)      | Open Auction | \$0.00       |
|  | Electronic   | \$0.50       |

Clearing Fees:

| Account Type                | Platform     | Exchange Fee |
|-----------------------------|--------------|--------------|
| KCBT Permit Holder (Legacy) | Open Auction | \$0.00       |

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<sup>1</sup> Exchange contract fees are shown on a "per side" basis and are applicable to exchange for physical (EFP), exchange for risk (EFR), delivery of futures, and exercised, expired or assigned options contracts. Exchange fees are not applicable to transfer trades.

|   |              |        |
|---|--------------|--------|
| Individual Members)                       | Electronic   | \$0.00 |
| KCBT Permit Holder (Other Legacy Members) | Open Auction | \$0.00 |
|   | Electronic   | \$0.00 |

**Legacy Member** – For purposes of computing fees, a “**Legacy Individual Member**” shall mean a person in whose name the Permit is registered, and trades for such person’s individual 100%-owned trading account. “**Other Legacy Members**” shall mean a firm, partnership or corporation that such person is registered with the Exchange as representing (referred to as “Legacy member firm”) and trading is done for such firm, partnership or corporation. Member does not include employees, associated persons, affiliate companies, subsidiary corporations or parent corporations of such member firm unless they also own a membership.

**Monitoring and Termination of Status**

The Exchange shall monitor trading activity and shall 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.