



Christopher Bowen
Managing Director and Chief Regulatory Counsel
Legal Department

December 20, 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/CBOT Interest Rate Options Give Up Incentive Program
CME/CBOT Submission No. 11-521**

Dear Mr. Stawick:

Chicago Mercantile Exchange, Inc ("CME") and the Board of Trade of the City of Chicago, Inc. ("CBOT") (CME and CBOT collectively the "Exchanges") hereby notify the Commodity Futures Trading Commission ("Commission") that they plan to implement an incentive program for executing brokers in support of CME and CBOT interest rate options products ("Program"). The proposed Program will become effective on January 6, 2012.

Exhibit 1 sets forth the terms of this Program.

The Exchanges' business staff responsible for the Program and the CME/CBOT legal department collectively reviewed the designated contract market core principles ("Core Principles") as set forth in the Commodities Exchange Act ("CEA"). During the review, CME/CBOT staff identified the following Core Principles as potentially being impacted; Prevention of Market Disruption, Monitoring of Trading, Execution of Transactions, Protection of Market Participants, and Compliance with Rules.

The Program will not impact the Exchanges' ability to perform its trade practice and market surveillance obligations under the CEA and the Exchanges' have implemented systems to track Program participants' volume to ensure proper distribution of earned incentives. The tiered incentives in the proposed Program do not impact the Exchanges' order execution. Participants in the program will be selected by Exchanges' staff using criteria as further stated in Exhibit 1. Chapter 4 of the Exchange rules includes prohibitions against fraudulent, non-competitive, unfair or abusive practices. The Program will be subject to these rules.

CME and CBOT certify that the Program complies with the Commodity Exchange Act 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>

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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/CBOT Submission No. 11-521 in any related correspondence.

Sincerely,

/s/ Christopher Bowen
Managing Director, Chief Regulatory Counsel

Enclosure

EXHIBIT 1

CME/CBOT INTEREST RATE OPTIONS GIVE UP INCENTIVE PROGRAM

Program Purpose

The purpose of this Program is to encourage executing brokers to increase their volume in the products listed below enhancing market liquidity. A more liquid contract benefits all participants in the market.

Product Scope

The following CME/CBOT Interest Rate ("IR") options products ("Products"):

Eurodollar options
Euroyen options
Treasury options
Fed Funds options

Eligible Participants

There is no limit to the number of executing brokers who may participate under the Program. Participants may be CME or CBOT members or non-members. In order to qualify for the Program, potential participants must (i) have, over a recent period of time, consistently maintained at least 500,000 interest rate options give ups over a calendar month and (ii) during that time, maintain at least a thirty three percent (33%) of the total give up volume from CME/CBOT interest rate options.

Program Term

Start date is January 6, 2012. End date is December 31, 2012.

Hours

N/A

Tiered Volume Incentives

Once accepted into the Program, participants will be eligible to participate in tiered volume incentives whereby participants may be charged reduced give-up surcharges for the Products. The tiered volume levels are predetermined by CME/CBOT and are based on a participant's monthly give-up volume in the Products during an applicable calendar month.

Monitoring and Termination of Status

The Exchanges shall monitor trading activity and participants' performance and shall retain the right to revoke Program participant status if they conclude from review that a Program participant no longer meets the eligibility requirements of the Program.