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Christopher Bowen
Managing Director and Chief Regulatory Counsel
Legal Department

December 13, 2011

VIA E-MAIL

Mr. David Stawick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

**RE: CME E-mini Equity Options Spread Incentive Program
CME Submission No. 11-497**

Dear Mr. Stawick:

Chicago Mercantile Exchange Inc. ("CME" or the "Exchange") hereby notifies the Commodity Futures Trading Commission ("Commission") that it plans to implement an incentive program in support of spread transactions in E-mini Equity options products traded on the CME Globex® platform ("Program"). The proposed Program will become effective on January 1, 2012.

Exhibit 1 sets forth the terms of the proposed Program.

CME business staff responsible for the Program and the CME legal department collectively reviewed the designated contract market core principles ("Core Principles") as set forth in the Commodity Exchange Act ("CEA"). During the review, CME 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 does not incentivize manipulative trading or market abuse and 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 nevertheless continue to monitor all market participants that trade under the Program to prevent manipulative trading and market abuse. The incentives in the proposed Program do not impact the Exchange's order execution. Participants in the Program will be selected by the Exchange's staff using criteria as further stated in Exhibit 1. Chapter 4 of the Exchange's rules includes prohibitions against fraudulent, non-competitive, unfair or abusive practices. The proposed Program is subject to these rules.

CME certifies that the Program complies with the Commodity Exchange Act 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>

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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, or contact me at 212-299-2200. Please reference our CME Submission No. 11-497 in any related correspondence.

Sincerely,

/s/ Christopher Bowen
Managing Director, Chief Regulatory Counsel

Attachments

EXHIBIT 1

CME E-MINI EQUITY OPTIONS SPREAD INCENTIVE PROGRAM

Program Purpose

The purpose of this Program is to incentivize Program participants to trade spread transactions in E-mini Equity option products on the CME Globex® Platform. The resulting increase in liquidity on the CME Globex® platform benefits all participant segments in the market.

Product Scope

All spread transactions in CME E-mini Equity option products available for trading on the Globex® Platform ("Products").

Eligible Participants

There is no limit to the amount of participants that may participate in the Program. The following categories of CME members and non-members are eligible to participate:

Individual Equity Members	Rule 106.S Member Approved Funds
Clearing Members	Rule 106.D Lessees
Rule 106.J Equity Member Firms	Rule 106.F Employees
Rule 106.I Members	

Program Term

Start date is January 1, 2012. End date is December 31, 2012.

Hours

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

Program Incentives

Each participant shall be eligible for the following incentives:

Fee Discounts. All Program participants will receive Globex® execution fee discounts in the Products so that the Globex® execution fee charged equals \$0.125 per-side traded.

Monitoring and Termination of Status

The Exchange shall monitor participants' activity in the Products and retains 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.