



Christopher Bowen
Managing Director and Chief Regulatory Counsel
Legal Department

December 13, 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: Agricultural Options Market Maker Program
CME/CBOT Submission No. 13-445**

Dear Ms. Jurgens:

Chicago Mercantile Exchange Inc. ("CME") and the Board of Trade of the City of Chicago, Inc. ("CBOT") (collectively, the "Exchanges") hereby notify the Commodity Futures Trading Commission ("CFTC" or "Commission") of plans to implement the Agricultural Options Market Maker Program ("Program"). The Program will become effective on January 2, 2014.

Exhibit 1 sets forth the terms of this Program.

The Exchanges reviewed the designated contract market core principles ("Core Principles") as set forth in the Commodity Exchange Act ("CEA"). During the review, the Exchanges' staff identified the following Core Principles as potentially being impacted: Prevention of Market Disruption, Execution of Transactions, Protection of Market Participants, Compliance with Rules, and Recordkeeping.

The Program will not impact the Exchanges' ability to perform their trade practice and market surveillance obligations under the CEA and the Exchanges' market regulation staff will monitor trading in the Program's products to prevent manipulative trading and market abuse. Additionally, the Exchange has implemented systems to track Program participants' obligations under the Program to ensure proper distribution of earned incentives. The incentives in the Program do not impact the Exchange's order execution. Participants in the Program will be selected by Exchanges' staff using criteria as further stated in Exhibit 1. Chapter 4 of the Exchanges' rules includes prohibitions against fraudulent, non-competitive, unfair or abusive practices. All participants must execute a contractual agreement with the Exchanges in which each participant will expressly agree to comply with and be subject to, applicable regulations and rules. The Program is subject to the Exchanges' record retention policies which comply with the CEA.

The Exchanges certify that the Program complies with the CEA and the regulations thereunder. There were no substantive opposing views to this Program.

The Exchanges certify that this submission has been concurrently posted on the Exchanges' 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, or contact me at 212-299-2200. Please reference our CME/CBOT Submission No. 13-445 in any related correspondence.

Sincerely,

/s/ Christopher K. Bowen
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit 1

EXHIBIT 1

Agricultural Options Market Maker Program

Program Purpose

The purpose of this Program is to incentivize market participants to trade the products listed below. The resulting increase in liquidity benefits all participant segments in the market.

Product Scope

Options on the following Agricultural products:

Corn, Soybeans, Wheat, Soybean Meal, Soybean Oil, Live Cattle, Lean Hogs, Feeder Cattle, Oats, Rough Rice, and Dairy Complex ("Products").

Eligible Participants

To be eligible for participation, a participant must be a CME or CBOT Member Firm and hold a 106 R., H., S., or J. membership. The Exchanges will use a variety of factors in determining whether or not a prospective market maker is selected to participate in the Program, including past performance in the Products, the prospective participant's overall historical performance and experience acting as a market maker in other CME and CBOT programs, and the ability to commit to and maintain at least the required quoting obligations. Notwithstanding the foregoing, the Exchanges may, from time to time, add to or subtract from the factors listed above as it deems necessary.

Program Term

Start date is January 2, 2014. End date is December 31, 2014.

Hours

RTH and/or ETH

Obligations

Quoting Requirements. All participants will be required to quote on outright options for the first three (3) contracts (nearby and 2+ back months) months at any given time with seven (7) strikes over the ATM strike and 7 strikes below the ATM strike.

Participants trading in the Corn, Soybeans, Wheat, Soybean Meal, Soybean Oil, Oats, and Rough Rice products must additionally respond to Request-for-Quotes ("RFQ") orders and execute spread options between 8:30 A.M. and 1:15 P.M.

<u>PRODUCTS</u>	<u>QUOTING REQUIREMENTS</u>
Corn	(1) Quote on outright options for the first three (3) contracts months with seven (7) strikes over the ATM strike and 7 strikes below the ATM strike, and (2) Respond to RFQ orders
Soybeans	(1) Quote on outright options for the first three (3)

	contracts months with seven (7) strikes over the ATM strike and 7 strikes below the ATM strike, and (2) Respond to RFQ orders
Wheat	(1) Quote on outright options for the first three (3) contracts months with seven (7) strikes over the ATM strike and 7 strikes below the ATM strike, and (2) Respond to RFQ orders
Soybean Meal	(1) Quote on outright options for the first three (3) contracts months with seven (7) strikes over the ATM strike and 7 strikes below the ATM strike, and (2) Respond to RFQ orders
Soybean Oil	(1) Quote on outright options for the first three (3) contracts months with seven (7) strikes over the ATM strike and 7 strikes below the ATM strike, and (2) Respond to RFQ orders
Oats	(1) Quote on outright options for the first three (3) contracts months with seven (7) strikes over the ATM strike and 7 strikes below the ATM strike, and (2) Respond to RFQ orders
Rough Rice	(1) Quote on outright options for the first three (3) contracts months with seven (7) strikes over the ATM strike and 7 strikes below the ATM strike, and (2) Respond to RFQ orders
Feeder Cattle	Quote on outright options for the first three (3) contracts months with seven (7) strikes over the ATM strike and 7 strikes below the ATM strike
Live Cattle	Quote on outright options for the first three (3) contracts months with seven (7) strikes over the ATM strike and 7 strikes below the ATM strike
Lean Hogs	Quote on outright options for the first three (3) contracts months with seven (7) strikes over the ATM strike and 7 strikes below the ATM strike
Dairy Complex	Quote on outright options for the first three (3) contracts months with seven (7) strikes over the ATM strike and 7 strikes below the ATM strike

Incentives

Fee Waivers. Upon satisfying all Program obligations, as determined by the Exchanges, each Program participant shall be eligible for exchange fee waivers for electronic trades.

Qualification for the fee waivers are based on ranking methodology as determined by the Exchanges, in accordance with the following table:

Product	Firm Ranking						
	#1	#2	#3	#4	#5	#6	#7
Corn	75%	75%	50%	50%	25%	0%	0%
Soybeans	75%	75%	50%	50%	25%	25%	25%
Wheat	100%	100%	75%	75%	75%	50%	50%
Soybean Meal	100%	100%	75%	75%	75%	50%	50%
Soybean Oil	100%	100%	75%	75%	75%	50%	50%
Live Cattle	100%	100%	75%	75%	50%	50%	50%
Lean Hogs	100%	100%	75%	75%	50%	50%	50%

Feeder Cattle	100%	100%	75%	75%	50%	50%	50%
Oats	100%	100%	100%	100%	100%	100%	100%
Rough Rice	100%	100%	100%	100%	100%	100%	100%
Dairy Complex	100%	100%	75%	75%	50%	50%	50%

Each participant's ranking in a particular quarter will determine incentives received for the following quarter in accordance with the following table:

Performance in:	Determines Fee discounts in:
Q1, 2014	Q2, 2014
Q2, 2014	Q3, 2014
Q3, 2014	Q4, 2014

Monitoring and Termination of Status

The Exchanges shall monitor participants' activity and performance in the Products 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.