SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested ☐

Registered Entity Identifier Code (optional): <u>14-374</u>

Organization: <u>Chicago Mercantile Exchange Inc. ("CME")</u>

Filing as a: ☒ DCM   ☐ SEF   ☐ DCO   ☐ SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): <u>September 5, 2014</u>   Filing Description: <u>Bundle Futures Market Maker Program</u>

SPECIFY FILING TYPE

Please note only ONE choice allowed per Submission.

Organization Rules and Rule Amendments

☒	Certification	§ 40.6(a)
☐	Approval	§ 40.5(a)
☐	Notification	§ 40.6(d)
☐	Advance Notice of SIDCO Rule Change	§ 40.10(a)
☐	SIDCO Emergency Rule Change	§ 40.10(h)

Rule Numbers: _____

New Product   Please note only ONE product per Submission.

☐	Certification	§ 40.2(a)
☐	Certification Security Futures	§ 41.23(a)
☐	Certification Swap Class	§ 40.2(d)
☐	Approval	§ 40.3(a)
☐	Approval Security Futures	§ 41.23(b)
☐	Novel Derivative Product Notification	§ 40.12(a)
☐	Swap Submission	§ 39.5

Official Product Name:

Product Terms and Conditions (product related Rules and Rule Amendments)

☐	Certification	§ 40.6(a)
☐	Certification Made Available to Trade Determination	§ 40.6(a)
☐	Certification Security Futures	§ 41.24(a)
☐	Delisting (No Open Interest)	§ 40.6(a)
☐	Approval	§ 40.5(a)
☐	Approval Made Available to Trade Determination	§ 40.5(a)
☐	Approval Security Futures	§ 41.24(c)
☐	Approval Amendments to enumerated agricultural products	§ 40.4(a), § 40.5(a)
☐	"Non-Material Agricultural Rule Change"	§ 40.4(b)(5)
☐	Notification	§ 40.6(d)

Official Name(s) of Product(s) Affected:

Rule Numbers:

September 5, 2014

<u>**VIA ELECTRONIC PORTAL**</u>

Christopher J. Kirkpatrick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20581

          RE: **Bundle Futures Market Maker Program**
                    CME Submission No. 14-374

Dear Mr. Kirkpatrick:

Chicago Mercantile Exchange Inc. ("CME" or "Exchange") hereby notifies the Commodity Futures Trading Commission ("CFTC" or "Commission") of the implementation of the Bundle Futures Market Maker Program ("Program"). The proposed Program will become effective on September 22, 2014.

Exhibit 1 sets forth the terms of this Program.

CME 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, Compliance with Rules, and Recordkeeping.

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

CME certifies that the Program complies with the CEA 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.

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 Submission No. 14-374 in any related correspondence.

                                   Sincerely,

                                   /s/ Christopher Bowen
                                   Managing Director and Chief Regulatory Counsel

Attachment: Exhibit 1

EXHIBIT 1

Bundle Futures Market Maker Program

Program Purpose

The purpose of the Program is to incentivize participants to enhance liquidity in the products listed below. A more liquid contract benefits all participants in the market.

Product Scope

CME Two-Year, Three-Year, and Five-Year Bundle Futures ("Products").

Eligible Participants

The Exchange may designate up to ten (10) participants in the Program. Participants must be CME members. Potential participants must submit a bid sheet/application to CME as part of a competitive selection process. CME, in its sole discretion, will use a variety of factors in determining whether or not a prospective participant is selected to participate in the Program, including the prospective participant's ability to commit to and maintain at least the minimum required quoting obligations and the prospective participant's historical performance in futures products. Notwithstanding the foregoing, CME may, from time to time, add or subtract from the aforementioned factors as it deems necessary.

Program Term

Start date is September 22, 2014. End date is December 31, 2015.

Hours

7:00 AM to 4:00 PM CST (Regular Trading Hours "RTH")

Obligations

In order to be eligible to receive the Program incentives, participants must meet minimum contracted quoting obligations in the Products at designated monthly bid-ask spreads during a specified percentage of RTH.

Incentives

Upon meeting all obligations, as determined by the Exchange, for each calendar month of participation in the Program, participants may be entitled to receive the following:

Fee Waivers: Participants shall receive execution and clearing fee waivers on all trading activity in the Products.

Fee Credits: Participants shall receive one (1) Globex execution fee credit for each passive lot traded in the Products. The value of each fee credit will be determined by which Product is traded (Two-Year,

Three-Year, or Five-Year Bundle). Fee credits may be applied to any execution fees incurred in any CME interest rate product.

Monitoring and Termination of Status

The Exchange shall monitor trading activity and participants' performance 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 or fails to meet the obligations of the Program.