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OFFICE OF THE SECRETARIAT
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December 27, 2010

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

**RE: CME Agricultural Market Maker Programs - Updates
CME Submission No. 10-365.**

Dear Mr. Stawick:

Chicago Mercantile Exchange Inc. ("CME" or "Exchange") hereby notifies the Commodity Futures Trading Commission ("Commission") that it wishes to certify updates and extensions to the following CME market maker programs for agricultural commodities:

- Livestock Option Market Making Program on Globex
- Dairy Futures Regular Trading Hours (RTH) Market Making Program on Globex
- Forestry Futures Regular Trading Hours (RTH) Market Making Program on Globex
- Forestry Option Market Making Program on Globex
- Dairy Option Market Making Program on Globex
- U.S. Dollar Denominated Crude Palm Oil Futures Market Making Program on Globex

If you require any additional information regarding this submission, please contact Troy Kane at (312) 930-1330 or via e-mail at Troy.Kane@cmegroup.com; Paul Peterson at (312) 930-4587 or via e-mail at Paul.Peterson@cmegroup.com; or contact me at 212-299-2200. Please reference our CME Submission No. 10-365 in any related correspondence.

Sincerely,

/s/ Christopher Bowen
Managing Director, Chief Regulatory Counsel

Attachments

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Attachment 1

Livestock Option Market Making Program on Globex

I. Current Terms (until December 31, 2010)

Eligible Participants

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

Hours

- RTH

Program Term

- Start date is December 2006
- End date is December 31, 2010

Obligations

- Respond to electronic requests-for-quote (RFQs) in outright options and strategies combinations
- Mass quote technology/ability to post daily electronic option markets

Incentives

- All participants receive use of the mass quote message and market maker protections
- Market makers have CME Globex fees waived

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

Eligible Participants

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

Hours

- RTH

Program Term

- Start date is December 2006
- End date is December 31, ~~2010~~ 2011

Obligations

- Respond to electronic requests-for-quote (RFQs) in outright options and strategies combinations
- Mass quote technology/ability to post daily electronic option markets

Incentives

- All participants receive use of the mass quote message and market maker protections
- Market makers have CME Globex fees waived

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.

Attachment 2

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

I. Current Terms (Until December 31, 2010)

Eligible Participants

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

Hours

- RTH

Program Term

- Start date is September 2005
- End date is December 31, 2010

Obligations

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

Incentives

- Fee rebates: Market makers have CME Group clearing fees and CME Globex fees waived
- Priority queuing algorithm: Allocates a percentage of quantity traded to market makers if they have joined the best bid or offer

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

Eligible Participants

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

Hours

- RTH

Program Term

- Start date is September 2005
- End date is December 31, ~~2010~~2011

Obligations

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

Incentives

- Fee rebates: Market makers have CME Group clearing fees and CME Globex fees waived
- ~~Priority queuing algorithm: Allocates a percentage of quantity traded to market makers if they have joined the best bid or offer~~

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.

Attachment 3

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

I. Current Terms (Until December 31, 2010)

Eligible Participants

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

Hours

- RTH

Program Term

- Start date is September 2007
- End date is December 31, 2010

Obligations

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

Incentives

- Fee rebates: Market makers have CME Group clearing fees and CME Globex fees waived
- Priority queuing algorithm: Allocates a percentage of quantity traded to market makers if they have joined the best bid or offer

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

Eligible Participants

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

Hours

- RTH

Program Term

- Start date is September 2007
- End date is December 31, ~~2010~~2011

Obligations

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

Incentives

- Fee rebates: Market makers have CME Group clearing fees and CME Globex fees waived
- ~~Priority queuing algorithm: Allocates a percentage of quantity traded to market makers if they have joined the best bid or offer~~

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.

Attachment 4

Forestry Option Market Making Program on Globex

I. Current Terms (Until December 31, 2010)

Eligible Participants

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

Hours

- RTH

Program Term

- Start date is September 2007
- End date is December 31, 2010

Obligations

- Respond to electronic requests-for-quote (RFQs) in outright options and strategies combinations
- Mass quote technology/ability to post daily electronic option markets

Incentives

- All participants receive use of the mass quote message and market maker protections
- Market makers have CME Globex fees waived

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

Eligible Participants

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

Hours

- RTH

Program Term

- Start date is September 2007
- End date is December 31, ~~2010~~ 2011

Obligations

- Respond to electronic requests-for-quote (RFQs) in outright options and strategies combinations
- Mass quote technology/ability to post daily electronic option markets

Incentives

- All participants receive use of the mass quote message and market maker protections
- Market makers have CME Globex fees waived

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.

Attachment 5

Dairy Option Market Making Program on Globex

I. Current Terms (Until December 31, 2010)

Eligible Participants

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

Hours

- RTH

Program Term

- Start date is September 2007
- End date is December 31, 2010

Obligations

- Respond to electronic requests-for-quote (RFQs) in outright options and strategies combinations
- Mass quote technology/ability to post daily electronic option markets

Incentives

- All participants receive use of the mass quote message and market maker protections
- Market makers have CME Globex fees waived

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

Eligible Participants

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

Hours

- RTH

Program Term

- Start date is September 2007
- End date is ~~December 31, 2010~~ June 30, 2011

Obligations

- Respond to electronic requests-for-quote (RFQs) in outright options and strategies combinations
- Mass quote technology/ability to post daily electronic option markets

Incentives

- All participants receive use of the mass quote message and market maker protections
- Market makers have CME Globex fees waived

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.

Attachment 6

U.S. Dollar Denominated Crude Palm Oil Futures Market Making Program on Globex

I. Current Terms (Until December 31, 2010)

Eligible Participants

- Eligible participants include members and non-members.
- The Exchange may designate up to four (4) market makers with a provision to expand the market maker program by three (3).

Hours

- RTH and ETH

Program Term

- Start date May 2010
- End date is April 30, 2014

Obligations

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

Incentives

- All Transaction Fees (Clearing and Globex fees) waived through December 31, 2011.
- Participation in revenue share
 - CME Group will fund a "revenue pool" that will be allocated to market makers on a pro rata basis based on their relative trade during the past month.
 - The revenue pool will be funded based on revenue received from non-market-maker market trading.
- Trade allocation split across eligible MMs if they have joined the best bid or offer.

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.
- If the contract fails to exceed 500 ADV after 2 years, CMEG retains the right to cancel the market maker program

II. Program Modifications

Eligible Participants

- Eligible participants include members and non-members.
- The Exchange may designate up to four (4) market makers with a provision to expand the market maker program by three (3).

Hours

- RTH and ETH

Program Term

- Start date May 2010
- End date is April 30, 2014

Obligations

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

Incentives

- All Transaction Fees (Clearing and Globex fees) waived through December 31, 2011.
- Participation in revenue share
 - CME Group will fund a “revenue pool” that will be allocated to market makers on a pro rata basis based on their relative trade during the past month.
 - The revenue pool will be funded based on revenue received from non-market-maker market trading.
- ~~Trade allocation split across eligible MMs if they have joined the best bid or offer.~~

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.
- If the contract fails to exceed 500 ADV after 2 years, CMEG retains the right to cancel the market maker program