



October 27, 2009

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

OFFICE OF THE SECRETARIAT
C.F.T.C.
2009 OCT 27 PM 5 42

**RE: CME and CBOT Interest Rate Product Market Making Program
CME/CBOT Submission No. 09-067R**

Dear Mr. Stawick:

Chicago Mercantile Exchange Inc. ("CME") and the Chicago Board of Trade, Inc. ("CBOT") (collectively, "the Exchanges") would like to update the Commodity Futures Trading Commission ("Commission") regarding several CME and CBOT market maker programs for interest rate products. The updates to the programs generally appear in the "obligations" sections or, the program has been terminated. The updates are set forth on the attached exhibits.

1. CME Three-Month Overnight Index Swap (OIS) Options Market Making Program
2. CME Lehman Brothers U.S. Aggregate Index (CME Barclays Capital U.S. Aggregate Bond Index) Futures Market Making Program
3. CME Eurodollar Pack and Bundle Futures Market Making Program
4. CME Eurodollar Futures Regular Trading Hours (RTH) Market Making Program
5. CBOT Liquidity Link II Incentive Program

CME and CBOT certify that these programs comply with the Commodity Exchange Act and the regulations thereunder.

If you require any additional information regarding these programs, please contact Daniel Grombacher at 312-634-1583 or via e-mail at daniel.grombacher@cmegroup.com, or me at 312-648-5422. Please reference our CME/CBOT Submission No. 09-067R in any related correspondence.

Sincerely,

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

Attachments

Attachment 1

Three-Month Overnight Index Swap (OIS) Option Market Making Program

I. Original Terms of Market Maker Program

Eligible Participants

- Market makers must be a CBOT or CME Trading Firm or Member.
- Up to 10 market makers will be allowed in the program.

Obligations

- Respond to at least 75% of all RFQ's during regular and extended trading hours.
- Provide two-sided electronic markets in at least 3 different contracts (either spreads or outrights) in the 3-Month OIS futures. Bid/Ask and size parameters are as follows:

OIS Outrights

Contract	Bid/Ask Spread	Qty
Q1	1.00	100
Q2	1.50	100
Q3	2.00	100
Q4	2.50	100
Q5-8	3.00	100

OIS Calendar Spreads

Contract	Bid/Ask Spread	Qty
Q1-Q2	1.00	100
Q1-Q3	1.50	100
Q1-Q4	2.00	100

Program Term

- Start date is November 24, 2008.
- End date is December 31, 2009.

Incentives

- OIS Option Globex fee waiver for the first 6 months
- Market maker incentives will be dependent upon quarterly rankings:
Market Makers 1-3: OIS Option Globex fee waiver and order flow allocation.
Market Makers 4-6: OIS Option Globex fee waiver.
Market Makers 7-10: \$0.10 OIS Option Globex fee.

Monitoring and Termination of Status

Market makers are ranked quarterly based upon the speed of their responses, the width of their bid/ask spreads, the size of their bids and offers, and persistence of their quote during a two minute period. CME will monitor market making activity on an ongoing basis, and retains the right to revoke market making status if CME concludes from its review that a program participant is not complying with the market-making obligations of the program.

II. Program Modifications

- None.

Attachment 2

CME Lehman Brothers U.S. Aggregate Index Futures Market Making Program on Globex

(PROGRAM TERMINATED)

I. Original Terms of Market Maker Program

Eligible Participants

- Market makers must be a CBOT or CME Trading Firm or Member.
- Up to 5 market makers will be allowed in the program.

Obligations

- Quote markets in CME Lehman Brothers U.S. Aggregate Index futures 75% of designated market hours under normal market conditions.

Program Term

- Start date is October 1, 2007.
- End date is September 30, 2008.

Incentives

- Fee waiver of CME transaction fees for proprietary transactions in CME Lehman Brothers U.S. Aggregate Index futures for the term of the agreement plus one of the following two benefits, either:
 - Order Flow Allocations: Total allocation is limited to 40%. Individual allocations will be granted based upon the number of market makers and each firm's quoting commitment.
 - Fee credits: Upon satisfying all applicable requirements (as determined by CME), market makers will be eligible for fee credits in accordance with the following schedule:

Average Sides Per Day	Monthly Incentive
Less than 200	\$0.25 per side
Between 201-400	\$0.50 per side
Between 401-650	\$0.75 per side
More than 651	\$1.00 per side (up to a maximum of \$15,000 per month)

Monitoring and Termination of Status

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

II. Program Modifications

- Extended the program by one year through September 30, 2009.

Attachment 3

I. Eurodollar Futures Pack and Bundle Market Making Program on Globex Original Terms of Market Maker Program

Eligible Participants

- Market makers must be a CBOT or CME Trading Firm or Member.
- Up to 20 market makers will be allowed in the program.

Obligations

- Post continuous, two sided markets in a subset of the first five actively traded Packs, 2-year, 3-year, 4-year and 5-year Bundles at contracted bid/ask spreads and sizes, 75% of designated market hours under normal market conditions.
- Respond to Requests for Quotes (RFQs) involving outright or spreads that include the Pack or Bundle the participant is responsible for quoting. Quoting parameters are as follows:

Bundles	Bid/Ask	Qty
3-Year	1.00	40
4-Year	2.00	20
5-Year	2.00	25
5-Year Mini	2.00	250

Packs	Bid/Ask	Qty
Green	1.00	40
Blue	2.5	25
Gold	2.5	25
Blue or Gold Outrights	1.0	25
Pack Spreads	1.00	50

Program Term

- Start date is February 2005.
- End date is December 31, 2005.

Incentives

- Globex fee waiver for market makers who meet program criteria for a period of 24 months beginning in January 2005.
- Award market makers who perform at a superior level, as determined by CME, with an order flow allocation for specific Packs/Bundles. The total order flow allocation would not exceed 10 percent.
- Reduced or waived block fees for market makers.

Monitoring and Termination of Status

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

II. Program Modifications

- **Extended the program by one year through December 31, 2009.**

Attachment 4

Eurodollar Futures Regular Trading Hours (RTH) Market Making Program on Globex

(PROGRAM TERMINATED)

I. Original Terms of Market Maker Program

Eligible Participants

- Market makers must be a CME Trading Firm or Member.

Obligations

- Quote markets at contracted bid/ask spreads and sizes under normal market conditions.

Program Term

- Start date is First Quarter 2004.
- End date is December 31, 2004.

Incentives

- Fee rebates with individual allocations based on minimum volume thresholds and volume share of overall market maker program.

Monitoring and Termination of Status

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

II. Program Modifications

- The program will expire at the end of 2008.

Attachment 5

Liquidity Link II Incentive Program

I. Original Terms of Incentive Program

Eligible Participants

- Participants must be a CBOT individual member. The CBOT may designate, in its sole discretion, a limited number of participants. It is anticipated that there will be no more than thirty (30) participants in the program at any one time.

Obligations

- Customers are required to register their accounts with the Interest Rate team.
- The program is only open to accounts owned by individual members; accounts registered to firms are not eligible for the Liquidity Link program.
- An individual is not eligible if he/she is participating in another CME Group-sponsored rebate/fee reduction program (e.g., is a designated market maker).

Program Term

- Start date is First Quarter 2004.
- End date is December 31, 2004.

Incentives

- Fee rebates with individual allocations based on minimum volume thresholds and volume share of overall market maker program.

Monitoring and Termination of Status

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

II. Program Modifications

- Fee credits will be limited to CBOT Treasury futures contracts, both outright and spreads, during the rollover months. (February, May, August, November).
- Only the top 20 individuals (based on 2008 pit volume) will be eligible for the 2009 Liquidity Link program. Registration is not required; the top 20 individual-owned accounts will automatically be registered for the 2009 program.
- The fee credit program will be capped at \$500,000. When the cap is reached, the program will cease to exist for the remainder of the term.
- A member will continue to qualify for the 2009 Liquidity Link Program after he/she reaches the annual fee cap on member floor fees.
- **The program will expire on December 31, 2009.**