

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 18-163

Organization: Chicago Mercantile Exchange Inc. ("CME")

Filing as a: DCM SEF DCO SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): April 16, 2018 Filing Description: Implementation of the E-Mini Nasdaq Futures Volume Incentive Program

Please note only ONE choice allowed per Submission.

Organization Rules and Rule Amendments

- | | | |
|-------------------------------------|-------------------------------------|------------|
| <input checked="" type="checkbox"/> | Certification | § 40.6(a) |
| <input type="checkbox"/> | Approval | § 40.5(a) |
| <input type="checkbox"/> | Notification | § 40.6(d) |
| <input type="checkbox"/> | Advance Notice of SIDCO Rule Change | § 40.10(a) |
| <input type="checkbox"/> | SIDCO Emergency Rule Change | § 40.10(h) |

Rule Numbers: N/A

New Product

Please note only ONE product per Submission.

- | | | |
|--------------------------|---------------------------------------|------------|
| <input type="checkbox"/> | Certification | § 40.2(a) |
| <input type="checkbox"/> | Certification Security Futures | § 41.23(a) |
| <input type="checkbox"/> | Certification Swap Class | § 40.2(d) |
| <input type="checkbox"/> | Approval | § 40.3(a) |
| <input type="checkbox"/> | Approval Security Futures | § 41.23(b) |
| <input type="checkbox"/> | Novel Derivative Product Notification | § 40.12(a) |
| <input type="checkbox"/> | Swap Submission | § 39.5 |

Official Product Name:

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

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

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

Rule Numbers:

April 16, 2018

VIA ELECTRONIC PORTAL

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

**RE: Implementation of the E-Mini Nasdaq Futures Volume Incentive Program
CME Submission No. 18-163**

Dear Mr. Kirkpatrick:

Chicago Mercantile Exchange Inc. (“CME” or “Exchange”) hereby notifies the Commodity Futures Trading Commission (“CFTC” or “Commission”) of plans to implement the E-Mini Nasdaq Futures Volume Incentive Program (“Program”). The Program will become effective on May 1, 2018.

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: Monitoring of Trading, 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 all market participants that trade 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 this 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 e-mail CMEGSubmissionInquiry@cmegroup.com or contact Rachel Johnson at 312-466-4393 or via e-mail at Rachel.Johnson@cmegroup.com. Please reference our CME Submission No. 18-163 in any related correspondence.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit 1

EXHIBIT 1

E-Mini Nasdaq Futures Volume Incentive Program

Program Purpose

The purpose of the Program is to support the growth of the product listed below. A more liquid contract on the central limit order book benefits all participants in the market.

Product Scope

E-mini NASDAQ 100 futures (“NQ”) that are traded on the CME Globex Platform (“Product”).

Eligible Participants

There is no limit to the number of participants that may participate in the Program. Participants must be CME members.

Hours

N/A

Program Term

Start date is May 1, 2018. End date is April 30, 2019.

Obligations

Baseline Average Daily Volume (“ADV”): The Exchange will calculate each participant’s Baseline ADV for months 1-6 of the Program (May 2018 – October 2018) and for months 7-12 of the Program (November 2018 – April 2019).

- Months 1-6: The Baseline ADV for each participant will be based on the participant’s ADV in the Product over the latest six (6) months, subject to a 4,000 ADV (sides) minimum.
- Months 7-12: The Baseline ADV for each participant will be recalibrated based on ADV in the Product over the latest six (6) months, subject to a 4,000 ADV (sides) minimum.

Growth Threshold ADV: In order to be eligible to receive the Program incentives, participants must increase ADV by at least ten percent (10%) over the applicable time period’s Baseline ADV.

Incentives

Fee Credits: Upon meeting the Program obligations, as determined by the Exchange, participants will receive a \$0.20 fee credit for every contract executed in the Product beyond the ten percent (10%) Growth Threshold ADV defined above. The fee credits will be capped at \$20,000 per month per participant.

Monitoring and Termination of Status

The Exchange shall monitor trading activity and participants' performance and shall retain the right to revoke participant status if it concludes from review that a participant has failed to meet the obligations or eligibility requirements of the Program.