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OFFICE OF THE SECRETARIAT
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December 17, 2010

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

**RE: CBOT Interest Rate Market Maker Program Modifications
 CBOT Submission No. 10-379**

Dear Mr. Stawick:

The Chicago Board of Trade, Inc. ("CBOT" or "Exchange") hereby notifies the Commodity Futures Trading Commission ("Commission") of modifications to the following market maker programs for various CBOT interest rate products:

1. CBOT Treasury Options Market Maker Program
2. CBOT 30 Day Federal Funds Options Market Maker Program
3. CBOT Deferred 30 Day Federal Fund Futures Market Maker Program
4. CBOT Asian Hours Liquidity Provider Program for Treasury Futures
5. CBOT On-The-Run Treasury Futures Market Maker Program

The modifications are attached, with additions underscored and deletions lined-out. The changes will be effective on January 1, 2011.

CBOT certifies that these program modifications comply with the Commodity Exchange Act and the regulations thereunder.

If you require any additional information regarding this submission, please contact James Boudreault at 312-930-3247 or via e-mail at james.boudreault@cmegroup.com, Suzanne Spain at 312-338-3651 or via e-mail at suzanne.spain@cmegroup.com, David Reif at 312-648-3839 or via email at david.reif@cmegroup.com, or contact me at 212-299-2200. Please reference our CBOT Submission No. 10-379 in any related correspondence.

Sincerely,

/s/ Christopher Bowen
Managing Director, Chief Regulatory Counsel

Attachments

EXHIBIT 1
Treasury Options Electronic Market Maker Program

I. Current Terms (Until December 31, 2010)

Product Scope

Options on CBOT Treasury futures. If options on Long-Term U.S. Treasury Bond futures are launched during the term of this Program, then the Program shall provide for six (6) additional participants to quote markets in such options.

Eligible Participants

An average of 15 Program participants will be allowed in each Treasury option product and trading-hour interval, with the exception of options on Long-Term U.S. Treasury Bond futures.

Program Term

End date is December 31, 2010.

Hours

Extended and Regular Trading Hours (ETH and RTH)

Obligations

- Respond to at least 70 percent of all Requests-for-Quote (RFQs) regardless of underlying reference Treasury futures delivery month, option expiry month, or option strike price.
- Stream quotes in at-the-money (ATM) straddles, ATM calls, and ATM puts, and the four (4) calls and puts with strike prices nearest to ATM.

Incentives

The five (5) most highly ranked Program participants in each Treasury option product shall receive order flow allocations in said Treasury option product, per the schedule of "Evaluation and Incentive Allocation Periods". The total of such order flow allocations shall not exceed 40 percent of total order flow in said Treasury option product.

- The Exchange Give-Up Surcharge for Treasury Option Strategies executed on Globex shall be waived through 31 December 2010.

Ranking of Program Participants

- The Exchange shall evaluate and rank Program participants quarterly, with assignments of attendant rank-related Program incentives to take effect per the following schedule:

Evaluation and Incentive Allocation Periods	
Evaluation Period	Incentive Allocation Period
6 September – 15 December 2009	1 January – 31 March 2010
6 December 2009 – 15 March 2010	1 April – 30 June 2010
6 March – 15 June 2010	1 July – 30 September 2010
6 June – 15 September 2010	1 October – 31 December 2010

- Program participants shall be ranked on the basis of the speed of their responses, the width of their bid-offered price spreads, the sizes of their bids and offers, and time persistence of their quoting in options with the nearest two serial expiration months and options with the nearest two quarterly expiration months.

Monitoring and Termination of Status

The Exchange shall monitor market making activity and shall retain the right to revoke Program participant status if it concludes from its review that a program participant is not complying with Program obligations.

II. Program Modifications

Product Scope

Options on CBOT Treasury futures, including 2, 5, and 10 year U.S. Treasury Notes, 30 Year U.S. Treasury Bonds, and Long Term U.S. Treasury Bonds. ~~If options on Long Term U.S. Treasury Bond futures are launched during the term of this Program, then the Program shall provide for six (6) additional participants to quote markets in such options.~~

Eligible Participants

There is no limit to the number of Program Participants, but the ranking criteria will still apply. ~~An average of 15 Program participants will be allowed in each Treasury option product and trading-hour interval, with the exception of options on Long Term U.S. Treasury Bond futures.~~

Program Term

~~End date is December 31, 2010.~~ December 31, 2011.

Hours

Extended and Regular Trading Hours (ETH and RTH)

Obligations

- ~~Respond to at least 70 percent of all Requests-for-Quote (RFQs) regardless of underlying reference Treasury futures delivery month, option expiry month, or option strike price.~~
- ~~Stream quotes in at the money (ATM) straddles, ATM calls, and ATM puts, and the four (4) calls and puts with strike prices nearest to ATM.~~

Incentives

The five (5) most highly ranked Program participants in each Treasury option product and each time period (RTH/ETH) shall receive order flow allocations in said Treasury option product, per the schedule of "Evaluation and Incentive Allocation Periods". The total of such order flow allocations shall not exceed ~~40~~ 30 percent of total order flow in said Treasury option product.

- ~~The Exchange Give-Up Surcharge for Treasury Option Strategies executed on Globex shall be waived through 31 December 2010.~~

Ranking of Program Participants

- The Exchange shall evaluate and rank Program participants quarterly, with assignments of attendant rank-related Program incentives to take effect per the following schedule:

Evaluation and Incentive Allocation Periods

<u>Evaluation Period</u>	<u>Incentive Allocation Period</u>
16 September – 15 December 2009	1 January – 31 March 2010
16 December 2009 – 15 March 2010	1 April – 30 June 2010
16 March – 15 June 2010	1 July – 30 September 2010
16 June – 15 September 2010	1 October – 31 December 2010

Evaluation and Incentive Allocation Periods

<u>Evaluation Period</u>	<u>Incentive Allocation Period</u>
<u>16 September – 15 December 2010</u>	<u>1 January – 31 March 2011</u>
<u>16 December 2010 – 15 March 2011</u>	<u>1 April – 30 June 2011</u>
<u>16 March – 15 June 2011</u>	<u>1 July – 30 September 2011</u>
<u>16 June – 15 September 2011</u>	<u>1 October – 31 December 2011</u>

- Program participants shall be ranked on the basis of the speed of their responses, the width of their bid-offered price spreads, the sizes of their bids and offers, and time persistence of their quoting in options with the nearest two serial expiration months and options with the nearest two quarterly expiration months.

Monitoring and Termination of Status

The Exchange shall monitor market making activity and shall retain the right to revoke Program participant status if it concludes from its review that a program participant is not complying with Program obligations.

EXHIBIT 2
30-Day Federal Funds Options Market Maker Program

I. Current Terms (Until December 31, 2010)

Eligible Participants

Individual Members, Equity Members, Trading Members, or Electronic Corporate Members of the Exchange. Up to 10 participants will be allowed in each trading-hour interval.

Program Term

Start date is January 27, 2008. End date is December 31, 2010.

Hours

Extended and Regular Trading Hours (ETH and RTH).

Obligations

Program participants must respond to Requests for Quote (RFQs) for outright purchases and sales of, and for all strategies in, 30-Day Federal Funds Options.

Ranking of Program Participants

- ETH Program participants will be evaluated on the basis of ETH performance.
- RTH Program participants will be evaluated on both RTH and ETH performance, regardless of official participation in the ETH program.
- The Exchange shall evaluate and rank Program participants quarterly, with assignments of attendant rank-related Program incentives to take effect per the following schedule:

Evaluation and Incentive Allocation Periods

Evaluation Period	Incentive Allocation Period
16 September – 15 December 2009	1 January – 31 March 2010
16 December 2009 – 15 March 2010	1 April – 30 June 2010
16 March – 15 June 2010	1 July – 30 September 2010
16 June – 15 September 2010	1 October – 31 December 2010

- Program participants shall be ranked quarterly on the basis of the speed of their responses, the width of their bid-offered price spreads, the sizes of their bids and offers, and persistence of their quoting during a two minute period.

Incentives

Clearing and Globex fee rebates, in accord with quarterly performance rankings:

- Program participants with performance ranks 1 through 3 shall each receive an order flow allocation of up to 10 percent of total order flow, and a monthly Exchange fee rebate equal to \$0.10 per contract traded. Such Exchange fee rebate shall be capped at \$10,000 per calendar month per registered market maker account.
- Program participants with performance ranks 4 through 10 shall each receive a monthly Exchange fee rebate equal to \$0.10 per contract traded. Such Exchange fee rebate shall be capped at \$10,000 per calendar month per registered market maker account.

All Program participants shall receive use of mass quote messaging and Globex market maker protections.

Monitoring and Termination of Status

The Exchange shall monitor market making activity and shall retain the right to revoke Program participant status if it concludes from its review that a Program participant is not complying with Program obligations.

II. Program Modifications

Eligible Participants

Individual Members, Equity Members, Trading Members, or Electronic Corporate Members of the Exchange. Up to 10 participants will be allowed in each trading-hour interval.

Program Term

Start date is January 27, 2008. End date is ~~December 31, 2010~~ December 31, 2011.

Hours

Extended and Regular Trading Hours (ETH and RTH).

Obligations

Program participants must respond to Requests for Quote (RFQs) for outright purchases and sales of, and for all strategies in, 30-Day Federal Funds Options.

Ranking of Program Participants

- ~~ETH Program participants will be evaluated on the basis of ETH performance.~~
- ~~RTH Program participants will be evaluated on both RTH and ETH performance, regardless of official participation in the ETH program.~~
- ~~The Exchange shall evaluate and rank Program participants quarterly, with assignments of attendant rank related Program incentives to take effect per the following schedule:~~

Evaluation and Incentive Allocation Periods

<u>Evaluation Period</u>	<u>Incentive Allocation Period</u>
16 September—15 December 2009	1 January—31 March 2010
16 December 2009—15 March 2010	1 April—30 June 2010
16 March—15 June 2010	1 July—30 September 2010
16 June—15 September 2010	1 October—31 December 2010

- ~~Program participants shall be ranked quarterly on the basis of the speed of their responses, the width of their bid-offered price spreads, the sizes of their bids and offers, and persistence of their quoting during a two minute period.~~

Incentives

Clearing and Globex fee rebates, ~~in accord with quarterly performance rankings:~~

- ~~Program participants with performance ranks 1 through 3 shall each receive an order flow allocation of up to 10 percent of total order flow, and a monthly Exchange fee rebate equal to \$0.10 per contract traded. Such Exchange fee rebate shall be capped at \$10,000 per calendar month per registered market maker account.~~
- Program participants with performance ranks 4 through 10 shall each receive a monthly Exchange fee rebate equal to \$0.10 per contract traded. Such Exchange fee rebate shall be capped at \$10,000 per calendar month per registered market maker account.

All Program participants shall receive use of mass quote messaging and Globex market maker protections.

Monitoring and Termination of Status

The Exchange shall monitor market making activity and shall retain the right to revoke Program participant status if it concludes from its review that a Program participant is not complying with Program obligations.

EXHIBIT 3
Deferred 30-Day Federal Funds Options Market Maker Program

I. Current Terms (Until December 31, 2010)

Eligible Participants

Eligibility for participation shall extend to any Exchange member, of any membership category, and to any non-member customer. Up to 20 participants will be allowed in the Program.

Program Term

Start date is February 1, 2008. End date is December 31, 2010.

Hours

Regular Trading Hours (RTH)

Obligations

Quote two-sided markets, continuously during contracted market making hours (8:30 p.m. to 3:15 p.m. Chicago time) under normal market conditions, in at least three (3) outright or calendar spread markets in 30-Day Federal Funds futures at contracted bid-offered price spreads in contracted bid and offered sizes. Each such outright or calendar spread must include at least one 30-Day Federal Funds futures contract that expires in the fourth futures delivery month or later.

Incentives

Each registered market maker account shall receive a capped monthly fee rebate equal to two times (2x) the number of contracts traded in such account during the corresponding month.

Monitoring and Termination of Status

The Exchange shall monitor market making activity and shall retain the right to revoke Program participant status if it concludes from its review that a Program participant is not complying with Program obligations.

II. Program Modifications

Eligible Participants

Eligibility for participation shall extend to any Exchange member, of any membership category, and to any non-member customer. Up to 20 participants will be allowed in the Program.

Program Term

Start date is February 1, 2008. End date is ~~December 31, 2010~~ December 31, 2011.

Hours

Regular and Extended Trading Hours (RTH & ETH)

Obligations

Quote two-sided markets, continuously during contracted market making hours (~~8:30 p.m. to 3:15 p.m. Chicago time~~) 5:30am-4:00pm Chicago Time under normal market conditions, in at least three (3) outright or calendar spread markets in 30-Day Federal Funds futures at contracted bid-offered price spreads in contracted bid and offered sizes. Each such outright or calendar spread must include at least one 30-Day Federal Funds futures contract that expires in the fourth futures delivery month or later.

Incentives

Each registered market maker account shall receive a capped monthly fee rebate equal to two times (2x) the number of deferred contracts traded in such account during the corresponding month.

Monitoring and Termination of Status

The Exchange shall monitor market making activity and shall retain the right to revoke Program participant status if it concludes from its review that a Program participant is not complying with Program obligations.

Exhibit 4
CBOT Asian Hours Liquidity Provider Program for Treasury Futures

I. Current Terms (Until December 31, 2010)

Product Scope

CBOT Treasury Futures

Eligibility

Eligibility for participation shall extend to any Exchange member, of any membership category, and to any non-member customer. Up to ten (10) participants shall be allowed in the Program.

Program Term

Start Date is May 1, 2009. End Date is December 31, 2010.

Hours

Asian Trading Hours (ATH), 5:00 p.m. to 12:00 a.m., Chicago time

Obligations

Provide two-sided markets on the Globex electronic trading platform, during at least 75 percent of the ATH interval, in at least three (3) Treasury futures products. Program requirements for bid-offered price spreads and quoted sizes at bid and offered prices for each Treasury futures product are as follows:

Contract	Bid/Ask Spread	Quantity
Bond	1/32	25
10-Year	½ of 1/32	25
	1/32	50
5-Year	½ of 1/32	25
3-Year	½ of 1/32	25
2-Year	¼ of 1/32	25
	½ of 1/32	50

Each Program participant shall conduct all market making activity through a registered proprietary market making account.

Incentives

Clearing and Globex transaction fees shall be waived for any Treasury futures contract traded in a registered market making account during ATH. Such fee waiver amounts shall be capped at \$15,000 per month, where such monthly fee waiver cap shall apply to each Program participant firm (not to each Program participant account)

Monitoring and Termination of Status

The Exchange shall be solely responsible for monitoring market making activity to ensure compliance with Program obligations, and for calculating monthly fee waiver amounts such as may be payable to Program participants. The Exchange may revoke Program participant status if it concludes from its review that a Program participant is not complying Program obligations.

II. Program Modifications

Product Scope

CBOT Treasury Futures

Eligibility

Eligibility for participation shall extend to any Exchange member, of any membership category, and to any non-member customer. Up to ten (10) participants shall be allowed in the Program.

Program Term

Start Date is May 1, 2009. End Date is ~~December 31, 2010.~~ December 31, 2011.

Hours

Asian Trading Hours (ATH), 5:00 p.m. to 12:00 a.m., Chicago time

Obligations

Provide two-sided markets on the Globex electronic trading platform, during at least 75 percent of the ATH interval, in at least three (3) Treasury futures products. Program requirements for bid-offered price spreads and quoted sizes at bid and offered prices for each Treasury futures product are as follows:

Contract	Bid/Ask Spread	Quantity
Bond	1/32	25
<u>Ultra T-Bond</u>	<u>1/32</u>	<u>25</u>
10-Year	½ of 1/32 1/32	25 50
5-Year	½ of 1/32	25
3-Year	½ of 1/32	25
2-Year	¼ of 1/32 ½ of 1/32	25 50
<u>2-Year OTR</u>	<u>½ of 1/32</u>	<u>25</u>
<u>5-Year OTR</u>	<u>½ of 1/32</u>	<u>25</u>
<u>10-Year OTR</u>	<u>1/32</u>	<u>25</u>

Each Program participant shall conduct all market making activity through a registered proprietary market making account.

Incentives

Clearing and Globex transaction fees shall be waived for any Treasury futures contract traded in a registered market making account during ATH. Such fee waiver amounts shall be capped at \$15,000 per month, where such monthly fee waiver cap shall apply to each Program participant firm (not to each Program participant account)

Monitoring and Termination of Status

The Exchange shall be solely responsible for monitoring market making activity to ensure compliance with Program obligations, and for calculating monthly fee waiver amounts such as may be payable to Program participants. The Exchange may revoke Program participant status if it concludes from its review that a Program participant is not complying Program obligations.

Exhibit 5
Market Maker Program for CBOT 2-Year, 5-Year, and 10-Year OTR Treasury Futures

I. Current Terms (Until December 31, 2011)

Eligible Participants

Any Individual Member, Equity Member, Trading Member, or Electronic Corporate Member of the Exchange, or any participant in the Exchange's International Incentive Program.

Up to six (6) participants shall be admitted to the Program.

Program Duration

The Program shall take effect on October 25, 2010, and shall remain in effect through December 31, 2011.

Obligations

Program participants must quote on the Globex electronic trading platform:

On an outright basis, the nearby delivery months in 2-Year, 5-Year, and 10-Year OTR Treasury futures, at contracted bid-offered price spreads and in contracted bid and offered depth.

During contract roll periods, the calendar spreads between the nearby and the first deferred delivery months in 2-Year, 5-Year, and 10-Year OTR Treasury futures, at contracted bid-offered price spreads and in contracted bid and offered depth.

Incentives

Fee waivers

Any Program participant shall be eligible for fee waivers comprising exchange fees and clearing fees arising from said Program participant's transactions in 2-Year, 5-Year, and 10-Year OTR Treasury futures.

Fee waivers shall remain in effect for the duration of the Program.

Fee credits

Upon satisfying all Program obligations, as determined by the Exchange, each Program participant shall be eligible for a monthly fee credit based on the number of 2-Year, 5-Year, and 10-Year OTR Treasury futures that such Program participant has traded.

For any given calendar month, each registered market making account shall receive a fee credit equal to a multiple of the number of 2-Year, 5-Year, and 10-Year OTR Treasury futures contract sides traded in that account during such month. Such fee credit shall be on the basis of \$0.11 per contract. For any given calendar month, the multiplier that shall apply in the determination of that month's fee credit amount shall be set with reference to the aggregate number of 2-Year, 5-Year, and 10-Year OTR Treasury futures contracts traded during the same calendar month:

Cumulative average daily trading volume in 2-Year, 5-Year, and 10-Year OTR Treasury futures	Multiplier per OTR Treasury futures contract side traded in a registered market maker account
0 to 10,000	6
10,001 to 25,000	4
Over 25,000	2

Stipends

For the first calendar year of agreement market makers will receive a monthly stipend of \$5,000 in exchange for posting 2-sided markets in 2-Year, 5-Year, and 10-Year OTR Treasury futures. The purpose of the stipend is to ensure that participant firms be compensated for making an investment in the new products, regardless of actual trading volumes in the first year.

Restrictions

A Program participant shall not be eligible to include his or her 2-Year, 5-Year, and 10-Year OTR Treasury futures trading volume in the determination of non-member executor average daily trading volume for the purpose of his or her participation in the "CBOT Volume Discount – U.S. Treasury" program.

Monitoring of Performance

The Exchange shall be solely responsible for (1) monitoring of Program participants' compliance with Program obligations and (2) calculation of monthly fee waivers and fee credits.

II. Program Modifications

Eligible Participants

Any Individual Member, Equity Member, Trading Member, or Electronic Corporate Member of the Exchange, or any participant in the Exchange's International Incentive Program.

Up to six (6) participants shall be admitted to the First Tier of the Program. Up to an additional five (5) participants shall be admitted to the Second Tier of the Program.

Program Duration

The Program shall take effect on October 25, 2010, and shall remain in effect through ~~December 31, 2011.~~ December 31, 2012.

Obligations

Program participants must quote two-sided markets on the Globex electronic trading platform:

On an outright basis, the nearby delivery months in 2-Year, 5-Year, and 10-Year OTR Treasury futures, at contracted bid-offered price spreads and in contracted bid and offered depth.

During contract roll periods, the calendar spreads between the nearby and the first deferred delivery months in 2-Year, 5-Year, and 10-Year OTR Treasury futures, at contracted bid-offered price spreads and in contracted bid and offered depth.

Incentives

Fee waivers (Tier 1 and Tier 2 Participants)

Any Program participant shall be eligible for fee waivers comprising exchange fees and clearing fees arising from said Program participant's transactions in 2-Year, 5-Year, and 10-Year OTR Treasury futures.

Fee waivers shall remain in effect for the duration of the Program.

Fee credits (Tier 1 Participants Only)

Upon satisfying all Program obligations, as determined by the Exchange, each Program participant shall be eligible for a monthly fee credit based on the number of 2-Year, 5-Year, and 10-Year OTR Treasury futures that such Program participant has traded.

For any given calendar month, each registered market making account shall receive a fee credit equal to a multiple of the number of 2-Year, 5-Year, and 10-Year OTR Treasury futures contract sides traded in that account during such month. Such fee credit shall be on the basis of \$0.11 per contract. For any given calendar month, the multiplier that shall apply in the determination of that month's fee credit amount shall be set with reference to the aggregate number of 2-Year, 5-Year, and 10-Year OTR Treasury futures contracts traded during the same calendar month:

Cumulative average daily trading volume in 2-Year, 5-Year, and 10-Year OTR Treasury futures	Multiplier per OTR Treasury futures contract side traded in a registered market maker account
0 to 10,000	6
10,001 to 25,000	4
Over 25,000	2

Stipends (Tier 1 Participants Only)

For the first calendar year of agreement market makers will receive a monthly stipend of \$5,000 in exchange for posting 2-sided markets in 2-Year, 5-Year, and 10-Year OTR Treasury futures. The purpose of the stipend is to ensure that participant firms be compensated for making an investment in the new products, regardless of actual trading volumes in the first year.

Restrictions

A Program participant shall not be eligible to include his or her 2-Year, 5-Year, and 10-Year OTR Treasury futures trading volume in the determination of non-member executor average daily trading volume for the purpose of his or her participation in the "CBOT Volume Discount – U.S. Treasury" program.

Monitoring of Performance

The Exchange shall be solely responsible for (1) monitoring of Program participants' compliance with Program obligations and (2) calculation of monthly fee waivers and fee credits.